

Social Protection Discussion Paper Series

**The Design and Implementation of Public Works Programs  
A Toolkit for Practitioners  
(DRAFT)**



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**April 2010  
The World Bank, Human Development Network: Social Protection**

## **ACKNOWLEDGMENT**

For excellent comments and advice on an earlier draft, the authors are grateful to peer reviewers Yasser El-Gammal, John Elder, Margaret Grosh, Qaiser Khan, Philip O'Keefe and Laura Rawlings. We owe a special debt of gratitude to Margaret Grosh for her unfailing interest and advice at all stage in the preparation of this Toolkit, right from its inception. We also wish to thank Marc Van Imschoot from ILO for very helpful comments on an earlier version. The Toolkit is prepared under the guidance of Bassam Ramadan, Sector Manager, HDNSP.

## **PREFACE**

This is a Draft version of the Toolkit and comments and suggestions are welcome. The draft is the primary technical input to support the South-South Learning Forum on Making Public Works Work scheduled for June, 2010. Based on the deliberations of this Learning Forum a final version of the toolkit will be prepared. The Toolkit is a sequel to the global survey paper that was recently completed by Del Ninno, Subbarao, Milazzo (2009). Feedback and comments may be sent to [ksubbarao@worldbank.org](mailto:ksubbarao@worldbank.org)

## **DISCLAIMER**

The authors alone are responsible for the findings, interpretations and conclusions express in this Toolkit, and do not represent the views of the World Bank, their Executive Directors, or the countries they represent.

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## Abbreviations

AC	Area Council
AP	Andhra Pradesh
CBO	Community Based Organizations
CCT	Conditional Cash Transfer
CDC	Community Development Committees
CEP	Community Empowerment Program
CFSTF	Community Food Security Task Force
CfW	Cash for Work
CfWTEP	Cash for Work Temporary Project
COTS	Commercial off-the-shelf products
CP	Cooperating Partners
CRP	Community Resource Person
CWC	Workfare Committee
DA	District Assembly
DPCU	District Planning Coordinating Unit
EA	Environmental Assessment
EFC	Error, Fraud and Corruption
ENREP	Emergency Northern Recovery Project
EPWP	Extended Public Works Program
ESMF	Environmental and Social Management Framework
FARAH	Financial Accounting, Reporting and Auditing Handbook
FFW	Food for Work
HABP	Household Asset Building Program
HH	Household
ICB	International Competitive Bidding
ID	Identification (beneficiary)
IMC	Implementation Management Committee
IT	Information Technology
KKV	Kazi Kwa Vijana Program
LIW	Labor Intensive Public Works
MEGS	Maharashtra Employment Guarantee Scheme
MIS	Managing Information System
MLGRD	Ministry of Local Government and Rural Development
MoARD	Ministry of Agriculture and Rural Development
MPCS	Multi-Purpose Cooperative Society
M&E	Monitoring and Evaluation strategy
NCB	National Competitive Bidding
NCO	National Coordination Office
NGO	Non-governmental Organization
NREGA	National Rural Employment Guarantee Act 2005

OECD	Organisation for Economic Co-operation and Development
PBMED	Planning, Budgeting, Monitoring and Evaluation Department
PIC	Project Implementation Cell
PIM	Program Implementation Manual
PMT	Proxy Means Test
PMU	Program Management Unit
POS	Point of Sale
PSNP	Productive Safety Net Programme
PW	Public Works
RCC	Regional Coordinating Council
REMA	Rwanda Environmental Management Authority
RPCU	Regional Planning Coordinating Unit
SFD	Yemen Social Fund for Development
TFI	Total Financial Inclusion
TOR	Terms of Reference
UID	Unique Identity Number
VAM	Vulnerability Assessment Mapping System
VUP	Vision 2020 Umurenge Programme
WB	The World Bank
WFP	World Food Program

## **Public Works Programs: A Toolkit for Practitioners<sup>1</sup>**

### **INTRODUCTION**

The objective of this Toolkit is to provide guidance to policy makers and practitioners on ‘how to’ aspects in designing and implementing public works programs. The toolkit draws on past experiences of several country typologies where programs have been in operation and will propose a prototype set of procedures based on existing implementation manuals and documented experiences.

The toolkit responds to the increasingly dominant use of public works programs as a safety net instrument both in middle and low income contexts. Of the many safety net programs, the role of public workfare programs has received considerable attention in the recent past, mainly because of their attractiveness in information- and capacity-constrained countries, their particular suitability as a safety net against weather-induced shocks, and the scope for self-targeting without the need for administrative inputs. This Toolkit deals with only and exclusively public workfare programs.

Public works programs (also known as workfare programs) have been in operation in many low and middle income countries for several decades. These programs provide temporary employment at low wages mainly to unskilled workers on labor intensive projects such as road construction and maintenance, soil conservation, waste disposal, etc. PW programs have two objectives: quick generation of employment to needy unskilled workers, and small scale infrastructure development and maintenance. In the wake of global economic crisis and weather and natural disaster-related shocks, public works programs have assumed greater significance as important safety nets providing much needed income in the hands of able-bodied poor and ensure consumption-smoothing.

The Toolkit is organized in five sections. First we consider the rationale and business case of public works programs across different typologies; we clarify definitional issues and a broad classification of countries where public works programs may be launched. Second, we consider the main design decisions to be addressed in establishing a public works program. Third, we introduce a feasibility assessment which guides practitioner’s across the key considerations in looking at the appropriateness and sustainability of a public works intervention. Fourth, we consider the main implementation aspects to be followed in developing a public works program. This is the substantive part of the toolkit and will be supported by a variety of case studies, resources etc. The toolkit concludes with a section on monitoring and evaluation. A set of appendices will contain (i) templates that can be used in diverse country circumstances and (ii) real country illustrations that show how programs were actually implemented.

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<sup>1</sup> The Toolkit is a sequel to the global survey paper that was recently completed by the SP Anchor. A draft version of the toolkit is the primary technical input to support the South-South Learning Forum on Making Public Works Work scheduled for June, 2010. Based on the deliberations of this Learning Forum a final version of the toolkit will be prepared and made available as a guidance document, online toolkit and cd-room.

## I. PUBLIC WORKFARE MODELS AND CONTEXT

The specific objectives of public works programs vary, depending upon the long term economic situation and the needs for safety nets programs and the particular needs emerging from the realization of shocks to which countries are subjected. This section delineates the most prevalent models of public workfare programs and the country contexts in which they are implemented. A matrix of styles of public works and types of country situations where the program can be used is also presented.

### A. Models of public works

This Toolkit delineates public works models with a social protection lens, since PW is but one of the many safety nets available to client countries (Box 1). Three broad styles of workfare can be distinguished:

- **Model 1: PW purely as a short term safety net**, intended to provide cash incomes to self-selected participants in times of need e.g. seasonal income shortages or to respond to nation-wide or region-wide shocks such as a drought. These programs do not typically assign other developmental roles to PW, such as for example a training component, (e.g., other than creating/maintaining community infrastructure) mainly because of the implementation complexities involved in responding to immediate needs. Temporary employment during slack seasons will contribute to consumption-smoothing and poverty alleviation of poor households e.g. farm dependent. It is worth stressing that the objective in this case is **not** to pull participating households above the poverty line, though it may happen for some households.
- **Model 2. PW as a longer term safety net**, intended to provide a cushion, mainly as a poverty alleviation program (but not totally eliminating poverty). Some programs provide an employment guarantee for a certain number of days or hire fewer people for longer period of time. Since most developing countries cannot afford unemployment insurance a la OECD countries, the rationale for PW in this context is to serve as a surrogate and provide every participating individual a certain number of days of employment during the year. Examples include India's National Rural Employment Guarantee Scheme, and the 100-day

#### Box 1. Public Works as safety nets instruments

The public works program models covered in the toolkit are safety net instruments that address the vulnerability of the poor and the near-poor to income disruptions in developing countries. The primary objective of public works program, in fact, is to provide the poor with a source of income through temporary employment projects. In this sense workfare projects perform a critical safety net function in protecting poor and vulnerable households providing them the opportunity of smoothing their income and consumption. In addition these programs may also help to promote longer term development outcomes, which can also be achieved through infrastructure development, skills training. Despite the constraints of information, limited fiscal envelope and the high cost of administration, the need for interventions such as public workfare has risen enormously in the recent period due to transmission of global volatility, rising inequity and heightened macroeconomic risks. Across the world this is evidenced through a range of large scale programs, such as the Employment Guarantee Programs in India, as well as the National Public Employment Programs in South Africa

employment program in Bangladesh. In all these cases, the outcome may be not only consumption-smoothing and infrastructural development, but also **poverty reduction**, e.g., helping participating households cross the poverty line consumption threshold over the year. The program can be very helpful during a global economic crisis or a severe macro shock when some marginally poor households (those just above the poverty threshold) who may fall below the poverty line could join the program, thus preventing an *increase* in poverty. Thus, public workfare programs that run year round can accomplish several objectives and multiple outcomes, depending upon country circumstances. A well-designed, year-round PW program can be very effective as a safety net during global economic downturns.

- **Model 3. Public Works Plus.** In some countries, public works programs have been used to accomplish other goals that go beyond the traditional role of PW programs. For example PW is used in some countries not only as a vehicle for short term employment and infrastructure development, but also as a **vehicle to graduate participants out of poverty**, either via encouragement of savings or via a training component. PW program may include training as a core component in addition to the income transfer to encourage workers to acquire the needed skills to gain more permanent employment or become self-employed in the field in which he/she obtained the needed training. Such program-linkages may be useful especially when a large proportion of the youth in a country are unemployed, skill shortages have been pervasive, and the need to integrate the youth into development programs is great. When such a linkage is found to be useful, careful assessment of the demand for skills, gender differentiated, needs to be done so there are opportunities for the trained youth to be absorbed. Another way to accomplish medium term self or formal employment is to encourage PW workers to save a portion of their wage earnings, help them learn technical skills, and take measures for their gaining access to the credit market.

Many countries do not opt for this model mainly due to its complexity and potential problems in implementation that "tying with training" or "tying with savings and investment" inevitably involves.

In addition to the public works models presented above, governments also promote the use of labor intensive techniques for the implementation of regular public investments in sectoral infrastructure programs. These programs have as first objective to create and maintain assets for economic and social development and as second objective to increase the employment content of these programs. Support to the development of the local construction industry is another objective. In Francophone countries, the word HIMO (*haute intensité de main-d'oeuvre*) is used for all infrastructure work being implemented using labor intensive techniques, be it for regular investment programs or special programs such as PW. Although different from nature, both programs aim to increase job opportunities primarily for unskilled workers, coming from the poorest strata of the population.

## B. Country Context

Both developing and developed countries vary a great deal with respect to the nature and periodicity of man-made, natural, global and macro-economic shocks, the degree of uninsured risk households face, and other country circumstances. Some developing countries such as Ethiopia are subjected to periodic and often repetitive weather-induced shocks. Some experience shocks only once in a while, such as macro-economic shocks. Some experience sudden emergency situations following an earthquake or a tsunami. Thus, the country circumstances in which public works program could potentially play a role can be distinguished as follows:

- Low income agrarian economies subject to periodic weather shocks and seasonal variation in level of wellbeing and labor demand, or high levels of unemployment;
- Low and middle income countries subject to macro/global crisis;
- Countries emerging from years of conflict, both internal and external;
- Countries in an “emergency” situation following a disaster such as an earthquake or a tsunami.

While public works programs can be launched in all of the above country circumstances, the nature and objectives of workfare programs can also vary with country circumstances. Table 1 illustrates the PW models that are typically found in various country contexts.

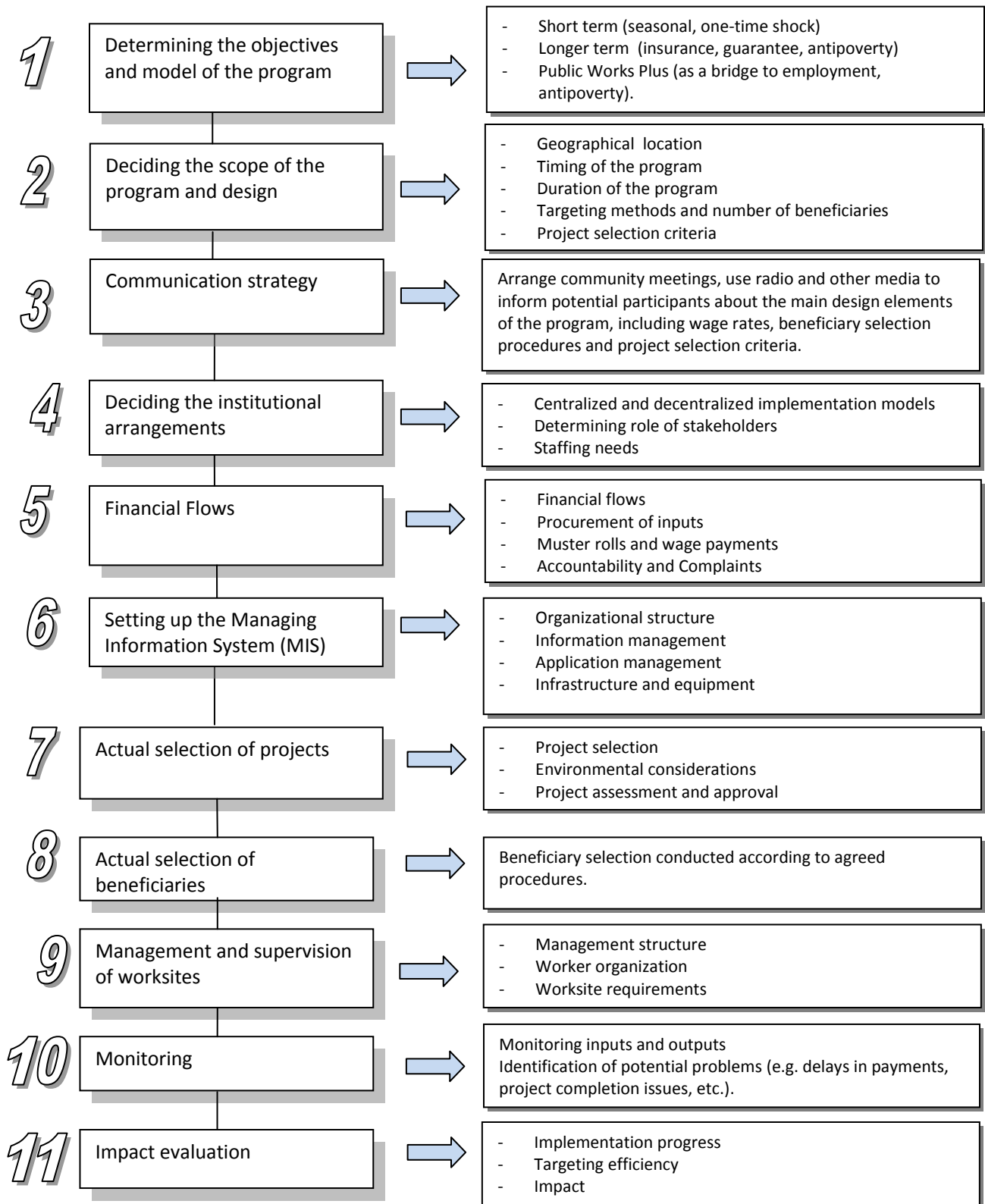
**Table 1. Country Circumstances and Public Works Models**

Context Model	Low income agrarian economies	Low and middle income countries subject to periodic macro/global shock	Countries emerging out of years of conflict both internal and external	Countries in an emergency situation following a major disaster (earthquake, tsunami, etc)
PW as a short term safety net during agricultural slack seasons	X	X	X	X
PW as a longer term safety net	X		X	
PW plus, with a training component	X			

The Toolkit is organized as a series of sequential steps that can be followed depending on the above mentioned country circumstances and program objectives. Figure 1 provides a summary of these steps. These are generally the steps that are also followed in Operations/Implementation Manuals for Public Workfare Programs. The main narrative will present the main steps that are supported by a few relevant country examples. A set of appendices will contain: a) templates that can be used in diverse country circumstances; and b) some real country illustration that show how programs were actually implemented.

Even though the implementation steps are presented in a sequential manner in Figure 1, it should be noted that implementation in practice is an interactive process (as developed further in Figure 2, Section IV).

**Figure 1. Steps for Implementing a Public Works Program**



## II. KEY DESIGN FEATURES

The success of a program will depend on a careful design that guarantees the achievement of the intended objectives. This section explores the key design features which influence the overall cost and beneficiary participation of the program and determine its effectiveness as a safety net. These are: targeting methods for the selection of the beneficiaries, the wage rate, the type and labor intensity of works, and seasonality of operation.

### A. Targeting methods and selection of beneficiaries

A well targeted program is one that reaches the poorest population. Targeting beneficiaries of public workfare programs poses special challenges. Multiple targeting methods have been used in to make the identification of the poor more accurate. These include: geographical targeting, self-selection, and other targeting methods discussed below.

- **Geographic targeting:** Geographical targeting help focus on areas that concentrate the neediest, such as zones experiencing serious un- and under employment situations, or subject to severe weather-induced shocks and chronically food insecure or severe pockets of extreme poverty.
- **Self-selection:** The ideal way to identify participants in a public workfare program is to let individual self-select into the program based on the wage rate offered. This is the easiest and least expensive method reducing administrative burden caused by other methods of selection. It is worth stressing that this is possible only and only if it is the public workfare program wage is set at a level slightly below the prevailing market wage.
- **Other targeting methods:** In several country situations, self-selection, even where feasible, may not be sufficient especially when the number of persons seeking to work (at a low

#### Box 2. Targeting methods in select countries

##### Argentina (1995-2001): *Trabajar*

Geographical and administrative targeting were used based on the following criteria: a) urban unemployed population living under the poverty line; b) rural population whose basic needs have not been met. In addition, wage was set below the market rate to promote self selection of beneficiaries.

##### Ethiopia (2004): Productive Safety Net Programme (PSNP).

Geographical targeting of chronically insecure areas is supplemented with administrative and community targeting approaches (community identifies participants with reference to mutually agreed household characteristics).

##### Rwanda (2008): Vision 2020 Umurenge Programme (VUP).

The program uses geographical targeting. Selection of beneficiaries is done using social map and community members' input regarding risk groups.

##### Liberia (2008): Cash for Work Employment Temporary Project (CfWTEP)

A geographical targeting approach is used based on food vulnerability criteria. Beneficiary selection is done via self-selection as the wage rate is set below the ruling market wage, with additional community mechanisms to offset demand for work.

##### Sri Lanka (2010): ENREP's Cash for Work Program

It targets population in process of resettlement. Self selection takes place since the wage rate is set below market rate.

Source: Program Implementation Manuals

public workfare wage) far exceeds the number of places available in a given location for a given project. Therefore, a combination of targeting methods is often recommended even when self-selection is observed. These include: (i) community-driven selection of participants, (ii) objectively determined criteria,<sup>2</sup> (iii) means-tested based on a poverty-threshold income cut off (identified population below the poverty line who are then given job cards as in India) (iv) any combination of the above, with or without community approval. Box 2 provides a brief summary of targeting methods in select countries and Annex 1 provides a brief description of various targeting methods.

## B. The wage rate

The level of the wage rate, if set below the ruling market wage, can render the program pro-poor inasmuch as it enables the poorest to participate in the program. In general, a high public works wage is most likely to attract the non-poor to the program, often crowding out the very poor from participation. Setting the level of the wage rate, therefore, is an important design feature of PW program that can determine the extent to which the poor can participate.

Four wage rates can be distinguished within a program (i) program wage which a workfare program pays to hired laborers, (ii) minimum wage which is the statutorily fixed wage for unskilled labor, (iii) the market wage which is typically what an unskilled laborer would earn in the market place, which may be either below, or above the statutorily fixed minimum wage, and (iv) “task-based piece wage rate” (e.g. a specific remuneration is set for a specific task, such as digging a cubic meter of earth. Many countries are now opting for piece wage rates to maintain critical minimum productivity norms.

In countries where the program wage is kept lower than the market wage, a certain degree of “self-selection” of the poor into the program takes place, reducing the pressure on administrators to select individuals for participation. In some situations where the market wage is higher than the minimum wage, public works program wage can still be set at a level higher than the minimum wage but lower than the market wage, thus facilitating self-selection of participants into the program.

One issue to address is: should the country decide on setting a “daily wage for 8 hours of work,” or should one go to “piece-wage.” Both types of wage setting have their merits and demerits. Piece rates may improve gender-targeting outcomes since women may prefer flexible hours. Piece wages may also be useful also for monitoring productivity of workers. Daily wages may be preferable where significant technical/managerial supervision is needed.

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<sup>2</sup> These criteria are generally derived from a proxy means test (PMT) employing a statistical model. The model enables one to derive non-income characteristics (such as housing quality, family size, etc) that predict a household to be in poverty with reasonable accuracy.

Thus, which type of wage setting is appropriate depends on country circumstances and the nature of selected projects.

There are also cases where setting the self selecting low wage has been problematic. In many countries the market wage is below the minimum wage (for whatever reasons including weak enforcement of the minimum wage legislation) and/or restrictive employment laws prevent setting PW wage below the minimum wage. If this is the case non-poor may be attracted to the program, unless strict targeting rules for participation are enforced. One way to overcome this problem is to resort to piece wage rates, which could be so set as to render eight hours of labor to be lower than the prevailing market wage. Annex 2 provides an example of piece wage rates in Liberia's CfWTEP.

It is important to be aware of a distinction between “effective” wage and “actual wage.” The effective wage for a public workfare program means a wage for 8 hours of work. However in some African country settings, it is not unusual to allow persons to work on public workfare programs for 4 or 5 hours for an “actual wage” so as to allow people to attend to their own fields and farming work. Therefore, while assessing the appropriateness of a wage for public workfare program, it is important to convert the actual wage into the effective wage for 8 hours of work, and then compare it with the legal minimum wage and the prevailing market wage for 8 hours of work. If wage rate is not adjusted according to number of hours worked, it will dramatically increase the effective wage, thereby attracting a large number of people to workfare, often leading to other problems such as job rationing or rotation, and drawing workers away from normal activities.

### Box 3. Wage rate setting in select countries

**Korea (1997-1999):** The PW wage rate was set slightly above the (low) minimum wage, but below the market wage, which fell dramatically with the onset of the financial crisis. During the course of the financial meltdown, as market wage fell further, PW was adjusted downwards, thus enabling self-selection and excellent targeting outcomes.

**Ethiopia (2004):** The daily wage rate in Ethiopia is set based on daily minimum food requirements rather than market rates. Transfers can be made in cash or directly in grain, pulses and oil. The wage rate so determined, however, remained lower than the market wage which allowed self-selection, besides the administrative and community targeting.

**Rwanda (2008):** The wage rate was set no higher than the prevailing local market rate by Umurenge (sector) authorities and approved by VUP management unit. Wage rates are set for a standard 8 hour workday.

**Argentina (1995-2001):** The wage rate for the *Trabajar* Program was initially set equal to the minimum wage and lower than the market rate. However in 2000 it was lowered to a level below the minimum wage. The government referred to the payments as “compensation” instead of “wages” in order to keep the program out of the minimum wage legislation. A low wage allowed self-selection of the poor to the program, with excellent targeting outcomes.

**Sri Lanka (2010):** The CfW wage rate was set 15% lower than the prevailing local market rates for unskilled labor with the purpose of allowing self-selection of participants. The daily wage rates are fixed for an 8 hour workday, however, shorter days are allowed (4 hours minimum) for year-around projects and the daily wage is then prorated accordingly.

Source Program Implementation Manuals

Box 3 provides a short summary of wage setting processes from select countries.

### Food versus cash wages

One important design aspect is: should wages be paid in cash or in-kind (food)? What are the criteria to keep in mind when deciding how much to distribute in the form of rations and how much as cash? There are 4 general criteria that are often used for deciding the payment of wages under public works programs between food and cash payment.

First of all is the consideration on the functioning of food markets, including access, transport, and storage, and how this is reflected in the prices of staples. The general conclusion is that when food markets are functioning properly and within reach of households, cash is preferred. Second, the preferences of beneficiaries may vary depending on circumstances. Even though beneficiaries may prefer cash simply because it is more flexible, in some circumstances, especially women might prefer in-kind transfers to maximize the level of the transfer (especially in an inflationary situation) and their control over the transfer. Third, the form and size of the transfer might have an impact in determining the level of food consumption. Poor households are more likely to consume food and to eat good food if they receive a small in-kind transfer. Finally the level of transaction costs for the program and for beneficiaries should also be taken into account. Sometime the cost of delivering food is very high and not worth it. Other times, when markets are distant receiving in-kind transfers reduce beneficiary transaction costs. Several country experiences on food-based wage transfers are illustrated in Box 4. In several countries, WPF pioneered the adoption of food (in-kind) wage rates.

However, in the case of public works the level of payment is very large and often concentrated in few disbursements. This means that beneficiaries have to deal with large bulky amounts of food. Therefore, unless there is a general lack of staple foods in the market, following a production and market disruption, cash would be the preferred payment mechanism. It is not unusual, in fact, that participants of food for work programs sell some of the in-kind payment even before receiving it.

#### Box 4. Food-based wage transfers: country experiences

In **Bangladesh**, food-for-work programs, and food-for-education programs, existed for a long time. Over time however, cash has replaced food in most programs in Bangladesh.

In **Afghanistan**, food was paid as wages especially due to two reasons: availability of donated food, and in some areas, lack of functioning food markets.

In **Ethiopia** too, in response to community wishes, food, pulses and oil was provided as part of wages in public works programs, both in donor-supported programs prior to 2004, and also in PSNP after 2004.

### C. Type of work and labor intensity

The type of work to be done and the labor intensity are other important design features of public workfare program. The two are inter-related. Labor intensity means the percentage of the labor cost on the overall cost of a project. Labor's share in total cost depends on the choice

of the asset to be created, the wage rate, the ability of the implementing agency to quickly obtain non-labor inputs and resources and the overall objective of the program. Box 5 provides a list of average labor intensity achieved in PW of select countries.

**Box 5. Average labor intensity achieved in PW of select countries**

	<b>Labor intensity %</b>
Korea, PW Project	70%
Bangladesh, Food for Work	60-70%
India, NREGA	60%
Ethiopia, PSNP	80%
Liberia, CfWTEP	75%
Argentina, Trabajar	about 60%

Source: PIMs and Del Ninno, et al, (2009)

The type of work selected for public workfare program (and associated labor’s share in total cost), in turn, depends on various factors including especially community’s wishes, duration of the program, ready availability of non-labor inputs and technical capacity to create assets e.g. roads, agricultural projects. In general, most rural communities want those types of work that are most relevant to them such as fixing a road to the market, market yards and shelters for animals, minor repairs to school buildings and clinics, etc. Most activities are labor-intensive, often requiring 70 to 80 percent of total cost of a project.

