Independent Office of Evaluation

IFAD
Investing in rural people

Community-driven development in IFAD-supported projects

EVALUATION SYNTHESIS

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Evaluation synthesis

April 2020
Report No. 5400
Document of the International Fund for Agricultural Development

Front cover: Women at a local savings group meeting in Powerguda village, India. Women supported by the Andhra Pradesh Participatory Tribal Development Project have taken the lead in increasing savings and improving money management practices in tribal communities. ©IFAD/Radhika Chalasani

Back cover: Landscapes along the way from Occepata to Andahuaylas, Peru, from the IFAD-supported Management of Natural Resources in the Southern Highlands Project (left) ©IFAD/Pablo Corral Vega; A beneficiary of the Food Security Project in the Northern Guéra Region Phase II arriving at the well to fill her buckets in Mormo village, Chad, (right) ©IFAD/Sarah Morgan.

Foreword

Empowering the rural poor is at the heart of Agenda 2030. Community-driven development (CDD) has played a pivotal role in IFAD's operations for more than 30 years, for two reasons: First, it is the quintessential approach to empower the rural poor to take control of their development, in line with IFAD's mandate; and second, it works particularly well within the contexts that IFAD engages in, such as marginal and fragile situations. Hence this evaluation synthesis finds that IFAD policies and strategies reflect well the CDD principles, such as empowering and strengthening the social capital of poor rural people and their organizations.

The synthesis shows that IFAD operations that used a CDD approach performed better than non-CDD operations on criteria such as effectiveness, gender and sustainability. This analysis provides important lessons for IFAD to strengthen its performance and outreach to the poorest.

The synthesis highlights the key role that the regional divisions have played in the learning on CDD. The commitment from regional directors and the attention given to divisional learning were important factors contributing to the consistently high performance of CDD projects in West and Central Africa, Latin America and the Caribbean and Asia and the Pacific Region.

Despite these achievements, and its long history of community-driven development, IFAD has not fully internalised the important lessons drawn from community-driven development. Opportunities to learn from practice and promote successful community-driven development practices were missed. It seems that IFAD has lost sight of the comparative advantage it has on CDD.

CDD requires time and investments for capacity-building up front, to enable communities to become partners in development. With increasing pressure to strengthen project efficiency by reducing implementation periods, many IFAD projects seem to cut short the up-front investments into capacity building.

The ESR concludes that CDD will remain relevant and important because it delivers the results and impacts in line with IFAD's corporate priorities and within the specific contexts where IFAD is working. It recommends that IFAD needs to build on its comparative advantage and retake corporate ownership of CDD by making it visible throughout its strategies and institutional functions. But the expectations on CDD results must be matched with appropriate levels of resources at design and the use of CDD-friendly funding instruments that will support a demand-oriented approach.

I hope that this report's findings, lessons and recommendations will be useful for stepping up IFAD's work on CDD, as an important contribution to the Agenda 2030 for Sustainable Development.

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Acknowledgements

This evaluation synthesis was prepared by Johanna Pennarz, Lead Evaluation Officer of the Independent Office of Evaluation of IFAD (IOE), with contributions from Jeanette Cooke and Valentina di Marco Conte, IOE consultants, and Smriti Ganapathi, IOE intern. Administrative support was provided by Manuela Gallitto, IOE Evaluation Assistant. The senior independent advisers for this synthesis were Janmejay Singh, Lead Social Development Specialist at the World Bank, and Irene Guijt, Head of Research and Publishing at Oxfam Great Britain, who provided valuable comments on the approach paper and draft report.

The synthesis benefited from the feedback and advice of numerous peers and experts, who participated in the focus groups and the final learning event. We are grateful for the constructive exchanges with colleagues from IFAD's Programme Management Department and Strategy and Knowledge Department throughout the process. Finally, we would like to thank the numerous consultants and practitioners who provided their feedback and suggestions on IFAD's approach to community-driven development through the survey.

The final draft has benefited from an IOE peer review and the comments provided by IFAD Management.

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Abbreviations and acronyms

AFESD	Arab Fund for Economic and Social Development
AGPO	oases participatory management association
APR	Asia and the Pacific Division (IFAD)
CBD	community-based development
CBO	community-based organization
CDD	community-driven development
CDF	community development fund
CLE	corporate-level evaluation
CPE	country programme evaluation
CPM	country programme manager
CSPE	country strategy and programme evaluation
ENRM	environment and natural resource management
ESA	East and Southern Africa Division (IFAD)
ESR	evaluation synthesis report
FAO	Food and Agriculture Organization of the United Nations
FLM	flexible lending mechanism
FODESA	Sahelian Areas Development Fund Programme
GEWE	gender equality and women's empowerment
GRIPS	Grants and Investment Projects System
IDA	International Development Association
IEG	Independent Evaluation Group of the World Bank
IFI	international financial institution
IOE	Independent Office of Evaluation of IFAD
LAC	Latin America and the Caribbean Division (IFAD)
MARENASS	Management of Natural Resources in the Southern Highlands
M&E	monitoring and evaluation
NEN	Near East, North Africa and Europe Division (IFAD)
NRM	natural resources management
OED	Operation Evaluation Department of the World Bank
ORMS	Operational Results Management System
PCD	participatory community development
PCDP	Pastoral Community Development Project
PLG	participatory local governance
PPE	project performance evaluation
PSR	project status report
SDG	Sustainable Development Goal
3ie	International Initiative for Impact Evaluation
UNOPS	United Nations Office for Project Services
WCA	West and Central Africa Division (IFAD)

Executive summary

Background

1. Objectives and scope. The objectives of this evaluation synthesis report on community-driven development (CDD) are to: consolidate the available evidence on achievements and challenges of CDD-related operations in the International Fund for Agricultural Development (IFAD); identify good practices and review their relevance for future IFAD operations; and draw general lessons that are relevant in the context of the Agenda 2030. The synthesis covers the period for which evaluations of CDD projects are available, which is from 1982 to 2018.

2. Rationale. IFAD has a long history of CDD projects. The total investment in CDD-related operations (those that include CDD components or CDD-related elements) was 20 per cent (US$9.5 billion) of total approved amounts from 1978 until 2018. Investments in CDD rose consistently throughout the 1990s and declined after a peak in 2001.

3. Nevertheless, CDD is an important pathway to empower the poor. Empowerment is recognized as having an intrinsic value, embedded in a goal of the Agenda 2030 (Sustainable Development Goal (SDG) 16) and included as a principle of engagement in IFAD's Strategic Framework (2016–2025). CDD also supports improved local governance, which is critical for agricultural growth (see World Development Report, 2008). Finally, CDD is recognized as an efficient way of delivering public goods (see World Development Report, 2017), and the provision of public goods is still an integral part of IFAD's operations.

4. Synthesis methodology. This synthesis looks at CDD as a form of community-based development in which communities also have direct control over key project decisions by managing community development funds (CDFs). It used a range of evaluation products to identify those projects where communities had been fully in control of the planning and implementation (termed “full CDD projects”), including a CDF, and to analyse reasons for performance.

5. As a first step, the synthesis reviewed the total number of projects approved since 1978 (1098 projects) and identified 243 projects with CDD elements, such as having a CDF as a financing mechanism or a specific focus on community empowerment as a project objective. Within this group of 243 CDD-related projects, 132 projects had been evaluated by the Independent Office of Evaluation of IFAD (IOE) and therefore performance ratings were available for quantitative analysis. Out of these 132 projects, the synthesis selected a representative sample of 28 projects for in-depth review. Through qualitative review, the synthesis further identified 13 projects where communities participated throughout the project cycle and were in control of a CDF. The synthesis identified 19 projects with unsatisfactory ratings on effectiveness and efficiency for the outlier analysis. In addition, the synthesis used country programme evaluations (CPEs) to cover countries with significant CDD initiatives, such as Bangladesh, India, Mali and Yemen.

Main findings

6. CDD in IFAD. IFAD increasingly promoted "bottom-up" rural development since the 1980s. This entailed facilitating beneficiary participation in project design and implementation and building the capacity of grassroots organizations to shape and implement activities. CDD principles enshrined in IFAD policies and strategies include empowerment, strengthening social capital, and building the capacities of poor rural people and their organizations.

7. Within IFAD, the Asia and Pacific Division (APR) had the highest number of projects approved (279 projects; 28 per cent of APR projects) and the largest share of funding allocated to CDD projects (23 per cent of APR funding). The West and

Central Africa Division (WCA) had the second largest number of CDD projects approved (236 projects; 23 per cent of WCA projects). The Latin America and the Caribbean Division (LAC) had the second largest share of funding (21 per cent of LAC funding) allocated to CDD projects.

8. The regional divisions have played a key role in the learning on CDD within IFAD. In the 2000s, WCA conducted various internal studies and debates and held three key events on CDD, drawing on the accumulated expertise of operational staff from across the region. The lessons drawn from these events and studies informed the preparation of the CDD decision tools in 2009. Studies of CDD were also conducted for Peru (2004) and India (2006). The commitment from regional directors and the attention given to divisional learning were important factors contributing to the consistently high performance of CDD projects in WCA, LAC and APR found by this synthesis.

9. Effectiveness of CDD projects. Within the IOE evaluated portfolio (347 projects), the share of CDD-related projects with satisfactory ratings is 78 per cent compared to 72 per cent for the non-CDD projects. The difference in performance becomes even more obvious when looking at the regions. LAC and WCA performed significantly better in CDD projects than non-CDD (85 per cent satisfactory in CDD versus 64 per cent in non-CDD in LAC; 74 per cent versus 49 per cent in WCA).

10. The review of 19 outlier projects with unsatisfactory ratings for effectiveness shows as common problems the insufficient capacity-building or empowerment of community organizations. This includes insufficient training on participatory approaches and attention to institutional sustainability, insufficient links with local government, or allocations to community development funds that were too small to have a major impact. In some cases, the implementing government partners did not show much commitment.

11. CDD results. The qualitative review of the results in the sample of 28 CDD-related projects evaluated shows that that projects with community-managed CDFs have been strong in building human, social and physical assets. They have made empowered communities, strengthened women's voice and decision-making, and enhanced social cohesion and values.

12. Projects with CDFs managed by stakeholder committees were particularly effective in building natural assets, thus contributing to sustainable natural resources management (NRM). CDFs that had involved local government were more likely to institutionalize CDD principles, including the CDF mechanism, thus effectively strengthening local governance. All forms of CDD have been effective in building physical assets, thus having a positive impact on living standards and food security. CDD without a CDF can strengthen physical, financial and natural assets in a similar way, but do not have the same impact on social capital.

13. CDD in countries with fragile situations. The review of IOE performance ratings shows that CDD-related projects have performed better than non-CDD projects in fragile countries. Satisfactory ratings on effectiveness were 63 per cent for CDD projects compared to 46 per cent for non-CDD projects. On sustainability, CDD-related projects achieved 55 per cent satisfactory ratings, while non-CDD projects achieved 40 per cent.

14. Fragile situations are often characterized by a lack of trust between communities, low implementation capacity, and weak governance structures. CDD is believed to be well suited to building social capital and empowering communities in these contexts. For example, the CPE Sudan (2008) considered the Western Sudan Resources Management Programme (WSRMP) as part of a conflict resolution strategy in the country. It included the full involvement of the nomadic tribes and agro-pastoral communities in demarcating and managing the major stock routes.

15. Efficiency of CDD projects. IOE performance ratings on efficiency (for 347 projects) show that the 132 CDD-related projects performed on par with the 215 non-CDD projects. CDD projects have on average longer durations and a higher number of supervision and implementation support missions, but a lower effectiveness lag than non-CDD projects.

16. CDD projects usually take longer to implement because they involve extensive capacity-building and consultation. An important lesson from CDD implementation is that longer project durations (or follow-on phases) are needed to learn from mistakes, adjust operational processes and improve performance.

17. A particular challenge for CDD projects was setting up processes for decentralized project management and implementation, which often resulted in disbursement delays. Lengthy approval processes from governments, delays in the withdrawal of cofinanciers' funds, time-demanding processes for applications, inadequate monitoring and evaluation systems, and weak financial management contributed to delays. In many cases, however, disbursements picked up after internal processes were adjusted during implementation.

18. Lengthy approval processes on the side of governments were cited as the main factors causing delays in a number of projects, often due to the novelty of the decentralized management modality. In a similar vein, the provision of sufficient numbers of qualified staff to manage projects at local levels and to retain them in remote locations was a particular challenge for CDD. The costs for implementing activities over longer periods and in remote locations were often high compared to non-CDD projects. Furthermore, the demand-led nature of CDD projects made it challenging to adhere to the allocated budget lines.

19. Community contributions, especially in the form of labour and local construction materials, were the main reason for the higher efficiency of social and community infrastructure in CDD projects. While the requirement for community contributions is useful to develop a sense of ownership, it needs to be limited to a level that all community members can meet; otherwise the more disadvantaged groups might not be able to participate. A high financial contribution, typically between 20 and 30 per cent, reportedly restricted access of the poorest to the assets built in several cases.

20. Targeting. Overall, CDD projects adequately targeted regions, districts and communities with high numbers or proportions of rural poor people, on par with most IFAD-supported projects. Only in a few cases did the evaluations find that the project had not been sufficiently focused on the poorer communities. Evaluations found that sometimes the projects covered too wide an area to allow an effective implementation of the CDD approach. This minimized the extent of investment in any one community, stretched project staff and diluted impact and the sustainability of benefits. The expansion of target areas during implementation was shown to improve financial execution rates, but this came at the cost of consolidating CDD investments in initial areas as well as the quality of support for CDD in new areas. Furthermore, remoteness and spread-out project areas were sometimes noted as an additional challenge for project staff, who had to provide a lot of support and facilitation.

21. A common assumption in the early CDD projects was that communities would be able to establish inclusive decision-making processes that would be able to identify and target the poorer and more disadvantaged groups within the community. However, "unfettered" CDD leaves the bottom-up planning process to whatever systems are already in place, without trying to alter them. Elite capture, on the other hand, is generally flagged as a risk in CDD projects, but was somewhat underreported for the IOE evaluations. The majority of the CDD projects reviewed by this synthesis successfully targeted the rural poor through the principal activities of participatory planning, skills training, group formation and

strengthening, public competitions, and social and productive infrastructure investments. However, where investments focused on one sector or a restricted menu of options only, even socially inclusive participatory planning did not provide a guarantee that poorer community members would benefit.

22. Engagement with indigenous peoples. IFAD's Policy on Engagement with Indigenous Peoples (2009) refers to CDD as a fundamental principle of this engagement. The evaluations broadly confirm that CDD projects have valued indigenous culture and knowledge as engines of change and development. In Peru, the CDD project introduced local innovations, ranging from the methodological approach to administration and management. In the Philippines, the CDD programme complemented the Department of Education curriculum and integrated cultural customs and practices into basic teaching by calling on traditional elders to teach. Twenty schools of indigenous knowledge, arts and traditions were established in indigenous peoples' areas.

23. Evaluations highlight the capacity of implementers to interact with indigenous peoples as a crucial factor. The series of IFAD-supported projects in tribal areas in India built the capacity of initially scarce and weak NGOs, which went on to become important implementers of the CDD projects. In Peru, having financial facilitators, area managers and technical assistance professionals who spoke Quechua or Aymara enabled the economic and productive empowerment of women from predominantly indigenous peoples' communities.

24. Gender equality and women's empowerment. IOE performance ratings (for 347 projects) show that CDD projects performed better than non-CDD projects in promoting gender equality and women's empowerment. Overall, there were 85.6 per cent satisfactory ratings for CDD-related projects compared to 76.3 per cent for non-CDD operations.

25. Evaluations found that the CDD projects reviewed primarily contributed to women's economic empowerment. Through improved access to rural financial services and business support services, the women were able to generate income from individual activities or group enterprises and demonstrate their capacity to contribute financially to the family and the community.

26. CDD projects that strengthened community institutions and specifically promoted women's leadership increased women's voice and influence in decision-making. There is widespread evidence of many women participating as members of savings and credit groups, self-help groups, group business ventures as well as in community-level decision-making bodies. Importantly, there is also reasonable evidence of the strength of their voice and influence in these rural institutions through the increased leadership positions that women held.

27. Evaluations indicate that, overall, women have greater influence in decision-making. In Northern Nigeria, women participated in high numbers in the ground-breaking creation of the community development association, where they were participants in development activities for the first time. However, their decision-making opportunities were restricted to women's associations. The evaluation concludes that debating and assigning community needs can still relegate women to passive participants if the CDD approach does not transform the traditional gender roles in such contexts.

28. Food security. In principle, CDD supports food sovereignty because it empowers communities to decide what to produce and consume. Evaluations show that most CDD projects had a positive impact on food security. This often resulted from demand-driven investments in irrigation systems and other infrastructure to improve livestock and fisheries production, coupled with technical skills training for farmers. The demand-driven nature of CDD projects meant that investments were often multisectoral, contributing in turn to improved food security and nutrition.

29. Improved access to social and productive infrastructure and services also reduced the time and effort women spent on laborious tasks. This matters because reduced physical exertion means that women's nutrient requirements were not increased through unnecessary labour. This is particularly beneficial for maternal nutrition in poor rural areas, where pregnant and breastfeeding women already struggle to meet the higher nutrient requirements that their condition demands.

30. Natural resources management. IOE performance ratings do not indicate a difference between CDD-related and non-CDD operations. Evaluations show that the impact of CDD projects on NRM was most positive at farm level and to a less extent at community level. While these impacts were important, they were not always sufficient to facilitate sustainable NRM. Unless CDFs are structured and designed to facilitate NRM investments at the more encompassing territorial or watershed level, they can limit investments to those at the farm or community level.

31. Impact on governance. Decentralized governance contexts often created a demand for CDD, but the link between the two approaches was neither obvious nor straightforward. CDD projects contributed to governments' decentralization efforts where they were embedded in established and sustainable local government structures. CDD projects operating outside of government structures had little to no direct impact on local governance.

32. In countries where IFAD has been engaged in CDD over a longer period, it was able to influence policies at the national or local level. In Peru, the multi-stakeholder committees that facilitated the allocation of resources among families and businesses were incorporated into government policy. In 2016, the Ministry of Agriculture and Irrigation officially institutionalized the committee in the Law for the Promotion and Development of Family Farming. In Viet Nam, the CDD project directly contributed to the formulation of guidelines for a government programme to support socio-economic development of the most vulnerable communes in ethnic minority and mountainous areas in Viet Nam.

33. In other cases, the successful implementation of CDD projects led to the scaling up of the approach at local, national or regional level by the public sector, civil society or other development agencies. In Brazil, the CDD project reportedly became a reference and example for other interventions in the North East. Moreover, the project strategy was used as a reference for the design of the territorial development policy in 2003. In Nigeria, the successful results of the project led to an increasing flow of government resources into the programme and the adoption of the CDD approach in target local government areas and more widely across the states.

34. Sustainability of CDD projects. IOE performance ratings (for 347 evaluated projects) on sustainability show that CDD project achieved more satisfactory ratings than non-CDD projects (62 per cent versus 55 per cent).

35. Community ownership helped to ensure the sustainability of natural resources and the physical assets built, but the long-term sustainability also depended on government support. Insufficient government budget allocations to pay for equipment, utility services and staff housing sometimes reduced the sustainability, for example, of schools and health centres.

36. Evaluations show that the sustainability of the rural institutions created or strengthened in CDD projects was highly mixed. The sustainability of multi-stakeholder committees and apex organizations was uncertain in all projects reviewed. The sustainability of community-based organizations was highly mixed, as was the sustainability of community-government relationships. Results therefore suggest that, despite evidence of the building of social capital, CDD on its own does

not necessarily create favourable conditions that improve the sustainability of rural institutions and community-government relationships.

37. Short route or long route to service provision. CDD is often seen as a “short route” to service provision. Yet, as the review shows, there is no “short route” to sustainable provision (and maintenance) of services and assets. The CDD route requires sufficient time and investments for capacity-building up front, to enable communities to become partners in development. This is usually achieved by involving them during all stages of the project. However, in order to ensure the sustainability of services and assets, the CDD route would have to link up with the “long route” for service provision, which is concerned about strengthening local government’s performance. Linking communities and governments in the provision of services involves building mechanisms for accountability and feedback, which the review did not find in most IFAD projects.

38. With increasing pressure to strengthen project efficiency by reducing implementation periods, many IFAD projects now implement subprojects through the “shortest route”, avoiding lengthy up-front capacity-building by working with individual farmers or existing cooperative arrangements (e.g. farmers’ groups, cooperatives). This avenue may deliver short-term economic results, but for interventions to be sustainable and provide broad-based impacts, Effective and sustainable delivery of servies still requires broader structures of support, from government, the private sector or civil society. Linkages with platforms or apexes seem to be the obvious solution for scaling up support, but they are often not available or functioning and therefore require substantial investments to build their capacities.

Conclusions

39. CDFs as a key mechanism to empower communities worked well in the context of IFAD’s operations for a number of reasons. Reasons for successful CDD operations included: high investments in capacity building; favourable social, cultural and political contexts; and awareness of and commitment to CDD among implementing partners. In addition, the synthesis has identified five key factors on IFAD's side that made CDD operations perform well.

- The first factor was whether it was a "full" CDD operation, meaning with the CDD approach integrated into all parts of the projects and including a CDF. Within the qualitative sample reviewed, the full CDD projects performed better throughout all criteria, but in particular with regard to social capital.
- The second factor was how the creation and management of a CDF were adapted to social and political contexts. CDFs that were fully decentralized to communities performed well where there were strong community structures in place. CDFs that were insufficiently linked with local government structures often encountered sustainability issues at later stages. Institutional set-ups that involved apexes or other stakeholder structures had a mixed performance, in particular where capacities were weak and follow-up funding from the government was not forthcoming.
- The third factor was that in remote and marginalized areas, which are those typically targeted by IFAD, local government has weak capacities to provide public services and therefore community-based initiatives were often more effective.
- The fourth factor was the depth of engagement. All IOE evaluations reviewed unanimously pointed out the importance of having sufficient time and resources for meaningful engagement at local levels. Results were better for projects that followed a programmatic approach or had longer durations planned from the outset.

- The fifth factor was IFAD's commitment to and level of involvement in CDD. The commitment of individual IFAD staff who truly believed in CDD and did their utmost to promote it seems to have made a difference (e.g. in the loan portfolio of Peru).

40. The roll-out of CDD throughout IFAD was too hasty and insufficiently supported by evidence and learning. The synthesis distinguished between three main phases in the roll-out of CDD.

- During the early "pioneering" phase, IFAD took a more experimental approach, introducing CDD in marginalized and underserved areas. After some encouraging results, CDD was rolled out throughout the portfolio after 1998 and soon became the "signature approach" for IFAD.
- The massive roll-out was plagued by two major problems which resulted in a very mixed performance of CDD-related projects. First, there was insufficient learning on what works, where and why, meaning that CDD was often applied as a standard approach regardless of the social, cultural and political contexts in many countries. Some regional divisions, in particular WCA, LAC (more specifically Peru) and APR (more specifically India) made attempts to study the performance of CDD and draw operational lessons, mainly to address problems of low efficiency and social exclusion. The second major issues was the limited clarity on and overuse of the CDF instrument, already pointed out by some earlier IFAD studies.[1] The synthesis confirmed that grant and credit funds were often used simultaneously and without a clear purpose or considerations of sustainability in place.
- Although CDD performance improved over time, IFAD has lost focus on its comparative advantage in CDD during the third phase. After IFAD's corporate priorities focused more on agricultural productivity and value chains (from 2007 on), there was a remarkable reduction in the number of CDD projects. CDD continued to thrive in some contexts where there was demand from the government. Furthermore, CDD has shown to be an effective approach in fragile situations. However, at corporate level, although CDD somehow found its way into some strategies and policies (e.g. on indigenous peoples, targeting), there was insufficient clarity on how IFAD would pursue its comparative advantage in CDD. The discourse moved along various directions, blurring the principles (and strengths) of the CDD approach.

41. CDD remains a relevant approach for IFAD. The synthesis concludes that CDD remains relevant for IFAD for a number of reasons. CDD as a form of people-centred and locally owned development has the potential to address mainstreaming issues that are at the core of IFAD's mandate, in particular farmers' group formation and strengthening, gender equality and women's empowerment, food security and nutrition, and natural resources management and adaptation to climate change. Furthermore, the CDD principle of local ownership is critical for improving IFAD's performance on sustainability, in particular in fragile situations. Finally, CDD can make a major contribution to developing effective, accountable and transparent institutions and ensure responsive, inclusive and participatory decision-making at all levels (as envisaged by SDG 16). This, however, would require IFAD to be more systematic in integrating governance-related issues, beyond the community level, in its operations.

[1] See for example: Perrett, H., 2003.

Recommendations

42. The overall recommendation is that IFAD should continue to support CDD but also address some of its shortcomings through the following recommendations:

43. Recommendation 1. IFAD needs to build on its comparative advantage and retake corporate ownership of CDD by making it visible throughout its strategies and institutional functions. There are good reasons for IFAD to continue supporting CDD, which has proven to perform well in many situations and is highly relevant in the context of the SDGs and for IFAD's mainstreaming themes. The role of CDD as a distinct approach should be clearly recognized within IFAD's corporate strategies and as part of a broader approach to mainstreaming citizens' engagement in IFAD's operations. At the same time, the distinct set of knowledge and skills required to support CDD should be recognized and integrated institutionally, be it through focal points, help desks or communities of practice. CDD requires ongoing learning from practice, and this has to be done at all levels of the organization.

44. Recommendation 2. The expectations on CDD results must be matched with appropriate levels of resources at design. CDD is expected to deliver a broad range of benefits and impacts under often very difficult circumstances. While CDD has shown to deliver short-term benefits such as improved access to infrastructure and services even in fragile situations, the longer-term results such as sustainable institutions and enhanced governance mechanisms require substantial levels of engagement over time. There are trade-offs between the strengths of CDD with regard to effectiveness and sustainability and its weaknesses with regard to the time and costs required (efficiency); these trade-offs need to be taken into consideration at the point of design. Where IFAD aims to build sustainable capacities and ownership at community level, it needs to engage with a longer-term perspective. The programmatic approach lends itself to engagement with a longer perspective.

45. Recommendation 3. Integrate CDD-friendly funding instruments, such as flexible funding mechanisms and CDFs, into IFAD's range of financial instruments under IFAD 2.0. The broader financial instruments envisaged under IFAD 2.0 provide opportunities to adopt appropriate decentralized and flexible funding instruments that are supportive of the CDD approach. The lessons learned from the Flexible Funding Mechanism and CDFs, summarized in this report, should inform the development of these instruments. For CDFs there needs to be a clear distinction between funds that support agricultural productivity and business development, and funds that provide basic infrastructure and services. In the first case, the funds would be provided through credit or matching grants which need to be part of a wider strategy to develop inclusive financial services. In the second case, funds would be operated by communities, but linked with local government to ensure follow-up maintenance and funding. The design and (sustainable) use of CDFs should be clearly described within the IFAD 2.0.

IFAD Management's response[1]

1. Management welcomes the evaluation synthesis report (ESR) on community-driven development (CDD) in IFAD-supported projects. Management finds the report to be comprehensive and well-researched. Management appreciates the interactions that took place with IOE during the evaluation synthesis process and the efforts made to augment the review with regular in-house consultations.

2. CDD remains central and relevant to IFAD's work given the importance of this as an operational approach to not only deliver assistance, services and other public goods, but also to strengthen local governance, empower communities and support local economic development. In this context, the ESR provides a useful analysis of the performance of IFAD's CDD operations and lessons to help further improve this area of the organization's work.

3. Management is pleased to note the ESR's conclusion that overall CDD has performed well in IFAD. The ESR has made efforts to classify CDD operations based on the four typologies. Nonetheless, there are likely to be other operations with strong community development components that are not necessarily included in the analysis for the purpose of this ESR.

Recommendations

4. Management takes note of the three recommendations of the ESR. Management is in broad agreement with the recommendations. Management's detailed response to each recommendation follows:

Recommendation 1. IFAD needs to build on its comparative advantage and retake corporate ownership of CDD by making it visible throughout its strategies and institutional functions.

Agreed. Community and beneficiary participation and engagement is central to all IFAD operations and not only the ones that are classified as being full CDD. IFAD's attention to this is reflected in the inclusion of this aspect in a number of corporate strategies and policies (e.g. targeting, indigenous peoples). CDD is a particularly powerful mechanism of engaging in countries with fragile situations as recognized and highlighted as an entry point in the Special Programme for fragile situations. IFAD further appreciates that as a people-centred approach, CDD strengthens its key social inclusion mainstreaming themes (particularly empowerment of women and rural youth). The recently approved framework for stakeholder feedback is further indication of Management's continued commitment towards encouraging promoting meaningful beneficiary participation and feedback throughout the project cycle. The framework builds on IFAD's longstanding work with focus on beneficiary engagement social inclusion and empowerment and CDD and introduces a number of ambitious activities to further strengthen this area. These aspects are also tracked and rated during project supervision under various sections including, Human and social capital and empowerment; as well as under Quality of beneficiary participation. In addition, Management will continue to include CDD as one of the approaches used through IFAD projects as relevant given the context of the interventions and reflect CDD in any relevant policies and strategies going forward.

Recommendation 2. The expectations on CDD results must be matched with appropriate levels of resources at design.

Agreed. As IFAD works in the remotest areas and targets the poorest populations, all designs both CDD and non-CDD need to ensure appropriate expectations and commensurate levels of resources. Although the ESR did not find that CDD projects

[1] The Strategy and Knowledge Department (SKD) together with Programme Management Department sent the final Management's response to the Independent Office of Evaluation of IFAD on 20 February 2020.

performed worse in terms of efficiency than non CDD ones, Management agrees that a full CDD approach may require longer time for implementation. IFAD-supported interventions are increasingly being developed as part of programmatic approaches at the country level whereby proposed interventions are complementary and implemented concurrently or in phases. All new COSOPs also require a plan to strengthen section on citizen engagement and transparency as part of IFAD11 and this country programme level inclusion will then enable the trickle down of this to the be operationalized through projects designed under that COSOP. Further, IFAD's designs now including exit strategies from the on-set helps ensure continuity of consultative and empowerment processes initiated through its investments. As IFAD deepens its policy engagement and influence, CDD's remains useful in contributing to evidence based / bottom up policies that will outlast project/programme lifetime.

Recommendation 3. Integrate CDD-friendly funding instruments, such as flexible funding mechanisms and CDFs, into IFAD's range of financial instruments under IFAD 2.0.

Agreed. CDD is relevant to the broader financial instruments envisaged under IFAD 2.0. Within this, IFAD has committed to put measures to avoid mission drift; with development outcomes and impact on rural transformation remaining paramount. For the Private Sector strategy, development impact is one of the five principles of engagement, with other principles being just as relevant to CDD (relevance, additionally, development impact, risk, and environmental and social governance). Further, the implementation arrangement of the Food Security Accelerator Programme (FSAP) will include NGOs and others as appropriate, such as farmers' organizations. Most of such implementers welcome the use of CDD approach. CDD remains relevant in organizing communities to engage with the private sector. A CDF financing mechanism is more suitable for public goods such as community infrastructure and can be used to ensure accountability from the private sector. The link between CDFs with local government structures and sustainability denotes that the approach could be useful for sustainability within the new IFAD financing mechanism.