Under Ethiopia’s and Rwanda’s public workfare program (See Box 6), and under India’s National Rural Employment Guarantee Scheme, works selected were invariably of a nature that enhanced farm productivity and food security, such as soil conservation, rural road maintenance, terracing, small earthen dams, water harvesting structures, afforestation, waste disposal, etc. Labor intensity ranged between 70 to 80 percent.

**Box 6. Example of types of works done in Ethiopia’s PSNP**

*Soil and Water Conservation*

- 1.936 million kms. bunds
- 47, 378 km terrace
- 1.38 million ha closed, etc

*Small-scale irrigation*

- 412 rivers diverted

*Rural roads constructed*

- 32,896 km
- 527 concrete bridge
- 101 wooden bridges

The high labor component required for PW projects determines, therefore, the type of works to be undertaken under the program. Large infrastructural projects are less prevalent since they tend to be more capital intensive. There is, however, a possibility that too much focus on labor use and very high labor intensity might compromise the quality of works executed. There is, thus, a trade-off between very high labor intensity and quality. Once projects are selected, considerable attention needs to be paid in determining how much labor intensity makes sense without compromising the quality of work.

**D. Timing and duration of workfare operations**

Ideally, the best time to run a public works program is when the opportunity cost of labor is low and more people are in need of temporary income sources. Typically in most agrarian economies the opportunity cost of labor is low during agricultural slack seasons. However,

even during the peak season, some workers may not be able to find work in normal economic activities. The two design options found in most countries are:

- Throughout the year, the intensity varies between the seasons. In this case, public works program will act as a surrogate “unemployment insurance” program, inasmuch as unemployed workers can seek work under the program, while at the same time aiding consumption-smoothing through a slack season.
- For three or four months during the agricultural slack season only, or after a natural disaster. Even in this case, consumption-smoothing through the slack season can be accomplished, though the program may not serve an insurance function or provide sufficient income to raise the income level of the beneficiaries above the poverty line.

### III. FEASIBILITY ASSESSMENT

A feasibility assessment can help to determine the role of a possible PW program, within the context of a safety net system, and define the main objectives and the key features of the program, such as its possible coverage and its possible cost. As noted in the introduction, countries vary a great deal with respect to vulnerable target groups, availability of safety net programs including cash and in-kind programs, extent of seasonal unemployment and underemployment, and the degree of uninsured risk that poor households face. Clearly PW is not required in all country situations, whereas it may be extremely useful and relevant in other country circumstances. The discussion in this section is intended to avoid the pitfall of introducing a PW program where it is not needed, or adopting a wrong type, or quickly launching a PW program without much clarity of its objectives. The suggested analysis is also useful to strengthen or expand existing programs.

#### A. Establish the potential role for PW programs

The first step in the feasibility assessment for a public workfare program hinges on a solid background analysis that can provide information on (i) the labor market situation, including level of unemployment, underemployment and wage rate (ii) the needs for infrastructure development or other social services that can be provided with public works programs, (iii) the existence of special circumstances such as a sudden crisis, and (iv) the fiscal space available within the envelope of social programs and safety nets.

**Labor market analysis:** The purpose of this analysis is to understand the prevailing conditions of the labor market. This analysis should address questions such as: are there seasonal variations in labor demand? If yes, are these variations confined only to rural areas, or does one encounter such seasonal variations in urban areas as well? Is there legislation on minimum wages, and if so, is it one national minimum wage, or do these minimum wages differ across states/regions? Are these regulations generally enforced? Are there significant differences in market wages between men and women? Is there labor market segmentation that prevents women from taking on jobs in the labor market? The report should present market wage rates in select activities (such as farming, construction, etc.), disaggregated by gender, by rural/urban location, by seasons, and by skill levels (skilled, semi-skilled, and unskilled). Where such data currently do not exist, it is important to collect it preferably with a small survey.

**Infrastructure needs:** It is useful to know up front the specific infrastructural needs of communities, and whether or not these needs could be met with a public workfare program. Such needs assessment could be done both for rural and urban areas. Typically some of these needs could be ideal candidates for implementation via public workfare (such as farm-to-market roads or road maintenance), and some are simply not amenable to a public workfare program such as highway construction. Some require low level of skills and little management, whereas others might require substantial technical inputs and a high level of management and supervision. Some needs could have arisen due to a recent economic downturn (such as neglect of maintenance of a rural road due to shortage of funds).

**Special country circumstances:** A public workfare program may be beneficial when countries are hit by a sudden crisis or unforeseen events such as an earthquake or a tsunami. After such events people often lose their livelihoods and become food insecure. Therefore, workfare programs not only provide much needed cash to smooth their consumption but also bring the means to rebuild some of the damaged infrastructure. Such crisis could also be induced by global events (macro-economic crisis and steady economic downturn, sudden drying of demand for labor-extensive exports, etc., leading to sudden upsurge in unemployment).

**Fiscal space and possible scope of the program:** The availability of fiscal space may determines the objectives and scope of the program (see section below). How much a country can afford to spend partly depends on the availability of donor resources and domestic tax revenues. In general, under special country circumstances, donor resources may be available and adequate for launching a public workfare program. In other situations, a careful assessment of the potential fiscal sustainability of the program is warranted, especially when the program is entirely financed out of general tax revenues. General tax revenues have alternative uses, and one single program should not take too much of available resources as it might crowd out other investments such as in education and health, critical for the welfare of the poor. There is no theoretically determined minimum (or maximum) level of spending on public workfare. The best course would be to simulate the cost of the program under different scenarios of its scope, e.g., if the program is for a short period or year-round, if the program offers employment for 25 days or 50 days or 100 days, under alternative wage levels. Cost estimates can be derived from these various simulations that should give an idea how much the country can afford, bearing in mind other critical needs on tax revenues.

**Institutions and capacity assessment:** It is important to get a sense of the capacity of existing institutions at the central and local levels. Public workfare programs require considerable advance planning involving a series of decisions at various levels (see Section IV for a detailed discussion of institutions and planning of works). Often the most appropriate and efficient institution may not necessarily be the central one or the one at the village level, but somewhere in between, say, at the district level. If existing institutions are not considered ready enough to undertake a public works program, it does not mean that a public works program is not feasible. Alternatives could be assessed including the presence and role of non-governmental agencies willing and capable of implementing a public workfare program, the private sector, and potentials for private-public cooperation.

**Related programs and experiences:** past and current experiences with public works programs and their use are extremely important to ensure that the lessons are incorporated in the design of the program and that synergies are generated when programs can be linked together. Moreover, past experience in countries that experienced similar shocks can provide valuable lessons in assessing the potential role of PW program.

Once the information is gathered, the feasibility assessment can propose alternative scenarios for the optimal size and scope of a public works program in a given country. It is not excluded

that in some circumstances temporary PW programs may not be necessary, in other they might need to be scaled up. For example, in countries where the labor market is characterized by clear seasonal patterns, temporary programs of the duration of the slack season might be most appropriate. Moreover, the observed pattern of the wage rate can help to determine the design of the program, who are the possible population groups that might benefit from the program and the possible impact on the labor market.

## **B. Determine the objective and scope of the program**

### **B.1 Objectives of the program**

The best way to define the program's goal and objectives and strategy is to develop the program's logical framework. The logical framework is a graphical representation of how the program's objectives are going to be realized, alongside a results chain. The logical framework should be developed in a participatory process by including all stakeholders at a planning workshop. The result of this exercise should be a clear understanding and an agreement of the overall objective of the program and the specific objectives and how they relate with measurable outcomes, outputs, and inputs.

One has to begin with the development of the logframe which defines the key goals and objectives of the program and how they can be achieved through a series of steps starting from: (i) intended final outcomes and impact on the region and population, (ii) intermediate impacts on participating households, (iii) the intended results of the program, (iv) activities carried out within the scope of the projects, and (v) the inputs used.

Conducting a logframe exercise will help countries to make a clear decision right upfront on which objective they expect the Public Workfare program to pursue and which outputs and outcomes are sought to be achieved. Potential objectives and alternative models of PW are delineated in Section A above, which range from performing a short term safety net function to long-term poverty alleviation function and/or as a bridge to formal employment. A good practice example of the logical framework for the development of Ethiopia's Productive Safety Net Program (PSNP) is shown in Annex 3.

A well defined logical framework is also the basis of the development of the Monitoring and Evaluation strategy (M&E) and the identification of the relationship between results achieved, outcomes and outputs and activities performed, and inputs used and the specific indicators to be collected. While a program logframe is highly contextualized and specific to each project and country, a generic description of its components and sample indicators is outlined in Table 2.

However M&E planning requires a level of detail well beyond the summary logical framework table for defining monitoring indicators, and for correctly assessing impacts. More details are illustrated in Section V.

Table 2. Program Logical Framework

Key Steps in Results Chain and Definition		Examples of Indicators for, public works
Inputs	Resources and actions mobilized to achieve	<ul style="list-style-type: none"> <li>- Budget expenditures for salaries, materials, limited equipment and tool costs</li> <li>- Number of program staff by level and other administration costs</li> </ul>
Activities	Actions take to convert specific inputs into outputs	<ul style="list-style-type: none"> <li>- Implementation and project related activities including e.g. setting up targeting, payment, MIS and work site arrangements</li> </ul>
Outputs	Project deliverables within the control of implementing agency (supply side)	<ul style="list-style-type: none"> <li>- Number of projects by type of output, by region, by month</li> <li>- Outputs (kilometers of road created) by project</li> <li>- Number of beneficiaries</li> <li>- Number of days worked per beneficiary</li> <li>- Wages paid to workers/Food distributed to workers</li> </ul>
Outcomes	Consequences of using outputs by beneficiaries outside of the control of implementing agency (demand side)	<ul style="list-style-type: none"> <li>- Net improvement in household total, food and protein consumption in large municipalities</li> <li>- % of Program beneficiaries who report 12 months food access</li> <li>- % of households reporting satisfaction from community assets developed</li> </ul>
Higher Order Goals	Changes in outcome that have multiple drivers	X Million households attain food security within three to five years

### B.2 Scope of the program

Once the objective of the program is determined, the **next step is to seek clarity of its scope**.

The scope of a program will be clearly defined by: (i) Geographical location; (ii) timing of the program (seasonal - operating only during certain months or year round); (iii) number of days of employment and (iv) potential number of beneficiaries. The logical framework discussed above will identify other external factors that determine the scope of the program, and potential risks that may impede achievement of stated outcomes, such as political economy considerations.

## C. Political Economy

As with all other safety net programs, political economy factors do enter PW programs and have to be taken into account at the initial design stage. The political economy factors exercise their influence on the objectives of the program, its scope and its design and implementation. Political factors may begin to influence even at the stage of assessing the usefulness of the program, who would benefit from the program, and for how long, whether or not there is fiscal space for such a program, etc. Some of these aspects are discussed below.

At the implementation stage political economy factors may also influence (i) geographic selection (location), (ii) project selection (iii) choice of contractor versus other implementing agencies, (iv) targeting mechanisms and (v) on decisions pertaining to the level of the wage rate:

- i. Politicians want their constituencies to be represented while areas/districts are being selected for PW programs, regardless of whether those areas otherwise qualify for PW program intervention. In fact, one consequence of political lobbying is to go for nation-wide program rather than geographically targeted program. The only way to counter such political pressures is to build a strong case for geographic targeting using the available data on a variety of factors such as poverty incidence, repetitive natural shocks, food insecurity indices, etc. This is a task best left to professionals capable of exploiting available information to argue the case for geographic targeting.
- ii. Even when geographic targeting is generally accepted politically, the choice of projects occasionally leads to political jockeying. For example, political pressures may influence the location of water harvesting units (often closer to large farms rather than small farms). Diversion of canals/rivulets and/or location of irrigation structures, fixing within village roads, and the length and spread of feeder roads – all such projects could be subjected to political pressures. Again, the only solution for optimal project selection is to strengthen community decision-making. Right up front, it is useful to come to an agreement that project selection will be done collaboratively with community committees. In societies where communities are heterogeneous (often segmented by such factors as caste), even community decision-making may be influenced by the power of the local elite (who typically are influential politicians). It is useful to come up with a positive list and negative list of projects, ensuring the positive list contains projects that disproportionately benefit the poor, or at least the community as a whole, rather than particular sections (caste groups, for example) of the village population.
- iii. Where projects are implemented by contractors, care is required in insuring tendering processes, procurement guidelines, etc., are followed so that the agreed design of the project is not compromised. Also it is important to ensure that political factors may not influence contractor selection and related matters. For details on this factor, please see section IV on “Fraud, Corruption and Accountability.”
- iv. Beneficiary selection can also be influenced by political factors. Should all those who need work be selected for PW projects by adopting a rotation principle, or should only the poorest households be selected, also adopting rotation principle where necessary, or should self-selection principle be adopted, or should communities be allowed to select individuals for participation – all these different approaches to targeting need to be rendered as apolitical as possible, right at the design of the program.

- v. Finally, deciding on the level of the wage rate is a critical issue that could attract political interference. Raising the wage rate is an important vote-winning instrument! But as we will see in the design section, high wage typically attracts the non-poor to the program. One classic example is from India's Maharashtra Employment Guarantee Scheme (MEGS). Program wage was kept equal to the low minimum wage which was close to the market wage from 1973 to 1987-88. Program reached poorest households, and self-selection was highly successful. Politicians felt the minimum wage was too low, and doubled the minimum wage by passing necessary legislation in the assembly. Since the program was a government program, MEGS was forced to raise the program wage to the new, high minimum wage that resulted in destroying self-selection, entry of non-poor into the program, even job rationing and erosion of employment guarantee. Here again, the only way to prevent such developments is to implement a communication strategy that clearly states the reasons behind the wage fixation process.

Whether or not program managers like, political factors are present in every safety net program. Rather than avoiding such factors, it is important that program managers build a strong case for a design that makes sense, and influence political decision-making, rather than the other way around: politicians influencing the design. Not an easy task, but not an avoidable task either. Box 7 presents a few tips on how to avoid political capture of PW programs.

**Box 7. Five tips to avoid political capture**

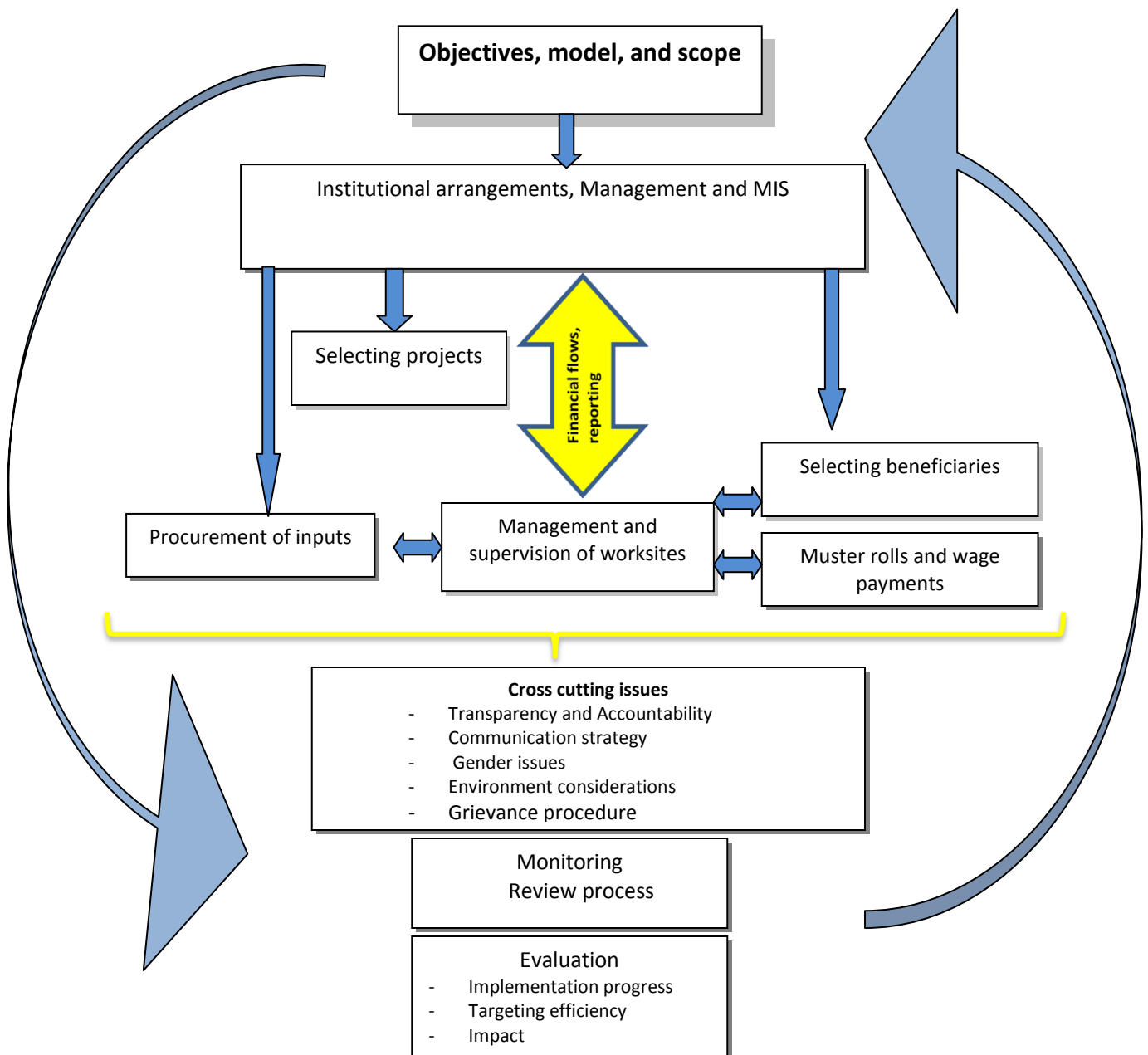
- Ensure total clarity and transparency in the selection of:
  - areas/districts by laying down criteria (e.g., food insecurity, poverty incidence, etc., supported by data);
  - beneficiaries by laying down ground rules: self-selection, or community-selection, or other criteria;
  - projects by laying down eligibility/rejection criteria.
- Strictly adhere to procurement guidelines in the tendering process;
- Ensure wage setting principle is clear and transparent;
- Ensure complaints handling process in place;
- Ensure external oversight of the program, preferably social audits.

## IV. PROGRAM IMPLEMENTATION

This section outlines all the steps required to implement the program. Once the objectives, modalities, and the scope of the program have been agreed upon, there are many steps that are required for the successful implementation of an efficient public works program.

Typically, every PW program will have an implementation manual. This manual will outline these steps in some detail. Here we are writing some of the more important steps that implementation manuals should contain, regardless of the nature, location and scope of PW program as discussed in previous sections, summarized in Figure 2 below.

**Figure 2. Program Implementation: Key Steps**



## **A. Institutions and Financing: Roles, Responsibilities and MIS**

Institutional/organizational structures vary across countries, and across programs within a country. Some organizational structures are more prone to value the outcome of public works (e.g. number of schools/roads built or repaired) than to provide wage benefits during slack seasons thus realizing the outcome of consumption-smoothing. In this toolkit, the emphasis is on the choice of institutional structure that promotes one or more of the objectives/model set out in the Introduction.

The very first step is to identify the institutional structures that implement the program and define their role. Of course they will need to have sufficient, competent and trained staff that will be able to implement the program. It would also be important to involve program staff early in the design process.

### **A.1 Institutional Arrangements**

Institutional arrangements can vary between (i) centralized systems, and (ii) decentralized structures. Typically, in a centralized system, different government levels (from the Central/Federal to local governments) get involved in the design, planning and implementation of the program. In this case initiatives typically flow from the centre down to local bodies: project cycle begins to operate at the central level. In a decentralized system, however, the government outsources the implementation of works to other actors such as NGO's, CBO's youth groups, small to medium scale private contractors or the community. In this case the project cycle does not necessarily begin from the centre; in fact typically initiatives can begin from the bottom up, and there is generally space for local bodies, village councils, and even NGOs in some countries, in addition to governments at all levels, to plan and implement the program.

For any country attempting to launch a public workfare program, its efficient implementation of the program would require a clear articulation of the roles and responsibilities of various actors at various levels of implementation. Table 3 shows examples of institutional structures drawn from various countries, organized according to their level, e.g., at central and lower levels of administration, delineating their roles and responsibilities in implementing public workfare programs.

While Table 3 provides a summary picture of arrangements under centralized and decentralized systems, the actual framework of institutional arrangements can be clearly understood only with reference to a specific country that implements a PW program, following all the steps outlined in Figure 2. For this purpose, Ethiopia presents a good example. Box 8 summarizes Ethiopian experience in institutional arrangements at each step in the implementation of public works.

Table 3. Common Institutional Arrangements

Organizational Structure	Roles and Responsibilities
<p><b>Central Level</b></p> <ul style="list-style-type: none"> <li>- <b>Ministries:</b> Typically Labor, Social Protection, Agriculture, Finance, Economic and/or Rural Development.</li> <li>- <b>National Multi- Sector Committees:</b> e.g. Ministerial Steering Committee (Rwanda).</li> <li>- <b>Ministerial Offices</b> e.g. Implementation Central Unit (Argentina).</li> </ul>	<ul style="list-style-type: none"> <li>- Provide general coordination</li> <li>- Design the key features of the program</li> <li>- Develop operational manuals</li> <li>- Design the instruments for monitoring and evaluation</li> <li>- Contract the evaluation and supervision of the projects</li> <li>- Provide technical assistance for implementation</li> <li>- Administer the finances of the program</li> <li>- Assess the resource contribution of governments and donors.</li> </ul>
<p><b>Regional/Provincial Level</b></p> <ul style="list-style-type: none"> <li>- <b>Regional governmental institutions:</b> e.g. Regional Council/Cabinet (Ethiopia)</li> <li>- <b>Multi-Sector Committees:</b> e.g. Regional Consultative Committee (Tanzania)</li> </ul>	<ul style="list-style-type: none"> <li>- Oversight of the general operations of the workfare program</li> <li>- Provide final approval of projects and/or beneficiaries</li> <li>- Develop annual implementation plans and budgets</li> <li>- Disburse funds according to budget</li> <li>- Maintain financial records</li> <li>- Provide technical assistance</li> <li>- Monitoring and evaluation activities</li> </ul>
<p><b>District/Sector Level</b></p> <ul style="list-style-type: none"> <li>- <b>District governmental institutions:</b> e.g. Project Implementation Cell (PIC) at District Secretary's Office (Sri-Lanka)</li> <li>- <b>Multi-Sector Committees:</b> e.g. Woreda Food Security Taskforce (Ethiopia), District Management Committee (Kenya).</li> </ul>	<ul style="list-style-type: none"> <li>- Oversight of the workfare program</li> <li>- Provide direction and assistance to local institutions</li> <li>- Provide technical assistance</li> <li>- Select projects in coordination with communities</li> <li>- Prepare evaluation and monitoring systems</li> <li>- Prepare proposals for funds allocation</li> <li>- Ensure release of funds</li> <li>- Receive and review monitoring reports</li> <li>- Prepare progress reports</li> </ul>
<p><b>Local /Village Level</b></p> <ul style="list-style-type: none"> <li>- <b>Local governmental institutions</b> e.g. Kebele Council (elected village council, Ethiopia), Zone Offices (Peru).</li> <li>- <b>Multi-Sector Committees:</b> e.g. Kebele Food Security Task Force (Ethiopia).</li> </ul>	<ul style="list-style-type: none"> <li>- Identify and pre-qualify/qualify projects and beneficiaries</li> <li>- Monitor operations</li> <li>- Maintain records</li> <li>- Ensure timely payment of projects</li> <li>- Mobilize community members to identify their needs</li> <li>- Manage day to day operations</li> </ul>
<p><b>Community level</b> e.g. Village council (Tanzania), Community Food Security Council (Ethiopia)</p>	<ul style="list-style-type: none"> <li>- Identify projects and beneficiaries</li> <li>- Provide data about community stakeholders</li> <li>- Contribute to the monitoring of the program</li> </ul>
<p><b>External institutions</b> e.g. NGOs, Labor Unions and Partner organizations</p>	<p>External partners can carry out implementation, act as liaison to other programs, and help with assessments.</p>

Source: Program Implementation Manuals

**Box 8. Ethiopia Institutional Arrangements**

**Federal Level.** The Ministry of Agriculture and Rural development (MOARD) and the Ministry of Finances and Economic Development are responsible for the overall management and financing of PSNP. Within MOARD there are different agencies in charge of the day-to-day management of PSNP. The objectives, scope and design of the program are determined at this level, as well the development of technical guidelines, and monitoring and evaluation systems.

**Regional Level.** Various regional government bodies ensure coordination, planning and implementation of the PSNP. The Regional Council, for example, is responsible for the review and approval of PSNP annual plans and budgets submitted by woredas.

**Woreda Level** (a block of an average of 10 villages). The woreda is the key level of government that determines needs, undertakes planning and implements the PSNP. At this level, the final lists of beneficiaries and projects are approved, environmental screenings are undertaken and monitoring and evaluation are conducted.

**Kebele Level** (village level). The government at this level mobilizes communities to identify their needs, collects and compiles the list of program participants to be submitted to the woreda agencies, identifies projects, maintains records on the status of beneficiaries, organizes payments logistics and conducts monitoring and evaluation.

**Community Level.** The Community Food Security Task Force's (CFSTF) is a community representative body, responsible of: mobilizing the community, identifying clients, monitoring the public works, and participating in the regular review of PSNP.

**NGOs** play a role in PSNP implementation and they may also contribute their capacity and expertise to the program.

**Donor coordination mechanism** to handle transactions e.g. meetings, missions, overseeing joint projects. This has assumed a more substantive role in recent years and includes a full-time donor coordinator with other support staff.

Source: Program Implementation Manual

Finally, institutional selection will also depend on the scope of the program. For example, if the program's outreach is small, or geographically narrowly targeted, the institution to be selected need not be a large national-level institution; instead a regional level institution (which typically already will have good structural relationship with local level administrations) would be enough. On the other hand if the program is to be a nation-wide program, a large institution with linkages down to the decentralized structures may be necessary. In some countries, especially when the program is nation-wide, there may be a need for a dedicated unit to manage the program, usually called Project Management Unit (PMU). In this case, the very first task would be to organize a stakeholder workshop wherein the roles and responsibilities of functionaries at all levels are clearly discussed. Moreover, these decisions have implications for the budget envelope; budgetary aspects are discussed in the following section.