Community-driven development in IFAD-supported projects
Evaluation synthesis

I. Background

A. Introduction

1. The Independent Office of Evaluation (IOE) produces evaluation syntheses with the aim to facilitate learning from accumulated evaluation findings and lessons on selected topics. Synthesizing existing evaluation material allows evaluation evidence to be packaged and fed into the decision-making process when neither the time nor resources are available to undertake a full-fledged evaluation.

2. Objectives and scope. The objectives of this evaluation synthesis report (ESR) on community-driven development (CDD) are to: consolidate the available evidence on achievements and challenges of CDD-related operations in the International Fund for Agricultural Development (IFAD); identify good practices and review their relevance for future IFAD operations; and draw general lessons that are relevant in the context of the Agenda 2030. The synthesis covers the period from 1982, when one of the first CDD projects became effective (in Mali), to 2018, when the latest cluster of CDD projects was evaluated (in the country strategy and programme evaluation (CSPE) on Peru).

3. Rationale. IFAD has a long history of CDD projects. The total investment in CDD-related operations (those that include CDD components or CDD-related elements) was 20 per cent (US$9.5 billion) of total approved amounts from 1978 until 2018 (Grants and Investment Projects System [GRIPS], February 2019). Investments in CDD rose consistently throughout the 1990s and declined after a peak in 2001 (see figure 2 in chapter II C). Despite the importance of CDD in IFAD's portfolio, there has not been a systematic review of either project performance or lessons to inform future operations and strategies.

4. Principles of CDD continue to be relevant today. First of all, CDD is considered an important pathway to empower the poor. Empowerment is recognized as having an intrinsic value, embedded in a goal of the Agenda 2030 (Sustainable Development Goal - SDG 16) and included as a principle of engagement in IFAD's Strategic Framework (2016 – 2025). CDD also supports improved local governance, which is critical for agricultural growth.[1] Finally, CDD is recognized as an efficient way of delivering public goods (see the World Development Report, 2017), and the provision of public goods is still an integral part of IFAD's operations.

5. This synthesis looks at CDD defined as a form of community-based development (CBD) in which communities also have direct control over key project decisions by managing community development funds (CDFs).

6. CDD in IFAD's understanding. IFAD does not have a policy on CDD, or a unifying definition of the approach in IFAD-funded projects. The West and Central Africa Division (WCA) conducted the most extensive research, analysis and conceptualization of CDD in the early 2000s; an important outcome was the CDD Decision Tools (2009) to improve project effectiveness. This was an attempt to define CDD for IFAD which is sufficiently broad to represent the diverse results that can be expected from CDD projects. This definition is arguably too encompassing for the purposes of this synthesis. It would cover a wide range of participatory implementation modalities that are shared by most IFAD-supported projects.

[1] See World Development Report 2008.

Box 1
IFAD definition of CDD[2]

CDD is a way to design and implement development policy and projects that facilitates access to social, human and physical capital assets for the rural poor by creating the conditions for:

- transforming rural development agents from top-down planners into client-oriented service providers;
- empowering rural communities to take initiative for their own socio-economic development (i.e. building on community assets);
- enabling community-level organizations – especially those of the rural poor – to play a role in designing and implementing policies and programmes that affect their livelihoods; and
- enhancing the impact of public expenditure on the local economy at the community level.

Source: IFAD. Community-driven development decision tools for rural development programmes. 2009.

7. Although the diversity of approaches is well understood and appreciated, the absence of a shared understanding within IFAD led to a wide range of interpretations and variations of the concept of CDD, giving it a degree of fuzziness and blurring its impacts. This synthesis is hence an attempt to clarify the understanding of CDD, along with its strengths and weaknesses.

B. Terminology

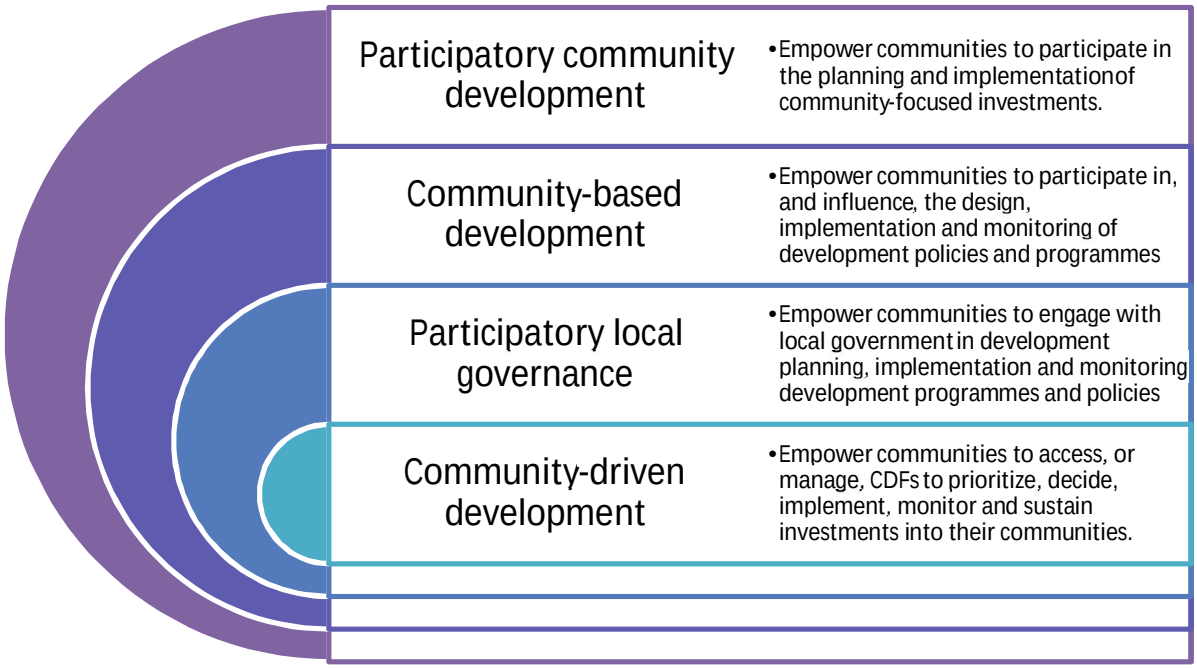
8. CDD development is an approach to development that emphasizes community control over planning decisions and investment resources. As rightly stated in box 1 above, this implies empowering people to take initiative for their own development. CDD programmes operate on the principles of transparency, participation, accountability and enhanced local capacity.[3]

9. CDD and CBD. The synthesis follows the definition of CDD described in the first comprehensive study on CDD and CBD at the World Bank[4] and used by all studies of CDD since then. It defines CDD as a form of CBD where communities are in control of a CDF. Here CBD is used as an umbrella term for all projects that actively include beneficiaries in their design and management of community-related activities, but without being in control of a fund (CDF).

10. Other CDD-related practices. The synthesis further identifies "participatory local governance" (PLG) as a major CDD-related approach in IFAD. PLG projects include natural resources management (NRM) and agricultural development projects that empower communities to engage with local government to shape their own development, but usually funds remain under the control of the government. Finally, the synthesis identifies "participatory community development" (PCD) as another CDD-related approach and probably the most common in IFAD, where communities participate in certain stages of a project, usually in the planning and implementation. Figure 1 provides further details on the proposed typology.[5]

[2] First quoted in: Carloni and Lubbock, 2008.
[3] See World Bank definition of CDD on: https://www.worldbank.org/en/topic/communitydrivendevelopment
[4] Mansuri and Rao, 2004.
[5] CDD is not tagged as a component in the IFAD database. The synthesis therefore had to identify projects with CDD elements by tagging a broader range of relevant subcomponents (e.g. community-based infrastructure) and project objectives (e.g. community empowerment) in the database.

Figure 1
Typology of CDD-related practices



Source: ESR.

11. For the larger population of projects that contain CDD elements, but could not be identified either as full CDD or as one of the other types described above, the broader term "CDD-related" is used throughout this report.

12. Defining the "community".[6] The CDD decision tools by WCA defines the "community" as "the locus where all members of a group of people, having some form of collective claim over a territory and recognizing some form of collective governance, can be given the opportunity to influence decisions in matters of public choice that affect their livelihood. That is, the locus where participatory democracy is a concrete possibility." The possibility of participatory democracy in a "community" implementing CDD is indeed paramount. Yet defining the "community" as linked to a territory would not encompass the range of non-territorial communities targeted in IFAD operations, such as: self-help groups in India; and groups of agro-pastoralists and non-sedentary pastoralists in Ethiopia.

13. In fact, the use of the term "community" was heavily contested by the proponents of participatory development outside IFAD because it "evokes the ideal of a homogenous social group who would recognise their shared interests and work together harmoniously for the common good", thereby masking potent questions of equity and legitimacy.[7]

14. For this synthesis, the concept of community needs to cover a wider range of contexts, while maintaining the aspect of collective governance that brings together a community. Hence, the term community will be used for: "A group of people sharing an affinity to a common place or territory (e.g. a village) and recognizing some form of collective governance."

15. CDFs. As a demand-driven funding mechanism, CDFs are a defining element of a CDD project because they enable communities to directly influence funding decisions and take control of the investments made. The term has not been uniformly applied within IFAD. CDFs include village funds, village development

[6] The Oxford dictionary defines "community" as "a group of people living in the same place or having a particular characteristic in common".
[7] For a criticism of the community concept, see for example Cornwall, 2000.

Funds, rural development funds, social Funds, social development F\funds and others.[8] Originally, CDFs were meant to provide quick employment in impoverished areas through public works projects and emergency social services. Over time, however, their role has expanded to include the provision of basic services as well as grants or loans to individuals or groups undertaking economic activities. The lack of clarity of what CDFs were to finance, either public or private good, has created much debate and confusion in IFAD. However, the more important point seems to be that the delivery of private or public goods should not be combined, in order to keep CDD programmes simple.[9]

16. For this synthesis, the focus will be on CDFs – an integral part of the CDD approach that empowers communities to decide on priority investments and shape their course of development. There are cases where CDFs have funded public infrastructure and in other cases economic investments undertaken by groups of rural people. The common feature of these investments is that they stem from a transparent and inclusive decision-making process involving the whole of the community.

C. Methodology

Analytical framework

17. The analytical framework for this ESR has two elements: a theory of change for CDD; and a typology of CDD practices.

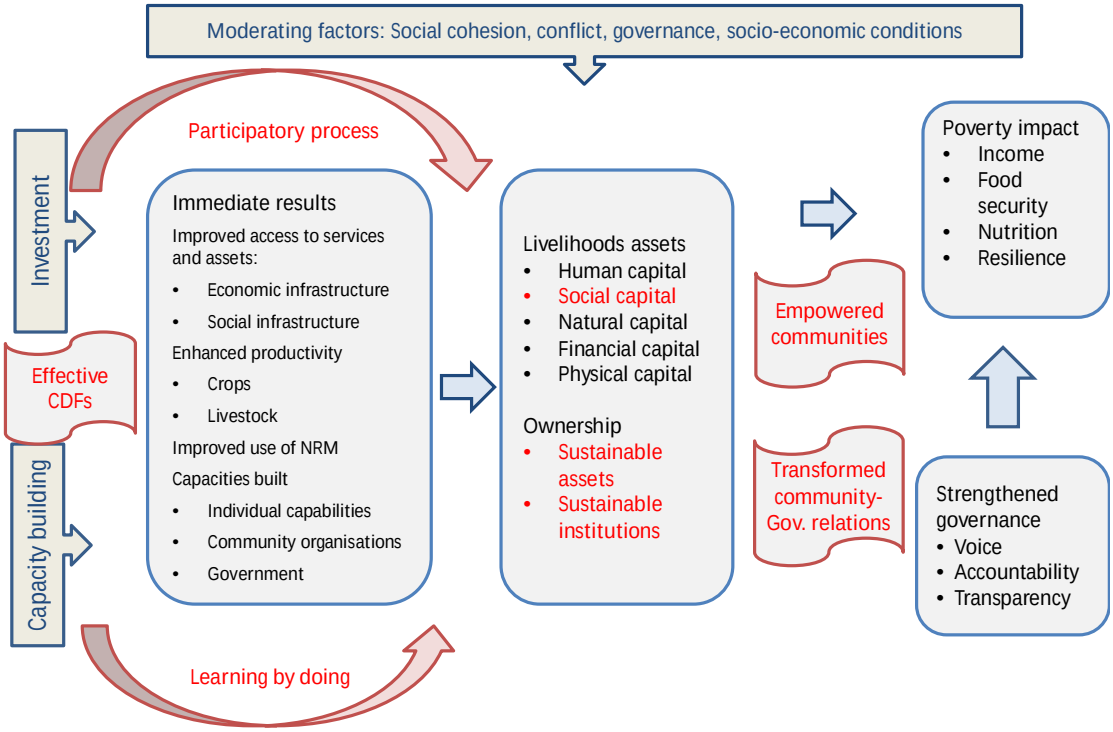
18. Theory of change. The theory of change (ToC) articulates how the participatory implementation process is expected to transform IFAD's support into results. The generic ToC (figure 2 below) illustrates that building social capital and empowerment of rural communities is at the heart of the CDD approach. It is expected to lead to a truly sustainable transformation of rural livelihoods by building poor peoples' capacities to make use of a wider range of livelihood options and by transforming community-government relations to better support people-centred development processes. Effective CDFs controlled and managed by communities are an integral part of the ToC on CDD.

19. The ToC depicts the distinct elements of the CDD approach and the expected results (in red) that were analysed by this synthesis.

- CDD involves innovative mechanisms (CDFs) and processes (e.g. participatory planning) that require a process of learning by doing.
- CDD builds assets, like any other community development process, but it is an effective approach to deliver investments to remote communities.
- Social capital, in the form of sustainable institutions, relationships and networks, is the most important asset commonly expected from CDD, which would enable people to make use of a wider range of social and economic opportunities.
- The sustainability of assets and institutions built through CDD is a commonly described strength of the approach.
- Empowerment of communities vis-à-vis government and the transformation of community-government relationships is an often-assumed impact of CDD, in particular within a decentralized governance approach.

[8] See: Perrett, G., 2002.
[9] See: Scott, 2013.

Figure 2
Theory of change for CDD



Source: ESR.

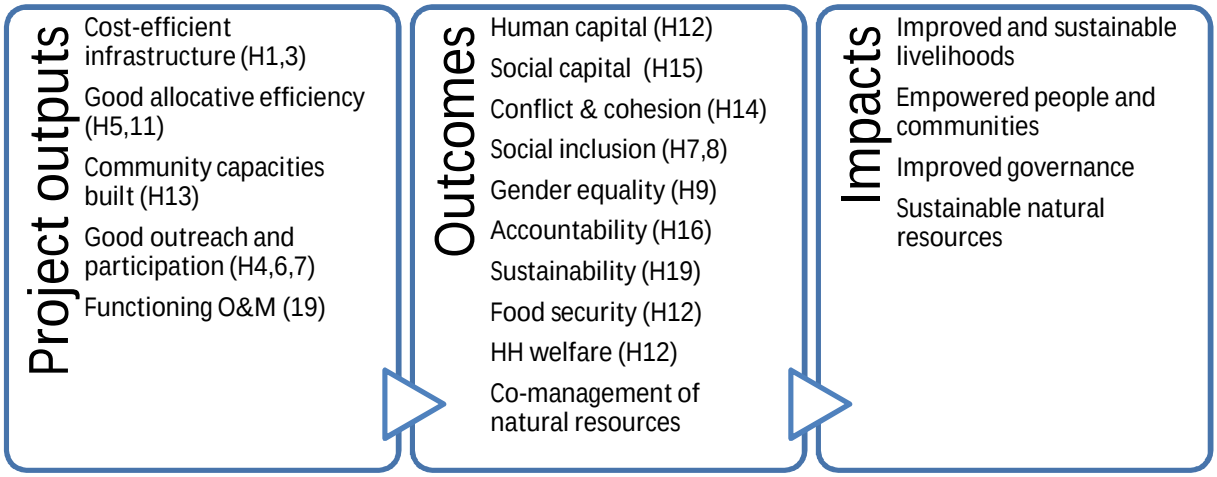
20. Review questions. The synthesis used a combination of broader review questions and specific hypotheses to probe the available evaluative evidence. The review questions and hypotheses covered standard evaluation criteria such as relevance, effectiveness, efficiency and impact (see review framework in annex I and the hypotheses in annex II).

21. The broad review questions were:

- Effectiveness: How effective were CDD operations in delivering results, and under what conditions? How effective were CDD operations in supporting pro-poor targeting and social inclusion? How important have partnerships with other development partners been for effective CDD?
- Efficiency: How efficient were CDD operations in delivering community infrastructure and services?
- Impact: What were the reported social and economic impacts from CDD operations? To what extent did CDD operations contribute to empowering rural people and communities? To what extent did CDD operations contribute to enhancing local governance?
- Sustainability: Did community ownership help to ensure the sustainability of natural resource use and/or the physical assets built?
- Relevance: For what type of interventions and in what context is CDD most relevant? What are the broader principles and lessons from CDD that should inform IFAD's engagement with communities in the context of the Agenda 2030? How well has IFAD been set up institutionally to effectively promote principles of community engagement? What partnerships have been relevant?

22. Hypotheses. The synthesis developed 21 working hypotheses following the review of the major evaluations and studies of CDD in other international financial institutions (IFIs) (see table 2). The hypotheses covered project outputs, outcomes and impacts, as documented in IOE evaluations (see figure 3). The hypotheses have guided the qualitative analysis of a sample of 13 (full) CDD projects in IFAD and were either confirmed or rejected. Results are tabulated in annex II.

Figure 3
Expected CDD results and impacts with related hypotheses



Source: ESR.

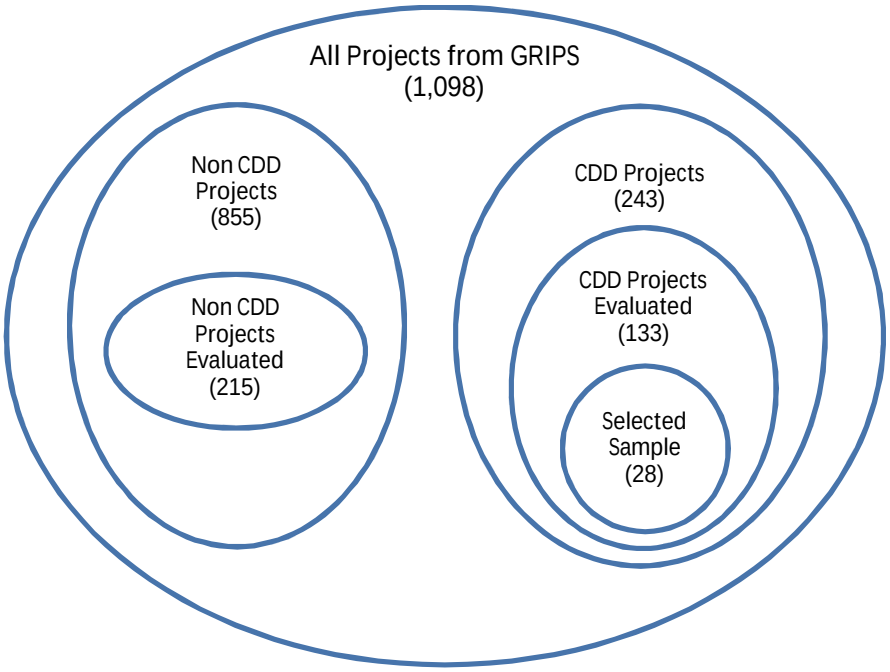
Sampling strategy

23. The ESR used a purposive sample of CDD projects, identified by screening and selecting relevant evaluations of CDD operations.

24. Project evaluations. During the scoping phase, financial data for a total of 1,098 approved projects were downloaded. In a next step, the CDD-related projects were identified using the following criteria: (a) components or subcomponents containing a CDF (or similar community-focused fund; and/or (b) a project objective specifying the focus on community empowerment. Where information was incomplete or inconclusive, additional reference was made to the project information provided on the IFAD website to determine if the project specifically focused on empowering communities. As a result, a total of 243 projects were identified as CDD-related. This group of 243 CDD-related projects included 132 projects which had been evaluated by IOE and for which performance ratings were available.[10] This group of 132 CDD-related projects provides the data for the quantitative analysis of performance ratings presented in this ESR.

[10] IOE ratings were from project completion report validations (57), completion evaluations (23), PPA/PPEs (27), CSPE/CPEs (20), IEs (3) or interim project evaluations (2).

Figure 4
Composition of ESR review sample



Source: ESR.

25. Out of the 132 projects for which IOE evaluations are available, the synthesis selected a sample of 28 projects for review, using the following process. The first step involved identifying those CDD-related projects for which a full project evaluation report (completion evaluations, project performance evaluations (PPEs)/project performance assessments or impact evaluations) was available. In a second step some projects for which other types of reports (interim evaluations, project completion report validations) were available were added in order to arrive at a more balanced regional and sector representation.

26. In a further step we reviewed the design documents for the sample of 28 projects, to distinguish the (full) CDD projects from those that would include some CDD features only and would thus be classified as CBD, PLG or PCD, according to the terminology used (see figure 4 above). The qualitative review presented primarily focused primarily on the 13 (full) CDD projects, which – according to the definition – had a CDF controlled by the communities themselves.

27. The composition of the final sample is indicated in table 1. The approval dates of these projects span from 1990 to 2010. The sample projects are listed in annex III. In the text they will be referred to using the [serial number], as indicated in the list.

Table 1
Composition of CDD-related project sample for qualitative review

	WCA	*ESA*	*NEN*	*LAC*	*APR*	*Total*
CDD projects	4	1	-	4	4	13
PLG projects	-	2	2	-	4	8
CBD projects	1	-	2	1	1	5
PCD projects	-	-	1	-	1	2
Total	5	3	5	5	10	28
Proportion	19%	11%	19%	19%	31%	100%

WCA: West and Central Africa Division; ESA: East and Southern Africa Division; NEN: Near East, North Africa and Europe Division; LAC: Latin America and the Caribbean Division; APR: Asia and the Pacific Division.
Source: ESR screening of sample projects.

28. The final sample of 13 (full) CDD projects was validated and corrected after a review of project evaluations and, where required, further clarification from former country programme managers (CPMs). It became clear that this sample of effective CDD projects generally performed well and was thus able to provide lessons on the results and benefits from an effective CDD process. Less effective CDD-related projects were covered by other methods, in particular through quantitative performance analysis and review of country programme evaluations (CPEs). The remaining 14 (PLG, CBD, PCD) projects were mainly used for comparison purposes, in particular for the analysis of effectiveness and sustainability, where levels of participation were expected to make a difference.

29. Analysis of negative outliers. Among the CDD-related projects in the IOE database, the synthesis selected 19 projects with unsatisfactory ratings (2 or 3) on effectiveness and efficiency. The review of these outliers made it possible to identify the reasons for failure. The projects are listed in annex IV.

30. Project "clusters". In some countries, IFAD has supported a series of CDD projects, gradually building on and expanding the CDD approach. The review of these project "clusters" provides important insights into the long process of learning on CDD that is needed to build the capacities and social capital of communities and local government alike. Countries with clusters of CDD projects included Bangladesh, India, Nigeria, Pakistan and Peru (see chapter III D.)

31. CPEs. Some countries with significant CDD initiatives that are not covered by project evaluations were covered through CPEs. The CPEs often provided useful lessons on why CDD projects performed or not over time in some contexts, thus counter-balancing the positive performance bias induced by the qualitative sample. Countries with CDD interventions primarily reported in CPEs include Bangladesh, Ghana, Mali and Uganda.

Evidence base

32. The particularities of the CDD approach require detailed information on implementation modalities and processes. For this reason, this synthesis had to rely more than other syntheses on certain evaluation products that cover project implementation issues in greater depth. Furthermore, project design and implementation reports had to be used to provide information on aspects that are less covered by evaluation reports, for example institutional and funding arrangements and project costs.

33. Project evaluations were the most important sources of evidence for this ESR. Poverty impact assessments provided additional impact-level analysis of interventions. Impact evaluations are based on more rigorous and quantitative methods than rural poverty impact assessments in PPEs, including the use of

counterfactuals to address attribution issues. They normally build on primary data collection, through structured and detailed impact surveys.

34. Impact assessments from the Research and Impact Assessment Division (RIA). IFAD has conducted impact assessments for three CDD projects: the Plan Vida project in Bolivia; the Gente de Valor project in Brazil; and the Sierra Norte project in Peru. At the time of writing this synthesis, only the impact assessment of the Plan Vida project was available. Findings are included in this synthesis.

35. Review of available knowledge products from IFAD. A review of available case studies and other knowledge products on CDD from IFAD was conducted to identify different modalities of CDD implementation (CDD types) and the related good (or poor) practices.

36. Interviews and focus group discussions. Interviews and focus groups with (former) CPMs and technical advisors/consultants provided important insights into the factors contributing to the success or failure of CDD. The synthesis team conducted four focus group discussions which included (former and present) CPMs and technical staff from various divisions. The discussions were rich and have informed this ESR, in particular with regard to the strategic changes within IFAD that have affected the uptake of CDD, reasons for good or poor performance, and the relevance of CDD for IFAD in the future. The key informants met are listed in annex VIII.

37. Survey. IOE prepared a survey on CDD which was sent out to 1,354 IFAD staff, consultants and clients in countries with CDD operations. We received 392 responses (29 per cent). The survey focused on pertinent lessons from CDD, as observed by respondents, and how they should inform IFAD operations in the context of the Agenda 2030.[11]

Limitations

38. A major limitation of the sampling process was that CDD is not used as a criterion to tag projects in the system – for example by classifying operations, components or subcomponents. Consequently, it was a very cumbersome and time-consuming process to identify CDD-related projects in the system based on relevant components/subcomponents, such as CBD or CDF, and project objectives ("community empowerment"). To eliminate errors in the identification of CDD-related projects at this stage, the draft list of CDD-related projects was validated by the IFAD Lead Technical Specialist on Producers' Organizations and Rural Development (affiliated to the Sustainable Production, Markets and Institutions Division) and (former) CPMs. The list of sample evaluations was then finalized by IOE.

39. Another important limitation was the narrow scope given to process-related issues in IOE evaluations, which are crucial for the success or failure of CDD approaches. The relative importance of CDD interventions within the overall project also varies and is often not clearly described. In cases where additional clarification was required, we consulted the PCRs or spoke with former CPMs to obtain additional information.

40. The impact of CDD was difficult to establish for several reasons: impact-level data were hard to obtain from project evaluations; it was also relatively hard to assess impacts, such as social cohesion and social capital, that are commonly attributed to CDD; and CDD was not always the most significant part of project investments, making the impact of CDD difficult to trace. One rigorous impact assessment was available for IFAD's CDD projects (from RIA).

[11] Responses to the survey can be provided upon request.

41. Finally, several of the CPMs who had been in charge of the operations reviewed by this synthesis had moved on. While it was difficult to track all of them down, those contacted contributed highly useful insights into CDD in IFAD operations.

D. Evaluations of CDD

42. CDD has been the subject of international debate. Expectations on what CDD can deliver, in terms of social and political impact, have been high and sometimes overly optimistic. A recurrent challenge for evaluations of CDD has been to be explicit on what CDD can – and what it cannot – deliver.

Box 2
CDD in the definition of Wong and Guggenheim

> "CDD is a useful tool in a people-centric development strategy. The challenge is to avoid putting the cart before the horse: the key insight from the CDD experience is that poor people's agency can drive development much more than it currently does, not that CDD should replace sectoral or transformational programs. But in contexts where more traditional approaches have not been able to reach the poor, having a new approach that developing country governments can use to engage communities that are poor and often hard to reach, and in ways that are popular, sustainable, and effective, is already a valuable contribution."

Source: Wong and Guggenheim, 2018.

43. This debate has triggered numerous studies of CDD operations in the World Bank, as discussed above. The 2005 evaluation of CDD by the Operation Evaluation Department of the World Bank (OED) found that the share of CBD/CDD projects in the World Bank's portfolio had grown from about 2 per cent in 1989 to 25 per cent in 2003. Outcome ratings for CBD/CDD projects were better than those for non-CBD/CDD projects. Much more success was achieved in CBD/CDD projects on quantitative goals such as construction of infrastructure than on qualitative goals such as capacity enhancement. Sustainability ratings for the projects improved over time although they still often failed to provide the consistent, long-term support needed for an activity to become sustainable. The evaluation concluded that CBD/CDD projects increased access to service delivery infrastructure such as schools and health centres for remote communities. It has been more effective than other approaches in rehabilitating infrastructure in hard-to-reach conflict and post-conflict countries where government services had hardly been in place. Nevertheless, the evaluation pointed out that there had been little evidence on the poverty-reducing and community capacity-enhancing impacts of these projects at that time.

44. An evaluation synthesis on CDD (2018) by the International Initiative for Impact Evaluation (3ie) found that CDD programmes made a substantial contribution to improving the quantity of small-scale infrastructure. Community-driven reconstruction programmes were generally successful in reaching conflict-affected areas. CDD achieved greater allocation of resources to poorer areas, but not always to the poorest communities in those areas. But the study also found that CDD programmes had had little or no impact on social cohesion and governance. The study was criticized for working from a very small sample of (23) studies that combined hugely different types of projects and approaches.[12]

45. The Evaluation of Citizens Engagement (2018) of the Independent Evaluation Group of the World Bank (IEG) reviewed the more holistic approach to mainstreaming citizen's engagement in operations. It found that mechanisms implying a light degree of engagement (informing and consulting) were much more frequent than more intense forms of engagement (collaborating and empowering). It concluded that mainstreaming citizen engagement is not only technically ambitious, but also politically challenging. Engagement that generates positive and

[12] Guggenheim, 2018.

lasting impact on development outcomes needs to produce institutional transformation in country systems for accountability. Engaging citizens is about understanding societal complexity, avoiding elite capture, and changing power balance, habits and norms, which are context-specific processes; yet the current mainstreaming approach does not sufficiently recognize that properly accounting for country-specific factors affects the scope and time frame for mainstreaming.

46. Table 2 identifies the main evaluations and studies of CDD undertaken by other development agencies over the review period. This ESR will review this information to both guide and inform lessons learned and good practices.

Table 2
Evaluations of CDD or elements of CDD by other development partners

Donor	*Year*	*Evaluation / Assessment*
OED World Bank	2002	Social funds: a review of World Bank experience
OED World Bank	2003	CDD: lessons from the Sahel - an analytical review
World Bank	2004	Community-Based and -Driven Development: A Critical Review
OED World Bank	2005	The effectiveness of World Bank support for community-based and -driven development
Overseas Development Institute (ODI)	2005	Community-based approaches and service delivery: Issues and options in difficult environments and partnerships
Asian Development Bank (ADB)	2006	A review of community-driven development and its application to the Asian Development Bank
World Bank	2012	What have been the impacts of the World Bank community-driven development programs?
UKAID, International Rescue committee	2013	A critical review of community-driven development programmes in conflict-affected contexts
Gaventa, John and Rosemary Mc Gee	2013	The Impact of Transparency and Accountability Initiatives
IEG World Bank	2017	Women's empowerment in rural CDD projects
3ie	2018	CDD – does it build social cohesion or infrastructure?
IEG World Bank	2018	Engaging citizens for better development results

Source: ESR compilation.

47. There were fewer studies in IFAD, but those that had been prepared during the early period of CDD covered similar assumptions and observations. The 2008 study conducted by Carloni and Lubbock identified some distinguishing features of IFAD's approach to CDD relative to other donor- or government-funded projects: greater emphasis on targeting poor rural people and empowering them and their institutions rather than on delivery of decentralized rural infrastructure; empowerment of marginalized people within communities, including women, indigenous peoples and youth; and more focus on strengthening community and subdistrict levels rather than the district and higher administrative levels.

Key points (Chapter I)

- CDD portfolio and policy. IFAD has a long history of supporting CDD projects. CDD-related operations received approximately 20 per cent of all IFAD funding since 1978. Yet IFAD does not have a policy on CDD, or a unifying definition of the approach in IFAD-funded projects.
- CDD definition. The synthesis defines CDD as a form of community-based development where communities are in control of a community development fund. Another form of CDD-related approaches is defined as “participatory local governance”, which empowers communities to engage with local government to shape their own development, but usually funds remain under the control of the government. The last type of CDD-related project is participatory community development, which covers the vast majority of IFAD projects, where communities participated in certain stages of the project, usually during the planning and implementation.
- The theory of change used for this synthesis shows social capital and empowerment at the heart of the CDD approach. This is expected to lead to a truly sustainable transformation of rural livelihoods by building poor peoples' capacities to make use of a wider range of livelihood options and by transforming community-government relations to better support people-centred development processes.
- Sampling strategy. Out of the total number of projects approved since 1978 (1,098 projects), 243 projects were identified as “CDD-related”. For 132 CDD-related projects, IOE performance ratings were available for quantitative analysis; 19 CDD-related projects were identified as “outliers”, with unsatisfactory ratings on effectiveness and efficiency.
- The synthesis selected a representative sample of 28 evaluations of CDD-related projects for an in-depth qualitative review, including 13 full CDD projects where communities were in control of a CDF. In addition, the synthesis used CPEs to cover countries with significant CDD initiatives, such as Bangladesh, India, Mali and Yemen.
- Evaluations of CDD. The synthesis reviewed studies and evaluations from other IFIs. The key findings were used as working hypotheses to guide the qualitative review.
- The two landmark evaluations are the World Bank OED study (2005) and the International Initiative for Impact Evaluation (3ie) evaluation synthesis on CDD (2018). The studies found that CDD programmes made a substantial contribution to improving the quantity of small-scale infrastructure. Community-driven reconstruction programmes were generally successful in reaching conflict-affected areas. But the studies also found that CDD programmes had had little or no impact on social cohesion and governance.

II. Significance of CDD for IFAD

A. CDD in the global development context

48. Participatory development. The 1980s and 1990s saw a fundamental shift in the development paradigm, towards people-centred and participatory approaches. Amartya Sen's seminal work (1985, 1999) shifted the focus of development from material well-being to a broader based "capability" approach. The case was made to reverse the poorly performing "top-down" approach to allow communities to play a central role in decisions that affect them. Participatory development movements (led by Chambers, Cernea and Ostrom, among others) advocated small-scale projects that allowed the poor to act as informed participants, with external agents serving mainly as facilitators and sources of funds. Central to the "bottom-up" approach to development was the individual and collective empowerment of the poor.

49. Stemming from Sen's work on human capabilities, the economist Mahbub ul Haq developed the human development approach to expand the richness of human life, rather than the richness of the economy in which human beings live. Development, it is argued, should focus on people, individually and collectively, and on providing them with opportunities and choices to reach their full potential and lead productive and creative lives that they value. The approach was introduced in 1990 in the first Human Development Report by the United Nations Development Programme (UNDP) and has been reinforced since then in subsequent human development reports. The 1993 issue focused on people's participation, calling it the "central issue of our time".

50. The World Bank's World Development Reports in 2001 and 2004 also had an important influence on development policy. "Attacking Poverty" (2001) pulled heavily on the background "Voices of the Poor" study based on participatory poverty assessments involving 60,000 poor people from 60 countries. Fundamentally, the development community learned the value of systematically listening to the poor to inform the agenda. "Making Services Work for Poor People" (2003) considered how to improve service provision by shortening the route of accountability, or rather, the client-provider relationship. It concluded that services fail poor people – in access, quantity and quality. Strong examples of where services worked had put poor people at the centre of service provision. This involved amplifying their voice in policymaking, enabling them to monitor service providers, and strengthening the incentives for providers to serve the poor.

51. Good governance and decentralization. A second major shift was the increased attention to issues of governance. In Africa, the World Bank and the International Monetary Fund started supporting decentralization as part of downsizing central governments in the 1980s.[13] The thinking behind this was that decentralization would make decision-making more relevant to local needs and conditions and thus improve development effectiveness.[14] In the 1990s, UNDP began to explicitly extend assistance to decentralization. The Food and Agriculture Organization of the United Nations (FAO) paper "Decentralization and Local Government Performance" (1997) argued that one of the main reasons for decentralization was to increase the responsiveness of policymakers to the will of the people, resulting in closer agreement between people's preferences and public policy. In a similar vein, the economic argument for decentralization was to improve allocative efficiency; that is, the supply of goods and services that meet people's needs and wants.

52. The 2002 Human Development Report on deepening democracy in a fragmented world stated that effective governance was central to human development. It

[13] The landmark World Bank report (1981) "Accelerated Development in Sub-Saharan Africa" concluded that reliance on the public sector should be reduced by strengthening involvement of private companies and individuals in service provision.
[14] Ribot, 2002.

elaborated that poor people need to be enabled to gain power through participation and to hold the powerful – political leaders, corporations or other influential actors – to account.

53. Scaling up CDD. Many development partners such as IFAD had introduced stronger community participation in their programmes, often in cooperation with NGOs. Social funds were developed to transfer resources to local levels and execute projects in a participatory manner. CDD programmes went a step further and transferred resources directly to community management, while at the same time introducing coordination at the local government level. The successful programmes implemented in Brazil, Indonesia, Mexico, West Africa and elsewhere became known under the term CDD.[15] The publication of the World Development Report 2000, which focused on empowerment as a key priority of development policy, led to a broad-based effort to scale up CDD.

Box 3
The move toward community development

> "If the move toward local decentralization was driven largely by a desire for better governance, community development was driven by the belief that investing in the 'social capital' of communities would lead to their empowerment and give them a sustainable capacity to fashion development in their own terms."

Source: World Bank 2013.

54. Beyond CDD – citizen's engagement. With a return to focusing on the state in international development discourse in the late 1990s, new opportunities opened up for public involvement in governance processes. Citizen's participation was regarded not only as a way to ensure greater effectiveness and efficiency in the delivery of services, but also as a means of enhancing accountability. Strategies to engage citizens more directly in establishing and negotiating priorities for policy and in holding governments accountable also became significant with the emerging rights-based approach to development. The vision of inclusive citizenship contributed to the redefinition of participation as a right in itself and reinforced efforts to hold government accountable for its obligations.[16]

B. CDD in IFAD's policies and strategies

55. In line with the changing development policies in the 1980s and 1990s, IFAD increasingly promoted "bottom-up" rural development. This entailed facilitating beneficiary participation in project design and implementation and building the capacity of grassroots organizations to shape and implement activities. By 2001, most of the new IFAD-funded projects included a high degree of CDD, in particular involving the establishment of CDFs to finance community-defined priorities.[17]

56. IFAD Rural Poverty Reports and Rural Development Report. The empowerment of rural people's organizations to gain control over their lives is a common thread running throughout the Rural Poverty Reports 2001 and 2011 and the Rural Development Report 2016. The reports share, implicitly and explicitly, the underlying logic of rural people's collective empowerment; that by building their human and social capital, they strengthen their political capital or ability to influence decision-making at local, national and international levels and among key stakeholders in the public and private sectors.

57. IFAD strategic frameworks. The strategic frameworks of 1998, 2002, 2007, 2011 and 2016 clearly show that the collective empowerment of the rural poor – a central element of CDD – has been a longstanding cornerstone of IFAD's strategy for rural and agricultural development. The empowerment of poor rural people's organizations was implied in the 1998 strategic framework through enabling

[15] Binswanger, Regt and Spector, 2006.
[16] Goetz and Gaventa, 2001.
[17] IFAD, 2001.

beneficiary participation, increasing involvement with grassroots organizations and building local capacity to implement projects. It was subsequently included in the strategic frameworks in 2002, 2007 and 2011 as well as a principle of engagement in 2007, 2011 and 2016. The element of CDD, to collectively empower poor rural people to influence decision-making, has therefore been both an objective and an instrument for poverty reduction.

58. The ultimate objective of the collective empowerment of poor rural people has remained the same over time: to enable them to better influence development projects, policies and governance processes that affect their lives. The practical objective of collective empowerment has also consistently been to improve their access to economic opportunities. In contrast, between 2002 and 2016, efforts to empower people have focused less and less on trying to improve their access to social infrastructure and services (health, education, and drinking water and sanitation)[18] and more on strengthening their access to markets and influence on market actors. Arguably this shift, beginning in 2007, contributed to fewer integrated rural development projects in IFAD, reducing the broad-based relevance of CDD to IFAD's strategy.

59. Even so, CDD and its relevance in IFAD's work was still made explicit in IFAD's 2011 strategic framework. It acknowledged that IFAD had a comparative advantage in supporting CDD and was viewed by the international community to have proven expertise in the approach. By this time, CDD was viewed less as the main approach to rural poverty reduction and more as one of several approaches suitable to promote rural development in certain contexts.

C. IFAD partnerships in CDD operations

60. Strategic partnerships. Evaluations highlight the importance of strategic partnerships with other international organizations, in particular in contexts where IFAD had little experience or capacity on the ground. The 2012 CPE in Yemen noted that in earlier projects or programmes, too often IFAD was not adequately supported by other donors in the remote rural areas of Yemen, not only because the level of aid invested in the country is low but also because of the limited links between IFAD-funded interventions and those of other donors.

61. In Ghana the 2012 CPE stated that IFAD, which had no previous experience working within the decentralized governance structure, made some important mistakes. It embarked on a large project (NORPREP, US$60 million), rather than starting with a pilot, and did not cooperate with another agency that had a field presence – such as the World Bank, with which IFAD had previously partnered. Instead IFAD delegated supervision to the United Nations Office for Project Services (UNOPS), which had no presence in Ghana, and managed the project from Rome. Only in 2008 did IFAD enter into partnership with the World Bank, and project implementation improved considerably.

62. Cofinancing. About 23 per cent of IFAD-supported projects with elements of CDD are cofinanced by international organizations. The International Development Association (IDA), the Asian Development Bank and the Arab Fund for Economic Development (AFESD) alone contribute to 50 per cent of international financing in CDD projects, while the remaining half is distributed among 36 different financiers (see annex VI point 5 for detailed data).

63. Supervision partners. There was a variety of supervision arrangements in place. The sample of CDD-related projects reviewed (28 projects) shows that IFAD

[18] The 2002 strategic framework refers to building capabilities *to gain access to basic social services and infrastructure*, among other things. The 2007 strategic framework explains that *IFAD will finance social service delivery (…) only in response to the defined needs of local communities, where the facilities are limited in scope and critical for the achievement of project objectives, and where other financing sources are not available.* Explicit reference to improving access to social services and infrastructure, by empowering the rural poor or other means, is absent in the strategic frameworks of 2011 and 2016.

partnered with several cooperating institutions for supervision, including UNOPS, IDA, the Office of Rural Development Operations of the Andean Development Corporation (OODR-CAF) and FAO. Between 2006 and 2010, and in line with the corporate policy of direct supervision, IFAD assumed direct supervision of the CDD sample projects supervised by UNOPS and OODR-CAF.[19] Another two projects were supervised by IDA [5, 10] with varying inputs from IFAD. The performance of these cooperating institutions and IFAD in supervision of CDD projects varied, leading to both positive and negative effects on project performance.

64. NGO partnerships. Partnerships with NGOs were not as prominent as one might have expected. CDD projects partnered with NGOs in six projects within the sample, but often only to a limited extent. In Peru (#8), the capacity of many local NGOs was reportedly weak. In Burkina Faso (#10), the involvement of NGOs was a missed opportunity as they could have offered greater sustainability of capacity-building activities. In Nepal (#28), the CDD project did partner with NGOs in the initial phase, but in the last phase the project decided to directly contract individual social mobilizers and service providers.

65. In some cases, IFAD had to overcome significant barriers to forge partnerships between the government-supported projects and NGOs. For example, in Peru (#8), a history of paternalism had adversely affected relations between the Government and NGOs, which, when the project began, regarded it with distrust and prejudice. Slowly, by working closely with communities and placing trust in them, the project earned their trust and built effective working relationships with a limited number of NGOs. In Brazil (#7), NGOs were initially unwilling to cooperate until IFAD was able to understand and address ideological barriers, after which the NGOs were effective partners. Civil society organizations such as NGOs, religious movements, trade unions and universities delivered technical assistance, extension and advisory services covering a range of areas from irrigation and livestock development to gender and other social equity issues. The NGOs were also scouting for innovations that could be replicated and scaled up by the project.

D. Performance of CDD-related operations in IFAD

66. This section looks at the performance of CDD-related operations evaluated by IOE. It compares the performance of CDD-related projects with those that were classified as “non-CDD”, using the standard evaluation criteria, such as effectiveness, efficiency, gender and sustainability. Performance ratings are disaggregated according to IFAD’s regional divisions.

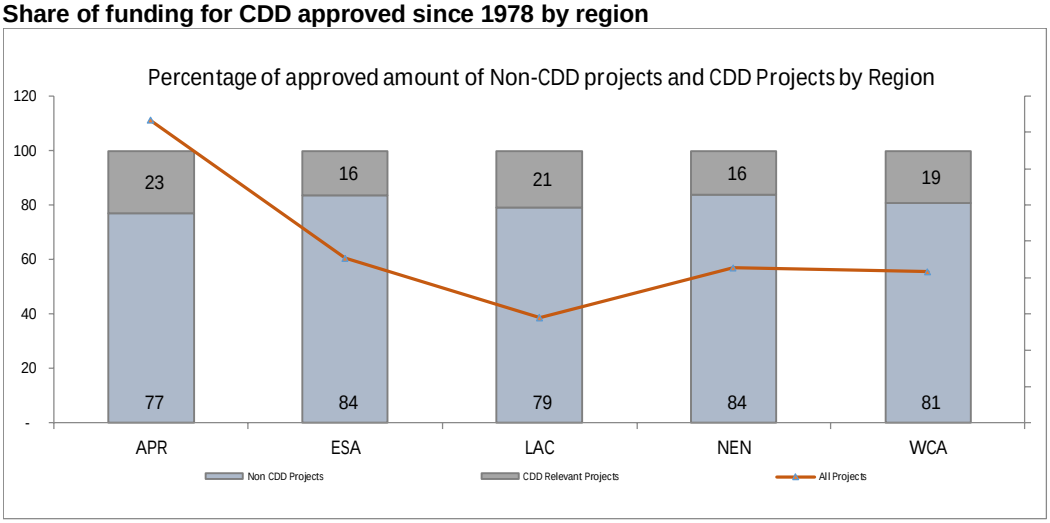
67. Hypothesis 2 “Outcomes ratings for CDD operations were above average”. This was broadly confirmed for IFAD, in line with similar findings for World Bank CDD operations.[20] Analysis of performance ratings for 347 projects evaluated by IOE shows that CDD-related projects performed better on effectiveness, gender and sustainability. This confirms similar findings from the World Bank evaluation of CDD (2005).

68. The number of CDD-related projects was highest both in absolute and in proportional terms (as a proportion of the total number of projects within a region) in APR (279 projects; 28 per cent), followed by WCA (236 projects; 23 per cent). The proportion of funds spent on CDD-related projects was also highest in APR (23 per cent of all funding), followed by the Latin America and the Caribbean Division (LAC) (21 per cent) and WCA (19 per cent). The relative share of funding for CDD-related projects was lower in the East and Southern Africa Division (ESA) and the Near East, North Africa and Europe Division (NEN) (16 per cent in both divisions).

Figure 5

[19] Excluding the CDD project in Peru [8], which closed in 2005.
[20] OED World Bank, 2005a.

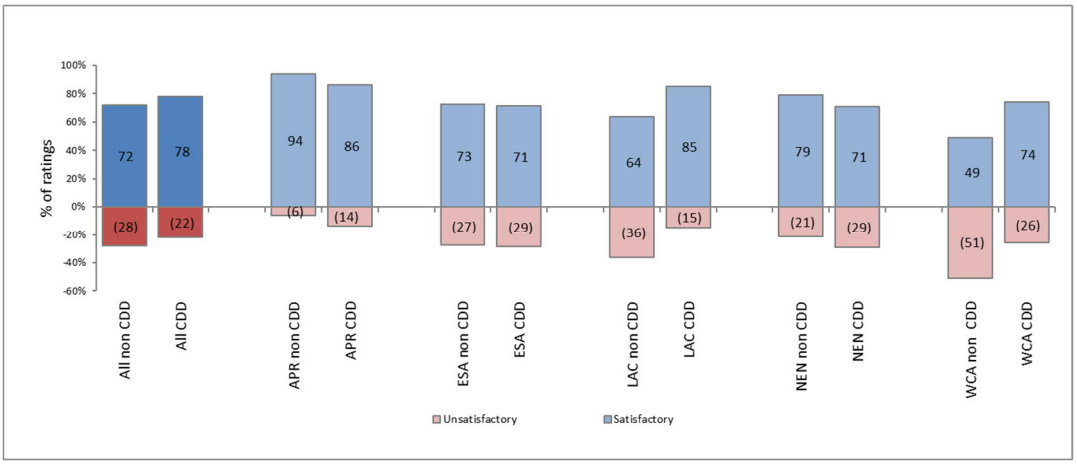
Share of funding for CDD approved since 1978 by region



Note: line represents total amount of funding.
Source: ESR analysis of GRIPS data.

69. Effectiveness. The share of CDD-related projects with satisfactory ratings (of 4, 5 and 6) on effectiveness is 78 per cent for the CDD-related projects compared to 72 per cent for the non-CDD projects. The difference in performance becomes even more obvious when looking at the regions. LAC and WCA performed significantly better in CDD projects than non-CDD (85 per cent satisfactory in CDD versus 64 per cent in non-CDD in LAC; 74 per cent versus 49 per cent in WCA). On the other hand, APR and NEN show more satisfactory performance ratings in non-CDD than CDD (94 per cent versus 86 in APR; 79 per cent vs 71 per cent in NEN). For ESA there is not much difference in the performance of CDD and non-CDD projects (see annex III).

Figure 6
IOE Effectiveness by region – Satisfactory versus Unsatisfactory in CDD and non-CDD projects



Source: IOE/ESR database (IOE evaluated projects: 132 CDD-related projects, 215 non-CDD projects).

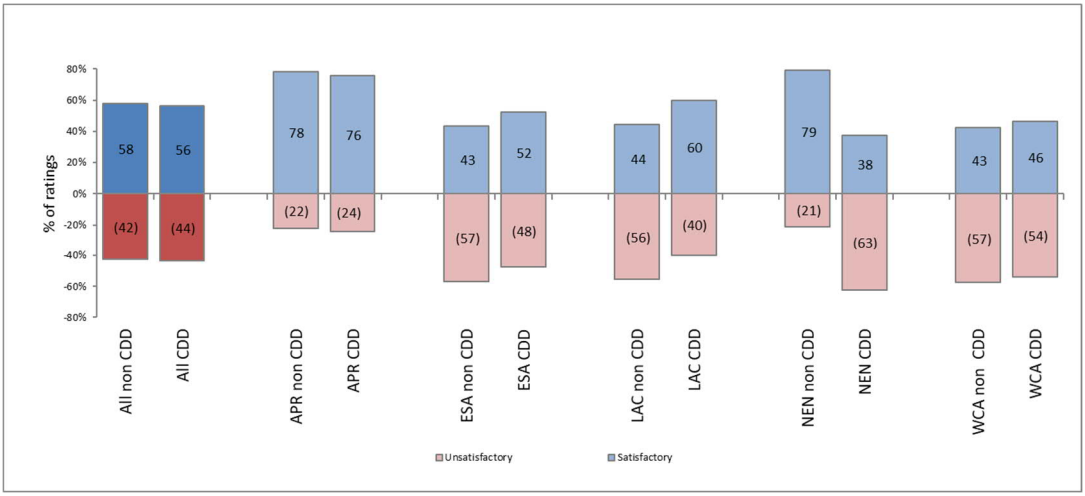
70. The review of 19 outlier projects with unsatisfactory ratings (2 and 3) for effectiveness (see annex IV) found that insufficient capacity-building or empowerment of community organizations were the main reasons for low effectiveness. This includes insufficient training on participatory approaches and attention to institutional sustainability,[21] insufficient links with local government,[22] or allocations to community development funds too small to have a major impact.[23] In some cases, the implementing government partners did not show much

[21] Outlier project [X Egypt] in annex IV.
[22] Outlier projects [III Pakistan, IV Malawi, V Mozambique, IX Panama, X Egypt, XV Congo, XVIII Guinea-Bissau, XIX Niger] in annex IV.
[23] Outlier project [III Pakistan] in annex IV.

commitment.[24] In two cases, the evaluations stated that CDD was simply not suited to the country context.[25]

71. Efficiency. The review of IOE ratings for efficiency shows that, overall, CDD projects did not perform worse than non-CDD projects with regard to satisfactory and unsatisfactory ratings. Yet non-CDD projects have a larger share of satisfactory ratings (5) and some highly satisfactory ratings (6) as well. CDD-related projects have been judged slightly more efficient in ESA and LAC (by a difference of 9 per cent and 15 per cent, respectively), but in APR and WCA there is hardly any difference between the two groups (2 per cent and 3 per cent, respectively). Only in NEN is there a marked difference in unsatisfactory ratings – 21 per cent higher for CDD-related projects (see annex VI).

Figure 7
IOE Efficiency ratings for CDD and non-CDD projects by region



Source: IOE/ESR database (132 CDD-related projects and 215 non-CDD projects).

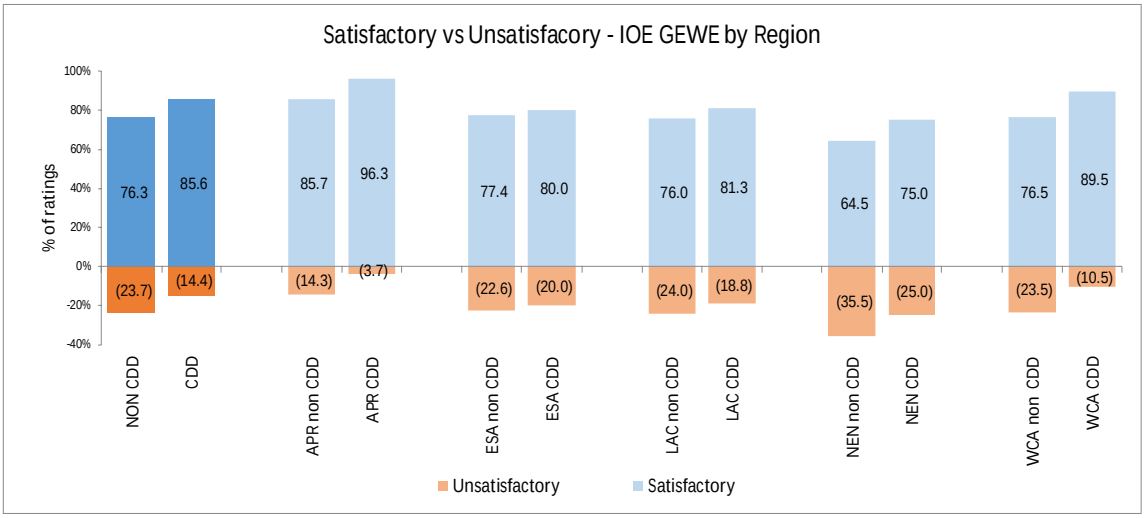
72. CDD relatedprojects have on average longer durations and a higher number of supervision and implementation support missions, but a lower effectiveness lag than non-CDD projects (see annex VI). The effectiveness lag reaches the highest number of months in LAC (22.2 months) for CDD-related projects, followed by WCA (16.8 months).

73. The outliers analysis revealed that low ratings on efficiency were usually due to common factors that also affect non-CDD projects, such as bureaucracy, delayed implementation, or underestimation of project costs. There was no direct link to the CDD element of the project. However, in a few cases the evaluations mention overestimation of capacity of local community organizations [II India], or of the district government [IV Malawi] (which did not account for the uncertainty around the decentralization process in the country), or absence of community development officers [V Mozambique] as reasons for low project efficiency.

74. Gender. CDD-related projects performed significantly better on gender equality and women's empowerment (GEWE). Overall, there were 85.6 per cent satisfactory ratings for CDD-related projects compared to 76.3 per cent for non-CDD operations. The difference was even larger in APR, NEN and WCA, indicating that IFAD was very successful in mobilizing women in these regions. Gender issues are further discussed in chapter IV C.

[24] Outlier projects [II India, III Pakistan] in annex IV.
[25] Outlier projects [VIII Mexico, XI Georgia] in annex IV.

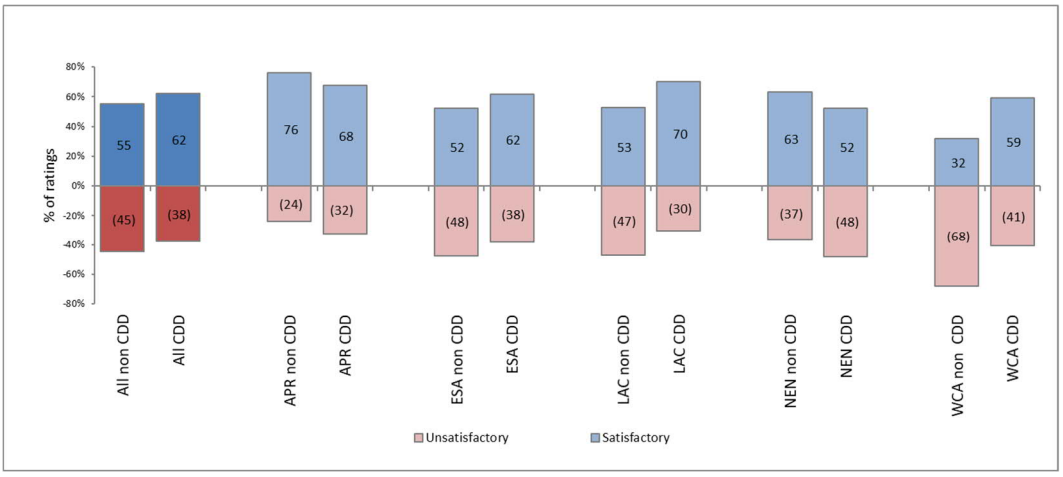
Figure 8
IOE GEWE ratings for CDD and non-CDD projects by region



Source: ARRI Database.

75. Sustainability. IOE performance ratings of sustainability show more satisfactory ratings for CDD projects than for non-CDD projects (62 per cent versus 55 per cent): LAC has the highest percentage of positive ratings for CDD projects (70 per cent); NEN shows the largest share of unsatisfactory ratings (48 per cent); and WCA has more sustainable CDD projects than non-CDD projects (59.3 per cent versus 32 per cent).

Figure 9
Satisfactory versus unsatisfactory - IOE sustainability by region



Source: IOE/ESR database (132 CDD-related projects and 215 non-CDD projects).

76. Regional performance. Regional data consistently show that CDD-related operations performed better than non-CDD operations in LAC and WCA, and to a lesser extent in APR. As discussed further in chapter III, some of the earliest pioneering CDD projects were in WCA (Mali) and LAC (Peru), where successful results were scaled up and important lesson learned. The commitment from regional directors and the attention given to divisional learning were important factors contributing to the consistently high performance of CDD projects in APR, LAC and WCA.

77. WCA invested significantly more time and resources in learning about the CDD approach in the region compared to other divisions. This led to practical decision tools for governments, IFAD and its implementing partners to design and implement CDD projects in the region. CDD projects performed well in WCA prior to the existence of government policies on decentralization, whose institutions and

processes did not always support the CDD approach set in motion. The 2008 food crisis led to the subsequent reduction in project durations and increased the focus on the commercialization of agriculture and value chains to increase food production.

E. CDD in countries with fragile situations

78. This section looks at the performance of CDD in fragile situations, and the extent to which it has been able to strengthen social cohesion or reduce conflict.

79. Hypothesis 1 "CDD has been an effective way to provide infrastructure in fragile contexts". Studies have shown that CDD is an efficient mechanism for delivering infrastructure to people in fragile situations.[26] [27] However, CDD projects are far from "proven impact" interventions in fragile contexts. Importantly, CDD programming may require even more time in conflict-affected areas. The studies show that the record of CDD in promoting institution-building in conflict-affected contexts is positive in the short term but, on the whole, discouraging in terms of durable and transferable change.[28]

80. The review of IOE performance ratings shows that CDD-related projects have performed better in always-fragile[29] countries. On effectiveness, satisfactory ratings were 63 per cent for CDD-related projects compared to 46 per cent for non-CDD projects in always-fragile countries. In partially fragile states, the difference was less obvious: 77 per cent for CDD compared to 75 per cent for non-CDD. Efficiency was also better for CDD projects in always-fragile states: 64 per cent satisfactory ratings compared to 42 per cent for non-CDD. On sustainability, CDD-related projects achieved 55 per cent satisfactory ratings, while non-CDD projects achieved 40 per cent. The qualitative review of IFAD projects confirmed this hypothesis for all six projects implemented in post-conflict or fragile situations.[30]

81. Hypothesis 14 "CDD did not improve social cohesion and reduce conflict". Examples that CDD contributed to social cohesion and the reduction in conflict were found in nine IOE evaluations, thus disagreeing with hypothesis 14.[31]

82. Fragile situations are often characterized by lack of trust between communities, low implementation capacity and weak governance structures. CDD is believed to be well suited to building social capital and empowering communities in these contexts. For example, the CPE Sudan (2008) considered the Western Sudan Resources Management Programme (WSRMP) as part of a conflict resolution strategy in the country. It included the demarcation and management of the major stock routes under a participatory process that fully involved the nomadic tribes, together with the settled agro-pastoral communities. In the Philippines IFAD addressed issues of land rights for indigenous peoples, a source of frequent conflict (CSPE, 2017).

83. In India the CPE (2010) cited evidence that IFAD-funded projects (e.g. in Andhra Pradesh and North East) have contributed to reducing conflict in districts targeted by the corresponding operations. The involvement of IFAD was seen as a serious effort by the Government to respond to tribal disaffection and exploitation.

84. Conflicts between pastoralists and farmers were successfully managed in [10] Burkina Faso and [5] Ethiopia. In [12] Mauritania, the project contributed to social cohesion and greater solidarity within the oases. In [9] Peru, the competitions held were an inclusive and transparent mechanism that helped to build trust among the communities involved.