## A.2 Role of Communities

There are several ways in which communities can be involved in program implementation. For example, project selection criteria could be determined *ex ante*, and communities be asked to follow the criteria and select target groups/projects. Alternatively communities themselves could determine the eligibility criteria both for participants and for projects. In between these two extremes there are a number of possibilities and variants. In low capacity countries, community facilitation may be required. A successful involvement of communities depends very much on how the program features are disseminated, and how local leaders are enlisted. The various styles of community involvement are summarized in Box 9 below.

### Box 9. Activities in which communities can get involved

#### *Selection of Projects*

- Communities are provided with selection criteria in identifying a pipeline of projects. Communities then follow these criteria and prepare a list of potential PW projects.
- Communities themselves decide on the selection criteria and then select projects accordingly.

#### *Selection of Beneficiaries*

- Communities are provided *ex ante* with selection criteria (e.g., household-level indicators such as household size, owns no land or assets, etc.). Communities then follow these criteria and draw up a list of potential participants.
- Communities themselves settle on the selection criteria at community/village council meetings, follow these criteria and draw up lists of potential participants.

#### *Implementation*

- Communities organized in councils or committees in order to undertake the implementation of the projects under the supervision of government authorities.
- Communities themselves implement projects without government supervision, but with community-purchased technical help.
- Communities involved indirectly via electoral process. Elected councils implement projects.

#### *Co-finance*

- Community may co-finance a percentage of the total cost of a project, either in cash or in kind (labor).

#### *Monitoring*

- Community members monitor projects and provide feedback.

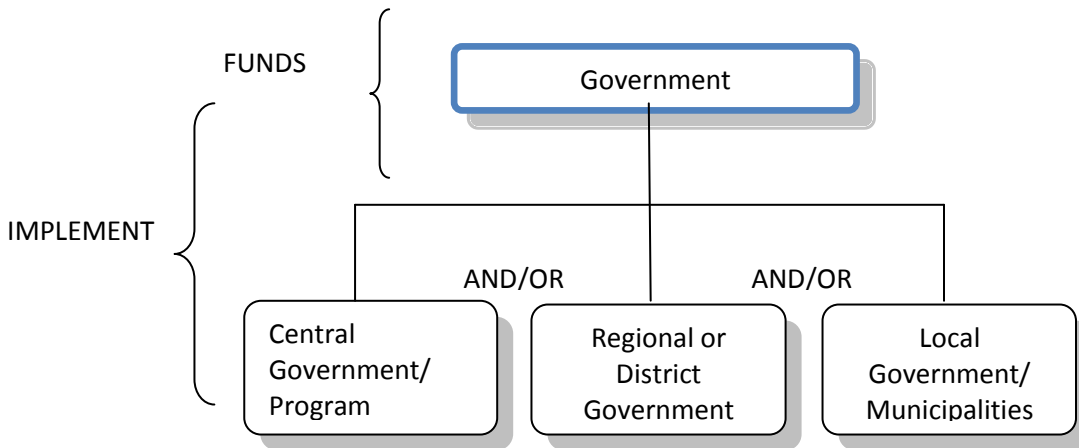
## A.3 Financing and delivery of PW programs

The funding and execution of PW programs vary across countries depending of the institutional arrangements that governments have in place. PW can be funded and implemented entirely by governments or by a combination of governments, private partners and donors. Therefore, several approaches can be identified in terms of delivery models, which are described below. There are mixed methods of financing in some countries. Annex 4 provides a detailed description of alternative financing approaches. Here only a few financial approaches are illustrated.

(i) *Traditional Model: Government Direct Implementation*

The most traditional model is when governments directly fund and implement PW programs through central, regional district or local offices. Sometimes a PMU at the national level is set up, or a separate Department established, exclusively to implement the program. This model is often characterized by a very centralized institutional arrangement (see Figure 3).

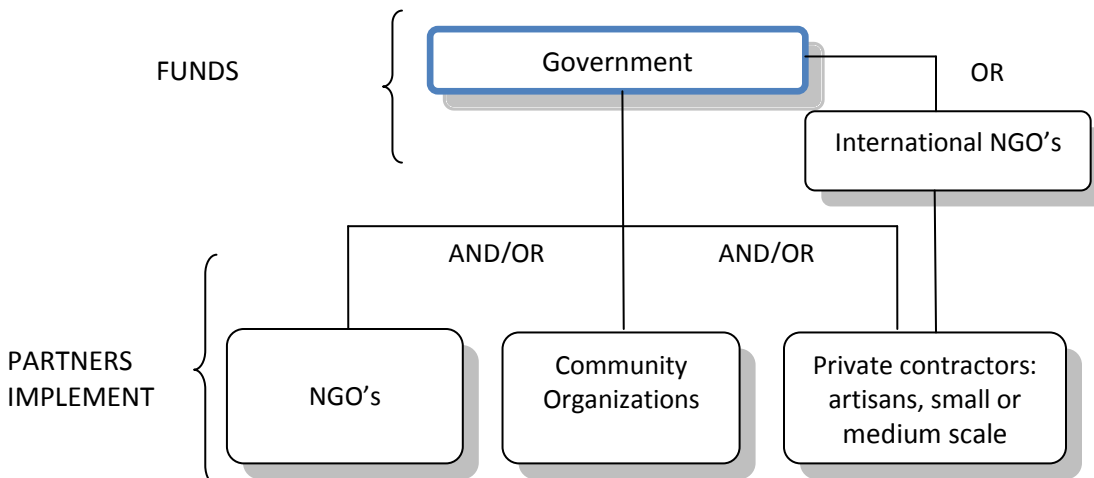
**Figure 3. Government Direct Implementation System**



(ii) *Alternative model: Implementation by NGOs, Private Sector and Community Organizations*

Figure 4 illustrates this alternative model where governments fund but outsource the works to NGOs, youth and community organizations or small to medium size contractors from the private sector. These organizations are often called “Implementing Partners” and they implement the projects under government oversight. This system is characterized by a very decentralized institutional arrangement. The figure also shows how international NGOs participating in the program often hire local contractors to implement the project.

**Figure 4. Government funded program /implemented by others**



*(iii) Mixed delivery systems*

There are multiple combinations between the two main systems described above: programs co-financed by government and donors and implemented by contractors; programs co-finance by government and implementing agencies; programs administrated by a social fund and implemented by the community or local elected authorities; programs that depending on the complexity of the works are implemented by a combinations of government, community and contractors, etc. Annex 4 illustrates each of these combinations.

It is important to be absolutely clear about the delivery model right up front to avoid confusion on the roles and responsibilities, including reporting of monitoring indicators.

**A.4 Staffing requirements**

Staffing will depend on institutional responsibilities. An assessment of the staff needs and costs and other incidental costs including fixed costs such as vehicles is needed up front so as to ensure the administrative costs are within reasonable bounds. In any event, there would be a need for augmenting current staff strength at regional/local levels especially since at these levels not only is the program actually implemented, but also they perform the monitoring function and appropriate data collection and upward transmission function. It is extremely important not to burden the existing staff with the additional work of running a public workfare program, since it could damage the delivery of other services including education and health.

Worldwide experience suggests that it is best to keep the administrative costs below 10% of total costs of the program. However, the initial set up cost in the first years of the program might exceed the 10% average guideline.

**A.5 The Management Information System (MIS)**

A well functioning program should have a Management Information System (MIS) that generates timely information to carry out the various transactions needed by the program.

A Management Information System (MIS) is a tool that facilitates the collection, processing, management and dissemination of data essential for program operations accountability and policy-making. A typical MIS has four main components:

- *Governance and organizational structure* provides the adequate environment for an effective and efficient MIS, including (i) institutional arrangements and service agreements, (ii) good oversight, (iii) clearly defined roles and responsibilities, and (iv) an established process for program improvements.

- *Information management* ensures that quality information is maintained on beneficiaries, project status and payment information. The characteristics of high quality information include accuracy, correctness, completeness and relevance. Information must be tailored to inform all key program processes, outlined in Table 4.
- *Application management* makes information useable and prevents vulnerabilities in the day-to-day operations of the PW program. MIS provides an interface between the user and the beneficiary database, and control and monitor user and system access to the information.
- *Infrastructure* is the physical equipment used to operate the MIS. More specifically, it includes the hardware and network used to operate the MIS application and beneficiary database, and connects the program's central office with the local and regional offices.

Effective MIS also helps to minimize error, fraud and corruption by warning end-users when data discrepancies or violations of use occur. Box 10 illustrates the MIS system in India's NREGA program.

**Box 10. MIS in India's NREGA**

A web enabled MIS <http://www.nrega.nic.in> was developed. This makes data transparent and available in public domain to be equally accessed by everyone. States undertook the creation of the data base at the block and district level. It is a household level data base and has internal checks for ensuring consistency and conformity to normative processes. All critical parameters get monitored in public domain:

- Workers' entitlement data and documents such as registration, Job Cards, Muster Rolls;
- Work selection and execution data including, shelf of approved and sanctioned works, work estimates, works under execution, measurement;
- Employment demanded and provided; and
- Financial indicators such as, funds available, funds used, and the disaggregated structure of fund utilisation to assess the amount paid as wages, materials and administrative expenses. Since the MIS places all critical data on the web and this data is software engineered, it has significant advantages in terms of transparency as it allows cross verification of records and the generation of reports on any parameter of the Act. The aim is to ensure connectivity at the Block level on priority needs and where ever possible, at the Gram Panchayat (Village Council) level.

Source: National Rural Employment Guarantee Act 2005 (NREGA): Report of the Second Year April 2006–March 2007 Government of India, 2007. Report of Ministry of Rural Development, Department of Rural Development 2007.

Table 4 outlines the key modules to be included in the MIS. The modules are deliberately separated by function to ensure data accuracy. When each module works together the MIS should provide data quality, records management and overall system security / maintenance.

**Table 4. Basic Modules in MIS for Public Works**

<b>Module</b>	<b>Key Activities Supported by Module</b>	<b>Data to be collected</b>
<b>Project Interventions</b>	<ul style="list-style-type: none"> <li>Tracking projects selected and implemented in different areas</li> </ul>	<ul style="list-style-type: none"> <li>Project selection (For all projects submitted criteria and data used);</li> <li>Execution data including location, types of intervention, works under execution, inputs, outputs, cost estimates, and measurement of progress.</li> </ul>
<b>Inputs</b>	<ul style="list-style-type: none"> <li>Tracking of all project inputs including labor, capital and materials</li> </ul>	<ul style="list-style-type: none"> <li>Price data for goods and services ;</li> <li>Cross checked with procurement information and plans.</li> </ul>
<b>Workers/ Beneficiaries</b>	<ul style="list-style-type: none"> <li>Selection and registration of eligible beneficiaries if individual targeted</li> <li>Tracking Beneficiaries and amount of work done</li> </ul>	<ul style="list-style-type: none"> <li>List of applicants and selected beneficiaries (unique identifiers, sex disaggregated) – If individual targeting used,</li> <li>Workers data from identification cards, muster rolls,</li> <li>For each worker, days worked.</li> </ul>
<b>Payments for workers/beneficiaries</b>	<ul style="list-style-type: none"> <li>Payment to beneficiaries according to number of hours and days worked, and agreed wage rates</li> <li>Ensuring timely and accurate payment</li> </ul>	<ul style="list-style-type: none"> <li>Beneficiary List from registration;</li> <li>Attendance records and worksheets of beneficiaries;</li> <li>Any specific payment data e.g. bank records.</li> </ul>
<b>Flow of Funds</b>	<ul style="list-style-type: none"> <li>Ensuring the smooth flow of funds from central level to project sites</li> </ul>	<ul style="list-style-type: none"> <li>Budget allocation data;</li> <li>Disbursement;</li> <li>Payment schedule information and requests.</li> </ul>
<b>Reconciliation</b>	<ul style="list-style-type: none"> <li>Reconciliation of planned versus actual transfers</li> </ul>	<ul style="list-style-type: none"> <li>Payment information records from service providers;</li> <li>Information on voucher / check cashed (if applicable);</li> <li>Cross check with beneficiary lists and payment schedules.</li> </ul>
<b>Monitoring</b>	<ul style="list-style-type: none"> <li>Generation of performance monitoring indicators and other information for M&amp;E</li> </ul>	<ul style="list-style-type: none"> <li>Depending on what has been specified by project e.g. (i) technical performance information e.g. implementation rate (sub projects) average processing time (for each component); (ii) financial information e.g. disbursement rate; and (iii) ration of implementation rate to disbursement rate.</li> <li>Specified performance indicators may be identified by subprojects, by project component for each phase of subproject cycle.</li> </ul>
<b>Financial and Accounting Management</b>	<ul style="list-style-type: none"> <li>Supporting periodic financial record managements and auditing tasks</li> </ul>	<ul style="list-style-type: none"> <li>Financial indicators such as funds available, nature of utilization e.g. wages, administration, materials.</li> </ul>

It should be noted that Public Works have a mixed track record regarding the development of integrated MIS frameworks. Common challenges, and potential solutions, concern:

- **Governance:** A key challenge is ensuring coherence at different levels of implementation. Formal legal agreements may be useful with participating municipalities to clarify roles, responsibilities and performance indicators. Similar arrangements will be required with key service providers.
- **Information Management:** The effectiveness of the MIS depends on the type and integrity of information collected relative to the needs of the processes (modules). Public works programs need to collect information from different work sites. Information should cover a variety of activities outlined in Table 4. However, such information is often maintained only at project sites and rarely automated or linked to the management system. The key challenge therefore is to strike a good balance between information to be collected at the job sites and what is to be transferred at central level. Moreover, careful thought is required to ensure smooth systems for data collection and integration at different levels.
- **Application Management:** MIS applications can be custom built or commercial off-the-shelf (COTS) products. The market for COTS solutions is not well developed and therefore most programs are forced to use a custom solution. The development of an 'in-house' custom system takes several years to develop, and requires strong coordination during design and implementation. In this context, MIS applications should be gradually developed starting with the most important modules of the project cycle, and then incorporating additional modules. All program information

#### **Box 11. Custom Built MIS – The Yemen Social Fund for Development**

The Yemen Social Fund for Development (SFD) uses its own (in-house) MIS which include the general information of different types of projects including the Labor Intensive Works projects. In addition, SFD is about to finalize a sub-system for this program (Labor Intensive Public Works MIS) that will be fully integrated with SFD MIS and will include details of households data, unit cost information, types of interventions, payments (including materials cost, and wages). Information that will be included in the two systems is as follow:

##### **1. SFD-MIS**

###### **Inputs (data collected)**

General information about projects including: project name, proposal, location, types of interventions, beneficiaries, labor generated, budget, community contribution.

###### **Outputs (reports)**

General progress report on achievements in timely basis which will include: Amount paid, status of interventions, number of beneficiaries, etc.

##### **2. LIW-MIS**

###### **Inputs (data collected)**

Projects are linked with SFD-MIS using: Project ID, list of households information (number of HH members [sex disaggregated], head of households.....), information about HH participating in the program, units of work and their cost, payments installments of working HH (linked with the payment request of SFD-MIS), interventions, including details unit of work and its cost (aggregated data is used to feed SFD-MIS), and indicators achieved (by project type for each project).

###### **Outputs (reports)**

This includes: Lists of households to be used in preparing forms of work and payments, lists of detailed paid amounts (for wages and materials) for all projects, and reports to feed the SFD-MIS so that it could provide (number of households, indicators data).

should be integrated into a single system with a unique central database where information can be shared if necessary for example with different institutions, service providers. Although such start-up processes and improvements, as well as updates and maintenance, can be costly, the long term gains can outweigh short term costs. The precise costs of the MIS will depend on program duration, adoption by other social programs as well as frequency of use and economies of scale.

- **Infrastructure capacity:** A particular concern for a Public Works MIS is local IT compatibility, including software and hardware. A lack of internet connectivity may hinder the development of a program-wide automated MIS. Especially taking into consideration that project sites are often located in remote and/or dispersed areas. In such cases, countries can combine automated with off-line, paper-based approaches which will require careful tracking and oversight.

Regardless of whichever system is employed, it should be recalled that no MIS is immune to errors during its development stages. Tests and pilots should be programmed before launch to identify potential errors, and maintenance should be provided to guarantee high-quality execution. Evaluation and updates should also be scheduled to ensure that the MIS does not become obsolete, but instead, takes advantage of the updates to streamline processes and thus reduce transaction time and costs. Of course this is only possible for permanent programs that are implemented for a number of years. Box 11 illustrates the experience of the Yemen Social Fund for Development regarding its own (in-house) MIS.

## **B. Procedures for selection and management of projects**

A whole range of projects can be implemented with Public Works. The basic principles for selection of projects should be determined early on. For example, projects can be selected entirely based on community wishes, or entirely driven by Government agencies, or a combination of both. Projects could be small size, or very large. Project selection also needs to be driven partly by such considerations as labor intensity, duration and also potential for participation of women.

### **B.1 Project Selection Criteria**

For selection of projects, it is generally advisable to set up eligibility criteria for projects to be executed under a PW program. An example of a priority list is the following:

- Projects should be demand-driven and must reflect community needs;
- Projects should be labor-intensive, or labor's share in total cost can vary, but generally in the range of 50 to 70% (this is just illustrative);
- Selected projects should be technically, socially and economically viable (see below);
- Projects should be environmentally sound;
- Projects should be such as to allow participation of women;

- Projects show create opportunities for the disabled to participate;
- Projects that address special needs of women (e.g., drinking water, day care).

While selecting projects, some may be placed in an “excluded category”, which means not to be executed with Public Workfare. Some examples of criteria for rejection are the following:

- Projects that potentially benefit private plots or individuals;
- Projects requiring a very long duration for completion;
- Projects that are hazardous to health;
- Projects containing complex components that are too difficult to execute in a rural village/community setting;
- Projects whose maintenance cannot be handled by communities;
- Projects that are harmful to the environment.

The above eligibility and rejection criteria are illustrative and can and should be adjusted to suit individual country circumstances. Box 12 illustrates project eligibility/rejection criteria followed by two countries. It is important that criteria for eligibility or exclusion must be agreed upon and communicated to implementing agencies at all levels. Whichever projects are selected, it is important to ensure that needed non-labor inputs including technical and managerial help is readily available – an aspect discussed in Sub-section D. Annex 5 provides a list of type of projects that are undertaken with public works in various countries.

**Box 12. Eligibility and rejection criteria for projects in select countries**

**Liberia: Eligibility criteria for CfW projects:**

- At least 75% of the cost of the project should go into labor, including 10% for basic tools and materials;
- The project should provide a public good or service; this also implies that all works should be done on public, state or community owned land but not on private land;
- The project should benefit the wider local community, and not a few individuals or families;
- The project should not affect negatively the environment or have negative social consequences, as described in the Environmental and Social Management Framework (ESMF) already in use in the CEP.
- The project should be able to be completed in the time period allotted.

**Rwanda: Rejection criteria for VUP’s projects.** These include:

- Activities aimed at developing private household assets, but with special consideration where soil conservation activities are concerned.
- Activities benefiting private institutions
- Activities pursuing military or defense ends

Source: Project Implementation Manuals

## **B.2 Project Selection Process**

After agreeing on criteria the actual selection of projects can take place in different ways:

- *Government driven selection:* Governments officials directly select the projects they consider appropriate for the target population;
- *Civil society driven selection:* Projects can be selected by civil society representatives or NGOs, CBOs, who typically submit project proposals to the government; a competitive process then ensues leading to selection of projects;
- *Community driven selection:* Communities are asked to generate a list of projects that they wish to get done that could be of immediate relevance to them. Funding agencies then approve the final list based on eligibility criteria and availability of resources for the projects.

Independent of the criteria used to select projects it is imperative to always take into account community real needs and preferences. However, it is worth stressing that how much involvement there is by communities depends on whether or not funds are devolved to communities. If communities receive funds for execution of projects, then the degree to which the wishes of the community are reflected will be significantly higher. This again varies from one country to another, depending upon the degree of decentralization.

While selecting projects, it is important to bear in mind the varying nature of assets to be created. With respect to creation/maintenance of physical assets, four types can be distinguished:

- (a) assets whose benefits extend beyond the community;
- (b) assets which predominantly benefit the whole community;
- (c) assets which benefit disproportionately the poorest in the community;
- (d) maintenance of assets already created either now or in the past.

It is preferable to bear in mind the needs of the poorest groups in project selection. In general, assets falling under (b) are selected by communities themselves, whereas assets of (a) variety are chosen by line Ministries or Local Governments. In practice, the relative share between the four types of activities may vary from one country to another. In Korea, for example, the supply-driven activities selected by local governments under (a) constituted 50%, whereas community-selected activities under (b), (c), and (d) above constituted 50%. It is possible that assets created under category (a) above (such as irrigation structures) may provide significant second-round benefits of employment. Likewise, maintenance under (d) above may provide somewhat regular employment for certain number of days for workers living within communities. If geographic selection is adopted and the poorest areas are selected for PW, then (b) and (c) converge. Box 13 illustrates project selection procedures followed in two selected countries.

**Box 13. Project selection procedures in select countries**

**Argentina: Administrative project prioritization and approval**

Community organizations and municipalities present their proposals to the Employment and Training Management Offices (GECAL). After reviewing the proposals, GECAL evaluates the feasibility of the projects based on institutional, socioeconomic, technical, environmental, and financial factors. Following, GECAL proceeds to prioritize the feasible projects, ranking them by an array of indicators such as: location and type of project, link to other social programs, coverage of target population, etc. Projects are then approved based on the priority ranking until the monthly amount of resources budgeted by province are completely assigned.

**Rwanda: Community leadership in project selection**

Community members in Rwanda take the lead in identifying the projects that they most need. The selection process is conducted according to these steps:

- Village authorities organize meetings;
- Community members identify projects needed and prioritize them;
- A prioritized list of proposed projects is sent to the Cell (local authorities);
- The Cell consolidates projects and sends them to the Umurenge (sector).

A final list of approved projects, which will depend on the budget available, is posted at Umurenge offices. The Umurenge then sends the final list of approved projects to the District.

Technical staff at the District level will ensure project studies are conducted for the prioritized projects. The studies are conducted with the assistance of the Community Development Committees (CDC) at Umurenge level, with support from CDF technical staff at the regional and national levels, and the PMU staff at national level. This will be monitored by the VUP PMU at national level.

Source: Project Implementation Manuals

Project selection often gets complicated when political economy issues arise (see Section II). Elected officials may be interested in specific projects executed under public workfare program, which may or may not address community wishes, or their impacts may or may not benefit the poor disproportionately. While such political economy aspects cannot be completely avoided, setting eligibility and rejection criteria right up front will go a long way in minimizing political interference in project selection.

**B.3 Project assessment and approval**

Selected projects need to be subjected to technical appraisal by experts at the regional/local level. For example, all agricultural productivity enhancing projects could be appraised by the technical staff at the Regional Agricultural Offices of the Government. Likewise projects involving health-related projects, or roads projects, could be appraised by the concerned experts at the Regional level. Depending upon the degree of decentralization in a country, project proposals could be assessed either at Regional (district) level or at the Central level.

## C. Procedure for selection of beneficiaries

Once the overall scope of the project has been determined it is necessary to select beneficiaries. Beneficiary selection is primarily determined by the objective and the targeting approach adopted by the program (See Section II). In practice, however, targeting methods are also complemented by a number of measures to ensure a balanced targeting approach. These measures include (i) allocating labor days for each household, (ii) maintaining gender parity and other gender considerations (iii) ensuring wage setting is appropriate for localized context.

### C.1 Targeting

Section II contains a discussion of an alternative approach to targeting. Beneficiary targeting must begin with assessing the possibility of geographically placing the program at locations where it is most needed and where the poor are disproportionately represented. The use of poverty mapping may help focus the areas with higher poverty concentration within a country. Food vulnerability maps also help in determining areas of extreme food insecurity. In many countries, the World Food Program has developed Vulnerability Assessment Mapping System (VAM) maps, which take into account such factors as food availability at the household level, the availability of coping mechanisms, access to land, etc.

Once the location of the program is settled, individual participant selection, if needed,<sup>3</sup> can adopt one or more of the following approaches noted in Section II: self-selection, community-based selection, objectively determined criteria, means tested with reference to income poverty, or any combination of the above methods. Box 14 explains how targeting is done in Rwanda's PW program. Also see Annex 6 for a note on Proxy Means Test for targeting benefits to the poor.

#### Box 14. Rwanda: Community approach to targeting

Selection of beneficiaries for VUP's public works is based on participatory approaches. This participatory approach involves three steps:

1. Communities identify households in the bottom two Ubudehe categories.
2. Within these two categories, households that are landless (have less than 0.25 ha) and have at least one adult ( $\geq 18$  years) who is capable of manual labour are identified and assigned to the PW program eligibility list;
3. Eligible households are then ranked according to their poverty and vulnerability levels.

The "social map" of each Umudugudu community is periodically updated and it is used in combination with discussions at a meeting of village members.

Source: Program Implementation Manual.

### C.2 Setting the wage rate to allow self-targeting

Setting the wage rate is an integral part of the targeting process. As explained in Section II, setting the wage rate below the market rate allows self-targeting of the poorest. Therefore,

<sup>3</sup> If, for example, 80% of the population in a given region are poor, there would be no more need to adopt any individual selection criteria.

determining the right wage level is a key and complex design issue in any public works program. It should rely on country specific information, taking into account the following aspects:

- Market wages for unskilled labor, disaggregated by gender and by occupations (especially in the construction sector) and location where the country is large;
- Legislation on minimum wages (if any), and data on minimum wages if they exist;
- Previous or current experience in wage setting by any agency including donor agencies;
- Functioning of food markets; and
- Availability of donated food and its current and past role in running food-for-works program, and its implied cash wages.

### **C.3 Allocating labor days**

Even when any one or any combination of the above targeting approaches is adopted, sometimes the supply of workers may far exceed the availability of places in a public workfare. This is common especially at times of a major shock such as drought or a flood. In this case household ranking, job rationing or rotation may have to be resorted in order to restore the balance:

- *Household/beneficiary ranking*: Households or individuals are ranked according to their level of poverty or vulnerability based on criteria established by the community or the government. The most vulnerable households will be then given the first opportunity to work.
- *Rationing*: A method used to accommodate demand of work for a single project. Jobs can be rationed in two possible ways: (i) the number of days each individual can work in the same project is fixed so everyone gets a chance to work (the number of fixed days can be allocated using different approaches: quotas are assigned based on family size, or using gender criteria). (ii) A roster is prepared and individuals are selected by lottery.
- *Rotation*: There are two ways in which workers can be rotated: (i) among different projects: having shorter and more frequent projects in order to accommodate more individuals throughout the program duration; and (ii) by time worked: applicants are given work for shorter hours so that a larger number of individuals can participate in the program.

### **C.4 Gender concerns in participant selection:**

While selecting participants to public workfare programs, it is important to bear in mind the specific constraints faced by women, and put in place mitigating provisions in the design. Design features can be adjusted in a number of ways to address women's constraints. First, women may be given priority or an agreed share (quota, a minimum percentage) at the recruitment stage. Second, child care facilities could be provided at project sites (preferably run by senior women experienced in child care and paid as workers under the workfare program). Third, toilet facilities could be provided at work sites. Fourth, wage payment

modalities could be adjusted: women in some countries (e.g. Zambia) may prefer to work for piece wages rather than at “daily” wage rates which allows them greater flexibility to dovetail other chores with participation in the workfare program. These options must be explored in consultation with communities. Box 14 provides an example of measures taken to increase female participation in PW programs in Kenya.

**Box 15. Kenya: Gender considerations**

In order to give young women an equal chance to participate in KKV project activities, the following measures are planned:

- As far as possible, at least 30% of the youth recruited should be women increasing to an average 40% by year 4.
- The remuneration for women is equal to that of men for equal work.
- Works/tasks are scheduled in a flexible manner so that women can still tend their daily domestic duties. For example tasks could be scheduled to be completed in 5 hours time (from 7 to 12 am) which allows for other activities in the afternoon.
- Day care for children is planned to be provided as well as other social services related to health care.

Source: Program Implementation Manual

## D. Management and Supervision of Work Sites

The organization and the management of the worksites and of the workers are a key part of the implementation of a PW program. How the worksite supervision is structured will depend on the scale and complexity of the project, and how labor has been organized. In any case, management and supervision at the work site is fundamental to ensure quality and completion of the works. There are multiple areas to supervise in a work site: the physical execution of works, the organization of labor, the provision of materials and technical assistance, attendance, payment of the workers, issues that may arise in the day to day operations, etc.

### D.1 Management structure

*Site managers.* Each project needs to have a site manager hired by the implementing agency. He or she will have overall oversight of the worksite, ensure the provision of resources for the project (tools and materials in particular), monitor attendance, approve the payroll, get technical assistance, conduct training and keep track of monitoring indicators. The site manager is accountable for the timely completion and quality of works according to the program objectives and should elaborate progress and final reports for the implementing agencies.

*Crew leaders.* They should be elected by the community or by their team members. Preferably, they should have some literacy and numeracy skills and some experience in

executing projects and in record keeping. Crew leaders should also receive theoretical and practical training before the start of the program and need to be equipped with the necessary tools and materials to facilitate his/her job. Crew leaders can be remunerated as semi-skilled labor. It is important to guarantee the inclusion of women as crew leaders.

A crew leader should be able to: supervise the daily performance of the crew members, distribute work tasks, keep attendance and maintain muster rolls, ensure the provision of materials and administer the tools used by the crew members. Crew leaders should also be responsible for the safety of its members and report to authorities at the Local/District level of any disciplinary problems that can emerge.

**Table 5. Responsibilities of Worksite Supervisors**

Supervisor	Main Responsibilities
Site managers	<ul style="list-style-type: none"> <li>- Overall oversight of the worksite;</li> <li>- Ensure the provision of resources for the project;</li> <li>- Monitor attendance and approve the payroll;</li> <li>- Ensure timely payment of workers;</li> <li>- Provide or ensure technical assistance;</li> <li>- Ensure provision, maintenance and storage of tools;</li> <li>- Address gender and environmental issues;</li> <li>- Deal with emergencies (i.e. accidents in the work place);</li> <li>- Resolve disciplinary issues;</li> <li>- Keep track of monitoring indicators;</li> <li>- Prepare progress and final reports;</li> <li>- Supervise the completion of the projects according the objectives.</li> </ul>
Foremen/women (if needed)	<ul style="list-style-type: none"> <li>- Supervise the work of several crews or work units;</li> <li>- Provide safety trainings;</li> <li>- Approve attendance lists and hours worked;</li> <li>- Deal with emergencies or disciplinary issues;</li> <li>- Compile information from his/her crews to generate reports;</li> <li>- Prepare progress reports for site manager;</li> <li>- Ensure quality and completion of the worked assigned to his/her units or crews.</li> </ul>
Crew leaders	<ul style="list-style-type: none"> <li>- Supervise the daily performance of the crew members;</li> <li>- Distribute tasks to workers in the crew;</li> <li>- Keep attendance and maintain muster rolls;</li> <li>- Ensure the provision of material for his/her crew;</li> <li>- Administer the tools used by the crew;</li> <li>- Try to resolve disciplinary or emerging issues;</li> <li>- Ensure the quality of team's outputs.</li> </ul>
Technical supervisors	Ensure that technical aspects of the project are performed correctly and up to codes and regulations.

Source: Program implementation manuals from various countries

*Other supervisors.* Foremen/women may be necessary in the case of large-scale projects where a large number of crews of workers are participating. Foremen/women can supervise and direct various crews and report to the site manager. In addition, if the complexity of the project requires it, oversight by an engineer or other technical experts would be advisable. Where projects are implemented by line departments at the local level, engineering personnel could act as team leaders.

Table 5 provides a summary list of main responsibilities performed by managers at the worksite.

## **D.2 Worker organization**

*Hiring of workers and organizing labor crews:* Once participating laborers are selected and labor days are decided, then labor needs to be organized into crews for specific projects and for specific tasks for each project. Organizing the labor could be done by either communities (if communities win the contract for executing projects), or by contractors (if they win the contracts) or by any other agency that wins the contract (contracting process is discussed below). In the assignment of tasks, due consideration should be given to women's special needs. Box 16 illustrates the managing of worksites at the Liberia Cash for Work Temporary Employment Project.

*Skilled and semi-skilled labor and capital inputs:* Provision for financing of skilled and semi-skilled labor and capital inputs is a key component of public workfare programs. The extent to which these inputs are needed depends on the nature of the projects selected. Countries are advised to specify a lower bound (say at least 20% of total costs), and preferably an upper bound (say, no higher than 50%). These costs must be considered and budgeted as the project selection process develops. Having budgeted for these inputs, care must be taken to ensure that there is adequate supply of needed skilled and semi-skilled workers as per requirements of each project at the project site. It is this convergence of unskilled labor inputs with skilled and semi-skilled labor and capital inputs (tools and small equipment) that accounts for the successful implementation of selected projects.

### **Box 16. Liberia: Management of the worksites**

CfWTEP's Implementing Partners (contractors) hire experienced staff to supervise the worksites. Community facilitators are hired to coordinate the subproject in the area on behalf of the Implementing Partner. He/she is responsible for all community mobilization processes and selection of participants, and supervises the Logistic Officer(s) during the implementation of the subproject. The Implementing Partner is responsible for the supervision of progress of the project in the field.

Groups of workers are supervised by Group Leaders. The Group Leader is not staff of the Implementing Partner but a community member recruited as a skilled worker. His/her task is to organize the daily work of his team, monitor presence of the workers and maintain the attendance sheets, set the tasks to be accomplished by the worker and the number of hours involved, and verify that the task has been done.

Source: Program Implementation Manual

If projects are implemented by contractors, it is expected that they will bring with them the needed skilled and semi-skilled labor (if not available within the community) and material inputs. But if projects are implemented by communities, then there would be a need for adopting a policy for hiring skilled and semi-skilled labor, and a tendering process for procuring material inputs. Contractor selection process and the procurement process are discussed in later sections.

### **D.3 Worksite requirements**

*Worksite amenities and worker safety:* Basic amenities (drinking water, sanitary facilities, first aid, etc.) must be available at worksites. In addition, to ensure worker safety, it is good practice to get to know the nearest health center or a clinic where, in the event of an emergency, a worker could be transported. Mobile clinical services (such as immunizations or family planning services) can be provided at worksites on a regular basis. It is also highly desirable to provide shaded areas for breaks, especially important in tropical countries. Finally, to encourage women's participation, provision of child care services is highly recommended, to be supervised by senior women workers in whom mothers repose confidence, and who have previous experience in raising healthy children. These women workers looking after child care services should also be paid the same wages as other workers; in other words they should be part of the overall work force at project sites.

*Transport facilities:* In general, it is best to select projects close to community neighborhoods. Selection of sites closer to homes will enable greater participation of women. Where this is not possible, then there would be a need to provide transport facilities by whichever agency is implementing PW projects. Expenses of transport will be part of the administrative budget of the program.

*Tools and Equipment:* It is also good practice to provide for services to do minor repairs to equipment and tools. Supplying needed tools (be it hand tools or mechanized tools) is the responsibility of the implementing agency. Tools must be appropriate to the task on hand, and suitable for the terrain. Some tools can be shared between workers. Implementing agencies must also ensure that materials (cement, bricks, stones, etc) are available readily at worksites, especially for certain projects such as roads and small dams to create quality assets for the community.

## **E. Flows of funds and financial reporting**

A critical step in successful implementation of PW is the prompt and orderly flow of funds from the central level to project sites. This is not an easy step, given that delays can occur at any intermediary level thereby disrupting program implementation. How the funds for the project flow depend a great deal on how the country's administrative structure is organized. Administrative structures could range from highly centralized to highly decentralized functioning. Administrative structures may vary from a normal country to a country emerging

out of a conflict. In the event of a disaster such as earthquake, administrative structures may altogether disappear requiring a completely new structure (either domestic or donor-provided). To address these issues, this section considers practices in funds allocations, flow of fund models and related financial management arrangement practices.

### ***E.1 Funds Allocation***

The first step is to consider the *budget envelope*. In a government-funded program (with or without supplementing funds from donors), the budget envelope or allocation of funds can take place under three main models:

- i) *Supply driven*: Government devotes funds needed by implementing agencies based on objective criteria such as population size, poverty level, trends on the supply of labor, previous budget allocations, etc. Under the supply driven approach, cost simulations can be used to derive the person days of employment which this budget envelope could generate. Using normative figures for number of days of participation (say, 25, 50, 75 or 100 person days), one can estimate possible participants to the program, and the duration. Based on these allocations the funds flow timing and modalities are organized. Note, in this process, the macro-economic situation and priority needs of other sectors need to be considered since they will influence available allocations from domestic resources, and how much could be raised from donors.
- ii) *Demand driven*: Government devotes funds for the projects based on the budgets and payments requests made by the implementing agencies. In this model the government arrives at an estimate to run the program at different levels of intensity and scope. Fund allocations are then made on the basis of finances available from domestic resources, with donors typically requested to fill a funding gap. Estimates may be derived for specific geographic regions should the program be targeted geographically. Funds flow will then follow depending upon potential participants, number of days, etc., subject to the available pre-determined budget.
- iii) *Performance-based release of funds*: In some countries allocations for the next round of projects depend on the performance of existing projects (e.g. in terms of persons employed, assets created, etc.).
- iv) *Combination of models*: Some countries apply a combination of two or more of the methods described above in order to allocate funds. Local budgets in this case are used to cross check central government budgets and fund allocations.

Once the budget envelope is known, the next step is to allocate funds to different regions/districts. The procedure for such allocation differs from one country to another: (a) funds could be allocated equally across districts; (b) funds could be allocated disproportionately to deprived/food insecure/lagging regions; (c) any other formula could be followed that gives

weight to poverty. It should be noted that flow of funds and transfer of money varies a great deal depending upon the delivery model, e.g., whether a country is fully centralized or decentralized country, if the program is being implemented by a Social Fund or NGO, and the availability and channels of donor financing. We now consider flow of fund arrangements taking into account these diverse arrangements.

## ***E.2 Different Models of Flow of Funds***

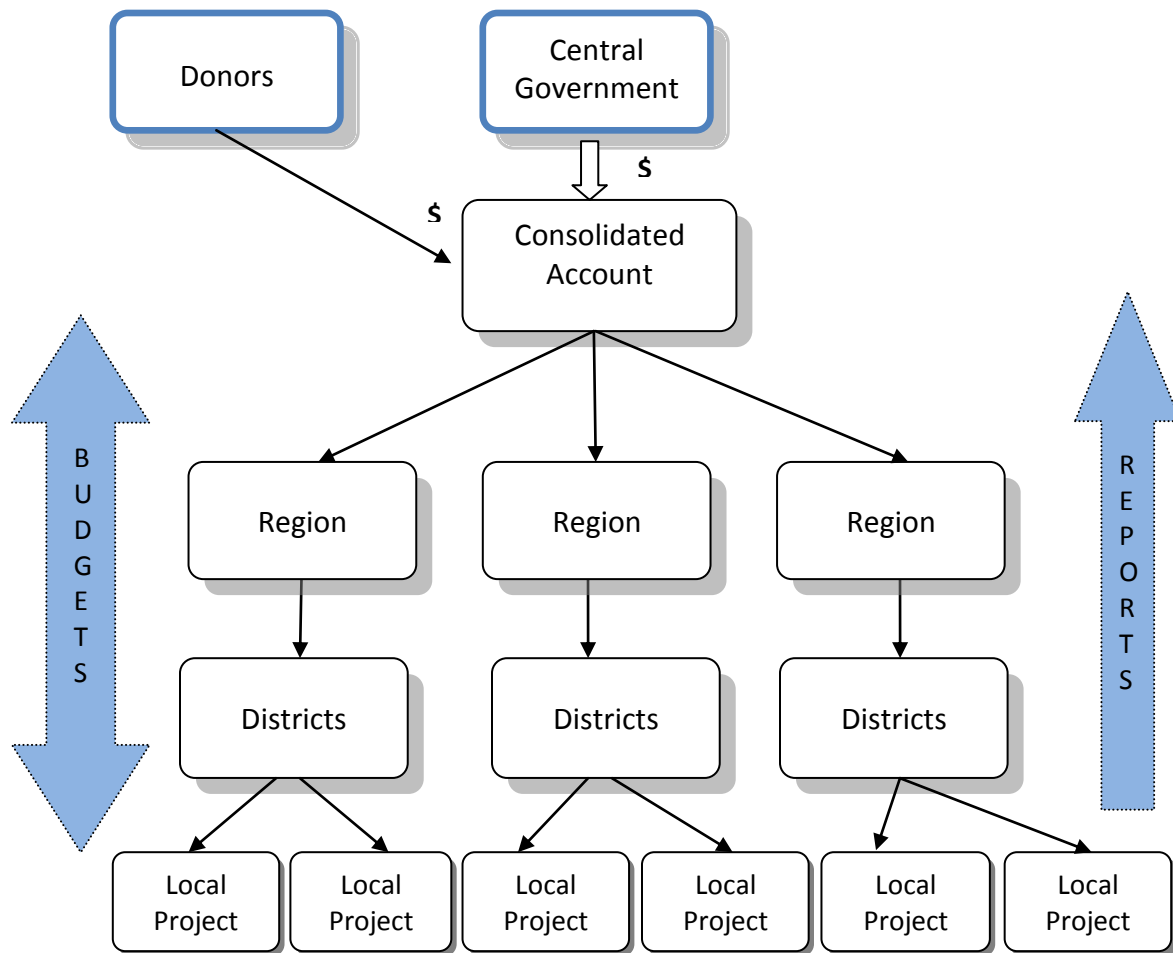
The flow of funds encompasses a number of elements: periodicity of funds flow, the number of channels to pass through, and accounting (and accountability) procedures at each level. In this section we consider a number of models to show how funds flow in different countries. Allocation rules and procedures and actual amount disbursed are reviewed in later sections. Model 1 below presents the case of flow of funds in a highly centralized delivery system. Model 2 presents the case of a highly decentralized system where the lower level elected functionaries receive funds and they implement the program. Model 3 presents the case under a Social Fund delivery system; and Model 4 presents the case of delivery system under directly donor-funded or NGO-funded and implemented programs.

### *i) Flow of funds in a highly centralized delivery system*

Figure 5 illustrates a typical flow of funds in a traditional centralized delivery system. Under this model, the Central or Federal Government opens a Special Account in the Country's Central Bank for the PW program. The government's and donor's funds get pooled into this special consolidated account. Typically the central government allocates funds to the regions according to the number of beneficiaries in each region. The regional government agencies disburse the funds to the district offices where the money is then allocated to the local governments to fund each of the local projects.

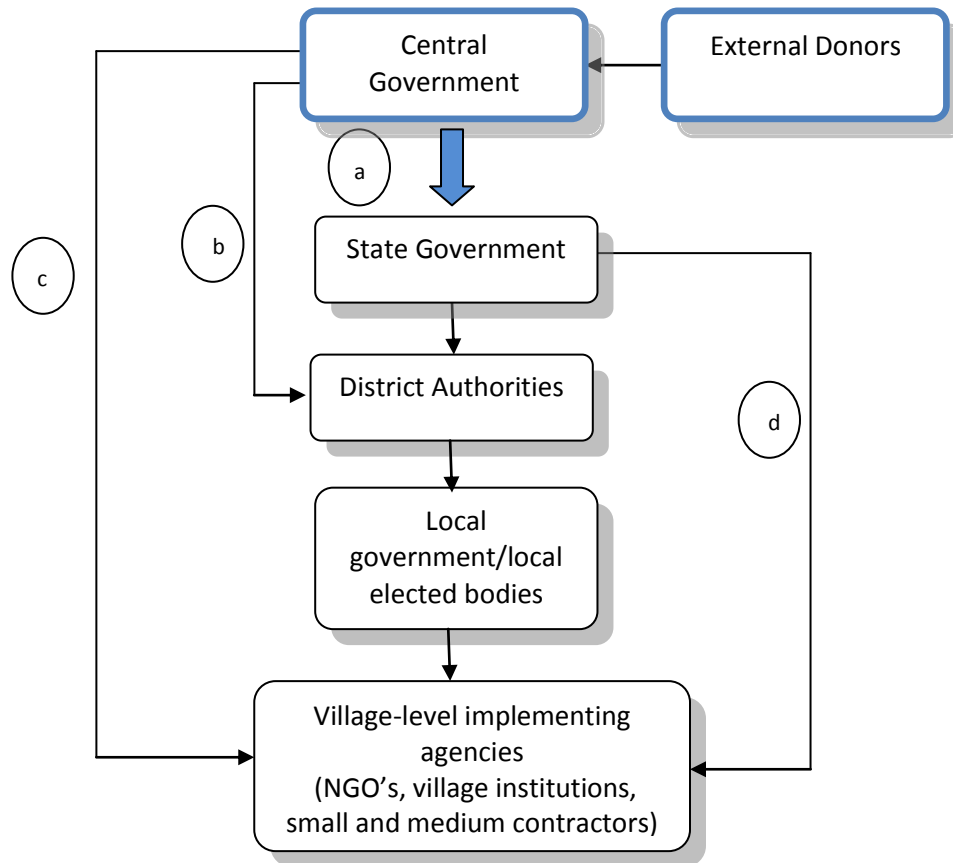
There is also a budgeting process that starts from the local up to the federal or central government. Local and community level authorities collect information on the resources they will need for the project. District and regional level government prepares the aggregated budgets to be sent to the Central Government. Budgeting updates are sent periodically as well as progress reports in order to request replenishment of funds.

Figure 5. Flow of Funds in a Direct Government Implementation System



ii) *Model 2: Flow of funds in a decentralized delivery system: alternative channels*

A decentralized delivery system can have several alternative channels through which funds flow from the government to the village-level implementing agencies. Figure 6 illustrates each of the channels as follows: In Option (a) funds get routed from the central government to each of the government level structures, that is, state, district and local government levels or local elected authorities. The later distribute the funds to the corresponding implementing agency. In Option (b), the central government provides the funds directly to the district level government, which then distributes the resources to the local governments or elected leaders. In Option (c) the central government provides the fund directly to the implementing agencies without routing them through other government structures. Option (d) also illustrates a direct flow of funds from the state level government to the implementing agencies.

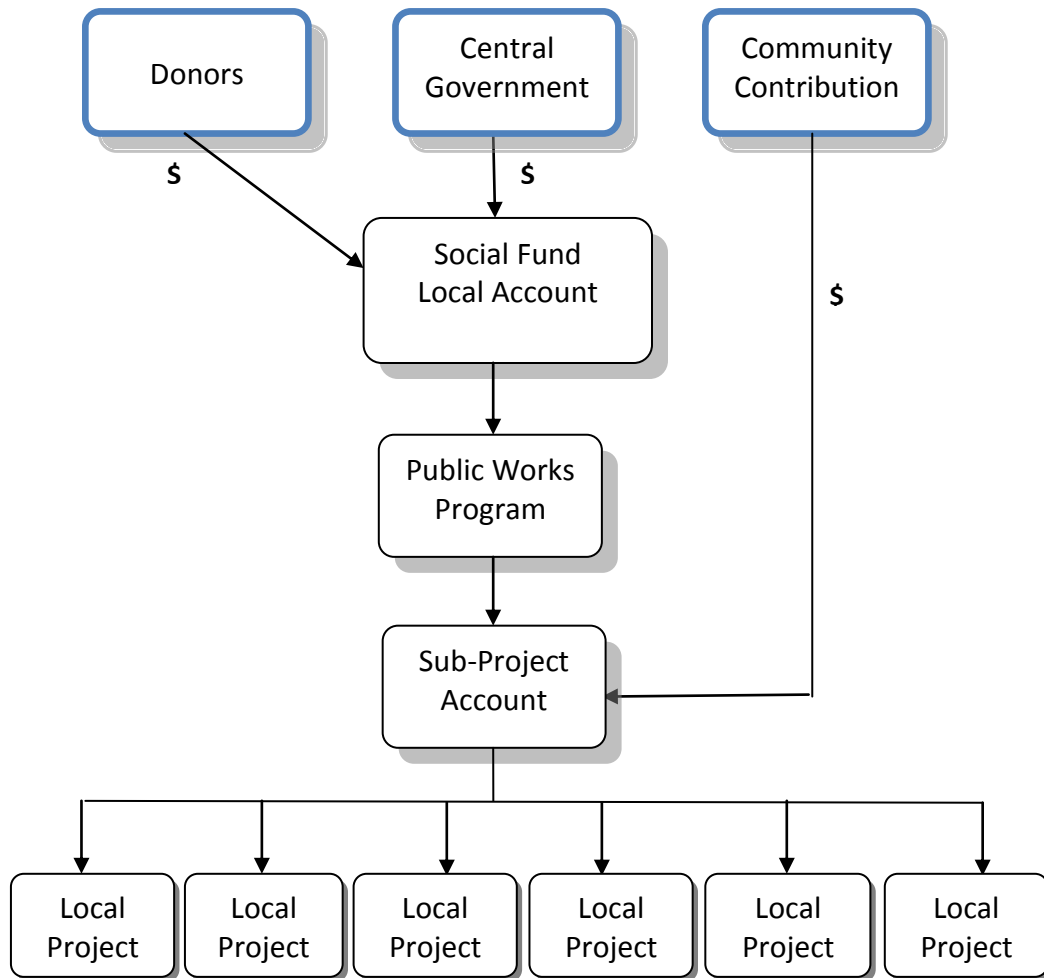
**Figure 6. Flow of Funds in a Decentralized Delivery System**

As explained above, in a decentralized delivery system, the implementing agencies have a lot of freedom in terms of program design, planning and implementation of a program. However that is not the case when it comes to the managing of funds. Implementing agencies need to abide to the government regulations in terms of funds administration, financial reporting and auditing.

### iii) *Model 3: Flow of funds in a social fund delivery system*

The flow of funds in a PW program managed by a Social Fund varies according on how the Fund has been set up and the diversity of donors involved. Figure 5 illustrates a typical flow of funds in a Social Fund managed PW program. The central government allocates the funds (from government and donors) to the Social Fund, from which disbursements are made to sub-project accounts for each of the Social Fund components. Funds to finance local PW projects are drawn from the PW sub-project account. In community-implemented projects, the community may contribute a small percentage of the project total cost. As Figure 7 shows, these contributions are typically allocated directly into the PW sub-project account.

Figure 7. Flow of Funds in a Social Fund Delivery System



iv) *Model 4: In a Donor funded and managed program*

The flow of funds of a program implemented by donors is typically more simple than one implemented by the government. For example, the World Food Program (WFP) implements food for work programs through contractors whom they call “Cooperating Partners” (CP). WFP provides funding for the operating costs of the CP’s Head Office and Provincial Offices based on the budgets submitted in their contract agreement. Each month the CPs send WFP a Monthly Financial Summary with the costs of the program and respective receipts for reimbursement. CPs arrange for food distribution with WFP immediately if there is a food shortage. However, the Project Committee at the community should have requested the food for distribution as wages and at least 20% of the project need to have been completed.

### ***E.3 Actual Amounts disbursed***

The next step is how to “disburse” allocated funds. The procedures for actual amounts disbursed may vary from one country to another. In Ethiopia, actual amount is disbursed against days worked; in some social funds actual amounts is disbursed against infrastructural projects completed. This step has important inter-linkages with Payments and MIS approaches, outlined separately in Sub-sections A and G.

### ***E.4 Financial Reporting***

Financial reports are typically issued on a monthly, quarterly and annually basis. They usually include:

- i) Income and expenditure accounts. Cash and receipts of expenditures detailing the source and expending category according to the budget.
- ii) Financial reports with all payments made to contractors if projects were contracted out;
- iii) Balance sheets;
- iv) Cash flow statements;
- v) Special Account Statements (in countries where such accounts exist).

Reports usually flow upstream from the implementing agencies (government, community or contractors) to the managing agencies and donors. In a centralized direct government implementation system, reporting flows from the local authorities up to the Central government passing through all the levels of government involved (district, regional, state levels). In this process reporting is consolidated, reviewed and approved for eventual approval by Central Government and donors.

The best practice is to have a computerized management system that allows program managers to keep track of their financial transactions and produce their reports on schedule. This is being adopted in some countries. Refer to Sub-section A on MIS.

### ***E.4 Auditing***

Audits promote transparency and accountability of the programs as now most countries are resorting to one form of audit or another. Formal audits ensure the following:

- i) That government (and donors) funds are properly used according to the procedures laid down in implementing manuals;
- ii) That goods, works and services have been procured following country specific procurement regulations;
- iii) That all the supporting documents and records of financial transactions are being kept.

A more detailed discussion of this topic is included in Sub-section H.

## F. Procurement of goods and services

Guidelines for this step should be outlined clearly before the project starts. In some countries, procurement is allowed without a tendering process if the cost of procurement of a specific good does not exceed a critical threshold level. However, this procedure may not be acceptable to some donors when donor funds finance the program. Considerable pragmatism needs to govern this step. In a post-conflict country, for example, goods may or may not be available locally. There may be no contractors willing to offer tenders. These considerations must be borne in mind before decisions are reached on the method of procurement. Box 17 illustrates the recent experience of community procurement in Sri Lanka.