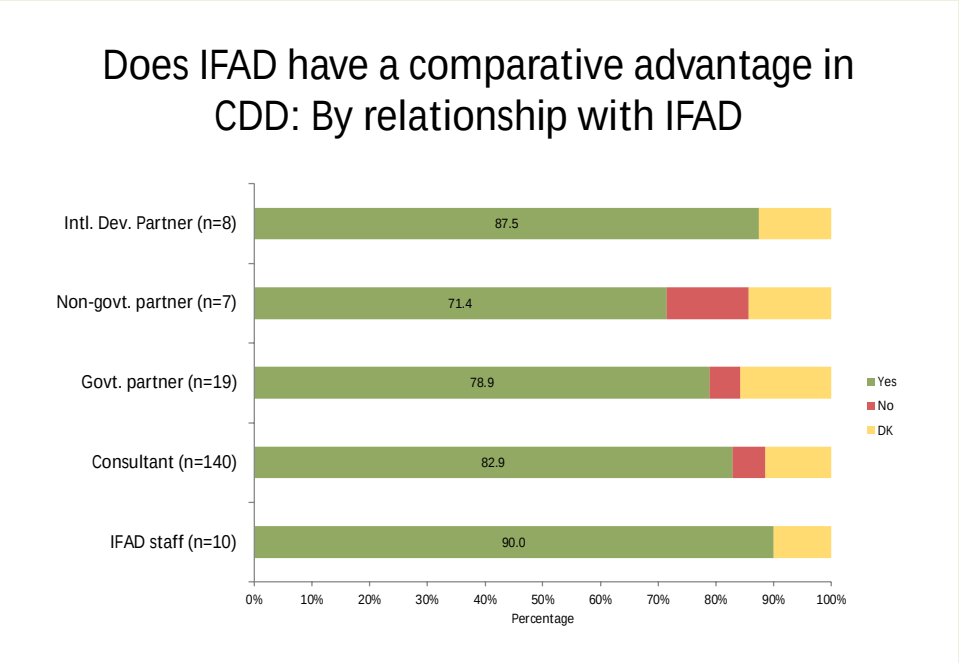
[26] Bennett and D'Ónofrio, 2015.
[27] 3ie, 2018; OED World Bank, 2005b; Wong and Guggenheim, 2018.
[28] King and Samii, 2014.
[29] Using the classification of "always fragile countries" proposed by the corporate-level evaluation on fragile countries.
[30] [3 Pakistan, 8 Peru, 11 Cabo Verde, 12 Mauritania, 27 Nigeria, 28 Nepal].
[31] OED World Bank, 2005b; Wong and Guggenheim, 2018.

85. However, while IFAD targeted poor rural people affected by conflict, it usually failed to address the causes of fragility in a more systemic way, as noted by the CPEs for Sudan (2008), Nigeria (2016), Philippines (2017) and Sri Lanka (2019). For example, the project completion report validations (2013) of the Southern Federally Administered Tribal Areas Development Project (SFATADP) in Pakistan noted that the risks were recognized but there was no strategy in place to mitigate these risks once the security situation had worsened. (For example, the project could have started with a small pilot and very simple project design with few components, building capacity over time.) In a similar vein, the impact evaluation of the Jharkhand-Chhattisgarh Tribal Development Programme in India found that project design was not adequately adapted to the fragile situation in which the project was implemented. The design document made little, if any, reference to security risks, access to communities, supervision requirements, or implications to programme management and implementation in a conflict setting.

Box 4
IFAD's comparative advantage in CDD

CDD is a corporate strength of IFAD. Results from CDD projects are generally positive, even if there are areas for further learning. The positive findings are confirmed by the responses from the survey. The vast majority of respondents agree that IFAD has a comparative advantage in CDD.

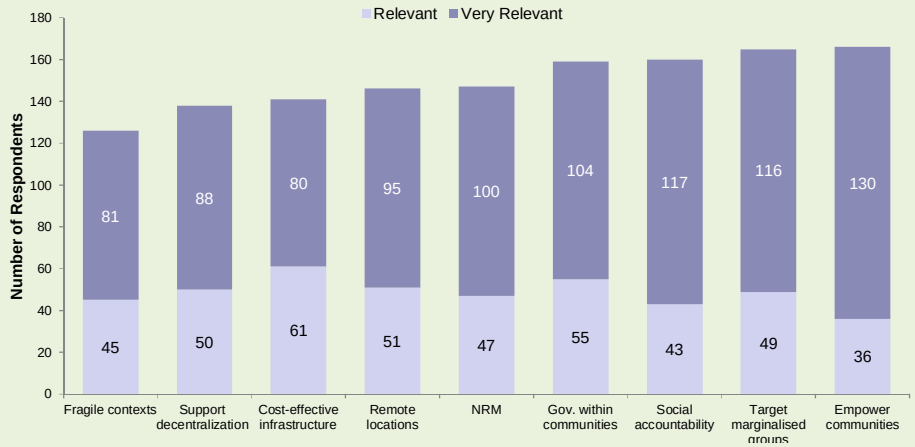
Figure 10
Survey responses: "Does IFAD have a comparative advantage in CDD"?



Source: ESR online survey

Regarding the relevance of CDD for IFAD's strategic objectives and mainstreaming themes, there was broad agreement that CDD is very relevant for empowering communities, strengthening social accountability and targeting marginalized groups, all of which are important strategic priorities for IFAD.

Figure 11
Relevance of CDD for IFAD's strategic objectives and mainstreaming themes



Source: ESR online survey.

Key points (Chapter II)

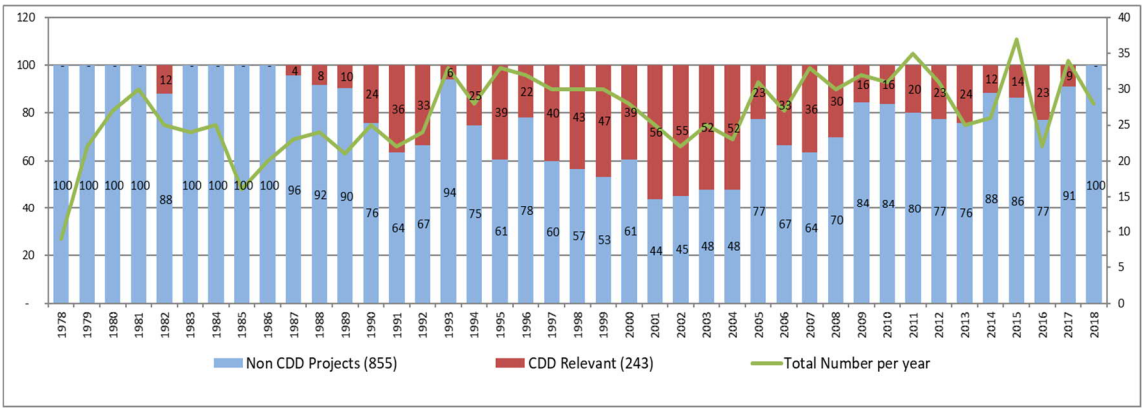
- The 1980s and 1990s saw a fundamental shift in the development paradigm, towards people-centred and participatory approaches. Amartya Sen's seminal work (1985, 1999) shifted the focus of development from material well-being to a broader based "capability" approach.
- Participatory approaches were increasingly appreciated when the development community learned the value of listening to the poor, for example, through the World Bank Study "Voices of the Poor" (2001). The World Development Report "Making Services Work for Poor People" (2003) concluded that services fail poor people and considered shortening the route of accountability linking clients and service providers.
- The 2002 Human Development Report on deepening democracy in a fragmented world stated that effective governance was central to human development. Many development partners such as IFAD had introduced stronger community participation in their programmes, often in cooperation with NGOs.
- Social funds were developed to transfer resources to local levels and execute projects in a participatory manner. CDD programmes went a step further and transferred resources directly to community management, while at the same time introducing coordination at the local government level.
- IFAD aligned its agenda with the changing development policies in the 1980s and 1990s and increasingly promoted "bottom-up" rural development. This entailed facilitating beneficiary participation in project design and implementation and building the capacity of grassroots organizations to shape and implement activities.
- IFAD's strategic frameworks of 1998, 2002, 2007, 2011 and 2016 include the collective empowerment of the rural poor as a cornerstone of IFAD's strategy for rural and agricultural development. IFAD's 2011 strategic framework acknowledged IFAD's comparative advantage in supporting CDD.
- IFAD's strength in supporting CDD is confirmed by the review of IOE performance ratings, which show that CDD-related projects performed better on effectiveness, sustainability and gender criteria. Performance on efficiency did not differ much between CDD-related and non-CDD projects. CDD-related projects also performed better in always-fragile countries on the main IOE criteria (effectiveness, efficiency and sustainability).
- Within IFAD, CDD-related operations performed particularly well in two divisions: WCA and LAC. This was related to the commitment to and emphasis on learning in these divisions, as further explained in chapter III.

III. Evolution of the CDD-related portfolio in IFAD

A. Presence of CDD in IFAD's portfolio

86. On average, 20 per cent of IFAD's annually approved funding went into CDD-related operations. Between 2001 and 2004, CDD-related operations constituted more than 50 per cent of IFAD's annual portfolio approvals. Since then, the share of CDD-related operations has gradually declined. Figure 12 shows the evolution of CDD-related projects in the IFAD portfolio, as a proportion of total amounts approved per year.[32]

Figure 12
Trend: percentages of CDD/non-CDD projects approved amounts in portfolio by approval year



Source: IOE/ESR database – GRIPS.

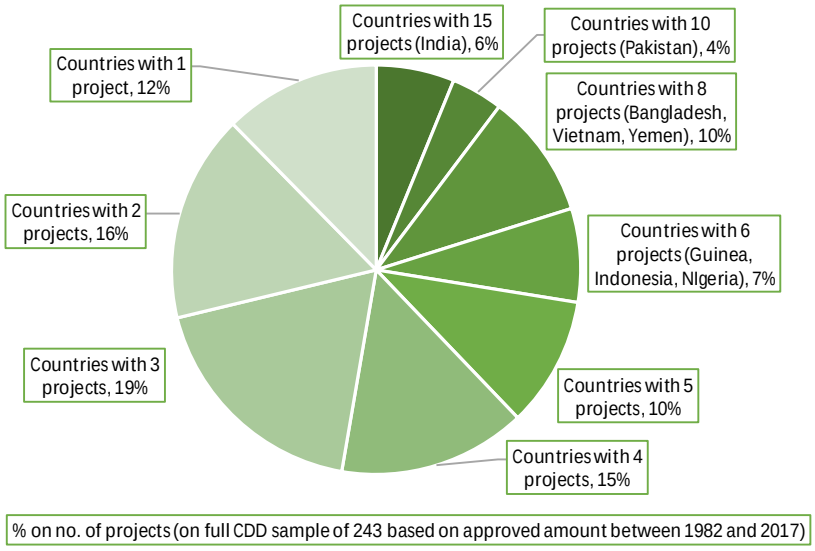
- Pre-1997 and the "pioneers". At the end of the 1980s and into the 1990s, pioneering CDD-related projects entered the portfolio and began to increase in number. By 1997 they made up 18 per cent of all CDD-related project approved amounts. The advent of the CDD approach mirrored developments in other IFIs that saw increasing support for decentralization as well as people-centred and participatory approaches. The period also marked nascent growth in the self-help group movement, in which the IFAD-supported CDD project, Tamil Nadu Women's Development Project (1990 – 1998), played an important role.[33]
- 1998 – 2006 and the "massive roll-out". Between 1998 until 2006, the proportion of CDD-related projects grew substantially. CDD-related projects approved during this time represent 41 per cent of the volume (in terms of approved amount) of all CDD-related project since 1978. Figure 12 shows that they also represented a significant share of total approved project amounts per year, indicating a massive roll-out of CDD and making it one of the main approaches to rural development in new IFAD-supported projects. The World Bank also saw an increasing share of projects with CDD-related components in its portfolio, from 2 per cent in 1989 to 25 per cent in 2003.[34]
- 2007 – 2011 and 2012 until today and the "focused approach". Over the course of the next IFAD strategic framework from 2007 to 2011, there was a tailing-off of CDD-related projects, which represent 21 per cent of all CDD-related project approved amounts. The 2008 food crisis was a major global event that led to a greater focus on agricultural productivity and value chains and hence to a reduced focus on CDD.[35]

[32] Note that the amount refers to the approved investment for each project and not just for the CDD activities/component(s).
[33] IFAD, 2006a.
[34] OED World Bank, 2005b.
[35] Focus group discussion, 22 July 2019.

- From 2012 until today, the CDD-related projects make up 20 per cent of all CDD-related project approved amounts. The figures suggest that since the massive roll-out of CDD and the consolidation of learning in IFAD (see section B below), a more focused approach has been used – IFAD supports CDD where, and how, it knows the approach works.

87. Countries with project clusters. Some countries had applied the CDD approach in strings of projects while others had only one or two CDD projects implemented. Figure 13 shows that more than half (128) of the 243 CDD-related projects approved by IFAD were located in 22 countries of countries. The remaining 115 projects took place in 65 different countries, indicating limited continuity of the approach. The largest numbers of CDD-related projects were found in countries in APR (India, Pakistan, Bangladesh, Viet Nam, and Indonesia). Others included Yemen, Nigeria and Guinea (see figure 13 below).

Figure 13
Number of CDD-related projects approved by country, 1982 to 2017[36]



Source: ESR portfolio review.

88. In a small number of countries (13) there was a continuous flow of CDD projects, with learning taking place from project to project (e.g. Bangladesh, India, Pakistan, Viet Nam, and Yemen). Learning also took place in multiple-phased projects[37] implemented over 12 to 15 years, such as in Cabo Verde, Mali and, currently, Ethiopia. CDD continues to be important in the cluster countries, such as India, Viet Nam, Sudan, Yemen, Peru and Ethiopia (see annex VI).

B. Trends in CDD performance over time

89. A comparison of the performance of CDD-related projects in the three time periods[38] illustrates the evolution and learning together with a growing strategic focus in the CDD portfolio (see annex VI.3 for the graphs).

90. Pre-1997, the pioneering projects were on average US$24 million in size and 7.9 years long. Nearly all (96 per cent) of them were supervised by cooperating institutions, principally UNOPS, as well as other development agencies.[39] They were distributed across 44 countries, with the largest share in APR (45 per cent) and WCA (24 per cent), and with less than 10 per cent in LAC and NEN.

[36] From full CDD-related sample of 243 projects.
[37] Including those funded through the Flexible Lending Mechanism.
[38] The synthesis focuses on the three periods for which evaluations are available. For the operations approved since 2012, evaluations are not yet available.
[39] Namely, in descending order, the World Bank (IDA), CAF, Asian Development Bank, African Development Bank, AFESD and West African Development Bank.

91. IOE evaluations show that in the pre-1997 group of pioneer projects, efficiency and effectiveness were mainly satisfactory[40] (60 per cent) while sustainability less so (44 per cent satisfactory). Good performance in efficiency and effectiveness could reflect the support from a range of cooperating institutions with significant practical experience on the ground. Meanwhile, a common weakness of these earlier projects was the lack of linkages with local government, which explains the relatively low performance on sustainability.

92. The massive roll-out of CDD-related projects between 1998 and 2006 saw a notable increase in average project size (US$37 million) and a marginal increase in average project duration (8.1 years). They were supervised by cooperating institutions until the mid to late 2000s, when IFAD took over providing direct supervision. CDD-related projects were distributed across 61 countries, with a markedly balanced ratio among the five regional divisions – reflecting the massive roll-out of CDD rather than a focused approach to CDD in relevant contexts.

93. In the massive roll-out of CDD, from 1998 to 2006, IOE ratings show that project effectiveness continued to improve (84 per cent satisfactory) and sustainability notably rose (68 per cent). Possible contributing factors were the ongoing learning process in IFAD during implementation, improved linkages with local government and direct supervision by IFAD. In contrast, efficiency ratings lowered (54 per cent satisfactory), in line with the overall trend in all IFAD projects during those years.

94. From 2007 to 2011, CDD-related projects of the more focused approach remained large, with an average size of US$53 million, but they were clearly shorter, averaging six years. They were implemented in much fewer countries (29 in total), with a more uneven distribution across the regional divisions (61 per cent in APR and less than 13 per cent in the other divisions). Since 2012, IFAD has approved fewer CDD-related projects than the preceding four years, but they have been even greater in average size (US$65 million).

95. In the focused approach of the third time period, with fewer but larger projects, IOE performance ratings were high in effectiveness, sustainability and efficiency (79 per cent, 63 per cent and 63 per cent, respectively). This all-around good performance reflects the consolidation of learning in IFAD and the focused approach taken, when IFAD supported CDD where and how it knew the approach worked.

C. Integration of CDD into IFAD's policies and guidance

Corporate-level learning over time

96. The pioneering phase. In the early years of IFAD (pre-1997), few CDD-related projects were approved for single countries, including India, Mali and Peru.[41] These projects were pioneers of CDD. They tried to introduce an innovative demand-led financing approach in target areas where nothing else had worked, such as in marginalized tribal areas in India. Experiences were later scaled up by the following CDD operations in the same country, but there was limited learning between countries at that time. Four Peru experiences were reviewed and disseminated in 2004 through a thematic evaluation conducted by IOE.[42] For India there was a study on IFAD's role in the self-help group movement in 2006.[43] Otherwise experiences were mainly captured through IOE CPEs, whenever they were conducted at a later point in time (e.g. Mali CPE 2007).

[40] Satisfactory ratings are 4, 5 and 6. Unsatisfactory ratings are 1, 2 and 3.
[41] In Mali, the pioneering CDD project was the Segou Village Development Fund Project was followed by the FODESA project in 1982. In India, the pioneering projects were the Orissa Tribal Development projects (1988 – 1997) and the Andhra Pradesh Tribal Development Project (1991 – 1998). In Peru, the pioneering projects were the Management of Natural Resources in the Southern Highlands Project (MARENASS) and the Development of the Puno-Cusco Corridor Project launched in 1995 and 1997, respectively.
[42] IOE, 2004.
[43] IFAD/Myrada, 2006a.

97. Wave of internal reflection during big roll-out phase (1998 – 2006). In the 2000s, during the big roll-out of CDD-related projects in approvals, learning at the corporate level started in earnest. Reportedly, there were concerns at the time over the lack of a coordinated approach to using CDFs and to performance assessment between the regional divisions. This led to a wave of internal reflection between 2001 and 2004 by the former Technical Advisory Division. The work was consolidated in two comprehensive learning documents on CDFs[44] and targeting in demand-driven projects[45] and subsequently the IFAD (2004) Learning Note on CDFs and the landmark IFAD (2008) Targeting policy. The two-page Learning Note provided the minimum standards and common issues in the design of CDFs intended to inform the design, implementation and evaluation of projects.

98. Table 3 provides a list of the main learning and operational guidance documents and events on CDD in IFAD.

Table 3
IFAD knowledge products on CDD

Year	*Title*
2002	Community-driven development: review of financial issues
2003	Development funds in IFAD projects: some emerging lessons
2004	Innovative approaches to targeting in demand-driven projects
2004	Learning note: community development funds
2004	Experiencias innovadoras en los proyectos del FIDA en la República del Perú, IOE
2006	Informal Workshop on IFAD Community-Driven Projects in the West Africa Region: An introduction to the debate
2008	Access to governance and policy processes: what enables the participation of the rural poor?
2009	Knowledge Fair: how can community-driven development foster local development in West and Central Africa?
2009	Community-driven development decision tools
2013	Synthesis report: strengthening institutions and organisations
2015	Delivering public, private and semi-private goods: institutional issues and implementation arrangements

Source: ESR compilation.

99. The process of reflection offered a historical perspective of CDFs within and outside of IFAD that helped to understand why they were or were not working as intended. In essence, there was a shift from the 1980s to the new millennium in the goals and objectives of the CDFs from short- (emergency relief) to longer-term (development activities). On the ground, this meant difficulty in reconciling the goals of capacity-building, empowerment and sustainability with the short-term pressures to disburse and complete many microprojects.[46]

100. Consolidation of the CDD approach (2007 – 2009). Corporate learning on CDD was mainly driven by WCA. By the 2000s it had acquired extensive experience in the use of the approach but recognized the need for practical decision tools to help IFAD and implementing partners to improve project performance. To this end, the division conducted various internal studies and debates and held three key events on CDD in 2004, 2006 and 2009, drawing on the accumulated expertise of operational staff from a wide range of countries. The lessons drawn from these events and studies informed the preparation of the CDD decision tools in 2009. The decision tools offer a conceptual framework and practical guidelines for

[44] IFAD, 2004a.
[45] IFAD, 2004c.
[46] Perrett, H., 2003.

Governments and IFAD and its implementing partners to understand, finance, design and implement CDD projects in the region.

101. Absorption of CDD principles in IFAD policies (2009 – 2012). The decision tools remained the only document in IFAD exclusively focused on CDD. After this, the principles of CDD were integrated into major IFAD policies, in particular the policies on targeting and on engagement with indigenous peoples. Principles of CDD that remained visible within these policies and guidance notes were empowerment and a focus on social capital and capacity-building.

CDD principles in IFAD policies and guidance

102. Empowerment. The 2008 Targeting policy is premised on the centrality of capacity-building and empowerment of poor rural people and their organizations to participate in, and influence, democratic processes that determine development policies and projects. The emphasis on empowerment through building the organizational and institutional capacity of the rural poor is reiterated in IFAD's revised operational guidelines on targeting (2019).

Box 5
Empowerment as a key principle in IFAD's Targeting Policy and guidelines

"Capacity-building and empowerment are the cornerstones of IFAD's approach to targeting… the Fund works with its partners to create conditions that enable rural poor people to… expand their influence over public policy and institutions to shift "the rules of the game" in their favour. An important contribution of IFAD lies in opening spaces for participation, dialogue and negotiation through which rural poor people can identify, understand and influence the factors relevant to their situation – and put in motion answers that are or can be within their powers".*

"Measures to empower the poor and socially excluded are a key pillar of IFAD's targeting approach. IFAD implements a gradual approach in which the sequencing of interventions facilitates the strengthening of resilience and the building of the productive and organizational capacity of the rural poor, enabling them to engage with markets and participate in rural institutions. Community-driven development projects can leverage efforts to achieve these objectives." **

Sources: * IFAD Targeting Policy 2008; ** IFAD's revised operational guidelines on targeting 2019.

103. The policy on Engagement with Indigenous Peoples (2009) refers to CDD as a fundamental principle of this engagement. The post-2015 policy brief on the social and economic empowerment of poor rural people identifies CDD as a key entry point to this end. Importantly, it also states that economic and social empowerment should go hand in hand to improve the access of poor rural people and their organizations to productive assets, inputs, technology and finance as well as enhance their status and bargaining power.

104. The policy on Gender Equality and Women's Empowerment (2011) reflects the strong linkage between gender issues and CDD in its strategic objectives: enabling women and men to have equal voice and influence in rural institutions requires removing barriers to women's participation in farmers' organizations and community organizations. The Gender in Agriculture Sourcebook (2008) by the World Bank, FAO and IFAD, discusses how CDD is seen as a potential approach to improve gender equality in the agriculture sector. The study noted that women's participation in decentralized processes and community organizations is hampered by persistent gender inequities at the local level. Therefore, unless due attention is paid to gender issues in CDD projects, particularly in existing power structures, gender equality will not be promoted.

105. Focus on social capital. In the early 2000s, IFAD used the Sustainable Livelihoods Framework to improve its operations and impact on rural lives. Social capital was one of five livelihood assets analysed and strengthened to improve livelihood outcomes for rural poor people. More recently, the IFAD (2014) How to

do Note to Analyse and develop the social capital of smallholder organizations refocuses the Fund's attention on social capital for agricultural development but this time for community-based organizations (CBOs), rather than rural communities as a whole. Importantly, the note deconstructs the concept of social capital. It distinguishes between horizontal bonding linkages, such as trust and cooperation among people, and vertical bridging linkages, such as social connectedness, functional relationships with authorities and organizations with different interests coming together to create larger networks.

106. Social capital in fragile states. IFAD recognizes CDD as an effective approach in fragile states. The IFAD (2015) paper on "Delivering public, private and semi-private goods", identifies CDD as an approach used by IFAD in post-conflict and fragile states to rebuild mutual trust and restore the social fabric of communities. It explains that CDD was initially used to deliver public infrastructure and services to meet basic social needs, such as schools, health posts and drinking-water systems. Yet, owing to the participatory planning mechanisms set up, communities also made strong demands for more collective and private goods and services, including income-generating activities. The strategy for engagement in countries with fragile situations (2016) explains how IFAD's work at the community level supports the principles of engagement to address root causes of fragile situations and build institutions, trust and social cohesion.

107. Shift towards broader capacity issues. Following the phase of consolidation, CDD has been increasingly seen as one of several approaches to implementation and capacity development. The IFAD (2013) synthesis report on "Strengthening Institutions and Organizations" analyses lessons learned and identifies CDD as one of four main types of implementation models in IFAD-supported projects: central government implementation; decentralized government and NGO implementation; CBO or CDD implementation; and implementation through public-private partnership arrangements.

108. With the increasing focus on value chains, IFAD started targeting a broader range of value chain stakeholders, beyond producer groups. The IOE corporate-level evaluation (CLE) on value chains (2019) found that projects worked with a range of producer organizations as a strategy for reaching target populations, including self-help groups, community interest groups, cooperatives and collective enterprises. About a third of the projects worked with microenterprises as a channel for reaching the rural poor. Entire communities were reached in 35 per cent of projects. The evaluation found that only 36 per cent of the value chain projects were effective in reaching the poor. Projects that had included community-based interventions and group mobilization were more likely to reach the poor and very poor.

D. Changes in the design of CDD operations

109. Flexible Lending Mechanism. CDD-related operations require longer project durations, to build capacities, and a degree of flexibility, to enable a demand-led approach. At the time when CDD was rolled out throughout the portfolio, IFAD also introduced the Flexible Lending Mechanism (FLM), which was particularly suited to CDD projects. FLM loans differed from a standard loan, in that they had a longer implementation period. This was to allow for: the achievement of sustainable development objectives; a continuous and evolving design process through implementation of distinct, three- to four-year cycles; and clearly defined preconditions, or "triggers", for proceeding to subsequent cycles.

110. Between December 1998 and December 2002, 20 projects were approved under the FLM in 18 countries.[47] In 2007, IFAD conducted an assessment of the FLM. The review found that longer implementation periods were crucial in providing time for

[47] Of the 20 projects, one was cancelled before effectiveness (Lebanon), one was cancelled with no disbursements (Indonesia), and one was converted into a standard loan project before the first cycle review (Bhutan).

institution-building and empowerment processes to be established and consolidated and to become sustainable, in particular in post-conflict situations.[48] The built-in design flexibility allowed projects to adapt more quickly to changing circumstances and to respond to new opportunities in terms of government priorities, partnerships and market developments. [49]

111. The review also found that the FLM was not suited to complex projects with a large number of components[50] and that sometimes the triggers were too many and there was no clear identification of the most critical ones.[51] The review concluded that IFAD's involvement (in supervision) was not as deep as expected and within the house there was limited ownership, which contributed to the lack of precise definitions of in-house roles and responsibilities and overly bureaucratic procedures being applied to the FLM.[52] Following this review, the use of the FLM was discontinued for new projects from 2007.

Box 6
FLM case studies: Cabo Verde, Nepal

In Cabo Verde [11], the FLM approach permitted a better match between the programme time frame and the pursuit of long-term development objectives, since a longer implementation period is considered necessary to meet such objectives. Modifications were made to the original design, concerning duration of intervention at commune level, targeting, production support methods, and adjustments in financial management. However the monitoring and evaluation (M&E) system was not sufficiently robust to enable monitoring of the triggers.

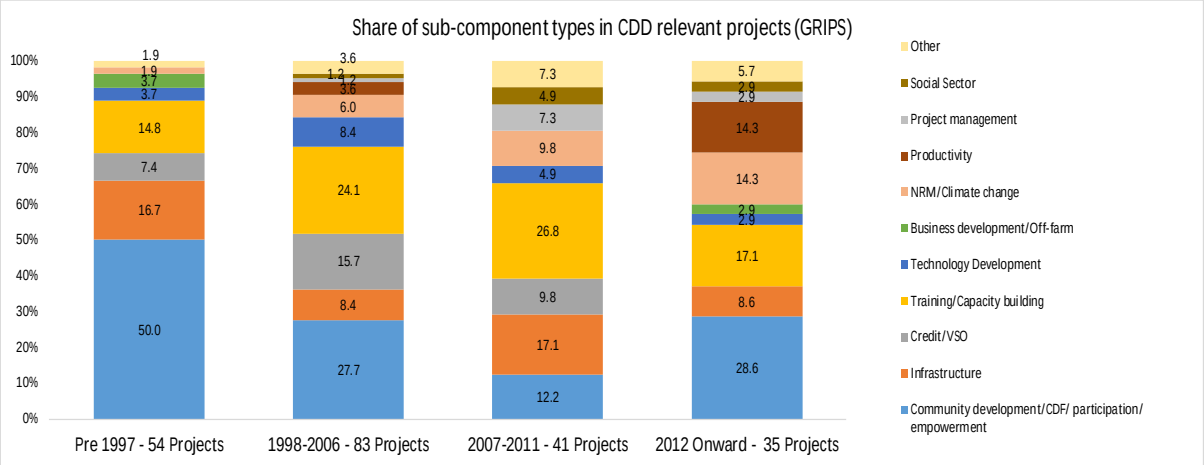
In Nepal [28], the PPE found that the adoption of the FLM was appropriate but required more procedural clarity. The phased approach based on triggers was positive for a project in a fragile situation, but IFAD's lack of clarity regarding the procedures for implementing FLMs proved at times to be a constraint, by delaying the shift from one phase to another.

Source: ESR case study.

112. Financial components in CDD projects. The review of financial components shows that the early projects had fewer components and were thus open in terms of flexibility of design. This so-called carte blanche approach meant that the actual use of project funding was not pre-determined at design. The later projects had far more components defined, thus reducing the flexibility to respond to a wider range of demands.

[48] Rwanda and Sudan were cited as examples (IFAD, 2007).
[49] IFAD, 2007.
[50] The FLM projects in Bangladesh, India and Indonesia were cited as examples (IFAD, 2007).
[51] Rwanda was cited as an example (IFAD, 2007).
[52] IFAD, 2007.

Figure 14.
Share of subcomponent types in CDD-relevant projects over time



Source: ESR calculation based on GRIPS data.

113. For example, the pre-1997 project in Peru [8] had only two components: Training and technological change and Production support services. The project was structured around transferring financial resources and responsibility directly to the communities through a technical assistance fund and awards. Activities were undefined because families and communities were to develop their own plans and projects to present at public competitions. This relatively carte blanche approach was continued in some later (full) CDD projects approved between 1998 and 2006 and 2007 and 2011 [11, 28]. However, the design of other CDD projects, particularly between 1998 and 2006, added specific components on NRM, rural finance, microenterprise development and strengthening production and marketing activities of smallholder farmers. The move to more structured and sector-defined components reflects the corporate shift from a more bottom-up people-centered approach to a more market-driven approach.

114. In the early projects, most of the CDD-related activities were subsumed under training and capacity-building For example, in Burkina Faso [10] approved in 2000, over one third of project costs went to training and capacity-building in project design: at the local level to establish, train and strengthen community institutions to participate in the planning, implementation and management of microprojects at the village and inter-village level; and at the provincial and national levels to strengthen institutions in support of decentralized rural development. Similarly, in Nigeria [27], approved in 2010, approximately 40 per cent of total expenditure went to awareness-raising and capacity-building at the community, local government, state and national levels.

115. Lastly, the subcomponent on NRM became increasingly important relative to the other subcomponents in CDD-related projects. This supports earlier findings (see the Evaluation Synthesis on Environment and Natural Resource Management, [ENRM]) that IFAD has generally increased its attention to integrating ENRM issues into its operations over the past decades. It also suggests that IFAD recognized that CDD is a conducive approach to improve NRM in rural areas.