Procurement methods vary across implementation systems, type and size of the projects and specific circumstances of the communities where projects are implemented. In a direct implementation system, procurement decisions usually take place at the highest levels of the government. For example, district or regional level authorities identify the goods and services that can be purchased at the local level using direct contracting, shopping or local bidding. Typically, goods or services can be obtained locally if the purchase falls under a financial threshold previously defined by the government. If it is not possible or efficient to obtain goods and services locally, regional level authorities collect the procurement requests from district or local governments and consolidate them into packages to take advantage of more competitive prices by buying in bulk. The Central or Federal Government usually undertakes National Competitive Bidding (NCB) and International Competitive Bidding (ICB) for goods and services that are above defined financial thresholds established. Donors may have their own guidelines to procurement when donor funds are involved. In such cases, governments need to follow donor-established guidelines for procurement.

### Box 17. Sri Lanka: Community Procurement Process

Procurement-related activities under ENReP are first reviewed by the Program Management Unit (PMU) and then by the World Bank, to ensure that both the Bank's procurement guidelines and Sri Lanka's own guidelines are followed.

Items to be procured will include implements, tools, and materials for the CfW sub-projects (total value limited to 10% of the total cost), miscellaneous items relating to organizing and implementing the program such as refreshments during work, stationery, etc (total value limited to 9% of the total cost), and incidental expenses for the program, (total value limited to 1% of the total cost). Items are procured directly (direct purchasing) from suppliers such as the Multi-Purpose Cooperative Society (MPCS) or Sathosa outlets located in the vicinity of the resettlement areas; or through obtaining quotations (shopping) from at least 3 suppliers in the vicinity or the nearest town.

Payments are made directly to the suppliers by the ENREP PMU, on certification of delivery and acceptance of the goods by the Community Workfare Committee (CWC). Each workfare proposal includes:

- an itemized list of items to be procured;
- the estimated costs for such items; and
- items already received by others, and to be used in the proposed sub- project.

Once each proposal is approved, the CWC proceeds to procure the items required. At least 2 members of the CWC sign the purchase orders, and certify delivery and acceptance of the goods. The community resource person (CRP) is reimbursed direct into his/her account for small value incidental expenses. The CRP maintains a register of all expenditures incurred with reference to supporting receipts of payment/invoices, and prepares fortnightly statements of expenditure (SOEs) covering all procurement activities by category.

Source: Program Implementation Manual

Table 6. Types of Procurement

Type of Procurement	Definition	When to use
<b>Direct Contracting</b>	Goods are purchased directly from a sole supplier without generating competition. Quotations from other sellers are not requested.	<ul style="list-style-type: none"> <li>- There is only one supplier in the area and transportation costs are high.</li> <li>- Very small amounts of an item are needed.</li> <li>- Unique items are needed or/and there is urgency for its use.</li> <li>- Extension of existing contracts where competition does not add any advantage.</li> <li>- Applies to purchases that are below the defined financial thresholds</li> </ul>
<b>Local Shopping</b>	Local Shopping consists of comparing price quotations from several suppliers. A minimum of three quotations are analyzed. Selection is made based on competitive prices, quality, and availability.	<ul style="list-style-type: none"> <li>- Used for small scale projects ;</li> <li>- Communities are in charge of implementation;</li> <li>- Applies to purchases that are below the financial threshold defined.</li> </ul>
<b>Local Bidding</b>	Contracts are awarded competitively based on bids obtained from qualified local suppliers. Bids are open to the public and are advertised widely in local popular venues in order to promote transparency and generate competition.	<ul style="list-style-type: none"> <li>- For medium or large scale projects</li> <li>- Applies to purchases that are between specific financial thresholds.</li> </ul>
<b>Force Account</b>	Community members or governments implement projects directly contracting labor, without any labor contractor.	<ul style="list-style-type: none"> <li>- For small and scattered projects in remote areas;</li> <li>- During emergencies needing prompt implementation;</li> <li>- Work is required to be executed without interruptions;</li> <li>- When the amount of inputs (labor and material) needed is hard to define in advance.</li> </ul>
<b>National Competitive Bidding (NCB)</b>	Contracts are awarded competitively based on bids obtained from qualified domestic suppliers or contractors. Bids are open to domestic firms and are advertised nationwide.	<ul style="list-style-type: none"> <li>- For large scale or specialized works or services;</li> <li>-Applies to contracts between specific financial thresholds.</li> </ul>
<b>International Competitive Bidding (ICB)</b>	Contracts are awarded competitively based on bids obtained from qualified local suppliers or contractors. For IDA funded projects, governments send to the World Bank a draft of the General Procurement Notice, and the Bank publishes it in the UN Development Business online and in the Development Gateway's	<ul style="list-style-type: none"> <li>- For large scale or specialized works or services;</li> <li>-Applies to contracts above defined financial thresholds.</li> </ul>

Sources: Adapted from PIMS and WB Procurement Guidelines 2004.

The Central government may still be in charge of procurement even if projects are implemented by NGOs, CBOs, or private contractors. They may also delegate this task to contractors as long as governmental procurement guidelines are followed.

Projects implemented by communities tend to be small enough that procurement can be done locally. In these cases, committees, formed by elected authorities or beneficiaries, undertake the procurement of goods, works and services for their own projects. The government provides training and assistance to these committees so they are able to undertake the bulk of procurement. Community procurement is monitored periodically by government authorities including random visits to the work sites. However, for contracts above a specific financial threshold, procurement is still conducted by the Central or Federal government using National Competitive Bidding or International Competitive Bidding. Table 6 above provides a summary of the main types of procurement of goods and services used.

*Price Data.* In some countries, community and local authorities collect a list of prices of the materials most used at the projects. These lists are then consolidated at the regional or central level government to create a market price database to be used in procurement and make pricing of the projects more transparent. Prices are updated periodically.

*Procurement planning.* Procurement should be included in the program plans at all level of government and implementing agencies. The plan should include: a projection of the goods, works and services needed and their estimated price, timetables, responsible parties and monitoring strategies.

## G. Managing Muster Rolls and Wage payment logistics

The critical minimum information required for organizing wage payments are: number of workers employed, number of hours and days worked, and agreed wage rates (either daily, or if task-based, wage schedules for different tasks). This information should be made available to all concerned to ensure timely organization of payment of wages. The actual payment of individual beneficiaries relies on detailed information of each participant, including the numbers of days and hours worked or the work performed. The critical issues treated below are the management of participants' information and the actual payment system.

### G.1. Beneficiary records and identification

A functioning identification and registration system enables adequate tracking of people working on a project that will be later used for payment, verification and control. For each of the participant it is necessary to record the number of days worked and the hours worked. The method used to record the beneficiaries

**Box 18. Who is responsible for tracking attendance of the workers in Liberia?**

At the work site, it is the **group leader** who should keep the attendance sheet on a daily basis and record the number of days worked by each worker. The information is later collected on a weekly basis by the Implementing Partner, The logistics officer has the overall responsibility for keeping daily records of workers' attendance

depends on the type of the program and length of the project. In most short term programs in poor countries, where daily laborers can participate on a temporary basis, the information is maintained with the help of the team leaders. Box 18 illustrates who is responsible for tracking attendance of workers in Liberia.

In longer term or guaranteed programs the registration of workers is managed by the implementation agency at the project site and the information is provided by the workers. In this case the identification of the beneficiaries is necessary (See Box 19 about NREGA's Job Card). Beneficiary identification (ID) can take place either via the provision of **nationwide ID card** or a **program specific ID card**. When a well set-up national ID system is in place program officials may choose to adopt it. This has the advantage of reducing the duplication of information-gathering efforts. In the absence of a nationwide ID system a program-specific ID is necessary. The information is maintained by the project management.

### **G.2 Payment of beneficiaries**

The organization of payments to participants is strictly related to the organization of the beneficiary list and the registration process. Several payment options are illustrated below from the more traditional and less sophisticated to the newly proposed methods.

*Traditional style of wage payments.* Traditionally, wage payments are made in cash directly to workers by either government agencies, or by contractors depending upon the implementing modalities against the list of workers available at the worksite. Workers are pulled to a payment sites (work site, bank tellers, or post offices) and receive the payment in the presence of the team leader. The Team Leader may guarantee the payment is being made to the right participant by signing his name to the list. The lists are signed and are kept by the implementing agency for verification. They may also be collected by program management for monitoring and verification. In some programs the payment is also made in-kind with food (FFW) or in the form of coupons that can be exchanged with food at specific stores (see Box 20 on Ethiopia's coupon payment system).

#### **Box 19. The introduction of the Unique Identity Number (UID) and total financial inclusion (TFI) in India**

Recent government initiatives in India on unique identity number (UID) and total financial inclusion (TFI) might dramatically enhances the ability of governments to effectively deliver welfare benefits and properly monitor them.

The high-profile UID project under Nandan Nilekani proposes to allot a unique number to each citizen over five years. A UID-linked multi-purpose smart card, readable with a biometric scan, will help accurately target beneficiaries and save the massive transaction costs associated with such delivery processes.

The equally ambitious TFI programme seeks to provide access to a bank account, to every family below the poverty line. The various welfare benefits can be directly transferred into the respective accounts of beneficiaries without pilferage. This combination of UID-TFI would enable the government to deliver a wider range of welfare assistance such as price and interest subsidies, matching contributions, tax credits, lump sum transfers, externality credits and vouchers in addition to the regular types of subsidies.

The potential for the use for the beneficiaries of the Employment Guarantee Scheme (EGA) are enormous. The challenge here is to organize a system that allows for the recording of the beneficiaries participation at the worksite via a Point of Sale (POS) system that can be transmitted

Source: Gulzar Natarajan - Mint, March 5, 2010

**Box 20. Ethiopia: Coupon Payment System**

The implementing agency can also issue coupons to labourers corresponding to the amount of work done instead of cash or food. The coupons can later be exchanged with food at participating stores.

The coupons are produced by the FFSCB, and made available to the Woreda Rural Development Office (WRDO), which is responsible for distributing them to implementing agencies and ensuring accountability. The printing and distribution of coupons is under the strict control of the federal government.

The serial number of each coupon is recorded on the Issue Sheet when issued to a labourer. Each labourer signs the Issue Sheet when he/she receives coupons. Immediately afterwards, the implementing agency sends the original Issue Sheet to the WRDO, who forwards the Issue Sheet to the storekeeper(s). A duplicate copy of the Issue Sheet is retained by the implementing agency.

The traditional system of delivery has also proven to suffer from high operating costs of delivery and other forms of malpractices. Often wages paid were less than the stipulated wages as per program guidelines. There have been cases of theft of cash during the process of delivery. In addition, program managers were often unwilling to handle large amounts of cash. Another complication in traditional delivery includes transaction costs imposed (time or transport costs) on recipients.

The recent advances in technology and dramatic growth of financial infrastructure have opened up possibilities of participation of financial institutions in government-to-person cash transfers, be it wages or social assistance cash transfers. A number of recent non-traditional models of cash delivery are now available. These include the cash payment with checks or bank account, and the use of smart cards. The challenge remains to use a system that is compatible with the method used for the information and registration process.

*Cash payments via checks and bank accounts.* In this arrangement, the program management has to provide the list of beneficiaries and the wage they have to receive. This method is mainly used for more permanent programs (South Africa, Sri Lanka, Malawi, etc.). Potential workers are encouraged to open bank accounts in bank branches closest to their homes or worksites. Upon receipt of information from project managers (e.g. number of days worked), the amount due to the individual is automatically deposited in his/her account. The system also

encourages a banking habit and possibly also savings by recipients. The system eliminates intermediaries and ensures proper accountability and helps prevent fraud and/or under-payments. The downside of this method, however, is that Bank branches must be available and accessible to participants. Where banking network is not widespread, workers may find it difficult to quickly access money when they need. Bank account transactions are being used in

**Box 21. South Africa: Cash payments**

Payment made in cash, check or direct deposit.

Payments are made individually and must contain the following information:

- The period of the payment made
- The number of tasks completed or hours worked
- The earnings
- Amount deducted
- The actual amount paid

Malawi, Swaziland and Rwanda. Box 21 illustrates the type of information required to make payments in South Africa's PW program.

*Electronic delivery systems.* The above system can be further improved using electronic delivery systems transfers that make use of debit cards, smart cards, or cell phone transfers. A range of options are available depending on the financial infrastructure available and the length of participation in the program. Debit cards are the cheapest solution and they can be loaded with variable amount of money made available at any local teller machine. Smart cards are more expensive, but contain more information and give the freedom to be used anywhere there is a POS (point of sale device) or a small terminal, such as a PDA. They can be used to record the information about the beneficiary and his or hers entitlement, the number of days worked, the salary and total amount due.

*Biometric smart cards.* Smart cards can also contain biometric information: recipient's name, photo, household's identification number, fingerprint records for both primary and alternate recipients. This approach addresses concerns about fraud and the presence of ghost workers. In this way, falsification or impersonation can be prevented. Uses of smart biometric cards are worthwhile in guaranteed programs. The most recent example is that of India, where a biometric smart card is planned to be used to make wage payments under the flagship PW program (National Rural Employment Guarantee Scheme).

*Cell phone transfers.* The use of cell phones for payment transfers is becoming also more common. Transfers can be made individually, if the beneficiaries have a phone or to groups or to people in charge of disbursement of salaries to verify the beneficiary records, when those have been recorded in a centralized beneficiary database.

The evidence on the use of electronic delivery systems is much promising. Experiments are taking place all over Africa and also South Asia. A combination of improved financial infrastructure and advances in technology is enabling the use of electronic delivery systems.

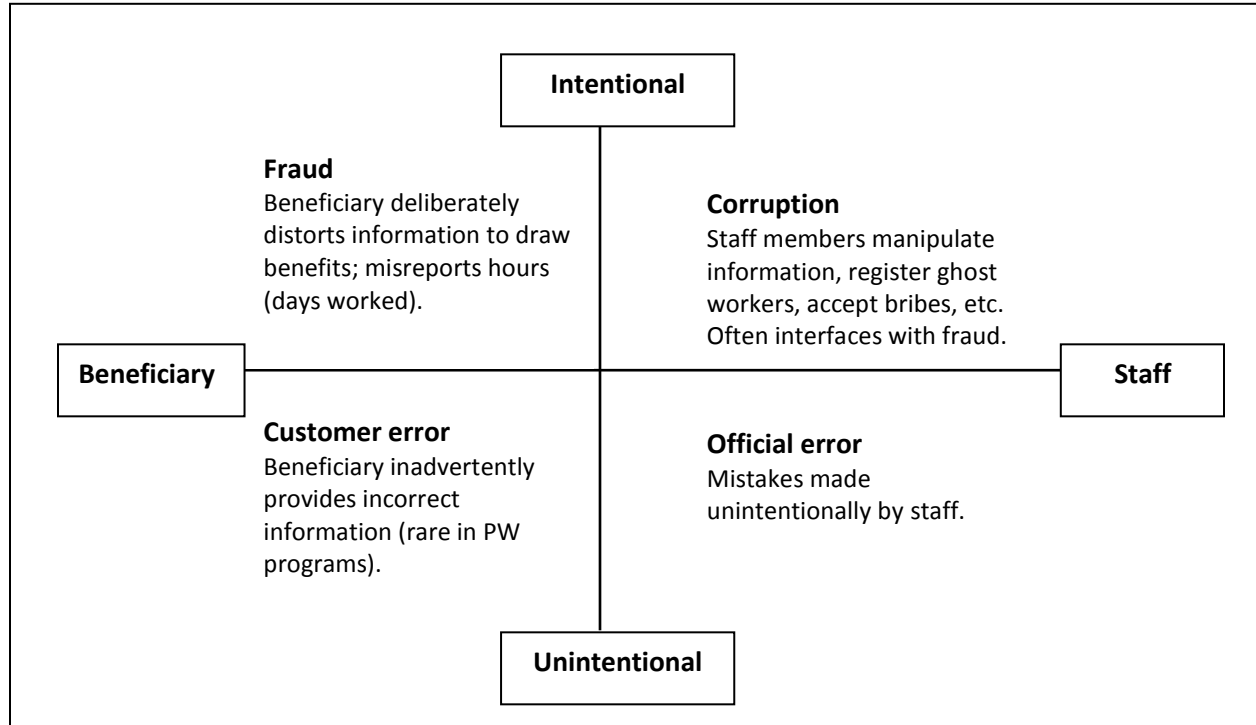
## **H. Fraud, Corruption and Accountability**

Public works programs require strong checks and balances against manipulation for personal ends or special interests. Control and Accountability mechanisms are critical to ensure that a program is fair and deliver the expected results. Control and accountability arrangements can be put in place through the use of program level mechanisms (i.e. fiduciary controls) and beneficiary level inputs (e.g. social audits, grievance mechanisms). Both approaches are seen as complements rather than substitutes. It is noted at the outset that robust control and accountability cannot take place without a strong MIS system and good monitoring procedures.

Internal controls are therefore necessary to reduce risks of error, fraud and corruption (EFC) of a program, as well as promoting transparency and accountability amongst beneficiaries and stakeholders to strengthen program governance. As illustrated in Figure 8, fraud and

corruption are intentional violations of program rules by beneficiaries and staff respectively, whereas unintentional errors may arise from misunderstanding from both stakeholders.

**Figure 8. Error, Fraud and Corruption (EFC) in PW Programs**



Source: Adapted from Margaret Grosh et. al. "For Protection and Promotion" 2008.

Fraud is a concern in beneficiary selection especially in PW programs which are not self-targeted. Beneficiaries could misrepresent their household characteristics in order to claim eligibility for participation. Fraud can also occur in work reporting: number of hours or days worked could be manipulated and wrongly reported, sometimes in connivance with local scheme operators.

A larger key concern is corruption, often referred in the PW literature as **program leakage** that describes funds that are diverted from legitimate use for salaries or material to other uses. Diverted funds may reflect systemic corruption (e.g. rent seeking, bribery of officials), as well as project reallocations (e.g. to meet unforeseen project expenses, land compensation). Typical sources of leakage include:

- Differences between the amount of work done and amount stipulated in project documents e.g. overestimation of work done, work days reported or under-completion of tasks.
- Over-reporting of the resources allocated to workers e.g. differences in wage payments received versus agreed, remuneration not conforming to work norms (e.g. for skilled labor), a higher number of workers reported than actually employed.

- Appropriation of left over funds or assets.
- Differences between wages paid in cash and market value of wages in kind (where applicable).
- Possibility of “ghost” workers, favoritism in beneficiary selection (politically influenced or by other considerations such as caste status, etc.).

### H.1 Program Level Control Mechanisms

Program level information draws from functioning fiduciary mechanisms and other controls. It can be usefully supplemented through beneficiary inputs in the form of social audits, grievance reporting, etc. Box 22 provides some guiding principles for ensuring control and accountability in PW programs.

#### i) Program Level Information

##### *Fiduciary Controls: Audits, Procurement and Financial Management*

The primary controls at program level involve audits, procurement and financial management. This section focuses mainly on audit arrangements with procurement and financial aspects covered in Sub-section F.

Certified program audits are typically a requirement both for donor financing agreements and national legislation in most countries. A minimum project requirement is the annual auditing of accounts by an independent auditor. In practice this process may be facilitated through a National Coordination Office.

Programs may also introduce a system of roving audits, technical audits, and periodic spot-checks to investigate compliance with financial rules, disbursements and payments, and appeals and complaints; as well as to inform monitoring.

The typical scope of an audit will focus on the following aspects:

- Disbursement procedures and systems;

#### **Box 22. Guiding Principles for ensuring control and accountability in public works programs**

- Establish control and accountability arrangements that incorporate program level information and beneficiary level inputs. Both approaches are complements, not substitutes.
- Establish clear structures, systems and processes comprising of regular internal audit, financial reporting and clear procurement procedures e.g. **Yemen Case Study**, Annex 7.
- Have clear descriptions of controls and responsibilities and ensure appropriate segregation of functions to initiate, execute, authorize and record transactions e.g. **Ghana Case Study**, Annex 7.
- Institute appropriate measures to promote integrity and performance of staff at all levels
- Ensure that program processes are embedded in national accountability mechanisms e.g. **Ethiopia**, Annex 7.
- Ensure social accountability systems are integrated into the system, rather than remaining outside of its purview e.g. **India Social Audits**, Box 23.
- Use websites strategically and if suitable to local context e.g. **Kenya**, Annex 7.

- Basic accounting records relative to the number of beneficiaries working on a daily basis
- Amount of inputs used as well as outputs are adequately maintained and updated;
- Internal controls system is adequate in terms of payments, purchases, requests and authorizations;
- Expenditures reviewed are eligible under the program.

A particular area of interest in public works programs is to strengthen the reconciliation of the payment process. This may involve mandating a link between the payroll and attendance sheets to program audits.

## **H.2. Beneficiary Level Inputs**

Beneficiary and community participation should also be facilitated as part of program transparency and accountability measures.

- *Community participation and sensitization*
  - Public meetings to select households that will participate in a program based on operating procedures (if applicable);
  - Selection of public works through community-based participatory planning processes to ensure that works are valuable to the community in general and aim to balance competing interests among communities;
  - Posting of program budget, public works plan, salary levels, and list of beneficiaries in public locations to ensure that all community members are fully informed of program objectives and procedures;
  - Sensitization exercises to raise awareness amongst beneficiaries on potential areas of fraud.
- *Grievance Procedures*

Programs should also establish grievance and appeal mechanism. In Malawi for example, citizen report cards and community scoring procedures have been introduced to improve transparency and accountability.
- *Social Audits*

The basic objective of a social audit is to ensure public accountability in the implementation of projects, laws and policies. The social audit is a process compliance audit that assesses to what extent the rules and regulations in the operations are adhered to, especially in areas like selection of districts, selection of beneficiaries and selection of sub-projects to be financed. It is a tool for enhancing transparency of the project activities and seeks to improve the overall accountability and transparency of a PWP. Social audits are usually implemented by a civil society organization to be selected on competitive basis. It is a good practice for the reports of social audits to be made available publicly. Box 23 provides an example of social audit being followed in India's NREGA.

Annex 7 provides examples of how fraud is sought to be prevented in four countries.

**Box 23. Social Audits in India – Andhra Pradesh (AP)**

An innovative feature of the National Rural Employment Guarantee Act is that it gives a central role to ‘social audits’ as a means of continuous public vigilance. The basic objective of social audits is to ensure public accountability in the implementation of projects, laws and policies.

Social Audits are now being conducted in all the districts where the NREGA- AP is being implemented. The stakeholders in the process are the following:

- The state government authorities and District Resource Persons and State Resource Persons who have been working with reputed NGO’s.
- Social Audit teams at the Mandal level, consisting of local education youth who are trained and sensitized to the needs and process of the social audit
- The villagers and wage seekers.
- Mandate levels RDRD officials and other implementation stakeholders.

The Social Audit Team conducts the social audit in the village through a process of door to door visits, screening of a film on social audits, and a Gramam Sabha meeting for discussing related issues. During this period, they query the villagers on all aspects of program implementation. The team also ensures that any wage seekers who want to represent grievances in the Social Audit Forum are informed of date and encouraged to travel. Social Audits are an evolving practice in the public works with positive experiences to date in terms of raising program awareness, promoting redressal and ensuring improved outcomes in project implementation.

Source: World Bank and SPIU (2010): Standing Under the Arch – Understanding Social Audits in Context of Andhra Pradesh National Rural Employment Guarantee Act

## I. Communication Strategy to Potential Participants

A program’s success depends very much on how its basic features and entitlements are communicated to potential participants. This is particularly important in countries emerging out of decades of ethnic or other conflict, in order to generate confidence in the program being launched. Miscommunication can lead to huge problems (e.g., Nepal’s guaranteed employment program was misconstrued to be a “income entitlement program” without any need to do any work...caused huge problems later). Communication must include such critical aspects as potential eligibility criteria for participation, selection of projects, duration of employment, gender composition, tips on how prevent leakage of benefits, etc.

Therefore, policy makers need to design a communication strategy right up front in order to raise awareness among the community about the main objectives of the program and avoid generating the wrong expectations. A well informed community will give potential beneficiaries a fair opportunity to access the program. It also will allow communities to take ownership of the projects being implemented.

### 1.1 Important messages to convey the community and beneficiaries

- *Program objectives.* Information needs to be disseminated about the role of the program as a Safety Net strategy, and the population that it intends to benefit (targeting and eligibility criteria).
- *Program Scope.* Policy makers need to be upfront about the placement and duration of the program, whether is seasonal or a one-time project.
- *Terms of Work.* Information should be clear about the number of hours people are expected to work, form of wages (cash or food), form of payments (cash, electronic transfer), nature of work and organization of labor (individual, teams, units), outcomes to be remunerated (hour, daily rate or piece rate).
- *Conditions at the work sites.* Use of equipment, availability of transportation, childcare, etc.
- *Sensitization of particular issues.* Community can brainstorm about how to improve participation of women or how to make sure the projects won't have a negative impact on the environment.
- *Implementation.* It is important to convey the roles that every stakeholder is expected to play during program implementation. If the community is expected to implement the works, or participate in other areas of the project cycle, more than a communication strategy will be necessary. In this case capacity building needs to take place. Training and accompaniment to the community is necessary from government managing agencies. In addition, the community needs to be organized in structures (committees, councils) that allow it to make decisions and undertake the tasks.
- *Others.* Each community will have its own communication needs. For example, specific labor regulations of the country, use of cash, safety measures, etc.

#### Box 24. Ghana: Communication strategy at community level

In order to avoid suspicion on the part of some community and government stakeholders, it is essential to inform officials and community members from the onset of the purpose and objectives of the LIPW and of its general methodology. The following key issues should be considered:

- **Employment is for a limited number of days** - The community should be made fully aware that the LIPW is being provided during a limited timeframe for a specific and limited purpose. There should be no expectations from the community members that the project will run indefinitely, nor should the project be regarded as a long-term source of employment.
- **Importance of community participation** – DAs and its implementation partners should underscore the importance of broad community participation (not only community leaders and government officials) in the processes of selecting eligible projects and programmatic activities, and the fact that the projects should be selected by the communities themselves and not imposed on them.
- **Make beneficiaries aware of the more common forms of fraud** – When workers receive their payment they should be informed of common forms of fraud, including bribes, dishonest traders and money changers, in order to avoid unjust extortion of money in form of "taxes" and "fee services". Community members should be made aware that there are no "taxes" or other "fee services" on the daily salary they receive.

Source: Program Implementation Manual

Box 24 offers an illustration of the communication strategy implemented by Ghana Social Opportunities Project.

### ***1.2 Strategies and tools to disseminate information***

Program managers should use culturally sensitive materials and community venues to disseminate information even in the most remote areas. Communication campaigns usually use a wide range of written materials such as pamphlets, brochures, ads in newspapers or community newsletters. Audio visuals such as TV and radio spots are also widely used. The communication campaign should be launched prior to the beginning of the projects and the information should be adapted according to program stages.

Some countries hire community facilitators that work directly with community members to enhance their participation. One of the main tasks of the community facilitators or promoters is precisely to help disseminate program objectives and expectations. They organize community meetings and workshops to promote the program and get the community insights. They identify well respected leaders that can help organize the community and convey valuable information, or they assist the community at electing their own leadership bodies that will undertake important project tasks.