E. Learning through implementation

116. Learning through supervision. Evaluations of CDD projects noted that the involvement of IFAD staff was often insufficient, in particular during the pioneering phase of CDD, when learning was needed. The PPE of Bangladesh [13] noted that there were too many actors involved (including UNOPS) and that a more direct involvement by IFAD in project implementation and monitoring would have been beneficial. In particular, involvement in projects using innovative approaches, such as the FLM, would have required closer supervision. The FLM-financed projects

were supervised with the same regularity as standard loan-financed projects – about once per year. No additional resources for supervision or implementation support were accorded to FLM-financed projects.[53]

117. Addressing pertinent problems in "nascent" CDD projects. Issues included the limited understanding of participation among implementing partners and difficulties in identifying (non-government) partners to facilitate participatory projects. The 2014 CPE in Jordan concluded that community empowerment has been affected by a number of challenges, such as lack of commitment of the Ministry of Agriculture to the concept and weak project management unit capacity. Insufficient understanding on how CDD could be implemented was a reason for lower-than-expected community participation and empowerment. In India, major challenges in the early CDD projects included limited culture of working with NGOs in some states, the diversity of understanding of participation by different people at different times, and the insufficient continuity in approaches and emphasis on participation.[54] Subsequent programmes learned from this model and used a community development framework to determine the activities undertaken; the post Orissa Tribal Development Project generation of tribal projects have generally started with the formation of groups.

118. Common issues noted by evaluations of early CDD projects included the limited attention to empowering local organizations, e.g. giving them a role in managing assets or finances, and the limited attention to issues of institutional sustainability. The 2012 CPE in Yemen noted that the early IFAD-supported projects used participatory rural appraisal techniques and consultation mechanisms, which increased project ownership, but there was little attention to sustainability. The later projects had a deeper understanding of empowerment, especially with regard to control over resources, and there was more emphasis on strengthening CBO capacities through having their own financial resources to control. In the more successful projects, IFAD introduced a systematic process to review the progress of building CBO capacities and performance.

119. Evaluations often highlighted the need to strengthen links with government. In India, the holistic approach to rural development relied on strengthening community groups, including women's self-help groups and groups of both men and women for NRM in tribal areas, facilitated by NGOs. While this model had been effective at the grassroots level, they had not yet succeeded in forging adequate links with local governments.[55] The 2014 CPE in Jordan noted that in the rangelands an effort was made to strengthen community participation by involving CARE International, but CARE's involvement was limited to training only and thus did not result in producing participatory range management plans.

120. Evaluations also found that, in order to ensure institutional sustainability and scale up the participatory approach, institutional frameworks (beyond the individual community) needed to be strengthened. In India the CPE (2010) noted that IFAD had been somewhat ambivalent about the linkages between the self-help groups and apex structures at the block, district and state levels. The 2016 CPE in Bangladesh found that the organizations supported by the programme were operating on their own with project support, with no informal or formal links with the local government or development agencies working at the local level.

121. Building an effective institutional approach over several project phases. In Ethiopia the IEG evaluation of the Pastoral Community Development Project (PCDP) noted that the performance of the CDD approach against project objectives improved from PCDP I to II. After most of the demand-led investments at

[53] IFAD, 2007.
[54] IFAD, *Andhra Pradesh Tribal Development Project, Completion Evaluation* (Rome: IFAD, 2001).
[55] IFAD, *India, Country Programme Evaluation* (IFAD, 2010); IFAD, *Andhra Pradesh Tribal Development Project, Completion Evaluation* (IFAD, 2001); IFAD, *Livelihoods Improvement Project in the Himalayas, Project Performance Evaluation* (IFAD, 2015). IFAD/ Myrada, 2006a.

community level failed in PCDP I, PCDP II then moved to a community investment fund that offered a simpler menu of basic public goods that groups could agree on and operate together more efficiently. Another major improvement was related to supervision. In PCDP I, supervision was infrequent and weak, given the new CDD approach in a context with serious capacity constraints for implementation, particularly in local government (Woreda level), risks of elite capture, and the government decentralization process just emerging. By PCDP II, supervision and implementation support missions were satisfactory – conducted jointly with IFAD and including technical experts who provided inputs on critical aspects of this project, such as gender, access to land, water and sanitation, social and environmental safeguards, financial management, and procurement.[56]

122. In Mali, the 2007 CPE noted that in the Sahelian Areas Development Fund Programme (FODESA) phase I and II the institutional set-up provided for the granting of a seat to the association of mayors within the regional associations, but it did not give a sufficiently important role to local authorities. FODESA III corrected this design flaw by making communal planning a priority gateway for the identification of actions. The CPE 2007 noted that much support had been given to local grassroots organizations but little, beyond advice, to their umbrella organizations, thus limiting the prospect for sustainability. By the time the CPE 2013 was being prepared, FODESA had empowered farmers' organizations by giving them a strong decision-making role in their federated regional associations and a national association (of farmers' organizations). In phases I and II, these apex organizations focused mainly on project management rather than policy dialogue. However, this was addressed in phase III by linking the apex organizations of farmers' organizations to the National Coordination of Farmers' Organizations of Mali, which was important for the sustainability of these bodies and empowerment of their members, the farmers.

123. Learning by doing. Experience from countries with a flow of CDD-related operations shows the importance of learning by doing in CDD. It took time, for governments and IFAD, to build capacities among implementing partners and to work out the institutional processes for decentralized funding. It also took time to overcome cultural biases and to develop a shared understanding of concepts such as community participation and empowerment and integrate them into project implementation practice. Partnerships had to be built and trust had to be gained. Decentralized governance contexts provided a particular challenge for IFAD because it had to adapt to the local context and engage with a larger number of partners.

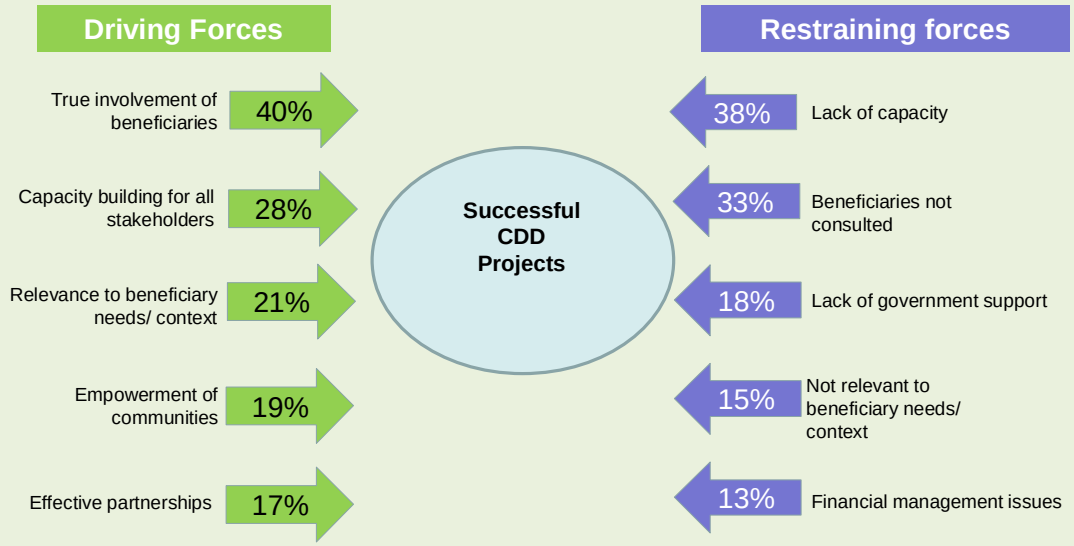
[56] IEG PPA of PCDP I & II.

Box 7
Factors influencing CDD performance

The online survey among IFAD staff, implementers, consultants and partners provided some broader feedback on the factors for success and failure in CDD, summarized in the figure below. Capacity-building, government support and "true" participation and empowerment were the most important reasons for success or failure named. Also, as some respondents put it, communities need to see tangible benefits for their lives as well as experience respect and support from the process. The need to allow sufficient space and time for these processes was emphasized again and again. Experienced and qualified facilitation of these processes as well as consistent messages regarding their purposes are critical for success. The process of project identification, planning and implementation needs to be clear and transparent for all those involved, including communities, NGOs and government.

As reasons for failure, survey respondents cited too many and scattered interventions, poor M&E and over-ambitious disbursement targets, as a result of which CDD projects lost focus and depth. Conflicting priorities (e.g. between higher policy goals and the immediate needs of the community) and poorly managed expectations could also make projects fail. Insufficient understanding of the local context was cited as a reason why projects failed to set up systems to prevent elite capture and corruption.

Figure 15
Factors for success and failure of CDD projects (as cited by survey respondents)



Source: ESR online survey.

Key points (Chapter III)

- On average, 20 per cent of IFAD's annually approved funding went into CDD-related operations. Between 2001 and 2004, CDD-related operations constituted more than 50 per cent of IFAD's annual portfolio approvals.
- The synthesis identifies three phases in the roll-out of CDD in IFAD:
  - Pre-1997 and the "pioneers", initially located in very few countries (India, Mali, Peru); the number of countries with CDD projects increased to 44 during this period. Projects were supervised by cooperating institutions, principally UNOPS, as well as other development agencies.
  - 1998 – 2006 and the "massive roll-out" of CDD across 61 countries. There was a notable increase in the average project size for CDD, while performance on efficiency was decreasing. The effectiveness and sustainability of CDD projects continued to improve after IFAD took over direct supervision. This period coincides with a wave of internal reflections where experiences from CDD operations were shared in IFAD. Reflections resulted in the landmark IFAD Targeting policy (2008) and the CDD Decision Tools (2009).
  - 2007 – 2011 and 2012 until today. There were fewer CDD projects implemented in much fewer countries (29) and the performance on effectiveness, sustainability and efficiency was overall good. This reflects the consolidation of learning in IFAD and the focused approach taken, where IFAD supported CDD and how it knew the approach worked. Following the phase of consolidation, CDD increasingly became one of several approaches to implementation and capacity development.
- CDD principles enshrined in IFAD policies and strategies include empowerment, strengthening social capital and building the capacities of poor rural people and their organizations.
- CDD-related operations require longer project durations, to build capacities, and a degree of flexibility, to enable a demand-led approach. The FLM, introduced during the roll-out of CDD, was an interesting experience, but it was discontinued in 2007.
- The early CDD-related operations had a high degree of flexibility because they had fewer financial components defined at design. Since 2007, CDD-related operations have included a larger number of pre-defined components, limiting the options to respond to community demands.
- Experience from countries with a flow of CDD-related operations shows the importance of learning by doing in CDD:
  - It took time to build capacities among implementing partners and to work out the institutional processes for decentralized funding.
  - It took time to overcome cultural biases and to develop a shared understanding of concepts such as community participation and empowerment and to integrate them into project implementation practice.
  - Partnerships had to be built and trust had to be gained.
  - Decentralized governance contexts provided a particular challenge for IFAD because it had to adapt to the local context and work with a larger number of partners
- Survey respondents agree that IFAD has a comparative advantage in CDD. There was broad agreement that CDD is very relevant for empowering communities, strengthening social accountability and targeting marginalized groups, all of which are important strategic priorities for IFAD.

IV. Findings from review of (full) CDD operations

124. This chapter presents findings from the qualitative review of (full) CDD operations in IFAD. The review found that CDD projects were effective, well targeted and achieved remarkable results enhancing social capital, local governance and natural resource management.

125. Hypothesis 13 "CDD projects have been effective building community capacities, becoming effective 'development agents'". World Bank evaluations found that CBD/CDD projects have typically performed better on capacity enhancement. Yet the individual subproject cycle was often found too short to sustainably enhance community capacity where it is weak or does not exist.[57] The qualitative review of IFAD's CDD projects confirms this hypothesis for 12 out of 13 projects, which provided examples of how capacity-building of individuals and/or groups enabled them to become effective development agents for their community. Only one project [10] reportedly missed the opportunity to strengthen the capacity of rural communities to coordinate and defend their interests beyond the village level.

A. Results from CDD operations

The role of community development funds

126. Community development funds are based on the assumption of five attractive strengths of the mechanism. First, to a greater or lesser degree, all CDFs are demand-driven, and generally believed to be more so than conventional projects are. Other common assumptions of CDFs are that they are poverty-targeted, a flexible administrative instrument, focused on financing small but high-impact projects of public benefit, and that they develop grassroots capacity.[58]

127. Use of CDFs in IFAD. Two internal studies conducted in 2002 and 2003 concluded that the fund mechanism was in danger of being over-used, including by IFAD.[59] The studies identified a number of challenges. Design of CDFs was often optimistic, expecting a culture of self-reliance, and the associated institutions and supply of services, to develop within a period of a few years. Most CDFs were overly complex at design, with multiple sectors and actors and a large number of small scattered projects. This made them difficult to manage, more so for weak implementation agencies and managers.

128. Another issue was that some CDFs provided grants while others were expected to perform as credit funds. The simultaneous provision of grants and loans prevented the development of a credit culture. Another challenge was the difficulty of achieving impact when there was a thin spread of resources and weak follow-up capacity. Therefore, CDFs often found it easier to achieve short-term physical goals rather than longer-term social or institutional ones, given the nature of incentives and performance criteria at all levels, competition for scarce time and money, and political and disbursement pressures.[60]

129. Effectiveness of CDFs in review sample. The review of sample projects confirms the broad range of approaches to CDFs. Within the sample of 28 CDD-related projects, there were 49 CDFs, including 21 grant funds and 28 loan funds. The main purposes of funding were: Infrastructure (20 per cent), such as feeder roads, processing facilities and water supply systems; Microcredit and financing

[57] OED World Bank, 2005b.
[58] Perrett, H., 2003.
[59] Perrett, G., 2002. Perrett, H., 2003. By that time (and since 1996) IFAD had included CDF components totalling US$272 million in 34 projects. There is a wide range of terms used for describing CDFs, including Village Funds, Village Development Funds, Rural Development Funds, Social Funds and Social Development Funds.
[60] Perrett, H., 2003.

activities (26 per cent), such as lending to the landless poor, financing innovative initiatives, and financial help for poor households and indigenous people through self-help groups; Management and business initiatives, such as agribusiness or marketing activities; and sustainable management of natural resources (1 per cent), such as sustainable management of the oasis environment or awards for community-driven NRM projects. The remaining projects show funding for several other purposes, including training and capacity-building. In some cases, CDFs were used to support the special needs of indigenous peoples – for example, in the Philippines [4] and India [2].

130. Most of the funds in CDD projects performed well and they contributed to the achievement of project results. However, in some cases the proposed funds did not materialize. For example, the legal defence fund for tribal people [2] and the health fund [1], both in India, and a microcredit fund [15] in China. In other cases, the funds did not deliver the expected results – for example, the value-chain development fund in Rwanda [19] and the agriculture credit corporation loan [22]. The reasons for these funds not materializing or not performing are mainly related to the institutional complexities and the capacities required to run these funds and the lack of financial incentives for implementing bodies. In particular, the credit funds had difficulties in performing.

131. In Pakistan [3], the lingering confusion, which was never resolved during the project period, was whether "matching funds" were grants or loans (to be repaid and shifted to another community organization). It is plausible that the belief by community organizations that they were grants led them to mobilize savings for the sake of getting the matching funds, rather than genuinely nurturing a savings culture.

132. CDF management models. CDD projects invariably invest in the formation and strengthening of rural institutions to improve their organizational, technical and managerial capacities for demand-driven and participatory development. These institutions are found at four levels: government, and multi-stakeholder committees above the community level, at the community level and within the communities themselves, referred to as CBOs. The CBOs in CDD projects take on various forms, including but not limited to self-help groups, infrastructure management committees, common interest groups, and savings and credit groups. The roles held by these various rural institutions in the CDD approach vary and comprise one or more of the following: control of fund allocations; planning; prioritizing; selecting and contracting service providers; implementing; managing funds awarded; monitoring; operation and maintenance of assets. Considering these variables, the synthesis identified four institutional models in the sample of 13 (full) CDD projects:

- Hybrid CDF model (government + community), where the local government controls funds and communities decide, plan, implement and monitor projects.[61] This type of funding arrangement was generally more suited to the provision of social infrastructure. It also helped build social capital.
- Inter-community CDF model (multi-stakeholder committee), where stakeholder committees control funds and work with CBOs to plan, implement, manage and monitor projects [7, 12]. This type of arrangement was effective in building productive assets as well as social capital.
- Hybrid CDF model (multi-stakeholder committee + community), where the stakeholder committees control funds and the communities decide, plan, implement and monitor projects [9, 11]. This type of arrangement was

[61] [3, 4, 5, 10, 16].

effective in strengthening NRM and productive assets in addition to social capital.

- Fully decentralized CDF model (community), where communities control funds and decide, plan, implement and monitor projects.[62] This fully decentralized funding model worked well where there were strong community organizations in place. It was effective in providing social and productive infrastructure, and it further strengthened social capital.

133. The effectiveness of the four funding models is illustrated in table 4 below.

Table 4
Effectiveness of CDF governance models in review sample

CDF governance model	*Projects*	*Strong assets reported*	*Weak assets reported*
Hybrid CDF model (government + community)	[3] Pakistan; [4] Philippines; [5] Ethiopia; [10] Burkina Faso; [16]; Viet Nam	Social infrastructure; Social capital	Productive infrastructure
Inter-community CDF model (multi-stakeholder committee)	[7] Brazil; [12] Mauretania	Productive assets; Social capital	Social infrastructure
Hybrid CDF model (multi-stakeholder committee + community)	[9] Peru; [11] Cabo Verde	Social capital; NRM; Productive assets	n/a
Fully decentralized CDF model (community)	[6] Bolivia; [8] Peru; [27] Nigeria; [28] Nepal	Social infrastructure; Productive infrastructure; Social capital	NRM

Source: Results reported in evaluations of13 (full) CDD projects

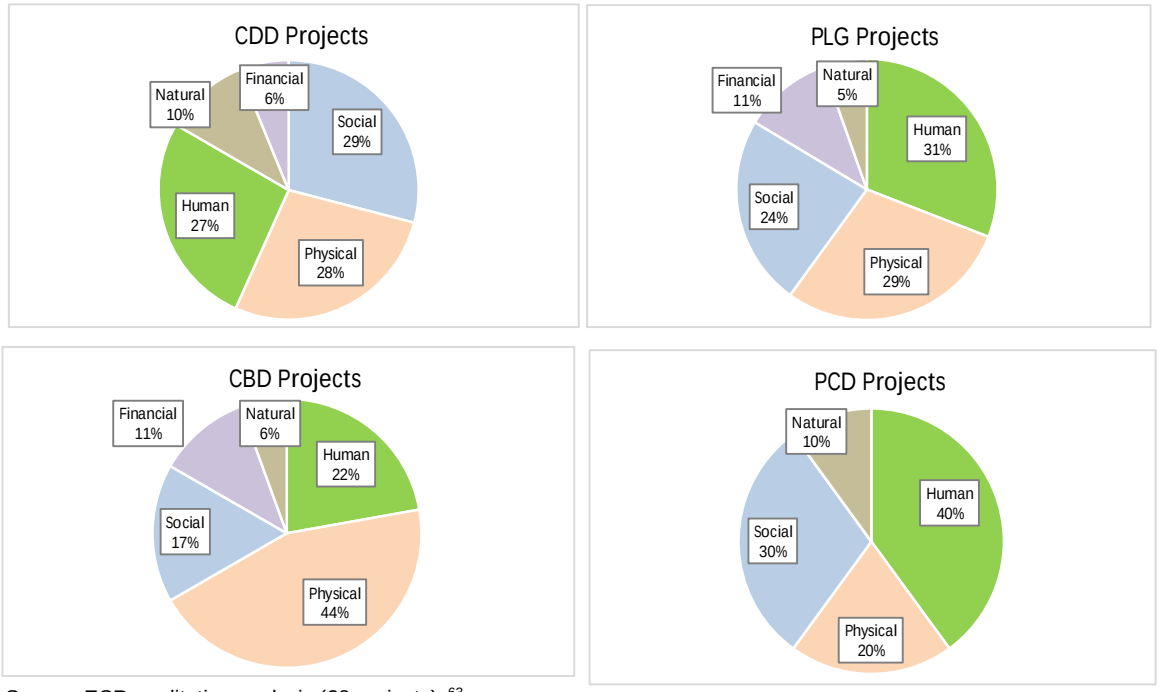
134. Project training and capacity-building of rural institutions varied depending on which types of institutions held which responsibilities. Extensive training and capacity-building of these institutions was carried out by local service providers, including NGOs, the private sector and, to a lesser degree, government agencies.

CDD contribution to capital built

135. Main results achieved. The qualitative review of the results in the sample of 28 CDD-related projects evaluated by IOE shows that: overall the CDD-related projects contributed more to social, physical and human capital; and the relative contribution varies between the types of CDD-related projects.

[62] [6,8,27,28].

Figure 16
Proportion of reported results according to asset types



Source: ESR qualitative analysis (28 projects). [63]

136. The review confirms that the level of participation is a major factor contributing to the achievement of results.

- (Full) CDD projects (13 projects), defined as those with a community-controlled fund (CDF), contributed almost equally to social, physical and human capital but relatively more to social capital than PLG and CBD projects. (Full) CDD projects intrinsically require more investment in and between communities, local government and service providers so that communities have the capacity and support necessary to manage CDFs. This subsequently contributes relatively more to social capital than PLG and CBD projects without CDFs. For example, in Nigeria [27], approximately 40 per cent of total expenditure went to awareness-raising and capacity-building at the community, local government, state and national levels.
- PLG projects (8 projects), defined as those with an explicit focus on strengthening local governance, made a similar contribution to social, physical and human capital. Slightly more emphasis on social than human capital reflects the focus in PLG projects on empowering communities and local governments to work effectively together.
- The CBD projects (4 projects) encouraged community participation at various stages of project implementation, but overall involved local government less. The results were mainly related to physical capital compared to social and human capital.
- The sample included only two PCD projects [13, 21], which made the biggest contribution to human capital. PCD projects take a more consultative approach by involving communities in planning and implementation (only) but are less focused on building sustainable assets and institutions through a decentralized implementation mode.

[63] Results are missing from one project in the sample (Andhra Pradesh Tribal Development Project) because of the lack of results presented.

137. Social capital. The contribution to social capital in CDD projects was also a function of the extent to which the CDD approach was applied across objectives and components. Most (full) CDD projects (11 out of 13) applied the CDD approach throughout the entire project rather than in part. In contrast, only two out of the eight PLG projects and none of the 4 CBD projects applied CDD to all project objectives and components. The typical activities supported when applying CDD, which contribute to social capital, therefore made up a higher proportion of project activities in (full) CDD projects compared to PLG and CBD projects.

138. Participatory community development plans and capacity-building of local government and CBOs were highly effective activities contributing to social capital. Across the whole sample of (full) CDD projects, they improved the extent to which rural people and their communities worked with local government and meaningfully participated in making decisions about their own development. Capacity-building of social mobilizers was still an important activity in many (full) CDD projects but it was generally less effective for a couple of reasons – firstly, a lack of time and budget. For example, in Burkina Faso [10], social mobilizers gave meaningful support to communities, especially in terms of planning and monitoring and despite the basic level of training received. The main drawback to their performance was the limited time and budget given to them to fulfil their role for all village land management commissions. Secondly, the often voluntary nature of the social mobilizers' role leads to a natural attrition in their numbers, especially after project completion.

139. The strengthening of non-public service provision was relatively effective, but with some limitations. In Burkina Faso [10], the same local facilitators who were social mobilizers were also technical service providers. However, they were already stretched as social mobilizers and lacked the capacity to provide development advisory services to village land management commissions and technical support to infrastructure management committees. In Bolivia [6], farmer-to-farmer training worked well owing to the trust felt between those concerned and the technical assistants' knowledge of the local language, context and needs. In some cases, however, there was evidence of an excessive attribution of power to the assistants.

140. Human capital. Social infrastructure and services such as health facilities, schools and drinking-water supply systems were effective in improving health and school enrolment rates and in reducing drudgery. Functional literacy for adults strengthened individual skills and self-esteem.[64] The training and capacity-building efforts in (full) CDD projects were also evaluated to have improved rural people's technical skills for agricultural production, income-generating activities and business development to good effect. Demonstration units were reportedly less effective when supply-driven [3,28].

141. Physical capital. A wide range of social and productive infrastructure investments contributed to physical capital effectively. The effectiveness of investments in sanitation facilities, demonstration units, kitchen gardening and small livestock distribution was generally underreported in evaluations, perhaps reflecting minimal investments made or the lack of relative importance given to them by beneficiaries.

142. Table 5 shows the main activities that contributed to the five capital domains within the sample of 13 (full) CDD projects.

[64] [4, 7, 10, 12].

Table 5.
Main activities contributing to capital in sample of 13 (full) CDD projects

Type of capital built	*Highly effective activities (++)*	*Effective activities (+)*	*Less effective activities*
Social	Participatory community development plans Capacity-building for local government Capacity-building for CBOs	Capacity building for community-level organizations Capacity-building for multi-stakeholder committees Strengthening non-public service provision Business development support	Capacity-building for social mobilizers
Human	Health facilities	Drinking-water supply systems Schools Functional skills training Technical skills training	Sanitation facilities Demonstration units Kitchen gardening
Physical	Drinking water supply systems Housing/home improvements Agricultural production – subprojects awarded and implemented Agricultural production – strengthened non-public service delivery Productive infrastructure – irrigation systems Productive infrastructure – water harvesting structures	Productive infrastructure – livestock-related infrastructure Productive infrastructure – roads Compost pits	Small livestock distribution
Natural	Sustainable NRM – subprojects awarded and implemented Soil and water conservation Forestry Water-harvesting structures Technical skills training	Environmentally friendly production systems Irrigation systems	Demonstration units Compost pits
Financial	Capacity-building – CBOs (rural financial services) Capacity-building – community-level organizations Business development – subprojects awarded for enterprise development		Capacity-building – multi-stakeholder committees

Source: ESR qualitative review of 13 full CDD projects

B. Efficiency of CDD operations

Implementation process and management issues

143. Project duration. CDD projects usually take longer to implement because they involve extensive capacity-building and consultation efforts. However, as the case of PCDP in Ethiopia [5] shows, a longer project duration can promote learning from mistakes. Efficiency for PCDP I was rated as "modest" by the IDA project performance assessment, while PCDP II was rated "substantial". PCDP II took a more cautious and pragmatic approach, aiming not to repeat the operational mistakes made during the first phase, including rushing implementation of activities without proper capacity-building and community consultations. This suggests that a longer project duration could be useful to have better results from the CDD approach. Furthermore, given how long the Raymah Area Development Project (RADP) lasted, it would have been better to budget for this at the start, rather than having a design that is too ambitious and ultimately inefficient.

144. Disbursement flows. A particular challenge for CDD projects was setting up processes for decentralized project management and implementation, which often resulted in disbursement delays. Lengthy approval processes from governments, delays in the withdrawal of cofinanciers' funds, time-demanding processes for

applications, inadequate M&E systems and weak financial management, all contributed to slow disbursements. In many cases, however, disbursements picked up after internal processes were adjusted at some point, often late, in implementation [21, 12].

145. Lengthy approval processes on the side of the government were cited as the main factor causing delays in a number of projects [7, 25, 17]. Timely transfer of funds from central to state governments provided a particular challenge. In India [2], the disbursement of IFAD's loan improved over time, but the programme still had to deal with fund flow issues between the state governments and the projects; the institutional capacity in managing the funds was generally low.

146. In Brazil [7], the distances between the institutions responsible for loan management and the places where the project was implemented meant that the project implementation unit had a largely decentralized operational modality. Since the project implementation unit was not mainstreamed in a government institution, the provision of financial resources for a distant project was not regarded as the top priority by the Federal Government.

147. Working within a decentralized implementation structure also required learning on IFAD's side. In Nigeria [27], the project experienced an under-use of loan funds in the earlier years and had thus required a three-year loan extension. In the final three years, efforts were made by IFAD to better manage the complexities of the Nigerian Government's federal budgeting system. This resulted in the final very high final disbursement rate of 93.4 per cent.

148. Project management. In a similar vein, the provision of sufficient numbers of qualified staff to manage projects at local levels and to provide effective linkages with communities was a particular challenge for CDD. Shortage of staff and, in particular, a sufficient number of qualified staff were often cited as issues [18, 22, 24]. In Mozambique [18], the project initially lacked appropriately trained staff at provincial and district levels to manage larger financial volumes, which, together with the hindrance of remoteness, caused implementation to take off slowly. A positive example is in Burkina Faso [10], where the number and skills-mix of the project staff at the various levels were found adequate. According to the evaluation, the project team was successful in fine-tuning the project approaches according to the specific context of each province, and worked at the provincial level in close consultation with technical partners.

149. Project management costs. Geographical coverage and the higher costs for implementing activities over longer periods in remote locations are main reasons for higher management costs [14, 24]. For example, in India [2], the costs for implementing a range of activities, training, monitoring and coordination of a programme covering two states were high. In Mauritania [12], coordination and management costs experienced a significant increase during implementation (from the 21.4 per cent planned to 32 per cent at completion) partly due to the 16-month extension and the difficulties in accessing the majority of Mauritanian oases, which were isolated and scattered over a wide geographical area. Finally, in the Philippines [4], the higher-than-expected project management costs were caused by the higher-than-expected number of self-help groups supported and the increased overall project value. This led to staff being retained beyond the expected contract duration.[65]

150. Demand-led implementation and budget allocations. The demand-led nature of CDD projects made it challenging to adhere to the allocated budget lines. CDD projects therefore usually require a degree of flexibility in the budget. In Brazil [20], beneficiaries had come up with more complex and sophisticated investment

[65] The increase was financed from government funds, which were directly invested in sustainability planning and measures to continue support beyond the project period (e.g. training, establishing offices within local government units).

requests (e.g. processing plants) compared to design expectations. Actual project costs were higher than foreseen, although more municipalities were covered. In the Philippines [4], three components exceeded the amounts budgeted, whereas socio-economic support and studies and NRM were under-spent. The reasons for the adjustments were higher-than-expected construction costs for a number of priority infrastructures, a larger number of self-help groups than had been targeted, and the priority given to activities supporting indigenous peoples.

151. Supervision. Supervision was a factor influencing efficiency. UNOPS supervised seven of the projects in the sample. Evaluations state that UNOPS provided reports that were regular [28] and to acceptable standards [16], but narrowly focused on physical achievements and financial aspects [12]. They also found that missions were infrequent and not sufficient, in terms of follow-up [3] and deeper analysis of field-level challenges [28], and there were frequent changes in mission composition leading to inconsistent recommendations and confusion [16].

152. Cofinanced projects supervised by the IDA [5 Ethiopia, 10 Burkina Faso] had their own challenges. In Burkina Faso [10], IFAD delegated loan administration, project supervision and implementation support to IDA. Delays in non-objection statements were frequent, communication with IFAD on fiduciary and technical aspects was poor and often untimely, and supervision reports, although regular, were of poor quality. In Ethiopia [5], IFAD played a greater role in phase II than phase I owing to various reasons, including joint supervision and implementation support missions and the opening of the country office and the permanent presence of the country director.

153. Project performance data for the review sample show that the four projects supervised by UNOPS only had a shorter effectiveness lag and a shorter project duration. With IFAD's participation in the mission (in 11 projects) the number of supervision missions increased as did the project duration. There has been a marked improvement in the performance of projects with IFAD participation in supervision, compared to UNOPS. Satisfactory ratings for effectiveness rose from 66 per cent (UNOPS only) to 96 per cent (UNOPS first and then IFAD supervised) and 100 per cent (IFAD only supervised). On the other hand, the two projects supervised by the World Bank had 100 per cent satisfactory ratings on effectiveness and efficiency (see annex III).

Table 6
Key efficiency indicators for projects according to supervision arrangements (ESR sample of 28 projects)

	Projects with UNOPS supervision only (4)	*Projects supervised by other IFIs only (2)*	*Projects with UNOPS and then IFAD supervision (11)*	*Projects with other IFIs (IDA, CAF, AFESD) and then IFAD supervision (6)*	*Projects with IFAD supervision only (5)*
Average % cofinancing	39	52	49	54	37
Average % IFAD financing	61	48	51	47	63
Average no. of project extensions	0.5	2.5	1.2	1	0.6
Average project duration (years)	7.8	10	9.1	7	7.6
Average no. of supervision and implementation support missions	9	11	14	11	12
Average effectiveness lag (months)	9	20	11	19	10

Source: ESR qualitative review of 28 CDD-related projects.

Community-level issues

154. Community-driven implementation of infrastructure projects is widely believed to reduce the costs while maintaining or even improving the quality of the structures built. Participatory implementation enhances community ownership and the willingness of community members to contribute. However, mandatory contributions in cash or kind can also mean a significant burden, in particular for poor or labour-scarce households.

155. Hypothesis 10, CDD projects provided cost-effective infrastructure as widely confirmed for other IFIs.[66] Infrastructure and public works are built at comparatively lower costs,[67] and construction quality was generally comparable to that of other investments, with some exceptions.[68] Technical efficiency was mainly related to community participation in the process, which helped to overcome information asymmetry – for example, by providing communities with information on quality and ensuring that resources are spent for necessary technical resources by service providers.[69] However, efficiency of resource use cannot be finally judged because CDD projects do not incorporate rates of return,[70] a limitation that also holds true for IFAD evaluations.

156. CDD projects primarily rely on locally available skills, materials and financing, but this also means shifting the financial burden of service delivery to potential beneficiaries. Hence, attention needs to be given to the demands on community time and costs to beneficiaries,[71] an observation that also applies to IFAD projects.

157. IOE evaluations provide little data to confirm the cost-effectiveness of infrastructure in CDD projects. Data are only available for Ethiopia [5], a CDD project cofinanced by the World Bank. The World Bank implementation completion report found that the construction costs of health posts and schools compared favourably with those of similar NGO-led initiatives based on the Government and implementation completion report cost comparison. This was due to communities' participation and implementation of procurement and supervision and to construction activities taking less time thanks to the follow-up and control by community committees.

158. More generally it has been observed that community-driven project implementation involved the use of community labour, local materials supply and direct contracting of local artisans. The CPE India (2010) found that community infrastructures were implemented with the same degree of quality and timeliness, but at much lower cost, than if they had been carried out by more formal service providers and contractors.[72] In Yemen [25], the lower costs per cubic meter of water of spring catchments and water reservoir infrastructure (compared to investments financed by other development programmes in Yemen) were attributed to the use of local contractors.

159. Community contributions, especially in the form of labour and local construction materials, were the main factor contributing to the higher efficiency of social and community infrastructure in CDD projects. According to analysis conducted by the 2010 CPE in India, in projects where the community contributions were 30 per cent or more, community infrastructure activities achieved 40 to 50 per cent more (in some cases much more) than planned outputs, maintaining the quality and timeline of construction.[73]

[66] OED World Bank, 2005b; Wong, 2012; Mansuri and Rao, 2013; 3ie, 2018.
[67] Wong and Guggenheim, 2018.
[68] 3ie, 2018.
[69] Commins, 2007.
[70] OED World Bank, 2003.
[71] Commins, 2007.
[72] IFAD, *India, Country Programme Evaluation* (IFAD, 2010) – Working paper: economic analysis.
[73] IFAD, *India, Country Programme Evaluation* (IFAD, 2010) – Working paper: economic analysis.

160. Cost-sharing was a basic requirement of all CDD projects. An earlier review showed that the share paid by the beneficiaries varied from a minimum of 8 per cent to a maximum of 27 per cent. The average contribution of beneficiaries in CDD projects was 20 per cent, compared to 18 per cent in non-CDD projects.[74] Twenty per cent was also the average amount of community cofinancing budgeted at design (see graph on co-financing in annex VI).[75]

161. The difficulties in mobilizing cofinancing from beneficiaries were underestimated at times. In Bolivia [6], a comprehensive approach to cost-sharing was lacking and the level of poverty was partly underestimated. As a result, the cash cofinancing provided by the beneficiaries was only 22 per cent of what had been planned. The project had underestimated the costs resulting from the dispersed nature of settlements and the difficulty in accessing them, and the complexity and diversity of the production systems. Furthermore, the capacity of farmers and their readiness to pay the real cost of the service (which historically was free) was also underestimated. In Cambodia [14], the main reason for the lower-than-expected beneficiary contribution was the overestimation, at appraisal, of beneficiary capacity to pay. In-kind contributions (e.g. labour) were affected by the out-migration of labour, creating labour shortages in rural areas.

162. Inequalities related to cost-sharing. While the requirement for community contributions is useful to develop a sense of ownership among communities, it needs to be limited to a level that is attainable by all members of the community, otherwise the more disadvantaged groups might not be able to participate. High financial contribution, typically between 20 and 30 per cent, reportedly restricted access of the poorest to the assets built in several cases.[76]

Box 8
Case study: Burkina Faso [10]

Levels of contributions differed resulting in unequal access to the assets created. The village community had to contribute a predetermined proportion of the costs, labour and materials, to promote ownership by the community. In many villages, contributions were uneven across social strata, which sometimes resulted in differential rights of access to the infrastructure built. For example, there were cases where a wealthy village inhabitant paid half or more of the village contribution to a project investment, such as a borehole or an input storage building. His family would then have priority access to the facility and control its management. Other social groups that were unable to contribute as much had difficulty paying the service fee to use the facilities and therefore had limited access to them.

Source: ESR case study.

163. Allocative efficiency. In Nigeria [27], the limited available resources were directed towards the investments considered more useful by the local communities. Hence investments were more likely to be maintained because they would be seen as relevant and responding to local needs. Equally, by concentrating investments within a limited number of village areas, there would have been significant savings in terms of supervision and support from the local government and state, and the likely catalytic effect of inhabitants in a single location being supported in a multi-dimensional manner. However, the tension created by the limited funding and the increasing demands by community remained.

164. The Yemen CPE (2012) found that IFAD interventions raised expectations and created demand, but where communities were encouraged to select their own priorities, various challenges emerged. The process led to projects that were too complex in terms of subsector coverage and over-ambitious in a country context

[74] ESR calculation from approved amounts for sample projects in: IFAD, 2003.
[75] Unfortunately, it is not possible to obtain comparative data on actual contribution (at the point of completion) from the Operational Results Management System (ORMS).
[76] [3, 6, 9, 10].

with weak institutional capacity and limited support to the poorest areas. A similar comment was made by the Uganda CPE (2013): village-level requests had to compete for a limited amount of funds with a huge number of requests issuing from the other villages and proceeding through the successive screenings. The lengthy delay that followed and the lack of government response in many cases generated a growing sense of frustration.

C. Targeting and social inclusion

165. The ability of CDD to improve pro-poor and gender targeting and social inclusion has been subject to a debate. This section presents the four hypotheses emerging from this debate before it discusses the effectiveness of targeting in IFAD-supported operations in detail.

166. Hypothesis 4 "Participatory poverty targeting, as part of CDD, has improved outreach to poor areas" was confirmed for all 13 CDD projects reviewed by this synthesis. Studies of CDD in other IFIs found that most programmes, especially those with social funds, have explicit mechanisms such as poverty maps to reach poorer areas.[77] Poverty mapping and similar exercises, were found useful for targeting resources to the poor.[78] However, some studies found that CDD has resulted in greater allocation of resources to poorer areas, but not always to the poorest communities in those areas.[79] Furthermore, the poorer and more remote areas are less able to realize gains from decentralized service delivery.[80]

167. Hypothesis 5 "CDD was not effective in addressing the priorities of the poor" only applied to one of the cases reviewed by this synthesis [10]; the remaining 12 projects appeared to have been successful in addressing the priorities of the poor through participatory planning and decision-making. It is often assumed that giving choice to the communities is likely to ensure that a CDD intervention is responsive to the needs of the community, and the poor among them.[81] However, World Bank studies of CDD often found that the preferences of the poor have not been adequately considered in project selection. Poor preference-targeting can be due to political economy considerations and perverse incentives created by project performance requirements. Furthermore, facilitators strongly influence the stated preferences of community members. Despite these limitations, communities tend to express greater satisfaction with decisions in which they participate, even when participation does not change the outcome or when outcomes are not consistent with their expressed preferences.[82]

168. Hypothesis 6 "CDD was not effective in targeting the poor within communities". World Bank studies found that community participation has not been effective at targeting the poor; targeting tended to be markedly worse in more unequal communities. Participants in civic activities tended to be wealthier, more educated, of higher social status (by caste and ethnicity), male, and more politically connected than non-participants. Resource allocation processes typically reflected the preferences of elite groups; the poor often benefit less than the better-off.[83] For IFAD, the majority of evaluations (9/13) reviewed as part of the qualitative example reported that the CDD projects successfully targeted the rural poor through the principal activities of participatory planning, skills training, group formation and strengthening, public competitions and social and productive

[77] 3ie, 2018.
[78] OED World Bank, 2003.
[79] 3ie, 2018.
[80] Mansuri and Rao, 2013.
[81] OED World Bank, 2003.
[82] Mansuri and Rao, 2013.
[83] Mansuri and Rao, 2013.

infrastructure investments.[84] IFAD projects are generally encouraged to use local criteria for identifying the poor and vulnerable within the community.[85]

169. Hypothesis 7 "inequality and elite capture have occurred in many CDD operations". Critics of CDD argue that communities are themselves heterogeneous, and that despite claims of a participatory process, CDD projects are often captured by village elites, and in the end, provide little more space for participation by women or marginal groups than standard projects do.[86] "Capture" also tends to be greater in communities that are remote from centres of power, have low literacy, are poor, and/or have significant caste, race or gender disparities. Where political, economic and social power are concentrated in the hands of a few, outcomes from CDD are worse. Parachuting funds into communities without any facilitation or monitoring can result in the capture of decision-making by elites who control the local cooperative infrastructure, leading to a high risk of corruption.[87] An important lesson is that CDD programmes by themselves cannot solve the problem of community heterogeneity and the resultant problems of marginality and elite capture.[88] Studies also pointed out that elite dominance and elite capture are very possible among women.[89]

170. However, within the sample of 13 projects reviewed for this synthesis, elite capture has only been reported in one case. In [10] Burkina Faso, the better-off had better access rights while poorer beneficiaries could not always afford user fees, and some villages benefited from the project more than others. In another two cases, the risk of elite capture was observed in the early phase of the projects but was mitigated in the following phase.[90]

171. Overall, it seems that the attention to community participation before, during and after the project seems to have enabled satisfactory targeting outcomes in IFAD. This is likely to be related to IFAD's commitment to promote the active and informed inclusion of poor and marginalized people in development processes.[91]

172. Yet, a comparison of project status report (PSR) ratings for targeting and outreach shows no difference between CDD-related and non-CDD projects (see annex VI). Evidence from the qualitative sample evaluations of full CDD projects nevertheless points to various findings specific to targeting in CDD, as discussed in the following section.

Effectiveness of targeting strategies

173. Geographic targeting. Overall, CDD projects adequately targeted regions, districts and communities with high numbers or proportions of rural poor people, on par with most IFAD-supported projects.[92] Only in a few cases did the evaluations find that the project had not been sufficiently focused on the poorer communities. In Pakistan [3] the main reason was that the project did not provide guidance or principles to ensure the fair and equitable allocation of funds to community organizations, which resulted in huge variations in the funds allocated to different community organizations for various types of schemes.

174. Evaluations found that sometimes the projects covered too wide an area to allow an effective implementation of the CDD approach. This minimized the extent of investment in any one community, stretched project staff and diluted impact and the sustainability of benefits.[93] The expansion of target areas during

[84] [3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 16, 28].
[85] IFAD, 2019.
[86] Wong and Guggenheim, 2018.
[87] Mansuri and Rao, 2013.
[88] Wong and Guggenheim, 2018.
[89] IEG World Bank, 2017.
[90] [28 Nepal,5 Ethiopia].
[91] IFAD, 2017b.
[92] [3,4,5,7,9,10,16,28].
[93] [3 Pakistan, 6 Bolivia, 9 Peru, 10 Burkina Faso].

implementation was shown to improve financial execution rates, but this sometimes came at the cost of consolidating CDD investments in initial areas [9, 10] and the quality of support for CDD in new areas [6]. Furthermore, remoteness and spread-out project areas were sometimes noted as an additional challenge for project staff who had to provide a lot of support and facilitation in CDD projects [28].

175. Inter-community targeting. Participatory processes usually took place within communities. Where inter-community targeting through participatory processes occurred, for example in Peru through the inter-community competitions (under the Management of Natural Resources in the Southern Highlands Project [MARENASS]; and the Market Strengthening and Livelihood Diversification in the Southern Highlands Project), there is limited information on how they worked. The evaluations mainly focus on the inter-family competitions or they do not sufficiently distinguish between the two types to differentiate how they worked and what worked well. Inter-community targeting may also have occurred in inter-community CDF models in Brazil [7] and Mauritania [12], where multi-stakeholder committees controlled funds and communities planned, implemented, managed and monitored projects. However, the evaluations do not contain information on the process or outcomes of inter-community targeting.

176. Intra-community targeting. A common assumption in the early CDD projects was that communities would be able to establish inclusive decision-making processes that would be able to identify and target the poorer and more disadvantaged groups within the community. However, as pointed out by earlier studies "unfettered" CDD leaves the bottom-up planning process to whatever systems are already in place, without trying to alter them.[94] For example, in Burkina Faso [10], the project lacked a targeting strategy and a monitoring system capable of capturing disaggregated data according to poverty and vulnerability criteria. Existing village governance norms prevailed that had already shown limits to integrating the concerns of more vulnerable groups into development priorities and plans.

177. In CDD projects, targeting often relies on local criteria for identifying the poor and vulnerable within the community. In Nepal [28], participatory wealth-ranking proved to be an effective tool to identify the poorest. Although the process was lengthy, it reportedly identified and targeted poor households and helped to develop the programme and budget. But in some places it was not culturally acceptable to identify the poorest community members or the poorest communities. For example, in the Philippines [4], the CDD project reached the poorest even though they did not want to be singled out. Instead they preferred the community to make decisions to obtain the “greatest benefits” for poorer community members.

178. Preference targeting. Participatory planning and decision-making helped to address the priorities of the poor. For example, in in Vietnam [16], the gradual adoption of the participatory approach in various project activities meant that poor families were constantly involved in needs identification, prioritization, planning and implementation. However, where investments have focused on one sector or a restricted menu of options only, even socially inclusive participatory planning did not provide a guarantee that poorer community members would benefit from CDD investments. For example, in Bolivia [6], investments did not always meet the needs of some of the poorer target group owing to the focus on NRM rather than short-term economic development.

179. The importance of facilitation. The process of participation had to be facilitated to ensure that everyone was involved. Community members often played an

[94] Carloni and Lubbock, 2008.

important role as social mobilizers in CDD projects.[95] For example, in Brazil [7], social mobilizers were responsible for: (i) motivating community members to participate and envisage their own development; (ii) providing information about opportunities offered by government programmes; (iii) helping interest groups to implement activities; (iv) promoting partnerships among grassroots organizations; and (v) supervising activities and monitoring the correct use of project financial resources. Evaluations also suggest that their performance was mainly positive. For example, in Burkina Faso [10], they gave meaningful support to communities, especially in terms of planning and monitoring, and despite the basic level of training received. The main drawback to their performance was the limited time and budget given to them to fulfil their role completely for all village land management commissions. However, in some cases, they behaved more like local development facilitators, investing considerably more time in villages than they were paid for.

180. Youth. The targeting of youth in CDD projects was relatively weak or unclear, mainly because youth were not a priority target group in earlier IFAD-supported projects but also owing to the scarcity of age-disaggregated data.[96] The evaluations show that when targeted by CDD projects, youth can participate in functional and vocational training courses [11,7,8], gain a stronger voice in community decision-making [7 and 8] and play key roles as social mobilizers [28] and technical assistance providers [8].

181. Indigenous peoples. CDD projects aim to empower local communities to take responsibility for their own development, an approach which particularly benefited indigenous peoples. For example, in the Philippines [4], activities that have benefited indigenous peoples included: NRM investments to bolster designated natural protection zones; efforts to increase land tenure security; mainstreaming tribal leaders into local government mechanisms; strengthening indigenous peoples' tribal coalitions; and specific studies to improve indigenous peoples' quality of life. In Peru, Bolivia and Ecuador [6, 8, 9] the "talking maps"[97] were effective means to engage indigenous peoples in the participatory planning that was conducted as part of the public competitions ("concurso").

182. CDD projects have valued indigenous culture and knowledge as engines of change and development. In Peru [9], the project introduced local innovations, ranging from the methodological approach to administrative and management. In the Philippines [4], 20 schools of indigenous knowledge, arts and traditions were established in indigenous people's areas. The programme complemented the Department of Education curriculum and integrated cultural customs and practices into basic teaching by calling on traditional elders to teach. In Ethiopia [5], the CDD project also included a component on participatory learning and knowledge management intended to value pastoralists' knowledge. This component was to support them in identifying research topics (including from indigenous knowledge and local innovation) and jointly conducting studies with research specialists and development agents.

183. However, in the same project [5] it was unclear how much these studies were made available and, crucially, fed into policy processes. According to the evaluation, implementation capacity was also insufficient to utilize customary pastoralists' resource management systems and knowledge appropriate for the management of fragile arid and semi-arid eco-systems. Indeed, the quality and capacity of implementers to communicate with and support indigenous peoples is paramount. The series of IFAD-supported projects in tribal areas in India built the

[95] [3, 7, 10, 11, 28].
[96] [9, 10, 12, 28].
[97] Talking maps are a tool for participatory community planning and M&E. They are essentially a colourful graphic representation of NRM in the community 30 years ago, in the present day, and the goal for the future. They also include a plan of action to achieve that goal. (See the ESR on Indigenous Peoples for further details).

capacity of initially scarce and weak NGOs, which went on to become important implementers of the CDD projects. The fact of having financial facilitators, area managers and technical assistance professionals who spoke Quechua or Aymara in Peru [9] also spurred the economic and productive empowerment of women from predominantly indigenous peoples' communities.

Gender equality and women's empowerment

184. The effectiveness of CDD in increasing women's voice and decision making has been debated. It requires a nuanced analysis to identify how (and in what aspects) CDD contributes to women's empowerment. In some contexts specific strategies to strengthen women's voice and decision making are required, as discussed in the following section.

185. Hypothesis 9 "CDD projects have generally increased women's voice and decision-making in project activities." The World Bank evaluation of gender and CDD found that CDD programmes that support livelihoods or income-generating activities often succeed in improving women's access to credit, training and jobs. They can increase women's voice and decision-making in project activities, especially when a share of subprojects is reserved for women to choose. Women's increased ability to access social services and their participation in community decisions can enhance their social empowerment, confidence and autonomy. CDD can make it easier for women to access decision-making arenas by decentralizing power to the community level. However, existing power structures can disadvantage women and therefore have to be explicitly addressed.[98] This hypothesis has been confirmed for 10 out of 13 CDD projects reviewed. Only in three projects did CDD not help to increase women's voice and decision-making ([10, 11, 27], as discussed further below.

186. CDD projects invariably promoted the equitable participation of women and men and/or positively discriminated towards women's participation in specific activities or CDFs. Outreach to women was therefore largely satisfactory in a variety of activities, particularly in functional and vocational training courses, group formation including savings and credit groups, income-generating activities, and indirectly from investments in drinking-water systems.

187. Furthermore, full CDD projects performed better than other forms of CDD-related interventions (PLG, CBD and PCD projects) (see annex VI point 4). The potential of the CDD approach to specifically address women's needs can be seen in the project design of a CDD project in Viet Nam [16]. It formed an effective gender strategy that cut across all components and had a specific thrust, with activities designed to directly empower women through a Women's Livelihood Fund. The fund offered women a menu of options to support their felt needs and ease their workload.

188. Economic empowerment. Evaluations found that the CDD projects reviewed primarily contributed to women's economic empowerment. Through improved access to rural financial services[99] and business support services [6, 9, 28] the women were then able to undertake individual income generating activities or group enterprises and demonstrate their capacity to contribute financially to the family and the community. Although evaluations report that women's incomes have increased,[100] it is not clear if women had control over how the money was used.[101] This information is important to demonstrate women's degree of empowerment at home and to indicate whether they will maintain their interest and motivation in participating in economic activities.

189. Voice and influence in the community. CDD projects that strengthened community institutions and specifically promoted women's leadership increased

[98] IEG World Bank, 2017.
[99] [3, 5, 8, 12, 5, 16].
[100] [6, 8, 9, 12, 28].
[101] See strategic objective 1 of the IFAD Gender Policy.

women's voice and influence in decision-making. CDD projects often include gender strategies to ensure that both men and women have a voice in CBOs and at the community level. There is widespread evidence of women participating in high numbers as members of savings and credit groups, self-help groups, group business ventures as well as in community-level decision-making bodies. Importantly, there is also reasonable evidence of the strength of their voice and influence in these rural institutions through the increased leadership positions they held.[102]

190. Leadership roles indicate that women have greater influence in decision-making but they do not confirm so outright. Ideally, more evidence is required. For example, women played major roles as decision makers in the Philippines [4], taking the lead in the planning, implementation and management of community development initiatives. There was a very strong, and growing, shift of women in leadership roles in the self-help groups and community institutions, and in local government leadership. Men interviewed by the evaluation also confirmed that women were playing a greater role within their families and communities. Other evaluations highlight that while women gained a stronger voice in the community, a lot more could have been done or was still required for men and women to have equal voice and influence [3, 8, 12].

191. Only three evaluations report that CDD projects did not increase women's voice and influence in rural institutions [10, 11, and 27]. In [10] Burkina Faso, the main drawback was the lack of a clear and effective targeting strategy to reach the most vulnerable, which included women. Another limitation was the exclusion of income generating activities from the list of eligible investments that women and youth had identified during the planning process, which then limited their participation and ability to benefit from the project. In [11] Cabo Verde, women's access to social services, training, productive activities, community microprojects and income-generating activities improved, but the project did not succeed in increasing the share of women in decision-making bodies.

192. In Nigeria [27], the evidence showed that women participated in high numbers with the ground-breaking creation of the Community Development Association, making them participants in development activities for the first time. However, women's decision-making opportunities were confined to the women's associations that were formed to access programme funds and soon after the project started to dissolve. Meanwhile, men continued to dominate positions of leadership at the community level. The evaluation suggests that this may reflect the dominance of men in speaking for their wives at the community level. It then concludes that debating and assigning community needs can still relegate women to passive participants if the CDD approach is not sensitively applied in such contexts.

193. Voice and influence at home. The focus on the community in CDD projects meant that the projects often had limited influence on women's voice and influence in decision-making at home, yet there were a few examples of how this could be achieved. In the majority of CDD projects there was little evidence of changes to gender roles and relations. In Nigeria [27], existing gender roles and stereotypes were possibly even reinforced. Husbands continued to sanction women's participation in activities and there was a high uptake of traditionally female interests and occupations (e.g. health and nutrition, sewing, and knitting) and low uptake by women of literacy classes. In a minority of projects, traditional gender roles were reported to have been challenged, with increased value placed on women's contributions to the home.[103]

194. In Viet Nam [16], the role and participation of women in family and community activities had changed for the better, with men participating in activities usually

[102] [3, 4, 6, 7, 8, 12, 28].
[103] [3, 4, 8, 16].

performed by women (e.g. domestic chores) and with women spending less time on agricultural labour (e.g. soil preparation) and more on training, village meetings and marketing. A project in Peru [8] showed how a CDD approach that starts from the family and works up to the community level can have a significant impact. The inter-family competitions – encompassing the home, the garden, the animals, organic production, irrigation, pastures, etc. – involved the entire family in a reappraisal of the roles of heads of household, women and young people. The evaluation reports that the project had a very strong impact on families, stimulating a genuine process of rethinking roles within the family and fostering new opportunities for dialogue, negotiation and planning among all family members.

195. Evaluations show no evidence of CDD projects influencing broader gender issues by engaging in policy dialogue – necessary in many contexts to produce far-reaching and sustainable change. This observation echoes the findings from the IEG study that most activities included in CDD projects support women's economic empowerment, but there is little information on how CDD affects political and social empowerment, although the principles of CDD mostly speak to these two dimensions of empowerment.[104]

196. To conclude, CDD projects performed well on gender owing to the participatory and empowering approach inherent to CDD coupled with IFAD's longstanding and evolving support to gender concerns.[105] Enabling women to participate in, and benefit from, profitable economic activities and influence decision-making in rural institutions contributed to challenging traditional gender roles and power structures in the community. The combination of giving women a voice in CDFs for community infrastructure investment and improving their access to rural financial services enabled them to benefit in multiple ways. The gender-transformative impact of CDD projects could be strengthened by also delving into household-level issues and engaging in policy dialogue.

D. Impact of CDD operations

Broader social and economic impact

197. The immediate objective of CDD is to provide much-needed services to poor people living in marginal or fragile situations. Doing so through a participatory and empowering approach builds people's capacity for self-help and therefore ensures longer-term benefits. Unsurprisingly, studies of CDD have observed that CDD has resulted in broader social and economic impacts.

198. Hypothesis 12 "Substantial benefits from CDD projects in terms of household consumption and living standards". Studies on CDD projects unanimously confirm that the main poverty benefits are derived from the larger quantities of basic development infrastructure built at lesser cost and at greater speed than would occur using more traditional routes.[106] CDD projects have increased access of remote communities to basic infrastructure and services such as schools, health centres, and the like.[107] The studies also argue that these benefits have translated in statistically significant positive impacts on household consumption and living standards.[108] IOE evaluations of CDD projects arrive at similar findings, although with variable quality of evidence, broadly confirming this hypothesis (in 9 out of 13 projects).

199. The qualitative study of the Project Plan Vida in Bolivia shows that CDD has led to significant socio-economic effects, such as: (i) improved availability of foods with

[104] IEG World Bank, 2017.
[105] Evolving since the 1980s until today from "women in development", "gender and development", to more of an empowerment approach, and finally to gender-transformative approaches. Source: IFAD, 2017. What works for gender equality and women's empowerment – a review of practices and results. Evaluation synthesis.
[106] Wong and Guggenheim, 2018; 3ie, 2018.
[107] OED World Bank, 2005b.
[108] OED World Bank, 2005b; Wong, 2012; Mansuri and Rao, 2013; Wong and Guggenheim, 2018.

higher nutritional value in the territory; (ii) improved quality of agricultural production; (iii) generation of positive expectations around the learning developed through the participatory planning processes, project management and responsible handling of resources; (iv) benefits at inter-communal and municipal level produced by the creation of public infrastructure; (v) revitalization of the local economy and leverage effect thanks to improvements in productive sectors; and (vi) generation of information at community and municipal levels through participatory planning processes.[109]

200. Food security and nutrition. The evaluations show that most CDD projects (8 out of 13) had a positive impact on food security. This often resulted from demand-driven investments in irrigation systems and other infrastructure to improve livestock and fisheries production, coupled with technical skills training for farmers.[110] For example, the CDD project in the Philippines [4] made a direct contribution to improving agricultural productivity and food security through its irrigation and potable water subprojects, which increased water for crops and livestock. Through the self-help groups, most villages also invested in vegetable production and livestock development, which contributed to both improved food supply and income generation. Very few CDD projects report any impact on food- and agri-processing to reduce food losses and increase access to potential markets.

201. The demand-driven nature of CDD projects meant that investments were often multisectoral, contributing in turn to improved food security and nutrition. The range of complementary and multisectoral investments made in many CDD projects contributed to food security in terms of availability, access, use and stability. For instance, food security notably improved in Mauritania [12], thanks to: higher yields of carrots and date palm; improved economic access to food through higher incomes and more diverse income streams; improved health from better access to safe drinking water; and improved regularity of the supply of staple foods in village markets.

202. Half of the CDD projects report that target groups benefited from more diverse diets, thanks to investments in kitchen gardening, irrigation schemes, small livestock and livestock-related infrastructure/services, such as pig sties, water points or veterinary services. In general, however, the investments made across different sectors potentially contributed more to nutrition outcomes than reported. Most CDD projects led to investments in drinking-water supply systems, sanitation facilities and/or health centres to improve environmental health.[111] While evaluations often reported health benefits, linkages can also be made with nutrition. According to the IFAD Nutrition Action Plan 2019 – 2015, health benefits would strengthen the immune system and improve the body's ability to absorb nutrients, contributing to improved nutritional status.

203. Improved access to social and productive infrastructure and services also reduced the effort women spent on time-consuming and physical labour.[112] This matters because reduced physical exertion means that women's nutrient requirements were not increased through unnecessary labour. "This is particularly beneficial for maternal nutrition in poor rural areas, where pregnant and breastfeeding women already struggle to meet the higher nutrient requirements of their condition. In turn, improved maternal nutrition translates into improved foetal and child nutrition and development".[113] Time-savings and less drudgery, together with nutrition-sensitive agriculture interventions, also help to "increase a woman's caring capacity in terms of the time and ability to put sufficient, diverse and nutritious food on the

[109] IFAD/Gerenessa, 2017a.
[110] [4, 12, 16, 28].
[111] [3, 5, 7, 9, 10, 11, 12, 16, 28].
[112] [3, 5, 8, 10, 12, 28].
[113] IFAD, *Reducing Rural Women's Domestic Workload Through Labour-Saving Technologies and Practices. Teaser. Gender, Targeting and Social Inclusion* (Rome: IFAD, 2016).

table for her family".[114] Improved nutrition has also been one of the spillover effects noted by the qualitative impact assessment of the Project Plan Vida in Bolivia.[115]

Social capital

204. The key assumption that broad-based community participation will enhance the social capital of the poor has been subject of a heated debate. The fact that social capital is difficult to grasp and measure means that there has been very limited evidence to support this assumption. The meaning of social capital depends on the context and as such it is better explored through qualitative or ethnographic research than through rigorous impact studies. Furthermore, social relationships may become stronger or weaker within short periods, and often it is hard to attribute them ex-post to specific project activities.