### ***1.3 Two way communication***

Communication should not be thought of as one way: from program managers to community members. Channels need to be created to allow communication flow the other way from community members to government agencies. Community facilitators can play a key role in this task. Community members and beneficiaries have valuable input to enhance the program's performance. For this reason procedures for the community feedback and handling of complains should be set up as an important part of project implementation.

An example of how a PW Program is communicated to all stakeholders is via a Charter of Entitlements that is adopted in Ethiopia (see Annex 8). While such a charter may not be necessary in all countries, the basic substance of messages needs to be communicated to potential participants one way or another.

## **J. Environmental issues**

In order to ensure that the activities of Public Works program do not adversely affect the environment and the well-being of the people, environmental and social safeguard requirements already in force in many countries will need to be met. It is good practice to conduct an initial environmental assessment (EA) of projects in the early stages of program design, and in any case before they are approved for implementation. In general, an EA should be part of the project appraisal so that during the screening process it facilitates identification of potential undesirable environmental impacts and plan remedial actions.

Some of the considerations to take into account in the initial assessment are:

- Objective, size and nature of the project;
- Location of the project: Whether it is located near protected areas, historical sites, wetlands, etc;
- Existing laws that would apply to the project: Regulations on construction, stormwater, drinking water and sanitation, etc;
- Potential environmental impacts: How it would affect soil and water quality, farm land, watersheds, biodiversity, etc;
- Possible mitigation measures if an impact has been identified; and
- Other useful information specific to the project that would help to assess its impact.

This initial assessment will help identify the degree of potential impact a project may have and the next steps to be taken accordingly : (a) no action is needed if the project does not have an impact or if the impact is minimum and easily resolved with mitigation measures; (b) an in-depth environmental review is requested if the project has some environmental impact in which case a site evaluation may be necessary; (c) a full environmental analysis is mandatory in cases where the project potentially has significant adverse environmental effects.

The environmental assessments should be conducted following country specific environmental regulations. A project that according to the assessments is not environmentally suitable should not be approved for execution.

The modalities in which the assessments are conducted vary across countries depending on specific regulations and institutional arrangements. Program managers need to check which of the following modalities apply to their country:

- i) Where there are multiple small, community-implemented projects (e.g., Ethiopia), it may not be practical to do an extensive environmental assessment for all the projects. In this case, the government could provide the community and local authorities with initial criteria for project selection and a short list of mitigation measures that can be implemented. Only projects that may have greater impact are analyzed at the level of the central government.
- ii) Implementing agencies (community, contractors or local governments) submit, for each potential project, a form that screens possible environmental effects. The information in the forms is analyzed by local or district level authorities who decide what actions to take in terms of further environmental studies or field appraisals.
- iii) A third case is when projects are assessed directly by a national environmental agency in accordance with the country regulations.

Once a project clears environmental screening and is approved, adequate monitoring is necessary to ensure compliance with the environmental regulations and mitigation measures. Annex 9 illustrates how environmental assessments are done in two select countries.

## K. Graduation Strategies and Public Works Plus<sup>4</sup>

As explained in previous sections, an increasing number of countries are implementing a “Public Works Plus” model; that is, providing training, or access to credit so participants’ odds to obtain permanent employment or become self-employed increase once they exit the PW program. At the center of these programs are graduation objectives. Graduation strategies aim to increase households’ income, skills, and human capital in order to promote better long-term welfare and poverty reduction.

The main graduation strategies that have been used in PW programs are the following:

- **Training and labor activation:** In addition to the wages, a training component is added into the program to prepare participants for the job market. Training can include: Vocational training, literacy, micro-enterprise development, etc. This type of intervention is most appropriate where formal labor market opportunities and gaps exist. For example, the PW program in South Africa assumes that the market is able to absorb about 10% of the program participants since the skills and experience they gain are relevant to the labor demand in the country. Figure 9 explains in detail South Africa EPWP’s graduation strategies. Annex 11 outlines similar interventions in Argentina, South Africa and Kenya. It should be noted that in lower capacity contexts training opportunities may be more simplified. For example, Liberia is currently preparing non-cognitive life learning components to promote good work and social habits amongst workers e.g. topics cover attendance, punctuality, sanitation etc.
- **Financial inclusion:** Services such as setting up bank accounts, providing financial literacy, or linking programs to micro-finance services are also provided. Rwanda’s VUP for instance, provides financial education to promote the use of savings and credit. Bank accounts are opened for depositing wages to beneficiaries and promoting savings.
- **Linkages to Intermediate Services:** Finally some programs emphasize linkages with other social protection services, as a means of program exit. This recognizes that need for integrated social protection instruments, and the reality that public works programs may not necessarily graduate beneficiaries out of poverty. For example, beneficiaries who reach a certain food security threshold in Ethiopia’s Productive Safety Nets, are linked to the Household Asset Building Program (HABP) which aims to diversify income sources and increase productive assets and finally, other elements of the FSP invest in the enabling environment. Annex 11 elaborates on the Ethiopia case, alongside similar examples from Argentina.

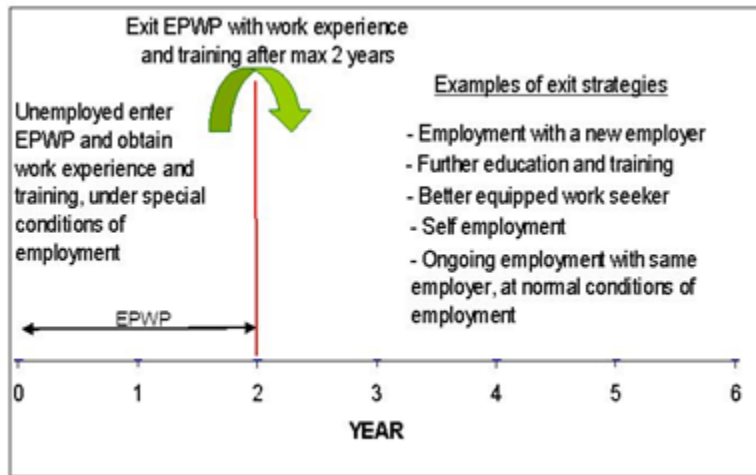
It is important to take into account that graduation strategies are very context-specific. They depend on resources, technical and administrative capacity that not all countries have. For this

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<sup>4</sup> The following information draws mainly from the forthcoming Nuts and Bolts Toolkit for Safety Nets available from [www.worldbank.org/safetynets](http://www.worldbank.org/safetynets).

reason, graduation strategies may be considered less on a priority when competing with basic design features such as targeting, payment methods, and MIS. In addition, it is not clear what the impact of these strategies have been on the beneficiaries who graduate. There is little evidence on longer-term impacts of graduation strategies and some graduation objectives are seen as overly ambitious. More research is clearly needed in this area.

**Figure 9. Role of EPWP in addressing unemployment**



Source: South Africa. Consolidated Programme Overview and Logical Framework

## V. MONITORING AND EVALUATION

Monitoring and Evaluation (M&E) are essential components of any PW program as they help assess whether or not program objectives are being achieved. Information provided by M&E is vital to: a) provide feedback during the life of the program to help improve its effectiveness; b) make projects accountable to the public and; c) help inform government decisions about spending allocations

Monitoring is a separate process from evaluation but both are complementary and essential for a results-based program management. Both systems should be designed at the start up of the program as program managers develop the logframe (see Section III).

### A. Monitoring

Monitoring consists of a continuous process of data collection and analysis to follow up on program's performance and results. It is important that program managers clearly define monitoring indicators from the beginning to be able to track them throughout the life span of the program.

It is advisable that a monitoring and evaluation committee or team is formed at the central level government (or the program management unit). Among the responsibilities that this team should have are: designing a plan for overseeing the monitoring process at all levels; conducting field visits, inspections or audits; taking action when irregularities are detected; analyzing and interpreting monitoring information; conducting evaluations and ; preparing TORs for the hiring of independent impact evaluators. The plan should includes: the type of information needed, how it should be collected, who will be responsible for collecting it and how frequently should that information be collected and reported. This section will guide the reader through these key steps for program monitoring.

#### **i) *What information to collect: Defining key indicators***

Monitoring indicators need to be clearly defined, closely related to program objectives, and can be obtained at a reasonable cost and accuracy. Program indicators should measure the various aspects developed under a program logical framework (see Section III). As illustrated in Table 7, this includes:

- Inputs: Quantity and quality of the human, material and financial resources;
- Activities: Actions take to convert specific inputs into outputs
- Outputs: What is being produced/ how inputs are being transformed/services delivered
- Intermediate outcomes: Intermediate effects created by the program;
- Outcomes: Program impact on beneficiaries, reflecting its overall objectives;

**Table 7. Sample of Monitoring Indicators for a PW program**

Type	Indicator
<b>Input indicators</b>	<ul style="list-style-type: none"> <li>- Institutional arrangements (financing and available budget and its distribution across regions/communities, implementing agencies);</li> <li>- Budget expenditures for salaries, intermediate inputs, and administration;</li> <li>- Budget available for worker salaries, non-wage (material) costs</li> <li>- Amount of food available in the budget (food-for-work projects);</li> <li>- Number of program staff by level.</li> </ul>
<b>Activities</b>	<ul style="list-style-type: none"> <li>- Management Information System established and operational</li> <li>- Payment arrangements and service agreements in place and functional</li> <li>- M&amp;E Plan developed and agreed with key stakeholders</li> <li>- Work site technical and supervision arrangements agreed and in place</li> <li>- Outreach and grievance mechanisms developed and functioning</li> <li>- Environmental and social safeguard assessments conducted</li> <li>- Accountability measures developed and functional</li> <li>- Financing, procurement and reporting arrangements functioning</li> </ul>
<b>Output indicators</b>	<p><i>Projects</i></p> <ul style="list-style-type: none"> <li>- Number of workfare projects by type and by province or region;</li> <li>- Project specific: <ul style="list-style-type: none"> <li>o Information on project dimensions (such as, for example, length of feeder roads built, etc)</li> <li>o wages paid to workers (per day, per month, by province, and overall) and cost of managerial staff (number of people and wage rate);</li> <li>o Amount of food distributed as wages (for food-for-work projects).</li> </ul> </li> </ul> <p><i>Beneficiaries</i></p> <ul style="list-style-type: none"> <li>- Number of workers participating in the program and employed in each activity;</li> <li>- Number of days given up in other activities in order to pick up PW job</li> <li>- Key characteristics of beneficiaries: gender, age, previous economic activity, education level, number of children, previous participation in an employment or training program, household income, confirmation of education and health certificates.</li> </ul>
<b>Intermediate outcome indicators</b>	<ul style="list-style-type: none"> <li>- Quality of projects complete</li> <li>- Transaction costs incurred by participants</li> <li>- Foregone income (number of days of work) by participants</li> <li>- Net income gain to workers</li> <li>- Number of days, months when worked.</li> </ul>
<b>Outcome indicators</b>	<ul style="list-style-type: none"> <li>- Number of program beneficiaries who transitioned from workfare to formal sector employment;</li> <li>- If the objective is to fight seasonal hunger: % of beneficiaries whose diet improved.</li> <li>- Utilization by poor communities of infrastructure built, expanded, or rehabilitated under the program.</li> </ul>

Source: Del Ninno et.al. "How to make Public Works Work: A Review of the Experiences." SP Discussion Paper No. 0905.

In addition to the above M&E Logical Framework a program will also need to consider a series of process, efficiency and cost indicators which can provide program managers with a snap-shot on overall program effectiveness. Table 8 outlines a sample of process, efficiency and cost indicators.

**Table 8. Process, Efficiency and Cost Indicators**

<b>Process, efficiency and cost indicators</b>	<i>Projects</i>
	<ul style="list-style-type: none"> <li>- Average time taken to select viable projects (in calendar days);</li> <li>- Number of projects appraised and evaluated per month (overall and by province);</li> <li>- Number of projects evaluated as a percentage of total projects per month (overall and by province);</li> <li>- Number of projects supervised per supervisor per month;</li> <li>- Number of supervision visits per project per month (overall and by province);</li> <li>- Average number of supervision visits per project during project execution (overall and by province);</li> <li>- Average cost (and range) per project category;</li> <li>- Average share of labor cost (and range) per project category;</li> </ul>
	<i>Additional related objectives (such as community involvement)</i>
	<ul style="list-style-type: none"> <li>- Percentage of projects with participation by nongovernmental organizations, civil society organizations, and so on (overall and by province);</li> <li>- Percentage of projects sponsored by nongovernmental organizations, municipalities, and the like (overall and by province);</li> <li>- Labor intensity of projects.</li> </ul>

Source: Del Ninno et.al. 2009

## ii) *How to collect information: Defining levels and instruments*

Monitoring indicators need to be collected at various levels: worksite, at community level, and at different levels of administration. The mechanism to collect information will vary according to the capacity of the implementing agencies. Data are captured in the form of relevant program indicators (e.g. number of beneficiaries employed, quantity of assets created). These indicators must be easily verifiable, collectable and understandable by stakeholders. Table 9 provides an example of a list of instruments and data to be collected at various levels of program implementation.

**Table 9. Examples of instruments to collect quantitative data for monitoring**

Level of collection	Instruments	Information
Project level	MIS registry	Input and output indicators at project level and at local level.
	Project level sample collection	Efficacy of design & implementation.
Household level	Beneficiary Survey and citizen report card	Access to program, service quality and satisfaction of implementation.
	Cross-section household survey of beneficiaries	Profile of beneficiaries & their households; Income, assets and welfare level; Eligibility and participation in the program; Amount of transfers received.
	Longitudinal household surveys	Similar info as in the household survey, but implies follow up of beneficiaries to gauge long term impact.
Community level	Local officials interviews	Perception on the implementation issues.
	Communities and village level surveys	Community characteristics in terms of labor market, wage rates, infrastructure gaps filled through PW activity; Community perceptions of the benefit of the project.

Source: Del Ninno et.al. 2009

**iii) Who will collect the information: Defining institutional roles and responsibilities**

A number of institutions at various levels will need to be involved in the collection of needed information. This calls for inter-institutional coordination to avoid duplication of efforts and clear delineation of roles and responsibilities at each level. Institutional arrangements and procedures are important to indicate clear roles and responsibilities for program staff and institutions. Implementing agencies are the main collectors of on-site information while the managing offices are the “brains” and supervisors of the overall monitoring system. In a centralized implementing model for example, local implementing bodies are responsible for the continuous gathering of information and the preparation of periodical reports. Government authorities at the district and/or regional level collect these local reports and prepare consolidated district or regional level reports. Likewise, central government authorities collect and consolidate regional reports to produce national level information. The community can also play an important role at monitoring the program. Feedback from community members is crucial to assess program progress and impacts; therefore, mechanisms should be created to allow their participation. Tools such as user’s manual, training sessions, and user-friendly interfaces are needed to facilitate the intuitive application of MIS.

**iv) When to collect the data: Defining timing and frequencies**

The frequency and consistency with which the information is collected will determine the success of a monitoring process. Hence, it is important to develop clear timetables for data collection and reporting by all the agencies involved. In general it is good practice to generate monthly, quarterly and annual project level reports.

**v) Other considerations: Cost and feasibility**

Even though it is important to obtain relevant and rich data, considerations that should be kept in mind include cost of collection and institutional capacity to handle information. Monitoring systems that are too complex can end up being a costly bureaucratic burden that does not lead to relevant results. In this sense, there need to be a balance between cost and the amount of information that is practical and realistic to manage, given a country's institutional capacity.

In sum, strong monitoring systems are crucial to ensure program effectiveness, productivity and impact; they also constitute the backbone that supports credible program evaluations, a topic that is developed in the next section.

## **B. Program Evaluation**

Evaluation consists of an independent assessment of a program in order to determine the achievement of its objectives, its efficiency, effectiveness and impact. It also provides feedback and lessons to be learned to improve the program. Evaluation differs from monitoring in that instead of being a continuous flow of information to track implementation is a periodical assessment of specific aspects of the program: process, targeting efficiency and results.

As with monitoring, it is important to establish an evaluation system at the beginning of a program with the purpose of: a) gathering information that substantiates the achievement of program results; b) making timely adjustments and/or corrections to prevent distortions or negative impacts; c) justifying the allocation and use of resources in terms of the results being achieved; d) guiding the decision-making process on expanding, modifying or eliminating a program and; e) making the program accountable to the public.

This section will guide the reader through the three most common types of evaluation: process, targeting efficiency and impact evaluation.

**i) Process Evaluation**

The purpose of process evaluation is to determine if a program is implemented as designed. Process evaluation should be used at the start-up of a program in order to quickly address initial issues or bottlenecks and be able to document the solutions for similar scenarios. As the program matures, process evaluation provides valuable feedback about program's operational

issues that may be identified by the monitoring system in place. Therefore, findings from a process evaluation are vital to improve program efficiency and effectiveness.

Information for process evaluation can be obtained at all levels of program management and implementation. The nature of the data can be as varied as the operational issues that emerge during the program’s life span. Interviews are the most popular methodology used in process evaluations. Interviews can be done in groups or individually with program managers, staff and beneficiaries. Other techniques used are direct observation, focus groups and surveys. Focus groups are useful to learn about the community’s perceptions of the program. Administrative records are a main source of information regarding number of beneficiaries, payments, etc. Table 10 provides example of questions used in process evaluation.

**Table 10. Example of questions used in process evaluation**

Aspect Evaluated	Questions
Program organization	<ul style="list-style-type: none"> <li>- Is the program well organized?</li> <li>- Who is implementing the program?</li> <li>- How well implementing agencies and management units work together?</li> </ul>
Program resources	<ul style="list-style-type: none"> <li>- Are adequate resources being used to implement the program?</li> <li>- Is program staffing and funding sufficient to ensure appropriate results?</li> <li>- Are program resources being used effectively and efficiently?</li> </ul>
Program availability and participation	<ul style="list-style-type: none"> <li>- How did people hear about the program?</li> <li>- Are the beneficiaries from local communities?</li> <li>- What is the actual number of people being hired?</li> <li>- Are arrangements being made to promote women’s participation?</li> </ul>
Delivery of services and benefits	<ul style="list-style-type: none"> <li>- Are participants receiving the proper amounts, types, and quality of benefits and services?</li> <li>- Is delivery of benefits and services consistent with the program’s intent?</li> <li>- How much change has occurred since program implementation?</li> </ul>
Participant experiences	<ul style="list-style-type: none"> <li>- What are participants’ experiences of contact with the program?</li> <li>- Are participants satisfied with their interactions with staff delivering the program, with program procedures, and with the services they receive?</li> <li>- Do participants engage in anticipated or intended follow-up behavior?</li> </ul>
Program performance issues	<ul style="list-style-type: none"> <li>- Are benefits and services delivered according to different models or by different organizations?</li> <li>- Are program resources and/or program delivery consistent and appropriate across all geographical locations?</li> <li>- Is the program focused on those who are easier to reach at the expense of those who are harder to reach?</li> </ul>

Source: Adapted from Grosh et al. 2008

## ii) Targeting efficiency - Benefit Incidence Analysis

Benefit Incidence Analysis help us to assess the targeting efficiency of the program and to know if the program is reaching the population that it is intended to reach. The main data requirement for this analysis is a good household survey on beneficiaries and non-beneficiaries.

## iii) Impact Evaluations

Impact evaluations assess whether a program is responsible for a particular outcome. Impact evaluations aim to measure program outcomes among beneficiaries relative to the counterfactual situation where the program did not exist. Typically, impact evaluations use a comparison group of non-beneficiaries to estimate what the welfare of the beneficiaries (treatment group) would have been if they had not participated in the program. Impact evaluations can also be used to compare program implementation alternatives.

Box 25 provides an example of the type of information collected in an impact evaluation survey in PW program in Rwanda. Baseline surveys on beneficiaries and the comparison group are recommended, both to determine the pre-program condition of beneficiaries and to assess whether the beneficiaries and comparison group are comparable. Follow-up surveys or ex-post surveys need to be conducted after the PW

program has been carried out, allowing enough time to elapse for outcomes to be measured. It is also important to use monitoring to track whether the program has been carried out as intended, especially with respect to its timing and reaching intended beneficiaries. Once evaluation data are collected on the beneficiaries and comparison group, a number of evaluation techniques are available to assess the impact of the PW program on households and on the community. Cost data can be used with evaluations to assess cost-effectiveness.

### Box 25. Rwanda: information collected for baseline

#### **Household situation at the launch of the PW program**

- Household composition adults/children by age and gender
- Level of education of each member
- Children currently enrolled in school
- Any household-specific vulnerability
- Marital status
- Housing quality
- List of all important tangible assets

#### **Occupation and income**

- Whether currently employed or looking for work
- Occupation of each member
- Income from each current activity
- Self-employed activities
- Net income from self-employment
- Net income from wage employment
- Amount of monthly welfare payment
- Amount from charitable organizations
- Income from other sources

#### **Major expenditures**

- Average total monthly expenditure of the household
- Average monthly expenditure on food
- Average monthly expenditure on non-food items

#### **Financial transactions**

- Have you borrowed any money during the past month (yes/no).
- If yes, for what purpose
- Have you repaid any money borrowed in previous months (yes/no)
- If yes, repayment for what type of loan
- Current debt, if any specify
- Have you sold any assets recently to meet household expenses (yes/no)
- Have you recently purchased any asset

Source: Program Implementation Manual

There are many important considerations to take into account before launching an impact evaluation, including: a) selecting an independent evaluator to ensure objectivity; b) building in an evaluation at the beginning of the program so that valid comparison groups can be determined and timely data collected; c) using appropriate quantitative methods to measure the level of the impacts; d) integrating qualitative methods to complement the findings of the quantitative methods and; e) ensuring quality and availability of data since the quality and accuracy of the analysis will be highly dependent on these factors.

Annex 11 provides examples of monitoring and evaluation arrangements from Kenya and Ghana.

## VI. CONCLUSIONS AND FINAL CONSIDERATIONS

The Toolkit has been devised to provide guidance on 'how to' aspects in implementing and designing public works programs. Throughout the toolkit and annexes a range of country experiences and resources have been presented to provide a prototype set of procedures relevant across a diverse set of typologies. In designing and re-designing public works interventions, however, a number of final considerations should be kept in mind.

- 1. The effective design and implementation of public works is an iterative process and highly contextualized.** Given their scale and intensity, public works require dynamic, constant attempts and improvement and evolution. Coordinating and reconciling different inputs across worksites is a particular challenge, particularly when much documentation is paper-based and significant effort is required to integrate into a functioning MIS. Similarly, as contexts change and institutions develop, the institutional arrangements underpinning a particular program might also evolve. This has important knock on effects in how a program is executed.
- 2. The need for a public works program in any given context should be informed by a detailed feasibility assessment, not simply political interests.** A feasibility assessment can provide the evidence base on the role of a public works program within the context of a safety net system, its main features, possible costs and possible coverage. A detailed analysis will take into account a range of factors including: labor market analysis, infrastructure needs, country circumstances, fiscal space, institutions and capacity. The evidence provided under a feasibility assessment can mitigate any risks of political capture. Feasibility assessment can be useful for new projects in early design stages, as well as for existing programs seeking a change in direction.
- 3. Solid design is a precondition for implementation success.** For public works programs, critical design considerations hinge around a set of interrelated issues: targeting methods, wage rates, types of work and labor intensity. Central to this discussion there is potential to target most vulnerable population groups, once the wage level is carefully applied. While a range of large and small scale projects can be undertaken through public works, there are also inevitable trade-offs and tensions around what can be accomplished. Given the labor intensity desired in public works, large scale infrastructure projects may not be suitable.
- 4. Implementation steps need to be considered in parallel and not as separate activities.** There are considerable overlaps in the various implementation steps presented throughout the toolkit. A solid MIS can be considered the backbone of any safety net intervention. If properly devised it will facilitate the smooth transactions required by the program, as well as providing synergies for effective M&E. Similarly, the organization of payments in inextricably linked to accurate beneficiary lists and smooth program registration.
- 5. Monitoring and Evaluation mechanisms can help indicate if the program is staying on track and where improvements can be made.** M&E strategies should be devised at the

outset of the program in collaboration with key partners, and preferably around a simple causal logical framework. Once the framework is in place careful consideration will be required to consider the information collection requirements, role and responsibilities, as well as evaluation needs.

- 6. Program graduation continues to be part of the evolving agenda on public works.** A range of different mechanisms might be considered around program graduation including linkage to other social programs, skills training for unemployed youth, as well as linkages to the financial sector.

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## ANNEX 1. SUMMARY OF TARGETING METHODS

<b>Definition of Targeting Methods Used in Public Works</b>	
<b>Geographical Targeting</b>	The poorest geographical zones are selected using poverty maps. The most vulnerable zones are typically located in rural areas or isolated communities that lack of basic services and infrastructure. They also tend to be prone to natural disasters such as floods or droughts. Therefore, poverty maps are useful to address resources to the most vulnerable areas.
<b>Administrative Targeting Proxy Means Tests (PMT)</b>	Proxy means tests generate a score for applicant households based on fairly easy to observe characteristics of the household such as the location and quality of its dwelling, its ownership of durable goods, demographic structure of the household, level of education, etc. The indicators used in calculating this score and their weights are derived from statistical analysis of data from detailed household surveys. Eligibility is determined by ranking the household's score and selecting all those below a predetermined cutoff. See Annex 6 for a detailed discussion of this method.
<b>Administrative Targeting Poverty Line Approach</b>	This method targets the unemployed individuals whose household's total income falls under the poverty line. The unemployment rate is estimated using census or household survey data. The poverty line is estimated using the price of a basket of basic foods that meets the daily calorie requirement for a family according to rural and urban settings. An extended basket that includes basic non-food consumption items is also used.
<b>Self- Targeting</b>	Setting the wages below the market rate allows self-targeting of the unskilled poor. Higher wages will prevent the transfer of revenues to the most vulnerable as the non-poor will compete for such wages. The wage rate for workfare programs may vary across regions in a given country depending on the difference of market rates by location. Another advantage of this approach is that eliminates the administrative cost of identifying and selecting beneficiaries from the poorest or more vulnerable households.
<b>Community-driven targeting</b>	Communities can be mobilized and asked to define poverty and vulnerability. After community members have agreed on the criteria, they are asked to make a list of the vulnerable households in their community. Governments may also define the criteria based on policy goals and ask the community to select program participants that meet the criteria

**Ranking and/or rotating participants**

When the number of target individuals exceeds the supply of jobs available, other methods may be used to benefit the larger number of people or the most vulnerable:

- Individuals can be ranked according to their level of poverty or vulnerability;
- Individuals can be rotated so the larger number of applicants can be given work but for a shorter period of time.