205. Hypothesis 15 "CDD had no significant impact on social capital and empowerment." The recent 3ie (2018) study on CDD found that CDD projects had little or no impact on social cohesion. Furthermore, it concludes that social capital may have been a precondition for CDD rather than a result. Previously, the World Bank evaluation of CDD/CBD projects had found that CDD/CBD projects can enhance social capital and empowerment, although there is limited evidence to link CBD/CDD and social capital and community empowerment. World Bank studies argue that CDD is only one of many interventions occurring at the local level which influences community norms, networks and behaviours; therefore, attribution is difficult to prove.[116] Some studies even reasoned that bringing development funds into a community can attract conflict by introducing competition for funds, exacerbating existing social cleavages, or reinforcing political patronage systems of largess.[117]

206. Yet there seem to be differences between the World Bank and IFAD with regard to the design of CDD operations. Wong and Guggenheim (2018) posit that many of the activities in World Bank-supported CDD programmes are not designed with the explicit purpose of improving social capital or social cohesion to explain why impact on social capital was limited. In IFAD, CDD projects were usually designed with a clear focus on community empowerment (in the project objective), lengthy project durations – averaging 10 years among the sample of 13 (full) CDD projects – and with an explicit focus on training and capacity-building, with up to 30-40 per cent of the project costs allocated to capacity-building in the earlier projects (see chapter III D). Overall, it seems that IFAD's focus on building social capital has been more explicit in its strategies and project designs.

207. The findings from the qualitative review did not confirm this hypothesis for any of the 13 cases reviewed. IOE evaluations consistently argue that participatory planning and capacity-building generally improved the extent to which rural people and their communities meaningfully participated in making decisions about their own development. The approach motivated individuals and their community collectives to actively participate in all or most needs assessment and prioritization, development planning, and implementation of subprojects (including the selection and contracting of service providers), operation and maintenance of infrastructure and the monitoring of subprojects. However, in line with the evaluations from the World Bank and others, the synthesis concludes that there is limited evidence to confirm a causal link between CDD and social capital.

208. The evaluation of social capital. For IFAD there is only one rigorous impact assessment that has looked specifically at social capital in CDD projects. The

[114] IFAD, *Reducing Rural Women's Domestic Workload Through Labour-Saving Technologies and Practices. Teaser. Gender, Targeting and Social Inclusion* (Rome: IFAD, 2016).
[115] IFAD/ Gerenessa, 2017.
[116] Wong and Guggenheim, 2018.
[117] Wong and Guggenheim, 2018.

qualitative study for the impact assessment of the Project Plan Vida in Bolivia[118] unpacks the concept of social capital along three different dimensions or components: (i) mutual trust between participating families and communities; (ii) the introduction and establishment of rules applied to the communities that are appropriate and reinforce personal, community and legal behaviour; and (iii) the creation and strengthening of solidarity networks between participating families and communities. It concluded that the project contributed to the creation and strengthening of social capital within the participating communities as well as at inter-community level.

209. However, the quantitative study for the same project found little to no impact on social capital when it applied different, primarily process-related indicators.[119] In line with the 3ie evaluation of CDD (2018), the study pointed out that in contexts like Bolivia where social relations are strong and CDD projects drive policy initiatives, social capital can be a contributor to as well as a result of good project performance.

Box 9
Unpacking social capital

World Bank: The norms and networks that enable collective action.*

World Bank Social Capital Initiative: Social capital includes the institutions, the relationships, the attitudes and the values that govern interactions among people and contribute to economic and social development.**

FAO: The social resources (networks, memberships in groups, relationships of trust, access to wider institutions of society) upon which people draw in pursuit of livelihoods.***

IFAD: Social capital depends on two kinds of linkages: horizontal (bonding) linkages and vertical (bridging) linkages. Bonding capital ensures cohesiveness and trust among people and is a precondition for attaining common goals.****

Sources: *Wong and Guggenheim 2018; ** Grootaert and van Bastelaer 2001; *** FAO Terms; **** IFAD 2014.

210. Collective values. Participatory community development plans commonly used in IFAD's projects provided a collective representation of the values and ideas of communities for their development. The "talking maps" used in in Bolivia [6] and Peru [8 and 9] helped communities to visualize past and present NRM issues and future NRM goals and a plan of action to achieve them. The participatory element of the planning process can also respect social diversity. In a context with diverse target groups and different agro-ecological situations, participatory planning in the Philippines [4] enabled communities to develop coherent plans with the local government that were appropriate to their local situations and levels of expertise.

211. Empowerment. Capacity-building and empowerment enabled the rural poor to hold more sway with wealthier social groups in the community and traditional administrative authorities in Peru [8]. In Cabo Verde [11], poor people gained a crucial voice outside the traditional elite. In Peru [8], training young men and women as yachachiqs enabled many of them to go on to become community leaders or yachaqs. In another project in Peru [9], the capacity-building and responsibility given to multi-stakeholder committees (local resource allocation committees) to decide which subprojects to fund generated a high level of self-esteem among the families involved and created local leaders. The qualitative study of the recent impact assessment of the IFAD-supported CDD project Plan-

[118] IFAD/Gerenessa, 2017.
[119] Including: households with at least one member belonging to a community group, with a member who is a leader in a community group, with a member who actively participates in a community group; households that are part of a group that interacts outside the community, with social networks inside and/or outside community; number of groups in which a household currently participates; and number of times respondent has stayed with non-family outside of community in the past year (Adriana Paolantonio, Romina Cavatassi, Kristen McCollum. 2018. Impact assessment of Plan VIDA-PEEP Phase I, Bolivia. IFAD RIA).

VIDA-PEEP in Bolivia also reports a small positive impact in community leadership, including women's leadership.

212. Social cohesion and solidarity. In Cabo Verde, the training and support to community development associations and multi-stakeholder committees (regional association of partners) built a sense of self-image and self-reliance leading to greater social cohesion in the local community [11]. Elsewhere, in Viet Nam [11], the village groups, including savings and credit groups, women's livelihood groups and village infrastructure groups evolved into dynamic, active groups with a strong sense of solidarity and self-reliance in carrying out village development activities. The commune development board and village development board reportedly became active mechanisms for self-management of development programmes at the grassroots level [16]. The qualitative study of Plan-VIDA-PEEP in Bolivia also found that CDD strengthened mutual trust and solidarity networks between participating families and communities.[120]

Box 10
Social capital in the management of natural resources in the Southern Highlands (MARENASS) Project, Peru

Most of the communities in the project area had been affected by the economic crises and recent social conflicts in the country, as well as by macroeconomic policies that had marginalized them. Under MARENASS, the communities and social groups were reconstituted, reinforced or revitalized, to a greater or lesser extent depending on the zones and communities. In the participating communities (260 in 2001), institutional and social bodies clearly displayed greater dynamism from as early as their second year of participation. Community organizations were legitimized and strengthened, their responsibilities having been fostered by the project. Responsibilities included: planning of the community's future; fund management and management of inter-familial and community NRM; regulation of grazing in communal areas; and intervention in intercommunal competitions. The most remarkable effects were visible in the dynamics of the competitions in which a growing number of local actors participated.

Source: Interim Project Evaluation of MARENASS, 2002.

213. Building trust. Projects and governments demonstrated their trust in communities by giving them control over the management of CDFs and responsibility to contract and monitor technical service providers and/or construction companies to implement activities. In turn, this trust was earned by the project and government from the communities by respecting agreements and commitments, thus enabling communities to believe in the rules of the game. The strengthening of feelings of trust was explicitly reported in Brazil [7], Peru [8 and 9] and Mauritania [12]. For example, in Brazil [7], "The trust and responsibility that project vested in target groups to manage project resources and activities was a major reason for the high impact of empowerment and the improvements in the self-organizational capacities in interviewed families and associations."[121]

214. Networks and linkages. Capacity-building of communities strengthened connections with other rural stakeholders beyond the community. The development of community organizations in Nepal [28] enabled them to identify and access channels for service delivery. Similarly, in Burkina Faso [10], village land management commissions in remote villages strengthened their links and outward contacts with companies, neighbouring villages and other development projects. In Cabo Verde [11], the strengthened community development associations and multi-stakeholder committees (regional association of partners) became key local actors in rural development and recognized partners by the Government, NGOs and donors.

[120] IFAD/Gerenessa, 2017.
[121] Quoted from IFAD, *Sustainable Development Project for Agrarian Reform Settlements in the Semi-Arid North-East in Brazil, Project Evaluation* (Rome: IFAD, 2011).

215. Increased self-reliance. In Burkina Faso [10] and Mauritania [12], CDD projects reportedly reduced the culture of dependency on external support by making rural people participants and actors in development rather than mere recipients. In both cases, the projects had started to develop democratic and transparent community decision-making systems, although considerable further work was still required.

Box 11
Case study Mauritania

In Mauritania [12], the CDD project facilitated the creation and capacity-building of oases participatory management associations (AGPOs). These multi-stakeholder committees formulated oasis community development plans whose activities were then financed by the mutualistic oasis investment and lending institutions and the community investment fund. Through the AGPOs, communities learned how to identify, implement and manage a high number of community projects, which strengthened their decision-making abilities. Nearing project completion, 38 out of 96 AGPOs had reached a high level of functionality and 48 AGPOs had an average level of functionality. When the project gradually disengaged, the AGPO unions took over responsibilities for support and training of the AGPOs. By project end, the AGPOs largely had the capacity to manage their land.

Source: Project Performance Evaluation on the Oasis Sustainable Development Programme in Mauritania.

216. IFAD's contribution to social capital. IFAD's contribution to building the social capital of the rural poor was deliberate and intended. IFAD sees itself as enabling the active and informed inclusion of people who are often excluded, or who exclude themselves, from development processes. Its contribution lies in opening spaces, also through its partners, for participation, dialogue and negotiation through which rural poor people can identify, understand and influence the factors relevant to their situation).[122] Another key success factor reported in evaluations of CDD projects was the emphasis on high calibre of project management staff. Evaluations report rigorous staff selection processes, demonstrated commitment, good technical skills, (local) language skills, regular training, good partnership-building skills with communities and government, low turnover, strong leadership, as well as their close and accessible location to target areas [8, 12, 7]. Yet IFAD is aware that its contribution is limited: "In practical terms, a project can develop the capacity of an organization by improving the combination of soft and hard skills of its members (capacity) and by strengthening its management, governance, leadership, capacity-building mechanisms and resilience structures and procedures (maturity). However, although the project can influence these processes, it is important to remember that social capital building is a complex process driven from within."[123]

CDD impact on local governance

217. A common assumption is that CDD contributes to improved local governance, in particular in the context of decentralised government systems. Often it is also assumed that CDD may compensate for capacity gaps within the public sector by cutting short the route to effective service provision.

218. Hypothesis 16 "CDD has improved transparency, trust and downward accountability". Studies of CDD emphasize that engaging poor people as subjects rather than objects of development will build trust in government's ability to deliver much needed services.[124] Better allocation of resources is expected to lead to reduced corruption and misuse of resources.[125] The so-called "short route of service delivery" can overcome weaknesses of the "long route", where services remain the responsibility of government[126] CDD can be effective in providing

[122] IFAD, *Targeting Policy* (Rome: IFAD, 2008).
[123] IFAD, 2014.
[124] Wong and Guggenheim, 2018.
[125] OED World Bank, 2005b.
[126] Commins, 2007.

services at the local level, thus cutting short the long route to accountability by empowering the users of these services [127] Yet there has been an increasing consensus that social accountability needs to be improved through the long route for sustainable service provision.[128]

219. Evidence that community-led initiatives have enhanced transparency, trust and downward accountability was also found in the quality review sample, where linkages between communities and government for development planning and service provision were strengthened, with the exception of two [3, 6]. However, citizen engagement mechanisms seem to be lacking in IFAD's CDD projects to enable communities to hold public and private actors accountable. Moreover, participatory M&E systems need to be strengthened and aligned with local capacities to effectively track project performance and foster transparency and accountability.

220. Hypothesis 17 "CDD has helped build government capacities to implement participatory processes".[129] Furthermore, mobilizing communities to be the active agents of development programmes reduces the burden on government institutions, freeing them up to concentrate on larger and more technically and financially challenging investments.[130] However, the number of projects that confirm that CDD has helped build government capacities to implement participatory projects is smaller for the IFAD sample (7 out of 13 projects).

221. Decentralized governance contexts often created a demand for CDD because they help build local capacities, but the link between the two approaches was neither obvious nor straightforward. World Bank studies have pointed out that although CDD will work better within a decentralized governance context, empowering communities and channeling funding directly to communities can be seen as conflicting with the government's agenda on strengthening local government institutions.[131]

222. Local government cofinancing. Analysis of cofinancing data in IFAD's portfolio shows that contributions by local government are significantly higher in CDD projects (12 per cent) compared to non-CDD projects (2 per cent). This suggests that local government ownership has been higher in CDD projects (see annex VI).

223. Government's involvement in CDFs. CDD projects in which local government had a role in the CDF had a good impact on local governance when they contributed to government's decentralization efforts and were embedded in established and sustainable local government structures.[132] For example, in the Philippines [4], IFAD integrated the CDD project into the devolved regional, provincial, municipal and barangay institutional structures, and local government saw the project as integral to its ongoing role in supporting local communities. Efforts to enhance the responsiveness of public sector development planning to community priorities were highly effective. Project support to local government also resulted in improved public sector service delivery. In addition to staff and budgetary allocations by local government, relationships between community members and local government officials and staff reportedly improved, leading to increased visits and more resources reaching the communities. The capacity developed within the local government provided the foundation for continued support to CDD activities, such as community-based planning. Some local governments had also scaled up activities by applying the training and practices

[127] World Bank, *World Development Report 2004: Making Services Work for Poor People* (World Bank, 2003).
[128] E.g. Nadelman, Le and Sah, 2019; Ringold et al., 2012; Rocha Menocal and Sharma, 2008.
[129] OED World Bank, 2005b.
[130] Wong and Guggenheim, 2018.
[131] OED World Bank, 2003. Andrew Parker, Rodrigo Serrano, 2000. Promoting Good Local Governance through Social Funds and Decentralization. A study jointly funded by the World Bank's thematic groups on Decentralization, Municipal Finance and Social Funds; the United National Capital Development Fund, New York; and
trust funds of the Government of Switzerland.
[132] [4, 5, 16].

supported under the project in other barangays and some had continued to improve governance processes, particularly for participatory planning, subproject design and implementation, and operation and maintenance mechanisms to enhance sustainability.[133]

224. Likewise, in Viet Nam the 2012 CPE found that IFAD's engagement on CDD met government's interest in decentralized governance IFAD-funded projects were timely in demonstrating the role that local governments could play, in even the poorest provinces with relatively low capacity, in promoting effective rural development and reducing rural poverty. IFAD-funded projects provided much-needed capacity-building for such decentralized authorities to assume greater responsibility for development planning and implementation.

225. In contrast, the hybrid CDF model that involved government did not have a good impact on local governance when government policy and levels of financial decentralization were insufficiently supportive.[134] The 2008 CPE in Pakistan concludes that the Fund could have taken a more broad-based approach to supporting Pakistan's devolution plan of 2000 and its decentralization efforts.

226. In Uganda (CPE 2013), IFAD's support to multi-component rural development projects was set in the context of decentralization starting in the late 1980s. A 2005 project completion evaluation (of the District Development Support Programme) noted that the project was over-idealistic and over-ambitious with respect to "bottom-up planning processes". The limits to the decentralization of planning decisions were never properly clarified. What the project actually supported was not a system of bottom-up planning but bottom-up "requesting". It concluded that the bottom-up planning process would remain token as long as the lower levels controlled only very limited funds. Without financial decentralization there would be no meaningful delegation of decision-making. The evaluation noted a sense of demoralization detectable at the lower levels, and so-called "committee fatigue".

227. CDF models outside of government structures. Other CDF models (operating outside of government structures) had little to no direct impact on local governance. In Nepal [28], regional directorates (livestock, forestry, agriculture) were engaged in strengthening service provision by the public sector and non-line agencies (such as NGOs, cooperatives or private businesses) to communities, but overall capacities were low and service provision did not improve over time. In Brazil [7], the administration of the loan at the federal level did not facilitate the relationship with state authorities and promote the potential capacity-building effects, even though the states were responsible for building agricultural extension services to support family farming.

228. The exception was in Peru [8, 9], where efforts to involve local governments in CDD were more successful. Municipal governments served as communication and procedural channels to start collaborating with rural communities and even evolved over time into cofinancers and stakeholders in project strategies [8]. Another project was able to stimulate local government involvement through multi-stakeholder committees [9].

229. Citizen engagement mechanisms. IFAD-supported CDD initiatives promoted broad-based participation and empowerment within the project space but rarely designed citizen engagement mechanisms, such as grievance redress systems and community oversight support to the CDD approach by enabling rural men and women to hold development planners and public and private service providers accountable. The synthesis found evidence of such mechanisms in only one CDD

[133] Even two years after project completion, a number (estimated to be more than half) of the participating provincial and municipal authorities had maintained staff in the same implementing unit to continue supporting the sustainability plans.
[134] [3, 10, see sustainability for further details].

project in the sample. Furthermore, the extensive efforts to establish a complaint redress system for the community investment fund in all participating woredas of the PCDP II in Ethiopia [5] was likely owing to the World Bank's strong support for citizen engagement.[135] The lack of evidence of mechanisms may also be due to underreporting or weak M&E.[136]

230. In most IFAD projects, beneficiaries are not sufficiently involved in the M&E of project activities, with the project management unit relying on the reports prepared by service providers. This creates a situation in which service providers are accountable in the first place to the project management unit, rather than to the smallholders to whom they are providing services. For example, the evaluation of the Community-based Agricultural and Rural Development Programme in Nigeria [27] recognized that the relatively ineffective participatory M&E system was a missed opportunity in the CDD approach.

Box 12
Participatory M&E in Viet Nam

An example of an effective management information system, which would have enabled rural men and women to hold service providers accountable, was found in Viet Nam.[137] M&E was part participatory, part top-down, and integrated into decentralized structures. Aided by international M&E experts, the project provided relevant training and refresher training to all actors. Village-based groups collected data and prepared progress reports, which were progressively checked and consolidated at the commune, district and provincial levels. Comprehensive reports were submitted to UNOPS and IFAD on a quarterly basis. By maintaining monthly, quarterly and bi-annual reports and regular field monitoring and supervision, the project's M&E activities proved effective. Moreover, issues and problems at grassroots levels were identified and addressed in a timely manner.

Source: Rural Income Diversification Project in Tuyen Quang Province in Viet Nam.

Scaling up CDD

231. The following section explores the extent to which the experiences and good practices from CDD projects have been taken up by government and scaled up as part of a wider approach to community-based development and poverty reduction.

232. Hypothesis 18 "Only few governments have adopted the CDD approach more widely". World Bank studies found that only few governments appear to have adopted the CBD/CDD approach more widely in their own development programmes.[138] For the IFAD sample, evidence that governments have scaled up CDD more widely was found in 4 out of 13 projects [3, 11, 12, 28].

233. Scaling up CDD. A successful case of systematic scaling up of CDD, in partnership with the government, is reported from Peru. Here, IFAD-supported five CDD projects in the southern and northern highlands between 1991 and 2015. IOE evaluations[139] show that this enabled a series of innovations tried, tested and enhanced throughout the cluster. Three of the four most important innovations noted in the 2018 CSPE related to the CDD approach: direct cash transfers; use of family and community competitions to allocate public investment resources; and local resource allocation committees. The CSPE notes that the local resource allocation committees were the instrument with the greatest scope and institutionalization within the Peruvian administration. The central government and

[135] Stemming from the 2014 World Bank Group Strategic Framework for Mainstreaming Citizen Engagement in Operations.
[136] Weak M&E systems were often reported in the sample of CDD projects [6,10,11,27,28].
[137] IFAD. *Rural Income Diversification Project in Tuyen Quang Province, Project Performance Assessment* (Rome: IFAD, 2011); IFAD, *RIDP Project Completion Report* (Rome: IFAD, 2010).
[138] OED World Bank, 2005b.
[139] Interim evaluation of MARENASS, the PPE of the Market Strengthening and Livelihood Diversification in the Southern Highlands Project, the thematic evaluation on FEAS, MARENASS and the Development of the Puno-Cusco Corridor Project (CORREDOR) and the CSPE on MARENASS, CORREDOR, Sierra Sur, Sierra Norte as well as two more recent (non-CDD) projects.

subnational governments had also applied the business plans used in the cluster in the main productive and social development programmes to fund organized groups of producers. Experience-based learning and knowledge management also supported strategic public policy formulation, e.g. the Family Farming Promotion and Development Law and the National Rural Talents Promotion Strategy.

234. Policy engagement on CDD. CDD projects contributed to policy dialogue at the national level[140] and local level [8, 27]. This policy engagement also supported or coincided with the scaling-up of the CDD approach, or elements of it, at local, national or regional level by the public sector, civil society or other development agencies. In Peru [9], the multi-stakeholder committee (CLAR)[141] that facilitated the allocation of resources among families and businesses was incorporated into government policy. In 2016, the Ministry of Agriculture and Irrigation officially institutionalized the CLARs in the Law for the Promotion and Development of Family Farming.

235. In Viet Nam, the CDD project directly contributed to the formulation of guidelines for a Government programme to support socio-economic development of the most vulnerable communes in ethnic minority and mountainous areas in Viet Nam.[142] This created the opportunity to implement the project's successfully decentralized infrastructure schemes and agricultural service provision in other provinces. In Brazil [7], the CDD project reportedly became a reference and example for other interventions in the North East. Moreover, the project strategy was used as a reference for the design of the territorial development policy in 2003. In Nigeria [27], the successful results of the project led to an increasing flow of government resources into the programme and the adoption of the CDD approach within target local government areas and more widely across the states.

236. In other projects, policy engagement was limited or negligible [3, 11, 12, 28], and the CDD approach was not scaled up by the government or other development partners. In Mauritania [12], the project conducted only a modest level of policy dialogue that prevented the full integration of the project-supported multi-stakeholder committees into institutional planning at local government level. Furthermore, IFAD no longer used the oases as the entry point for its projects in Mauritania, so the country portfolio continued to support the decentralization process in general rather than specifically for the AGPOs. In Nepal [28], the government scaled up the CDD project's approach to identify the poorest households in communities. However, the project implemented a community-led wealth-ranking approach, while the Government's issuance of "Below Poverty Line Cards" in other districts appears to have removed the inclusive decision-making element of the approach.

237. Scaling up through national programmes. In some of the "CDD cluster countries", CDD was scaled up through national programmes. In Pakistan [3], the CDD project (2004 – 2012) covered Azad Jammu and Kashmir in the Pakistan-controlled part of Kashmir.[143] In 2007, the Government set up the Azad Jammu and Kashmir Rural Support Programme (AJKRSP) to improve the sustainability of community organizations, their networks and community credit pools and to strengthen the devolution process. Although AJKRSP was in theory well-positioned to carry on support to the CDD process, political autonomy was limited. The project therefore was not able to attract the required support from government, donor or NGO resources.

238. In Ethiopia [5], the Government intended to scale up CDD through the Regional Pastoral Livelihood Resilience Programme of the Inter-Governmental Authority on

[140] [5, 6, 7, 9, 10, 16].
[141] Known as Local Resource Allocation Committee or *Comité Local de Asignación de Recursos – CLAR*.
[142] Programme 135, with donor funding.
[143] Azad Jammu and Kashmir has a special status within Pakistan and has its own constitution, legislature, president, prime minister and cabinet.

Development, covering Ethiopia, Kenya, and Uganda. The programme covers all the 154 pastoral woredas in Ethiopia and is financed by the World Bank, African Development Bank and Italian Cooperation.

239. In Mali, the three-phase FODESA, implemented from 1998 to 2013, has strengthened the social capital and sustainability of village farmers' organizations through their apex organizations, scaling up activities to the national level. The CPE 2013 found that FODESA had empowered farmers' organizations by giving them a strong decision-making role in their federated regional associations and a national association (of farmers' organizations). In phases I and II, these apex organizations focused mainly on project management rather than policy dialogue. However, this was addressed in phase III by linking the apex organizations to the National Coordination of Farmers' Organizations of Mali, which is crucial for the sustainability of these bodies and the empowerment of their members, the farmers.

Natural resources management

240. CDD investments in NRM have fostered ownership and increased the chances of sustainability (see sustainability section below). In Pakistan [3], the evaluation remarked how forestry activities, including plantations and seed production, had been supported by both the IFAD-supported CDD project as well as other donors. Yet what seems to have been appreciated was the participatory planning process in CDD, which increased the chances of success through strong ownership.

241. The effectiveness of NRM investments was particularly evident when the CDD project could tap into ongoing NRM projects. This was the case in the Philippines [4] in coastal resource management, where local government units had established community-based fish sanctuaries. The project supported a series of fish sanctuaries and mangrove rehabilitation areas, but the results were mainly thanks to the communities' long-term commitment and the leadership of a local government unit coalition on coastal resource protection. Still, the project succeeded in increasing knowledge and strengthening these partnerships for good NRM practices.

242. A risk of relying on demand-responsive CDFs to finance NRM activities is that the communities may prioritize other types of investments. Although the protection and improved management of natural resources provides long-term and collective benefits, communities may prefer shorter-term economic benefits. This happened in some communities in the Philippines [4] which clearly gave a lower priority to NRM activities.

243. However, poor rural men and women are still engaged in, and affected by, NRM in their daily lives so it is important to raise awareness about critical NRM issues. CDD projects with NRM objectives commonly include some form of environmental education. It is not clear, however, if activity-sequencing means that environmental education helps to inform investment priorities. Incentives can also be used to increase the likelihood that communities will voluntarily undertake interventions. IFAD designed CDD projects in the LAC[144] in a way that linked NRM with agricultural development. For example, in Brazil [7], the project promoted a holistic agro-ecological production concept promoting a harmonious relationship between producers and the environment of the semi-arid North East. It adopted the slogan "Conviver com o semi-árido" to indicate that it is possible to coexist with the scarce water and limited agricultural potential of the area and to protect the caatinga[145] while using the potentials for agricultural development and income generation.

[144] [6, 7, 8, 9].
[145] *Caatinga*, the predominant vegetation of the semi-arid region in the North East, consists of varied tropical thorn scrub ranging from tall scrub forests to savannas.

244. Evaluations show that the impact of CDD projects on NRM was most positive at farm level [6, 8, 9, 10, 28] and to a less extent at community level [6, 8, 9]. While these impacts were important, they were not always sufficient to facilitate sustainable NRM. Indeed, another limitation of NRM investments through CDD projects is that larger-scale investments beyond community boundaries can be restricted. Unless CDFs are structured and designed to facilitate NRM investments at the more encompassing territorial or watershed level, they can limit investments to those at the farm or community level [6, 9, 10]. This can happen, for example, when: budget ceilings are rigidly enforced; funds are restricted to use within communities; proposals and expenditure must fit into annual planning cycles; and there is a lack of involvement from key partners such as the local government. In Bolivia [6], the CDD project increased the capacity of men and women to manage natural resources rationally and sustainably on their family farm. However, the project lacked a territorial approach to address soil recovery, afforestation and pasture conservation. Partly because of the institutional context, the project lacked the involvement of national and local authorities and more collaboration between communities and other local stakeholders. This also limited the ability of communities to influence external activities affecting NRM, such as mining, extraction of wood and coal, and agribusiness, among others.

245. The review shows that while CDD is effective in resolving intra-community issues related to NRM issues, it needs to be integrated into a wider (inter-community) approach to effectively address conflicts on natural resource use and set up a broader governance structure, e.g. at the level of watershed. In these cases, prioritization of investments cannot be determined by individual communities alone, but need to be part of a territorial approach, covering all communities concerned. In such cases, there is a clear argument for decision-making at watershed level. This approach is also conducive to leveraging cofinancing and specialist technical assistance from experts in NRM, such as the Global Environment Facility [7, 12].

E. Sustainability of CDD

Sustainability of assets built

246. An important assumption of CDD is that community participation and ownership would enhance the sustainability of the assets built.

247. Hypothesis 19 “Community ownership in CDD has enhanced the sustainability of community infrastructure”. World Bank evaluations found that infrastructure and services have been difficult to sustain beyond the Bank’s presence because of a lack of resources from the government and communities to ensure their operation and maintenance.[146] Pressure to meet short-term targets often detracts attention from institutional reforms necessary to make service delivery systems sustainable in the longer term.[147] The qualitative review of IFAD’s CDD projects finds that in most projects (8 out of 13) the CDFs were effectively used to foster community ownership of NRM and physical asset investments, which then helped to ensure their sustainability. In Burkina Faso [10] and Mauritania [12], the CDD projects were unable to secure ownership of investments, reducing sustainability, while in Nigeria the results were mixed [27]. In a couple of evaluations, there was a lack of evidence [5, 11].[148]

[146] OED World Bank, 2005b.
[147] Commins, 2007.
[148] In Ethiopia [5], the evaluation does not provide evidence of sustainability but reports on the good potential for sustainability owing to the community financial and labour contributions made to subprojects and the availability of local government budgetary allocations for operation and maintenance and staffing. In Cabo Verde [11], the evaluation mentions the improved capacity of community development associations and the regional associations of partners to operate and maintain community infrastructure investments (drinking-water supplies and health and sanitation facilities). However, it is not clear how sustainable these structures/services were.

248. Hybrid CDF models. In three out of five projects using hybrid CDF models (government + community), the evaluations report that community ownership helped to ensure the sustainability of natural resources and the physical assets built [3,4,16]. In Pakistan [3], the participatory approach and planning processes reportedly created strong community ownership of forestry plantations and increased the chances of success. Likewise, they fostered strong community ownership of social infrastructure investments (drinking-water schemes, health posts and schools) through participatory need prioritization, planning and implementation. The evaluation observed that compared to other government-funded schemes of a similar nature in the area, CDP-funded schemes appeared to be of better quality owing to strong project and community oversight and quality control, which was also supported by the engineering cell created by FAO technical assistance. It also found that the operation and maintenance arrangements – separate bank accounts, the collection of user fees and regular repairs – were working fairly well. Likewise, in the Philippines [4] and Viet Nam [16], the evaluations found sustainable infrastructure investments thanks to stable and viable operation and maintenance groups in the communities that were supported by the project. The village infrastructure groups had also developed a strong sense of solidarity and self-reliance in Viet Nam.

249. In these hybrid CDD models, the long-term sustainability of investments in natural resources and physical assets also depended on government support. Adequate local government funding allocations [4] and strong linkages with local government decision-making processes [16] strengthened community efforts to sustain infrastructure investments. When government support was absent, communities struggled to address major maintenance repairs, reducing the potential for sustainability [3]. Insufficient government budget allocations to pay for equipment, utility services and staff housing also reduced the sustainability of schools and health centres [3, 5].

250. Among the remaining CDF models, five out of eight evaluations report that projects generated a sense of community ownership for NRM and/or physical assets, contributing to the sustainability of investments. In Brazil [7], the evaluation found that families and communities had improved access to, and were better at managing, various water infrastructures to harvest, store and efficiently use the scarce resource in the target area. Crucially, they also continued to use technical assistance from strengthened local institutions and service providers. A potential risk identified by the evaluation was the reliance of irrigation user associations on oral agreements, rather than written rules, to manage the limited water resources. In Peru [9], the evaluation observed strong ownership of NRM and infrastructure investments by families and communities. This level of ownership reportedly stemmed from various factors: the participatory production of NRM plans, which increased awareness among the target group of the environmental and economic value of natural resources; family contributions of labour and local materials; the monetary incentives of the project; and in some instances, important levels of cofinancing from local government.

251. Fully decentralized CDF models. Concerning the fully decentralized CDF models, ownership of family or lower-cost assets was often high [6, 8, 27]. Reasons given included: beneficiaries' central role in public competitions; the promotion of simple low-cost technologies, linked to local knowledge, relevant to household subsistence and taught by local technicians (e.g. vegetable gardens, composting, improved stoves); and additional support from other interventions in the target area. However, the evaluations also report relatively less ownership of community-level investments. Causal factors included: the limited duration of the project to obtain appreciable returns (e.g. from pasture improvements and reforestation) [6]; and a weak understanding of the economic costs and benefits of potential investments, which limited or distorted community initiatives [8].