## ANNEX 2. LIBERIA CFWTEP PIECE WAGE RATES

Table 1: Average Task Output Values

Operation	Activity	Minimum Task
Site Clearance	Bush clearing - Dense - Light to medium Stripping and grubbing Tree and stump removal Boulder removal	Determine on site 150m <sup>2</sup> - 750m <sup>2</sup> /day 100m <sup>2</sup> - 200m <sup>2</sup> /day Experience 200 day /km
Earth Works	Slotting Excavation to level cut < 0,25m > 0,25 Borrow to fill Haulage (wheelbarrow) 0 - 20 m 40 - 60 m 80 - 100m Spreading	4m <sup>3</sup> /day  5m <sup>3</sup> /day 4m <sup>3</sup> /day 4m <sup>3</sup> /day  13,5m <sup>3</sup> /day 8,0m <sup>3</sup> /day 5,5m <sup>3</sup> /day 12m <sup>3</sup> /day
Drainage	Ditching Sloping Camber formation Mitre drains Catchwater drains Scour checks Culvert installation	3,75m <sup>3</sup> /day 3,75m <sup>3</sup> /day 100m <sup>2</sup> /day 3,75m <sup>3</sup> /day 3,75m <sup>3</sup> /day 25/day max 20 days/line
Gravelling	Excavation Load Spreading	3m <sup>3</sup> /day 6m <sup>3</sup> (loose) day 12m <sup>3</sup> /day

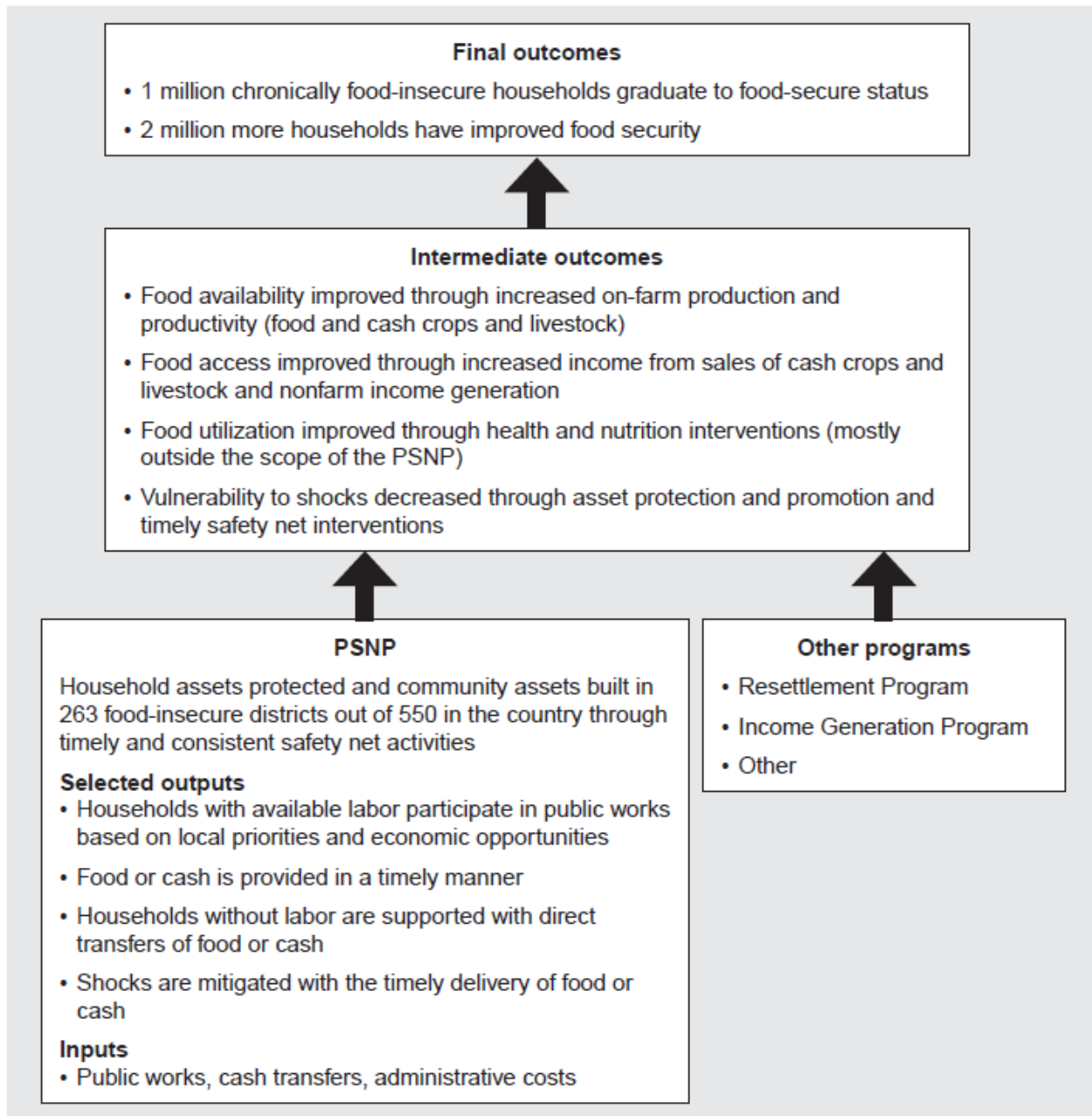
Table 2: Detailed Task Rates For Excavation

Soil Type	Tools	Task rates m <sup>3</sup> /man-day Throwing distance (m)		
		0-4	4-6	6-8
Loose, not sticky soil	Shovel, jembe	5.0-6.0	4.5-5.5	3.5-4.5
Firm soil	Shovel, fork jembe	3.5-4.5	3.0-4.0	2.5-3.5
Very hard soil, hard soil mixed with stones	Pickaxe, fork jembe, shovel	2.0-3.0	1.8-2.5	1.7-2.5

Source: Program Implementation Manual

**ANNEX 3. LOGICAL FRAMEWORK FOR PUBLIC WORKS: AN ILLUSTRATION FROM ETHIOPIA**

**Logical Framework for Ethiopia’s PSNP**



SOURCE: Food Security Coordination Bureau 2004.

Source: Grosh, et. Al (2008)

## ANNEX 4. MIXED DELIVERY SYSTEMS

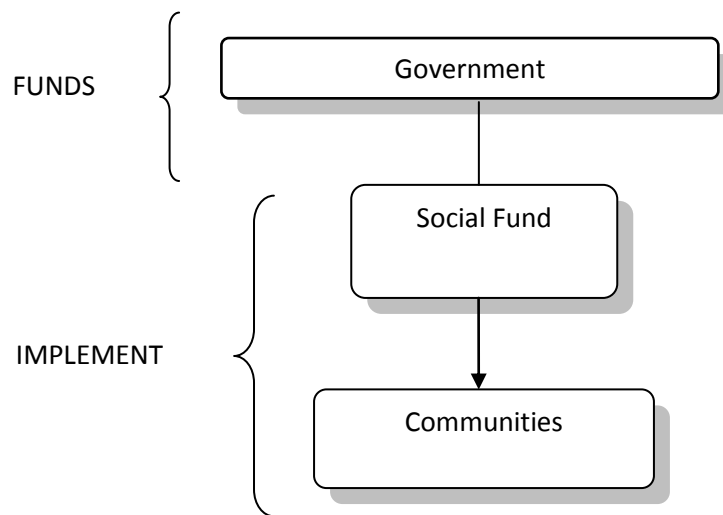
Besides the traditional government direct implementation or contractor implementation, the following alternative delivery systems have been observed:

### I. GOVERNMENT FUNDED PROGRAM

#### Alternative model 1: Implementation by Social Funds and Communities

Figure 1 illustrates a PW programs managed as a component of a Social Fund in which communities take the lead in program implementation.

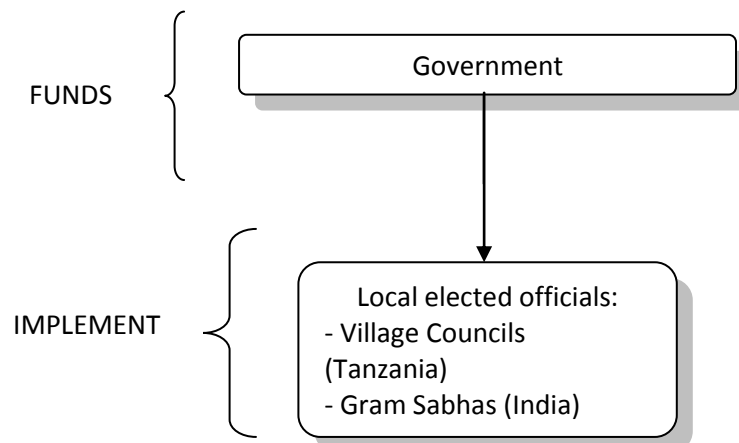
**Figure A4.1 PW delivered by a Social Fund**



#### Alternative model 2: Implementation by Local Elected Officials

As described in Figure 2, PW programs can also be implemented by local committees formed by community elected leaders (e.g. village councils).

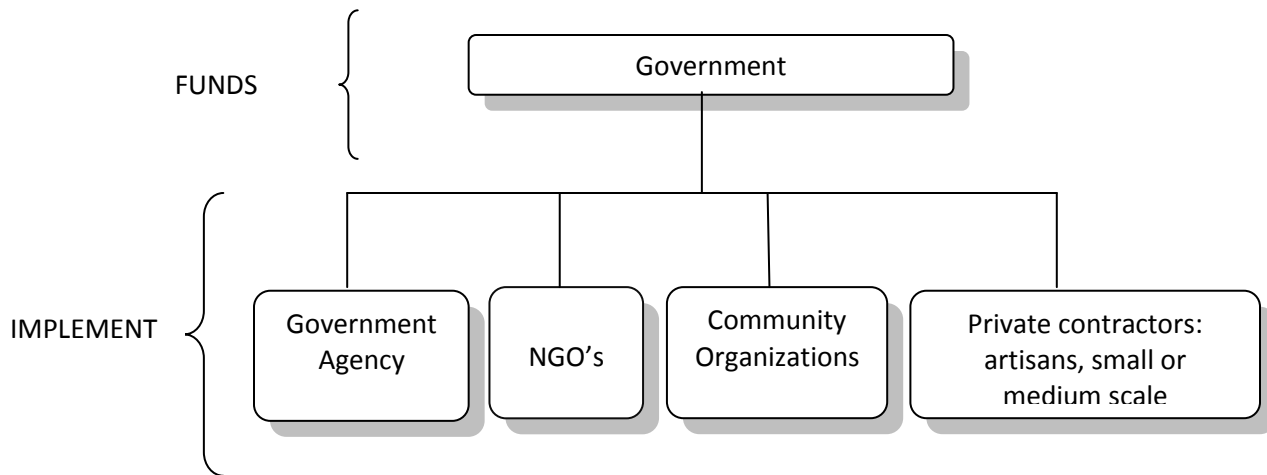
**Figure A4.2 PW delivered by elected officials**



**Mixed model 1: Implementation by Governments, NGOs, Private Sector and Community Organizations**

In some countries, governments still implement most of the projects but outsource the ones with more complexity. Figure 3 below, provides an example of implementation arrangements between governments, NGOs and private sector.

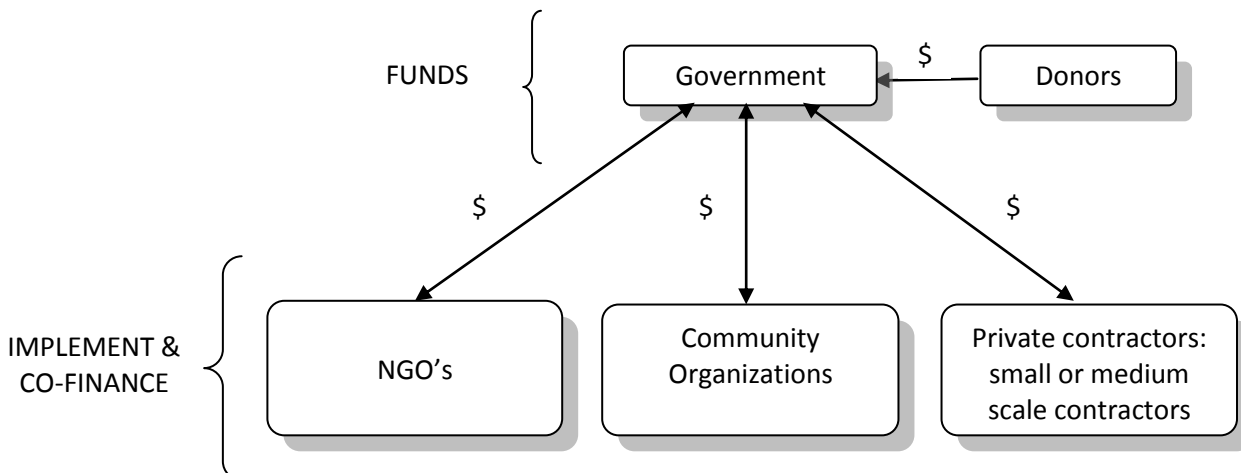
**Figure A4.3 PW delivered by government and implementing partners**



**II. GOVERNMENT AND DONORS FUNDED PROGRAM**

There are other schemes where donors co-finance Public Works as well as the implementing agencies. In Argentina for example, NGO's, community organizations and small contractors submit project proposals to the government and if approve they commit to finance a percentage of the total cost. The implemented organizations can apply for funding from other donors or government programs to be able to co-finance the works.

**Figure A4.4 PW funded and delivered by government and implementing partners**



## ANNEX 5. TYPES OF PROJECTS IMPLEMENTED UNDER PUBLIC WORKS

There is an array of labor intensive projects that can be undertaken with workfare programs. These projects can be grouped in the following typology:

**Type of Projects Implemented under Public Works**

Area of Works	Activities
<b>Economic Infrastructure</b>	
<b>Road sector</b>	<ul style="list-style-type: none"> <li>- Rehabilitation/maintenance of rural and urban roads</li> <li>- Construction and maintenance of feeder roads and trails (e.g. pavement, slurry treatments)</li> <li>- Road clearance and grass maintenance</li> <li>- Road markings and erection of road signs</li> <li>- Rock breaking for roads</li> <li>- Building/maintenance of pedestrian bridges</li> <li>- Building/maintenance of culverts, drifts, fences and retaining walls.</li> <li>- Stock routes</li> <li>- Building bus stops, sidewalk ramps and steps.</li> <li>- Cleaning existing road infrastructure</li> </ul>
<b>Market place</b>	<ul style="list-style-type: none"> <li>- Rehabilitation/construction of public market places</li> <li>- Pavement of market yards</li> <li>- Building storage facilities, access roads and parking lots</li> <li>- Planting trees for shade</li> <li>- Installing latrines and waste disposal pits</li> <li>- Making higher base for helipads, market yards and animal/livestock market places.</li> </ul>
<b>Gas and electricity</b>	<ul style="list-style-type: none"> <li>- Installation of electricity cables</li> <li>- Excavation of trenches for reticulation of all voltages</li> <li>- Erection of poles for overhead lines</li> <li>- Construction/maintenance of gas network systems</li> </ul>
<b>Irrigation systems/other productive infrastructure</b>	<ul style="list-style-type: none"> <li>- Rehabilitation/ improvement of small-scale surface irrigation schemes</li> <li>- Digging and protection of irrigation canals and drains</li> <li>- Construction of small water retaining structures (e.g. water pans, earth dams, reservoirs) for irrigation, fish harvesting and livestock watering.</li> </ul>

Sanitary Infrastructure	
<b>Drinking water</b>	<ul style="list-style-type: none"> <li>- Construction and maintenance of:                             <ul style="list-style-type: none"> <li>○ Community water supply networks</li> <li>○ Shallow wells (including hand-operated pumps and accessories)</li> <li>○ Small dams</li> <li>○ Ponds and other water harvesting structures, dug-outs</li> <li>○ Drainage and canals</li> </ul> </li> <li>- Extension of water distribution schemes</li> <li>- Stream diversion</li> <li>- Spring development and protection</li> </ul>
<b>Stormwater</b>	<ul style="list-style-type: none"> <li>- Construction and maintenance of:                             <ul style="list-style-type: none"> <li>○ Gabions and reno mattresses</li> <li>○ Grassed or lined water channels</li> <li>○ Drainage systems</li> <li>○ Infiltration pits</li> </ul> </li> <li>- Installation of pipes and arches</li> </ul>
<b>Wastewater and solid waste</b>	<ul style="list-style-type: none"> <li>- Construction/rehabilitation/maintenance of :                             <ul style="list-style-type: none"> <li>○ Sewerage networks</li> <li>○ Sewer manholes and manholes covers</li> <li>○ Maturation or flocculation ponds</li> <li>○ Waste disposal pits</li> <li>○ Humid or dry letrines</li> </ul> </li> <li>- Garbage collection in poor urban areas</li> <li>- Preparation of intermediate and main dumping sites</li> <li>- Raising awareness about sanitation through educational programs.</li> </ul>
Social Infrastructure	
	<ul style="list-style-type: none"> <li>- Construction/rehabilitation/maintenance of:                             <ul style="list-style-type: none"> <li>○ School classrooms and training facilities</li> <li>○ Community clinics, health centers</li> <li>○ Social services facilities</li> <li>○ Childcare centers</li> <li>○ Nursing homes</li> <li>○ Community centers and libraries</li> <li>○ Recreational facilities (theaters, parks, playfields)</li> <li>○ Public showers, restrooms or letrines</li> <li>○ Housing for low income and vulnerable groups</li> </ul> </li> <li>- Manufacturing of masonry elements and roof trusses on site</li> <li>- Painting of public buildings and street walls</li> <li>- Street sweeping</li> <li>- Running child care centers</li> </ul>

<b>Environmental/Agricultural Projects</b>	
<b>Soil and water conservation projects</b>	<ul style="list-style-type: none"> <li>- Construction of terraces and small weirs to increase infiltration of run-off</li> <li>- Afforestation</li> <li>- Setting up tree nurseries, community woodlots and fire lines</li> <li>- Gully protection using dry masonry or gabion structures</li> <li>- Flood control structures such as bank protection dikes, gully dams, and bund walls</li> <li>- Drainage of waterlogged areas</li> <li>- Renovation of traditional water bodies, including de-silting of tanks</li> <li>- Reclaiming water bodies (e.g. removal of hyacinth)</li> </ul>
<b>Land productivity/availability and soil fertility restoration</b>	<ul style="list-style-type: none"> <li>- Area closures/wood lots</li> <li>- Multi-layered/storied agro-forestry</li> <li>- Physical conservation measures, e.g. hill side terracing.</li> <li>- Micro-niche development</li> <li>- Harmful tree removal</li> <li>- Biological measures</li> <li>- Debris removal/bush brushing</li> <li>- Land reclamation of extremely degraded land</li> <li>- Gully control</li> <li>- Compost heap/organic manure for cultivated land</li> </ul>
<b>Fodder availability</b>	<ul style="list-style-type: none"> <li>- Vegetative fencing and fodder belts</li> <li>- Conservation measures</li> <li>- Fodder seed collection</li> <li>- Paddock systems</li> <li>- Water logging control</li> <li>- Multi-purpose nurseries</li> </ul>

Source: Program implementation manuals from various countries

## ANNEX 6. A NOTE ON PROXY MEANS TESTS FOR TARGETING BENEFITS TO THE POOR

Targeting benefits of any safety net program to the poor requires several steps. First, the target group needs to be precisely defined. Second, a methodology must be found suitable for identifying the target group. Third, the accuracy with which the methodology is able to identify the targeting (avoiding inclusion and exclusion errors) must be tested prior to its adoption.

In principle, the best way to correctly measure the income/welfare position of a household is a means test. But conducting means tests poses several problems. First, in most low income countries incomes accrue in the informal sector which is difficult to measure. Second, there is much volatility in the incomes of poor especially in agrarian economies. Third, adopting means tests would require substantial administrative inputs and so could be very expensive in practice. Given these difficulties, proxy means tests are often resorted particularly to avoid relying on reported incomes.

Proxy means tests involve using information on non-income household or individual characteristics that are highly correlated with welfare levels and as such predict reasonably accurately whether or not a household is poor. Poverty assessment of a household based on proxy variables can capture the multidimensionality of poverty and various dimensions of a household's deprivation. Potential indicators used in a proxy means test include:

- Demographic characteristics (household size, number of children, etc)
- Illness and disability
- Education and other socio-economic characteristics
- Assets (land, livestock, financial, other)
- Housing condition (ownership, quality including type of roofing material, etc)
- Expenditures on select consumer durables

Once the information on the above characteristics is collected, a statistical model is then deployed which regresses the logarithm of per capita expenditure ( $y_i$ ) of household  $i$  on a set of variables ( $x_n$ ) in order to identify the best five or ten poverty indicators with strongest correlation with the log of expenditures. The identified indicator sets are then tested for their accuracy in predicting the poverty status of households, often using the national poverty line as the benchmark of reliable accuracy. The following accuracy measures are relevant:

- Overall accuracy: sum of corrected predicted poor and non-poor as % of all households
- Poverty accuracy: sum of correctly predicted poor as % of total poor
- Undercoverage: sum of actual poor wrongly classified as non-poor as % of total poor
- Leakage: sum of actual non-poor wrongly classified as poor as % of total poor

As with all statistical models, several alternative specifications are tested to pick the one with superior predictability and accuracy. Once the model is validated as providing good overall accuracy, it is then adopted for purposes of identifying the target (poor) households. Depending upon the statistical robustness, each of the selected variables are assigned scores. A household is selected if it crosses a threshold score level.

For more information and country applications, see Grosh, M and J. Baker (1995), and Grosh, M and E. Glinskaya (1997)

## ANNEX 7. PREVENTING FRAUD AND CORRUPTION: COUNTRY ILLUSTRATIONS

### 1. Ethiopia: Integrating Program Accountably Measures into Formal lines of Government

Significant attention has been devoted to integrating the Productive Safety Net Program (PSNP) into formal lines of accountability in Government systems. The Ministry of Agriculture and Rural Development (MOARD) reports on the PSNP to the Rural Development Standing Committee and the Pastoral Areas Standing Committee of the Federal Parliament. The declaration of the PSNP budget at federal-level means that it is 'on-budget' and subject to formal oversight by Parliament, including post-audit reviews by the Standing Committee on Public Accounts. However, the same was not true at Regional or Woreda level. As a result, Regions (and Woredas) are responsible to implement a federal government program with resources that are outside their direct lines of authority. This is, at times, at odds with the autonomy of regional governments within the decentralized environment. There are concerns that this has weakened incentives for local decision-makers to take responsibility for program implementation, although there is little scope to address this issue within the current government financial management system.

*Source: PSNP Implementation Manual 2006.*

### 2. Yemen: The Internal Audit of Public Works

Internal audits are used to ensure accountability in Yemen's Public Works Program. The internal audit comprises two levels:

#### 1. Field auditing

Field auditing is performed by having a sample of the operations at the projects in order to:

- a) Verify the mechanisms of disbursement;
- b) Review the amounts due for the labor force according to the work cards;
- c) Review the movement at warehouses and performing inventories on them;
- d) Verify the procedures of payment and purchase operations which took place in the project.

#### 2. Involving the community

Due to the nature of the emergency program and the implementation mechanism that impose the direct contact with the beneficiaries throughout the implementation of the project, it is expected that the level of satisfaction may decrease among some of the beneficiaries. This might happen towards some aspects whether relevant to rights, or linked to the process of implementation regarding quality or adequateness. Such a situation requires a great degree of transparency. Because of that a simple mechanism was approved that makes it easy for the beneficiaries to deliver their complaints and observations, as follows:

- a) The announcement at work sites of projects on the complaint box whose key is held by the community participation officer at the SFD branch.
- b) The community participation officer undertakes to gather the complaints during his field visits.
- c) The complaints are urgently looked into by the community participation officer and the Program officers at SFD branches. In case of difficult complaints they seek assistance from the Program management.
- d) The Program officers at the branches provide the Program management with a list of the complaints they have at every project, and the measures taken each month regarding them.
- e) The phone and fax numbers of the SFD HQ and branch are circulated at each work site of the projects.

- f) The branches are followed in this regard by the community participation officer at the Program management.

*Source: Program Implementation Manual.*

### **3. Kenya: Using the Internet to Promote Community Participation and Grievance Issues**

Kenya recognized the importance of eliminating potential problems of corruption or political bias in the KKV programs. To this end, the website ([www.kkv.go.ke](http://www.kkv.go.ke)), set up in the Office of the Prime Minister for daily and rapid electronic communication by interested persons at the grassroots on issues relating to the implementation of the KKV projects, will be updated on a regular basis. Members of the public are particularly encouraged to make use of the website in communicating any matter of concern or interest to them relating to the KKV projects. A complaints' mechanism will also be installed for youth employed by KKV.

*Source: Program implementation Manual*

### **4. Ghana: Internal Program Control Arrangements**

Ghana uses a number of World Bank Manuals on policies and procedures that provide useful guide to the financial management and disbursement of project funds. These include the World Bank Disbursement Handbook, Financial Accounting, Reporting and Auditing Handbook (FARAH); and Articles of Agreement for the project operation. In addition to these documents, program control arrangements are complemented by a range of official legislative acts.

1. The Public Procurement Act, 2003 (Act 663): Provides guidelines for public procurement, make administrative and institutional arrangements for procurement, stipulate tendering procedures and provide for purposes connected with these.
2. The Financial Administration Act, 2003 (Act 654): Regulates the financial administration of the public sector and prescribe the responsibilities of persons entrusted with financial management in the public sector. It also ensures the effective and efficient management of state revenue, expenditure, assets, liabilities, resources of the public, the Consolidated Fund, and other public funds and to provide for matters related to these.
3. The Internal Audit Agency Act established an Internal Audit Agency as a central agency to coordinate, facilitate, monitor and supervise internal audit activities within Ministries, Departments and Agencies, and Metropolitan, Municipal and District Assemblies in order to secure quality assurance of internal audit within these institutions of state.
4. The Local Government Act, 1993 (Act. 462): Provides the framework for District Assemblies to exercise political authority. It also empowers the District Assemblies to exercise deliberative, legislative as well as executive functions.

*Source: Program implementation manual*

## ANNEX 8. SAMPLE OF ETHIOPIA'S COMMUNICATION STRATEGY

### Ethiopia's Charter of Rights and Responsibilities



#### CHARTER OF RIGHTS AND RESPONSIBILITIES

##### RIGHTS

- ~ If you have been selected as a PSNP beneficiary you must be issued with a Client Card free of charge.
- ~ You have the right to receive your transfer on time. You should receive your transfer no later than 45 days after the month to which the payment relates.
- ~ You have the right to receive your full transfer. You will be informed of the transfer rates at the beginning of the year. No one should deduct any money for any reason from your transfer.
- ~ If you are more than four months pregnant, in your first 10 months breastfeeding your child, or weakened through age, illness or disability you should not participate in public works. If your status changes in the course of the year due to sickness or pregnancy, you have the right to shift between public works and direct support.
- ~ Your household should not provide more than five days of labour per household member per month. Furthermore, no one person should work for more than 20 days a month.
- ~ You have the right to appeal if you have been incorrectly excluded or have not been categorised correctly as direct support or public works.
- ~ You have the right to know the criteria for graduation and to remain in the programme if you do not meet these criteria.

##### RESPONSIBILITIES

- ~ You must provide accurate and complete information to targeting committees.
- ~ Households with able bodied members must provide labour for public works and be committed to complete works to an acceptable standard.
- ~ You must not send a child under 16 to contribute their labour to public works
- ~ You must present your Client Card at the transfer site to record the receipt of payment.
- ~ Should you lose your card you must report its loss immediately to the Kebele Administration.
- ~ You have a responsibility to build your assets and work towards graduation
- ~ You must report any abuses of these rights whether affecting yourself or your neighbour to the Kebele Appeal Committee. If you are not satisfied with the response you may pursue your complaint up to the Woreda Council.

Source: Program implementation manual

## **ANNEX 9. ENVIRONMENTAL ASSESSMENTS: ILLUSTRATIONS FROM SELECT COUNTRIES**

### **1. Rwanda: Public Works Environmental Assessment**

Vision 2020 Umurenge Programme's (VUP) public works programmes need to be monitored carefully to ensure that there are no adverse environmental impacts. Rwanda has a very clear and robust regulatory framework regarding environmental impact, and VUP needs to fall in line with that.

Each District will cause to be forwarded a project brief to the Rwanda Environmental Management Authority (REMA). The project Brief shall be in accordance with the General Environmental Impact Assessment Guidelines of 2006 and shall include:

- i) Name, title and address of developer.
- ii) Name, purpose, objectives and nature of project, including attributes such as size of project, products and inputs, sources of inputs, etc.
- iii) Description of the proposed project site and its surroundings and alternative sites, if any, where the project is to be located.
- iv) Description of how the proposed project and its location conform to existing laws, regulations and policies governing such project and the use of the site/area proposed for its location.
- v) Any likely environmental impacts that may arise due to implementing various phases/stages of the project and proposed mitigation measures thereto.
- vi) Description of any other alternatives, which are being considered (e.g. siting, technology, construction and operation procedures, sources of raw materials, handling of wastes etc., decommissioning/closure and site restoration.
- vii) Any other information that may be useful in determining the level of Environmental Impact assessment (EIA) required.

REMA will assess the brief, and, in accordance with the guidelines, shall undertake a screening. This will determine whether or not a full EIA is necessary. In the event of the impact on the environment of any proposal being unacceptable the District shall either effect its cancellation or take remedial action as necessary.

National standards will be followed based on the nature of the projects. Sectoral Ministries reserve the right to monitor and inspect any ongoing works to ensure adherence to these standards.

### **2. Ethiopia: PSNP's Environmental and Social Management Framework**

Even though projects that are aimed to improve and protect the environment can end up having the opposite effect if they are not properly thought of well maintained. This is why carefully design and consideration are important before executing the project.

Ethiopia's PSNP manual offers examples of projects that can have an adverse environmental impact:

- A reforestation project employing exotic or inappropriate species proves to be damaging to, for example, soil stability, other flora or livestock;

- A water project of poor design or in an inappropriate location spreads water borne or vector-borne diseases;
- A small-scale road designed with insufficient drainage acts as a barrier to surface flows;
- A dam, or soil and water conservation project, that does not form part of an integrated watershed catchments programme, creates negative impacts in other parts of the catchment, such as changing downstream hydrology, thereby impacting negatively on flood irrigation, or on grazing or cropping lands through unplanned changes in the land use pattern;
- Improperly sited waste disposal from a new community health post contaminates the community water supply;
- Due to improper irrigation practices, an accumulation of salt from the water changes the soil chemistry, making it infertile;
- Poor silting and construction of a market access road cause siltation of a stream which serves as both a community water supply and fish hatchery.

To address these issues the PSNP established an Environmental and Social Management Framework (ESMF) that requires that all PW projects are developed by a participatory community-based watershed planning and development process, in which environmental issues are integrated.

Since the projects are small, numerous, dispersed, community-based and not known before the programme gets underway, it is in most cases both unrealistic and unnecessary to execute full project Environmental Impact Assessment (EIA). Instead, the ESMF provides for the majority of PW projects to have standard environmental mitigating measures incorporated into the technical design at DA or woreda level, following the Ministry of Agriculture and Rural Development (MoARD) Community Based Participatory Watershed Management Guidelines. Only a minority of projects, deemed to be of environmental concern, will be earmarked for special attention, which may include EIA.

The ESMF specifies a simple procedure for ensuring that projects follow the guidelines required, and are brought to the attention of the Regional Environmental Authority (REPA) if necessary. The procedure, which is set out in the ESMF Operational Summary, may be summarized as follows:

- The Development Agent (DA) checks each sub-project as it is selected to ensure that it is not within internationally-disputed territory, does not incorporate a dam exceeding 15m in height and will not lead to physical relocation of residents or involuntary loss of assets or access to assets.
- The DA, with the support of the woreda NR & Environmental Team, screens the project on the basis of established criteria, to identify whether it is likely to have significant negative environmental impacts. If so, then the project is redesigned to the extent possible, to avoid the negative impacts. If such re-design is not possible, the project is earmarked for attention by the Regional Environmental Authority (REPA), or equivalent office.
- For such cases, the REPA examines the project details and decides whether or not an EIA is required, and if so, the scope of the EIA.
- The woreda NR & Environmental Team arranges the conduct of the EIA, which is then forwarded to the REPA for a final decision on the project. Every effort will be made to suggest ways in which the project will be able to proceed, modified if necessary. Disapproval of a project would occur only as a last resort.

*Source: Program implementation manuals*

**ANNEX 10: PUBLIC WORKS PLUS AND GRADUATION STRATEGIES: COUNTRY ILLUSTRATIONS**

Countries	Examples of Graduation Strategies in Public Works Programs
Ethiopia	<p><b>The Productive Safety Nets Program (PSNP) 2004 to present.- Graduation through linking to intermediate services</b></p> <p>While the PSNP aims to reduce household vulnerability and build productive community assets through public works, the Household Asset Building Program (HABP) aims to diversify income sources and increase productive assets, and finally other elements of the FSP invest in the enabling environment.</p> <p>PSNP targets rural population, whose livelihoods tend to be predominantly agriculture. There are few opportunities for formal employment and informal employment tends to be seasonal. Government services are limited, as is the reach of the private sector. In this context, the HABP strategy is (i) to increase access to microfinance, in a manner that is tailored to the interests and capacities of households (poorer households get smaller loans; successive loans are progressively larger); (ii) strengthen the agricultural extension system to provide better technical and business advice to households to enable them to devise 'business plans' that will guide their investments and yield a positive result. Added to this are activities to improve input sources, marketing, supporting off-farm activities, etc.</p> <p>Households may participate in the PSNP for multiple years until their livelihoods reach the graduation threshold defined by the program - they are able to meet their food needs for all 12 months and withstand modest shocks (food sufficient).</p>
Argentina	<p><b>Head of Households Program (<i>Jefes de Hogar</i>) 2002-2006. – Graduation from public works to self-employment or CCT</b></p> <p>During the economic crisis in 2002, the Argentinean government initiated the Heads of Household Program (<i>Jefes de Hogar</i>), which transferred cash to unemployed beneficiaries heads of households with pregnant women, children or handicapped, conditioned on participation mainly in workfare but also in other training/education activities.</p> <p>With the normalization of the overall economic and social situation, the Government has decided to reorient the <i>Jefes</i> Program from its original emergency nature towards a medium-long-term role in Argentina's social protection system. The strategy was to distinguish amongst the Program beneficiaries those who had higher re-employment chances from those that required a different type of longer-term safety net, linked to building human capital for children. The strategy aimed to support and test several approaches to raise beneficiaries' employment prospects, and to facilitate the transfer of other participants to another social safety net.</p> <p>For the <i>Jefes</i> beneficiaries with re-employment chances, links with employment were explored through the installation and strengthening of municipal employment services and activities such as school completion and the combination of training with transient employment projects.</p>

<p><b>South Africa</b></p>	<p><b>Expanded Public Works Program (EPWP) 2004 to present. – Graduation through training and labor activation</b></p> <p>In 2002, the Minister of Labor issued the Code of Good Practice for Special Public Works Programmes. This Code guides the EPWP and provides for a training entitlement of at least 2 days per months of services for workers in the program. Therefore all workers are provided with skill training and education that aims to increase the ability of participants to find employment once they exit the program.</p> <p>The type of training includes: Literacy and numeracy, like skills. Vocational skills and business skills.</p>
<p><b>Rwanda</b></p>	<p><b>Vision 2020 Umurenge Programme (VUP) 2008 to present. – Graduation through financial inclusion and training</b></p> <p>Beneficiaries under VUP are encouraged to save a small part of their wage. Bank accounts are opened in the name of each beneficiary and wages are deposited weekly into their account, with the objective to allow them to save if they wish.</p> <p>After one or two years, if beneficiaries accumulate savings, the Government provides a matching grant in case they wish to start their own business. Through promoting financial inclusion and encouraging saving habits, the program produces an enabling environment for beneficiary graduation.</p> <p>VUP also provides opportunities for on-the -job training in order to create and enhance capacity of workers at all levels and to enable them to graduate out of the program into income earning, permanent employment or self-employment.</p>
<p><b>Kenya</b></p>	<p><b>Kazi KwaVijana Programme (KKV) 2009 to present. – Graduation though training and labor activation</b></p> <p>The main objectives of KKV are to increase access to youth-targeted temporary employment program and to improve youth employability. To achieve these goals the KKV includes skill development through modular and on- the-job training as well as work attachments in the private sector. Youth who have worked on KKV projects and who meet the entry requirements are encouraged to apply for the training and internship component.</p>

Source: Program implementation manuals

## ANNEX 11. MONITORING AND EVALUATION: ILLUSTRATIONS FROM SELECT COUNTRIES

### A. MONITORING INDICATORS: ILLUSTRATION FROM KENYA

The table below lists and defines the monitoring indicators that the Kenyan authorities compile for the Kazi Kwa Vijana (KKV) public works projects.

**Kenya: Monitoring Indicators and their Definitions**

	<b>Indicator</b>	<b>Definition</b>
1	Person-days of Employment Created.	The number of men and women who worked on a project x the number of days each person worked.
2	Job Opportunities Created.	1 job opportunity = paid work for an individual created on a KKV project for any period of time (disaggregated by sex).
3	Amount paid to youth.	This should be the total amount paid to youth on the KKV project (disaggregated by sex).
4	Minimum wage rate.	Daily Wage Rate = daily wage (whether task-rated or time-rated) paid to youth on the KKV project as specified in the KKV OM.
5	Training Person-Days (on applicable projects.)	The number of Training Person- days is the number of people who attended training x the number of days of training (disaggregated by sex).
6	Total Project Budget.	The project budget is the total budget allocated to the project. It includes all funding received from the KKV budget as well as funds allocated to the project from sector ministries'/agencies own budget.
7	KKV Component of Project Budget.**	Budget from the KKV allocation which is part of the project budget.
8	Actual Project Expenditure	Expenditure to date on the project
9	Demographic Characteristics of Workers.	The number of workers that fall within the following categories must be recorded: - Non-Youth (i.e. older than 35 years of age) - Men/Women
10	Project Location.	This should include: Name of Province Name of District Name of neighborhood and or street
11	Brief Project Description (one line).	This should provide a short description of the project (with a menu of most common descriptions in the OM).
12	Project Outputs.	This should specify the project outputs and progress to date on these outputs.

Source: KKV Program implementation manual

## B. M&amp;E INSTITUTIONAL RESPONSABILITIES: ILLUSTRATION FROM GHANA

## Ghana: M&amp;E Roles and Responsibilities

LEVELS	RESPONSIBILITIES	PERFORMANCE INDICATORS
COMMUNITIES (LOCAL)	Form a seven (7) member Community Implementation Management Committee (IMC).	Community Implementation Committee in place and functional
	Provide information to stakeholders	Stakeholders are regularly informed.
	Organise and participate in community fora	No. of community fora organized in the community.
	Conduct on the spot checks every two (2) days	No. of on the spot checks conducted.
	Participate in capacity building programmes such as Social Accountability and community score cards.	No. of training programmes participated in.
	Inform the Area Council/District Assembly on the progress of the project	Area Councils and Assemblies informed regularly.
	Participate in impact and beneficiary assessment and other M&E related studies on the project	Communities involved in impact Assessment.
AREA COUNCIL	Form a five (5) member AC Implementation Management Committee (IMC) in cases where the project cuts across more than one community, membership shall include Assembly Members of the communities involved.	IMC in place and functioning.
	Organise on-the-spot checks weekly	No. of on-the-spot checks organized.
	Designate two AC members for M&E	
	Participate in capacity building programmes such as Social Accountability and M&E training.	No. of capacity building programmes organized for ACs.
	Inform the District Assembly on the progress of the project	DAs informed regularly.
	Participate in impact and beneficiary assessment and other M&E related studies on the project	ACs involved in impact studies.
	Form an Implementation Management Committee (IMC)	IMC formed and functioning at DAs
	Organise IMC meetings quarterly	IMC meets regularly
	Organise on-the-spot checks bi-weekly	No. of on-the-spot checks organized.
	Designate the Secretary the DPCU (DPO) as the focal person for M&E	M&E focal person available and active
	Participate in capacity building programmes such as Social Accountability and M&E training.	No. of capacity building programmes and M&E training for DAs.

<b>DISTRICT ASSEMBLY</b>	Keep a data bank on the project and provide information of the project to all stakeholders.	Databank available and functioning.
	Submit quarterly report on the progress of the project to all stakeholders.	No. of quarterly reports submitted
	Participate in impact and beneficiary assessment and other M&E related studies on the project	DAs involved in impact study.
<b>REGIONAL</b>	Organise on-the-spot checks monthly	No. of on-the-spot checks organized.
	Secretary to the RPCU (RPO) shall be the focal person for M&E	Focal person available and active.
	Facilitate M&E related capacity building programmes for communities, ACs and DAs such as Social Accountability, score cards and M&E training.	No. of training held and organized.
	Keep a data bank on the project and provide information to all stakeholders at the regional level.	Databank available and working.
	Submit semi-annual reports on progress of the project to all stakeholders at the regional level.	No. semi-annual reports submitted
	Facilitate impact and beneficiary assessments and other M&E related studies on the project	RPCU involved in impact study.
<b>NATIONAL</b>	Organise NPSC meetings quarterly	No. of NPSC meetings held
	Organise on-the-spot checks quarterly	No. of on-the-spot checks held.
	PBMED of MLGRD/PBMED of NCO as the focal persons for M&E	Focal person available
	Participate in capacity building programmes such as Social Accountability and M&E training.	No. of training held/organized
	Keep a data bank on the project and provide information of the project to all stakeholders.	National databank available and effective.
	Submit quarterly report on the progress of the project to all stakeholders.	No. of quarterly reports submitted
	Recruit an M&E consultant to design an M&E system which should be mainstream	M&E consultant recruited and M&E system in place.
	Generate and provide quarterly feedback to the local level	No. of feedback on the project to RCC, DA, ACs and Communities.

*Source: Program implementation manual*

## **ANNEX 12. TEMPLATES**



## TEMPLATE 2. DAILY ATTENDANCE SHEET

No. Weekly Attendance Sheet  
 Name of Implementing Agency  
 Project Name and Number  
 Date:

Serial No.	Worker's ID	Name of Worker	Male/ Female	No. hours worked							Total number of hours	Total amount of days	Worker's signature	
				D	D	D	D	D	D	D				
				a	a	a	a	a	a	a				
				y	y	y	y	y	y	y				
				1	2	3	4	5	6	7				

Prepared by	
Signature	
Name	
Title	
Date	

Approved by	
Signature	
Name	
Title	
Date	

Source: Adapted from various program implementation manuals



### TEMPLATE 4. GENERAL PROJECT BUDGET

Name of the Project:						
Serial No.	Description of Activities (numbered) and materials (asterisks)	Cost of Materials				Totals
		Units	Quantities	Price per unit	Sub - total	
1						0
*					0	
*					0	
*					0	
2						0
*					0	
*					0	
*					0	
3						0
*					0	
*					0	
*					0	
4						0
*					0	
*					0	

5						0
*					0	
*					0	
*					0	

**Total Expenses:**

(A)	<b>Materials</b>				\$	0
(B)	<b>Labor</b>	<b>Cost</b>	<b>Daily Wage</b>	<b>No. of Days</b>	\$	0
		Unskilled	0	0		
		Skilled	0	0		
(C)	<b>Equipment</b>	<b>Cost</b>	<b>Cost per hour</b>	<b>No. of hours</b>	\$	0
		Own	0	0		
		Rented	0	0		
		Purchased	0	0		
(D)	<b>Tools</b>				\$	0
(E)	<b>Other expenses</b>				\$	0
<b>TOTAL COST OF THE PROJECT (A+B+C+D+E)</b>					\$	0

Source: Adapted from Argentina's Program Implementation Manual

**TEMPLATE 5. BILL OF QUANTITIES: SAMPLE FROM SRI LANKA**

PROJECT: ROAD EARTHWORKS						11-Aug
BILL OF QUANTITIES AND MATERIAL SCHEDULE						SCHEDULE No.1
General Road Condition (terrain + hardness)		Good		Unskilled worker's rate per day:		1,200.00
Embankment Length provided for (Meters)		200.00		Semi-skilled worker's rater per day:		2,000.00
Max. embankment height provided for (m)		0.50		Skilled worker's rate per day:		6,000.00
No. of Unskilled Worker		250.00				
Item	Description	Quantity	Units	Rate (Ush)	Total Cost (Ush)	
<b>A</b>	Setting Out (Unskilled workers)	200.00	Persondays	1,200.00	240,000.00	240,000.00
<b>B</b>	Bush Clearing (unskilled workers)					
	I. Thin Bush	167.00	Persondays	1,200.00	200,400.00	200,400.00
	II. Tick Bush	250.00	Persondays	1,200.00	300,000.00	300,000.00
	Stumping/Boulders	67.00	Persondays	1,200.00	80,400.00	80,400.00
<b>C</b>	Shaping Road Profile (Unskilled Workers)					
	Ditching	200.00	Persondays	1,200.00	240,000.00	240,000.00
	Leveling	133.00	Persondays	1,200.00	159,600.00	159,600.00
	Sloping	182.00	Persondays	1,200.00	218,400.00	218,400.00
	Spreading/ Camber formation	250.00	Persondays	1,200.00	300,000.00	300,000.00
	Mitre/Other Drains	100.00	Persondays	1,200.00	120,000.00	120,000.00
<b>D</b>	Embankment (Unskilled Workers)					
	Excavation	500.00	Persondays	1,200.00	600,000.00	600,000.00
	Hauling	250.00	Persondays	1,200.00	300,000.00	300,000.00
	Spreading	100.00	Persondays	1,200.00	120,000.00	120,000.00
	Watering	100.00	Persondays	1,200.00	120,000.00	120,000.00
	Compacting	500.00	Persondays	1,200.00	600,000.00	600,000.00
<b>E</b>	Support Workers					
	Unskilled workers	29.00	Persondays	1,200.00	34,800.00	

Semi-skilled workers	58.00	Persondays	2,000.00	116,000.00	
Skilled workers	12.00	Persondays	6,000.00	72,000.00	
<b>TOTAL PER KILOMETRE</b>				3,821,600.00	359,800.00
Summary costs					
Wage bill				26,751,200.00	
Works Tools (environment /asset maintenance/training				7,643,200.00	
Admin (CPMC)				955,400.00	
Admin (District/Sub county)				2,866,200.00	
Total project cost				38,216,000.00	

Source: Sri Lanka's ENReP Program Implementation Manual

## TEMPLATE 6. STATEMENT OF EXPENDITURES USED IN COMMUNITY PROCUREMENT (SAMPLE FROM SRI LANKA)

Name of Implementing Agency

Project Name and Number

Date:

Component	Goods (Implements/Tools/Materials - upto 10%)					Logisticals (upto 9%)			Incidentals (upto 1%) to be reimbursed	
	Description	Value per Unit	Quantity	Invoice Value	Purchased from**	Description	Expense	Purchased from**	Description	Expense
1. Bush clearing										
<b>TOTAL</b>										
2. Well cleaning										
<b>TOTAL</b>										

Prepared by	
Signature	
Name	
Title	
Date	

Approved by	
Signature	
Name	
Title	
Date	

Source: Adapted from Sri Lanka's ENReP Program Implementation Manual

## TEMPLATE 7. INITIAL ENVIRONMENTAL SCREENING

I. PROJECT GENERAL INFORMATION	
Project name	
Project location	
Implementing agency	
No. of beneficiaries	
Type of project	
Description of project activities	

II. POTENTIAL ENVIRONMENTAL AND SOCIAL IMPACT CHECKLIST				
a. Ecosystems	Yes	No	Unknown	Please specify
Is there any terrestrial ecosystem in the project area such as forest, riverine forest, grassland, buffer which might be considered significant?				
Will project affect the use or condition of such system?				
Will the project involve the removal or disturbance of natural vegetation?				
Will project affect the condition and use of these systems for human consumption?				
Are there any wetlands ecosystems in the project area such as marsh, swamp, flood plains, or estuary, which might be considered significant?				
Will project affect the use of such wetlands?				
Will the project affect the condition of such wetlands?				
Is the existence of endangered species in the project area known?				
Will project affect the habitant of any such				

species?				
Will the project disturb animals or any locally important annual habitat?				
Do non-domesticated animals occur in the project area which are used or sold by local people?				
Will project affect these animals or insects by reducing their habitat and number in any way?				
Is the project located near protected areas under the national Laws?				
<b>b. Soils</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>Please specify</b>
Is there any possibility of soil instability in the project area? e.g. landslide				
Is there any possibility of the area having risks of large scale increase in soil salinity?				
Based on inspection, is there any possibility of the area being prone to floods, poorly drained, low-lying, depression or block run-off – water?				
Will project directly cause or worsen soil loss or erosion?				
Could project indirectly lead to practices that could cause soil loss or erosion?				
Is it necessary to consult a soil scientist?				
<b>c. Water</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>Please specify</b>
Do surface water resources exist in project area?				
Will the project divert or use surface water?				
Will project increase demand for available surface water or ground water?				
Will the project cause loss of available surface water or ground water?				
Will the project lead to additional natural discharges into surface water or ground aquifer? Increase sediment load into receiving water?				
Will the project lead to additional man-made				

discharges into surface water or ground aquifer?				
Will the project help to improve or protect surface water and ground water quality?				
Could the project cause deterioration of surface water or ground aquifer quality?				
Is information available on demands on ground water resource as a result of the project?				
Is data available on existing water quality?				
Is it necessary to consult a hydrologist?				
<b>d. Land</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>Please specify</b>
Are there farm lands in the project area?				
Will the project affect farm lands?				
Will the project results in loss of crops, fruit trees or household infrastructures (e.g. livestock shed, toilets, granaries)?				
Will the project interfere or block access, routes (e.g. for people, livestock etc.)?				
Are lands in the project area intensively developed?				
Will project increase pressure on land resources?				
Will project result in decreased holdings by small land owners?				
Should a land use planner be consulted?				
Does project require in-land acquisition?				
Are encroachers, structures, and other encumbrances present on affected lands?				
Are affected lands disputed or subject to conflicting claims?				
Will the project affect people's access to land and/or other resources?				
Will people's assets/land be reduced or impacted negatively?				
Will people's means of survival (livelihoods) be				

impacted negatively?				
Will people be involuntarily displaced or resettled? (numbers)				
<b>e. Energy</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>Please specify</b>
Will project increase demand for conventional energy sources like firewood, charcoal, etc?				
Will project create demand for other energy sources?				
Will project negatively affect the supply of conventional energy sources?				
<b>f. Pests/Disease Vectors</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>Please specify</b>
Are there currently any problems with pests (plants or animals) in the project area?				
Are there any plants or animals in the area, which might become pests because of changes in the environment brought about by the project?				
Are there known disease problems in the project area transmitted through vector species like Malaria, Dengue etc?				
Will project increase vector habitat?				
Will project increase vector habitat or reduce opportunity for control?				
Are there clinics or other disease control programmes in operation or planned for the area for such diseases?				
Is it necessary to consult a public health or veterinary Officer?				
<b>g. Degradation/Contamination</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>Please specify</b>
Are there possibilities that the project will be at risk of contamination and pollution hazards from latrines, dump sites, industrial discharge, toxic waste etc.?				
Will the project introduce pesticides?				

Will the project involve considerable use of natural resources (construction materials, water spillage, land, energy, etc that may lead to the depletion or degradation at point of source?				
Will the project generate excessive dust or noise during construction?				
Will the project cause degradation or disturbance of any historical or cultural site				
Will the project cause aesthetic degradation of a landscape?				
<b>h. Social Impact</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>Please specify</b>
Will project reduce the rate of employment?				
Will project remove job opportunities from the area?				
Will project reduce income sources or means of livelihood?				
Does the project activity adversely impact any population (ethnic/religious/gender/social) groups in the target area?				
Does this project area have any unique cultural characteristics or historical significance?				
Will project adversely affect any religious and /or cultural sites or attitudes of area residents?				
Are there special superstitions or taboos that will affect community acceptance of the project?				
<b>i. Other impacts</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>Please specify</b>
Are there any other environmental or social issues that have not been adequately addressed?				

<b>III. ASSESSMENT</b>	
<b>Results</b>	<b>Environmental and Social Safeguard Requirements</b>
<input type="checkbox"/> All the above answers are “No”	There is no need for further action.

<input type="checkbox"/> There is at least one “Yes” and/or “Unknown”	There is need for one of the action detailed below.
<b>Recommended Action</b>	
<input type="checkbox"/> No further action if sub-project has no impacts on both physical and human environment  <input type="checkbox"/> Simple Environmental and Social Review if project may create a few or minor and easily mitigable environmental and social problems.  <input type="checkbox"/> Limited Environmental and Social Review if project may create some environmental and social problems that require a site visit or design or construction modifications to minimize or eliminate impact.  <input type="checkbox"/> Full Environmental and Social Impact Assessment if project will result into potentially significant direct or indirect adverse problems.  <input type="checkbox"/> Any other recommendation (explain) :	

Prepared by	
Signature	
Name	
Title	
Date	

Approved by	
Signature	
Name	
Title	
Date	

Source: Adapted from Sri Lanka's ENReP Program Implementation Manual