252. More positively in Nepal [28], the evaluation shows that the CDD project generated strong community ownership for infrastructure through effective maintenance committees able to collect fees and cover costs. However, larger capital investments, such as the expansion of irrigation schemes, could not be covered by the communities on their own. In this fully decentralized CDD model, leasehold forestry user groups were discontinued in phase III for various reasons, including a lack of support from the district forestry office and its rangers, insufficient needs assessment and seed distribution, difficulty ensuring economic viability, and poor maintenance by the communities.

253. The evaluations explain that CDD projects in Burkina Faso [10] and Mauritania [12] were unable to secure community ownership of natural and physical assets owing to inadequate maintenance and management arrangements. This was also the reason for mixed results in Nigeria [27]. Although the CDD project in Burkina Faso [10] had invested in establishing and training management committees, the training was uniform rather than specific to the different types of infrastructure. Nor had local capacities and customs been taken into consideration to make the training more appropriate for the people involved. The very notion of community infrastructure was simplistic and ill-defined, with no mechanism for cost recovery. As a result, management committees were weak, had limited funds to pay for operation and maintenance, and lacked the people necessary to make repairs. The sustainability of NRM investments, such as herd passageways, tree plantations and improved lowlands, was also uncertain. The evaluation often found them in a poor state, mostly because of inadequate maintenance and management arrangements, or unresolved land tenure issues that usually went beyond village boundaries.

Sustainability of rural institutions

254. Evaluations show that the sustainability of the rural institutions created and/or strengthened in CDD projects was highly mixed. The level of sustainability, ranging from mostly sustainable to mostly unsustainable and uncertain, varied between the different CDF models and among the different types of organizations (CBOs, community-level institutions, multi-stakeholder committees and apex organizations). There were projects that enabled more sustainable rural institutions [4, 8, 16] and those that clearly did not [3,10].

255. The sustainability of multi-stakeholder committees and apex organizations was uncertain in all projects (excluding two projects that lacked information). Arguably, there is insufficient time to develop these types of institutions within a project time period in certain contexts. For example, in Cabo Verde [11], the regional association of partners (a multi-stakeholder committee) still had structural problems in governance, leadership, organization, and financial management after 13 years of project implementation. In such cases, IFAD-supported projects could try to work more with existing apex organizations or, in their absence, leverage more support to enable them to mature. The reporting in evaluations on these types of institutions could also improve.

256. The sustainability of CBOs and organizations at the community level was highly mixed. Similarly, the sustainability of community relationships with government or other partners was highly mixed. Results therefore suggest that, despite evidence of building social capital, CDD on its own does not necessarily create favourable conditions that improve the sustainability of rural institutions and community relationships with government and other partners. Other factors are at play.

257. Key factors influencing the sustainability of rural institutions. Learning from these and other projects in the sample, the key factors influencing the sustainability of rural institutions were:

- Financial viability. Whether at the family, CBO or local government level, the sustainability of rural institutions depended on their ability to mobilize financial resources. In Brazil [7], family farms that received support through

the CDF were in most cases financially viable but only thanks to the ongoing government subsidy programme, without which family farms would need to further improve their production capacities and upgrade the quality of farm produce. Self-help groups in the Philippines [4] continued to generate relatively small benefits from the limited funding available but, used wisely, the members generated a supplementary income to take home. The business initiatives deemed sustainable in Peru [9] and Bolivia [6] were clearly those that were able to generate a profit and make the most of technological changes. In Burkina Faso [10], 45 provincial technical consultation platforms ([149] were successfully supported by the project to identify investment priorities and coordinate development projects, but long-term financial resources to sustain the institutions were not secured.

- Sufficient time and training to mature and effectively carry out responsibilities. This was a recurring reason for weak sustainability of rural institutions made explicitly or implicitly in evaluations.[150] It ties into the point made under targeting that CDD requires a critical mass of investment, in terms of time and location, to have a positive and sustainable impact.
- Sustainable linkages with both development planners and service providers – public, private and civil. In Pakistan [3], the participatory approach was not mainstreamed into government development planning and budgeting, nor did government line departments have the funds after project completion to continue providing services to community organizations. Similarly in Nepal [28], there was no strategy in place to transfer the community investment plans to the local authorities, nor was it clear if they would have been capable and willing to take on the task. It was unlikely that the project-supported community organizations and cooperatives would receive support from the local authorities in case of need. Conversely, municipal governments in many targeted project districts in Peru [8] started to participate in the project during implementation. They sponsored public competitions to improve NRM, thus showing financial support for the CDD approach. In Brazil [7], technical assistance organizations (small and young NGOs) supported by the CDD project could continue operating on a fees-for-services basis as private service providers. Rural trade unions were also able to expand and improve their networks in target communities and to continue without project funding.
- A clear role in the formal decentralization structure. This was a fundamental determinant of the sustainability of rural institutions in the hybrid CDF model where government controlled the CDFs. In the Philippines [4] and Viet Nam [16], the development and sustainability of rural institutions were either embedded in, or clearly linked to, local formal government structures. The importance of this approach was illustrated in the Philippines, where the Government decided to invest in sustainability planning with local government, community institutions and self-help groups during the last year of the project. The plans were fully financed by local government funds, and commitments for ten years were recorded in formal agreements. The evaluation mission was also able to confirm the implementation of these commitments.

F. Synthesis of key findings and implications for IFAD

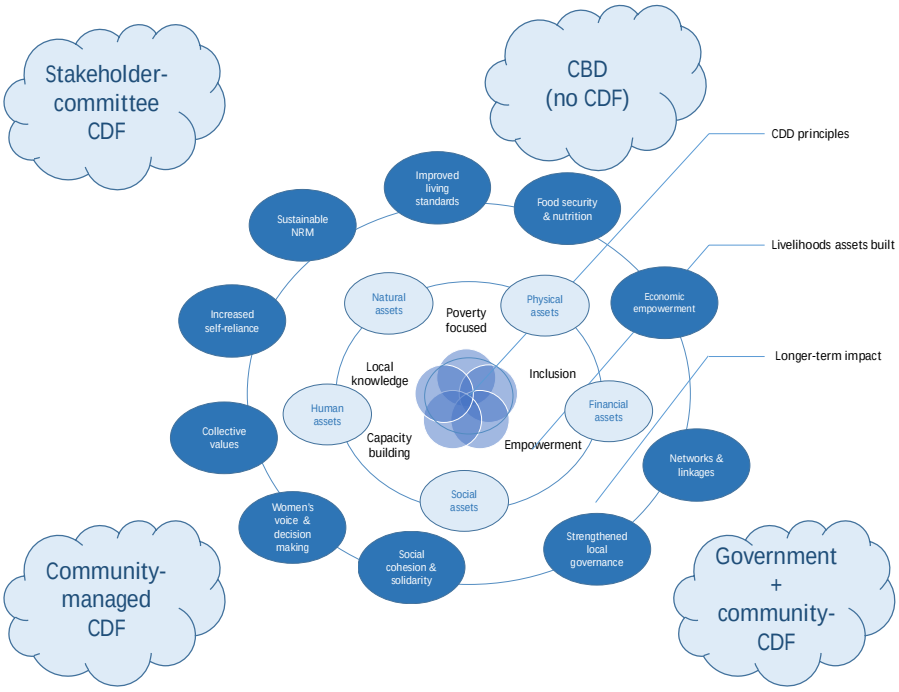
258. The review of the qualitative sample (28 projects, including 13 full CDD projects) shows that IFAD-supported CDD projects were effective at targeting the poor within communities and addressing their priorities. Decision-making was also

[149] Composed of public administration, technical services and development partners and responsible for identifying public investment priorities, and coordinating and harmonizing development approaches in the different sectors.
[150] [3, 6, 7, 8, 9, 10, 11, 28].

largely inclusive in IFAD-supported CDD projects, and inequality and elite capture rarely occurred. In contrast to findings in other IFIs, this synthesis also found that CDD projects often improved social cohesion and universally increased social capital and empowerment. While IFAD-supported CDD projects contributed to building government capacities to implement participatory processes and improved transparency, trust and downward accountability, the focus was on strengthening governance within the communities and between them and the lowest administrative levels.

259. Most significant results from CDD. The review shows that projects with community-managed CDFs have been strong in building human, social and physical assets. They have made empowered communities, strengthened women's voice and decision-making, and enhanced social cohesion and values. Projects with CDFs managed by stakeholder committees were particularly effective in building natural assets, thus contributing to sustainable NRM. CDFs that had involved local government were more likely to institutionalize CDD principles, including the CDF mechanism, and thus effectively strengthen local governance. All forms of CDD have been effective in building physical assets, thus having a positive impact on living standards and food security. Community-driven development without a CDF can strengthen the physical, financial and natural assets in a similar way, but do not have the same impact on social capital.

Figure 17
Impact of CDD

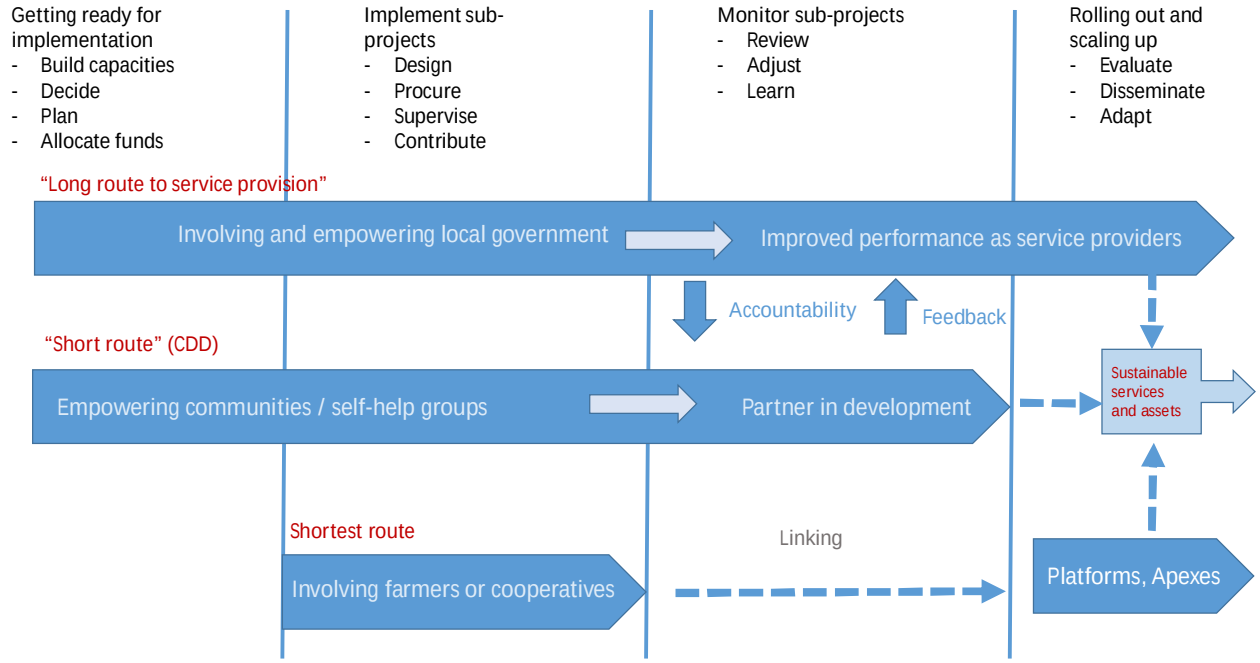


Source: ESR CDD.

260. Long or short routes to sustainable results. CDD is often seen as a "short route" to service provision (see paragraph 264). Yet, as the review shows, there is no "short route" to sustainable provision (and maintenance) of services and assets. The CDD route requires sufficient time and investments for capacity-building up front, to enable communities to become partners in development. This is usually achieved by involving them during all stages of the project (see figure 18). However, in order to ensure the sustainability of services and assets, the CDD route would have to link up with the "long route" for service provision, which is concerned with strengthening local government's performance. The older

generation of CDD projects often did not make this link. Linking communities and governments in the provision of services involves building mechanisms for accountability and feedback, which the review did not find in most IFAD projects. In some of the "cluster countries", where IFAD has engaged in strings of CDD projects and has been able to meet government priorities, IFAD has embarked on the "long route" to reform public service provision – for example by linking with government programmes and scaling up CDD experiences (in Ethiopia, Mali, Nigeria, Pakistan, and Viet Nam).

Figure 18
Long and short routes to sustainability



Source: ESR CDD.

261. With increasing pressure to strengthen project efficiency by reducing implementation periods, many IFAD projects now implement subprojects through the "shortest route", avoiding lengthy up-front capacity-building by working with individual farmers or existing cooperative arrangements (e.g. farmers' groups, cooperatives). This avenue may deliver short-term economic results, but for interventions to be sustainable and provide broad-based impacts, as outlined above, broader structures of support are required, from government, the private sector or civil society. Linkages with platforms or apexes seem to be the obvious solution for scaling up support, but they are often not available or functioning and therefore require substantial investments in capacity building.[151]

The CDD route will remain relevant and important because it delivers the results and impacts in line with IFAD's corporate priorities and within the specific contexts where IFAD is working (see box 13 below).

[151] For a discussion on the effectiveness of apex bodies, see IOE, *Inclusive Financial Services, Evaluation Synthesis* (Rome: IFAD, 2019).

Box 13
Should IFAD continue to support CDD? Voices from the survey

"Where communities are well organized and united, and in particular in rural remote areas, this is of particular relevance. The first step would be to disseminate further the CDD methodologies and in which particular contexts CDD applies the most and not to promote CDD as a motto or by principle. Often in community-based approaches, effectiveness and relevance are taken for granted, whereas in reality it is very technical and depends on local contexts."

"Yes. As social and environmental realities have to face and adapt to the complexity of global processes and a changing climate, communities need to be empowered to make decisions they call their own, that they are accountable for, that reflect their reality, and that they can manage and adjust accordingly, with the flexibility of local empowerment rather than waiting for and depending on central decisions. They must be able to generate and rely on local resources as much as possible. And they must have the power to represent community interests before the bigger government."

"Yes. CDD could be instrumental in reaching out to the poor in remote areas if it is organized with adequate technical support and an effective monitoring mechanism. It will also be important to implement climate-smart technologies and undertake community- based climate adaptation activities or projects."

"IFAD should support the CDD approach because it allows better consideration of the real needs identified as the people through a participatory diagnosis. But this implies having more in-depth project formulations, longer implementation times and stronger technical and financial partnerships."[152]

"Yes, but rather than community (vague concept), it is more relevant to consider organized rural civil society and to take the necessary steps to support the evolution of this civil society, including the local power struggle."

"IFAD should support CDD in the future, especially giving priority to countries where: (i) community ownership is still very weak; (ii) top-down models are the usual approaches; and (iii) the presence of local national institutions is almost absent/very weak and the communities need to be self-reliant. It can open the way for more community governance, which is the basis of sustainability (and success) of interventions."

Definitely. Being cost-effective development, such projects would not only contribute to socio-economic development at the local level but also create awareness among communities and lead to profitable development investment by the government.

"Absolutely. If not, donors will look elsewhere. (CDD) is a fundamental (part) of the IFAD mandate to address food security, reduction in poverty and sustainable natural resources management (in the context of the) SDGs."

"To be effective in CDD, IFAD should engage in longer projects and have a stronger role in identifying competent service providers to work at community level."

"Increasingly, governance in the developing world is characterized by lip service to the marginalized and excluded. Over time, organizations such as IFAD created leverage and space for their participation in decisions that affect their lives. It is therefore imperative that IFAD play an even more prominent role in CDD and also continue to advocate for the application of the approach by its partners and collaborators."

Source: ESR online survey.

[152] Original comment in French.

Key points (Chapter IV)

- The qualitative review of results in sample projects shows that (a) overall the CDD-related projects contributed more to social, physical and human capital, and (b) relative contribution varies between the types of CDD-related projects.
- CDD projects invariably invest in the formation and strengthening of rural institutions to improve their organizational, technical and managerial capacities for demand-driven and participatory development.
- Participatory community development plans and capacity-building of local government and CBOs were highly effective activities contributing to social capital.
- CDD projects were largely effective at reaching the poor and poorest rural communities. However, within these communities, they show mixed performance in empowering poorer members to participate in, and benefit from, development processes.
- The participatory and holistic nature of some CDD projects is conducive to responding to the priority needs of indigenous peoples.
- CDD creates main poverty benefits through provision of larger quantities of basic development infrastructure being built at lesser cost and at greater speed than would occur using more traditional routes.
- CDD-related projects performed better in gender than non-CDD projects, and full CDD projects performed better than PLG, CBD and PCD projects.
- Projects where government had a role in CDD have achieved a better impact on local governance in decentralized contexts. In contrast, where projects failed to link CDD with decentralized government institutions, attempts to enhance local governance were limited.
- Supervision was a major factor influencing project performance. Evaluations of CDD projects noted that the involvement of IFAD staff was often insufficient, in particular during the early times of CDD, when learning was needed.
- Most CDD projects (8 out of 13) were successful at fostering community ownership of NRM and physical asset investments, which contributed to ensuring their sustainability.
- Hybrid CDD models (government + community) supported community ownership and helped to ensure the sustainability of natural resources and the physical assets built.
- There was broad agreement among survey respondents that IFAD should continue supporting CDD, because it is suited to the specific target groups and contexts where IFAD works.

V. Lessons from this synthesis

262. Participatory development embodies the “people-centred” nature of the 2030 Agenda, as well as the agenda’s commitment that “no one will be left behind”. The Agenda 2030 includes SDG 16 on peace, justice and strong institutions with the specific targets (16.6 and 16.7) to "develop effective, accountable and transparent institutions at all levels" and "ensure responsive, inclusive, participatory and representative decision-making at all levels".

263. With this in mind, CDD remains an important approach for IFAD, because:

264. CDD, if well designed and facilitated, supports inclusive and equitable development. The processes of social mobilization and participatory decision-making can be powerful tools to reach out to marginalized groups, if the diversity of target groups (and their specific interests) is properly targeted.

- Effective targeting in demand-driven projects requires a comprehensive set of complementary measures (geographic as well as direct, self, empowering, enabling and procedural) for different project activities that meet both short- and long-term target group needs.
- Facilitation and technical support by service providers and/or trained community members is required for the mobilization of all groups within the community (men, women and youth); in the longer term it helps the communities to become more self-reliant.
- CDD projects empower local communities to take responsibility for their own development, an approach which particularly benefited the indigenous peoples.
- Women benefit from increased voice and decision-making in CDD, but they also play an important role as agents of change. However, existing power relations can work against women's participation and empowerment if unaddressed, in particular in remote areas.

265. CDD builds social capital and empowers the rural poor as partners in sustainable development. Since CDD strengthens the existing social foundations, it can fill in an institutional void. It empowers rural people to decide about their own development.

- CDD is an effective way to provide infrastructure, improve social cohesion, and reduce conflict in fragile situations. Additional efforts are also required to address the causes of fragility in a systematic way and to improve the sustainability of investments in rural institution-building.
- CDD can be the starting point for value chain development, since it supports group formation, creates value chain assets, such as infrastructure, and empowers farmers vis-à-vis other stakeholders.

266. CDD mobilizes local knowledge for sustainable development. Processes that build on local knowledge are more likely to be holistic in their approach and sustainable in their outcome. The quality and capacity of implementers to communicate with, and support, indigenous peoples is paramount.

- The multi-sectoral nature of investments in demand-driven CDD projects contributes to improved food security and nutrition. There is a range of cultural and social issues that affect nutrition, in particular for indigenous peoples, which can be effectively addressed through CDD.
- Food sovereignty means being empowered to decide what to produce and consume. CDD empowers poor farmers to take control of their production systems and to decide what to grow best given the local conditions and their consumption.

- Community-based adaptation to climate change offers a sound and cost-effective way to address climate change by capturing the wealth of knowledge and experience that communities have on dealing with climate variability and change.

267. CDD improves the sustainability of development interventions. CDD operations outperform non-CDD operations with regard to sustainability, even in fragile situations. However, the following lessons need to be taken into consideration:

    - CDD projects that support rural institutions need to ensure their financial viability. CDD projects cannot operate in a vacuum. The creation and strengthening of public, private and civil institutions need to be based on realistic expectations of their financial sustainability.
    - CDD projects require time to perform. On average, CDD projects take longer to deliver results. Without sufficient time and resources, the process for engagement will be cut short and the results will remain limited.
    - Projects that took a programmatic approach have performed well because they enabled learning and improvement over several phases.

268. CDFs need to be designed with a purpose (effectiveness) and sustainability in mind.

    - CDFs with a fully decentralized funding arrangement (community-based) work well in societies with strong community organizations in place. They can be effective in providing both social and productive investments. Special attention needs to be given to cultivating ownership of investments in physical and natural capital at the community level as well as at the household level.
    - CDFs that involve local government are more likely to be sustained in functional decentralized government structures in a supportive policy context, where continued government funding is available. They are effective in providing social infrastructure.
    - Hybrid CDFs that include multi-stakeholder arrangements are effective in supporting NRM and productive assets, but sustainability is a challenge that needs to be addressed up front.

269. CDD requires transparent and inclusive decision-making processes that are able to deal with diverse interests and ensure that the stakeholders concerned are involved. Addressing the diverse interests of stakeholders is one of the main challenges of CDD. The main consideration for CDD projects has to be how inclusive and transparent decision-making can ensure that the expected benefits will occur.

    - The stakeholder groups that are directly concerned have to be identified. For most CDD projects that have provided public infrastructure and services, the (settled) community is the stakeholder group expected to benefit from these investments. In cases where CDD supports economic activities for individuals, households or farmers' groups, the community may not be the best level to select priority activities or businesses. In those cases, CDD would need to work out a process that is transparent and socially acceptable, such as the public competitions used in some places, such as Peru.
    - Decision-making in CDD needs to involve stakeholders at different levels. To support sustainable NRM, for example, the CDD approach needs to work with various stakeholders both in and beyond the community level to address the range of issues and interests involved.

- Local government is an important stakeholder that needs to be involved. CDD projects are able to support decentralized governance processes where local government is actively involved.
- CDD can support common interest groups within communities if the criteria for support are clear and accepted by the wider community. The self-help groups in India are powerful examples that CDD can be an effective tool for empowering common interest groups as part of a wider approach to community development.
- To protect the interest of more vulnerable groups, CDD projects may have to safeguard their interests by setting aside specific activities or CDFs, which would not be subject to community-wide decision making.

VI. Conclusions and recommendations

A. Conclusions

270. Overall, CDD has performed well in IFAD. CDD has been an integral part of IFAD's operations for more than 30 years. Although there have been ups and downs as well as cases of low performance, CDD-related operations have performed well overall and even better than non-CDD operations in many contexts. Comparative analysis of performance ratings for all IOE evaluated projects (347) shows that CDD-related operations performed better than non-CDD projects on effectiveness, sustainability and gender criteria. The regions where CDD-related operations performed significantly better were LAC and WCA as well as countries in always-fragile situations. Review of efficiency ratings shows that CDD-related operations performed on par with non-CDD operations, which means that despite the (mostly) longer durations, CDD operations did not perform worse than other operations. Quantitative analysis of IOE project ratings was complemented by the qualitative review of a smaller sample of (13) full CDD projects that had been effective in applying the CDD approach throughout the project cycle, as well as the review of evaluations of country programmes with clusters of CDD operations. The review confirms the overall positive performance of CDD within the context that IFAD typically works in, which is often characterized by fragility, remoteness and/or marginalization.

271. CDFs as a key mechanism to empower communities worked well in the context of IFAD's operations for a number of reasons. Reasons for successful CDD operations included: high investments in capacity building; favourable social, cultural and political contexts; and awareness of and commitment to CDD among implementing partners. In addition, the synthesis has identified five key factors on IFAD's side that made CDD operations perform well.

- The first factor was whether it was a "full" CDD operation, meaning with the CDD approach integrated into all parts of the projects and including a CDF. Within the qualitative sample reviewed, the full CDD projects performed better throughout all criteria, but in particular with regard to social capital.
- The second factor was how the creation and management of a CDF were adapted to social and political contexts. CDFs that were fully decentralized to communities performed well where there were strong community structures in place. CDFs that were insufficiently linked with local government structures often encountered sustainability issues at later stages. Institutional set-ups that involved apexes or other stakeholder structures had a mixed performance, in particular where capacities were weak and follow-up funding from the government was not forthcoming.
- The third factor was that in remote and marginalized areas, which are those typically targeted by IFAD, local government has weak capacities to provide public services and therefore community-based initiatives were often more effective.
- The fourth factor was the depth of engagement. All IOE evaluations reviewed unanimously pointed out the importance of having sufficient time and resources for meaningful engagement at local levels. Results were better for projects that followed a programmatic approach or had longer durations planned from the outset.
- The fifth factor was IFAD's commitment to and level of involvement in CDD. The commitment of individual IFAD staff who truly believed in CDD and did their utmost to promote it seems to have made a difference (e.g. in the loan portfolio of Peru).

272. The roll-out of CDD throughout IFAD was too hasty and insufficiently supported by evidence and learning. The synthesis distinguished between three main phases in the roll-out of CDD.

- During the early "pioneering" phase, IFAD took a more experimental approach, introducing CDD in marginalized and underserved areas. After some encouraging results, CDD was rolled out throughout the portfolio after 1998 and soon became the "signature approach" for IFAD.
- The massive roll-out was plagued by two major problems which resulted in a very mixed performance of CDD-related projects. First, there was insufficient learning on what works, where and why, meaning that CDD was often applied as a standard approach regardless of the social, cultural and political contexts in many countries. Some regional divisions, in particular WCA, LAC (more specifically Peru) and APR (more specifically India) made attempts to study the performance of CDD and draw operational lessons, mainly to address problems of low efficiency and social exclusion. The second major issues was the limited clarity on and overuse of the CDF instrument, already pointed out by some earlier IFAD studies.[153] The synthesis confirmed that grant and credit funds were often used simultaneously and without a clear purpose or considerations of sustainability in place.
- Although CDD performance improved over time, IFAD has lost focus on its comparative advantage in CDD during the third phase. After IFAD's corporate priorities focused more on agricultural productivity and value chains (from 2007 on), there was a remarkable reduction in the number of CDD projects. CDD continued to thrive in some contexts where there was demand from the government. Furthermore, CDD has shown to be an effective approach in fragile situations. However, at corporate level, although CDD somehow found its way into some strategies and policies (e.g. on indigenous peoples, targeting), there was insufficient clarity on how IFAD would pursue its comparative advantage in CDD. The discourse moved along various directions, blurring the principles (and strengths) of the CDD approach.

273. CDD remains a relevant approach for IFAD. The synthesis concludes that CDD remains relevant for IFAD for a number of reasons. CDD as a form of people-centred and locally owned development has the potential to address mainstreaming issues that are at the core of IFAD's mandate, in particular farmers' group formation and strengthening, gender equality and women's empowerment, food security and nutrition, and natural resources management and adaptation to climate change. Furthermore, the CDD principle of local ownership is critical for improving IFAD's performance on sustainability, in particular in fragile situations. Finally, CDD can make a major contribution to developing effective, accountable and transparent institutions and ensure responsive, inclusive and participatory decision-making at all levels (as envisaged by SDG 16). This, however, would require IFAD to be more systematic in integrating governance-related issues, beyond the community level, in its operations.

B. Recommendations

274. The overall recommendation is that IFAD should continue to support CDD but also address some of its shortcomings through the following recommendations:

275. Recommendation 1. IFAD needs to build on its comparative advantage and retake corporate ownership of CDD by making it visible throughout its strategies and institutional functions. There are good reasons for IFAD to continue supporting CDD, which has proven to perform well in many situations and is highly relevant in the context of the SDGs and for IFAD's mainstreaming themes. The role of CDD as a distinct approach should be clearly recognized within IFAD's

[153] See for example: Perrett, H., 2003.

corporate strategies and as part of a broader approach to mainstreaming citizens' engagement in IFAD's operations. At the same time, the distinct set of knowledge and skills required to support CDD should be recognized and integrated institutionally, be it through focal points, help desks or communities of practice. CDD requires ongoing learning from practice, and this has to be done at all levels of the organization.

276. Recommendation 2. The expectations on CDD results must be matched with appropriate levels of resources at design. CDD is expected to deliver a broad range of benefits and impacts under often very difficult circumstances. While CDD has shown to deliver short-term benefits such as improved access to infrastructure and services even in fragile situations, the longer-term results such as sustainable institutions and enhanced governance mechanisms require substantial levels of engagement over time. There are trade-offs between the strengths of CDD with regard to effectiveness and sustainability and its weaknesses with regard to the time and costs required (efficiency); these trade-offs need to be taken into consideration at the point of design. Where IFAD aims to build sustainable capacities and ownership at community level, it needs to engage with a longer-term perspective. The programmatic approach lends itself to engagement with a longer perspective.

277. Recommendation 3. Integrate CDD-friendly funding instruments, such as flexible funding mechanisms and CDFs, into IFAD's range of financial instruments under IFAD 2.0. The broader financial instruments envisaged under IFAD 2.0 provide opportunities to adopt appropriate decentralized and flexible funding instruments that are supportive of the CDD approach. The lessons learned from the Flexible Funding Mechanism and CDFs, summarized in this report, should inform the development of these instruments. For CDFs there needs to be a clear distinction between funds that support agricultural productivity and business development, and funds that provide basic infrastructure and services. In the first case, the funds would be provided through credit or matching grants which need to be part of a wider strategy to develop inclusive financial services. In the second case, funds would be operated by communities, but linked with local government to ensure follow-up maintenance and funding. The design and (sustainable) use of CDFs should be clearly described within the IFAD 2.0.

Draft review framework

Review question	*Topics of related hypotheses (see annex 3)*	*Source*	*Review method*
Effectiveness: Q1: How effective were CDD operations in delivering results and under what conditions? Did effectiveness improve over time in CDD project 'clusters'? Specific questions: Q1.1: What were the main results delivered in CDD and CBD projects? What is the evidence that social capital has been built over time? Q1.2: How do the results differ between CDD and CBD types? Q1.3: What were the factors for success or failure in CDD projects? Q1.4: What where the incentives for people to participate as a group in CDD projects? Q1.5: How effective was governments' support to CDD in terms of ownership of the project, creating/fostering an enabling environment, and facilitating buy-in and commitment at all levels? Q1.6: Why was the CDD approach not implemented as expected at design in several cases? Q1.7: To what extent do levels of participation (according to ORMS) correlate with project effectiveness?	H1: Effective provision of infrastructure in fragile context H2: Effectiveness ratings above average H3: Effective provision of infrastructure in remote areas.	ARRI database ORMS database CDD and CBD project evaluation samples Project completion reports (as required) CPE sample	Review of IOE effectiveness ratings for projects with CDD elements (Q1) Review of supervision ratings for projects with CDD elements (Q1, Q1.7) Systematic review of project evaluation sample (All questions) Review of trends over time in project 'clusters (Q1, Q1.1, Q1.5) Outlier analysis (Q1.5 and Q1.6 for CDD projects with very high or very low effectiveness) Review of CPE sample (all questions)
Effectiveness: Q2: How effective were CDD operations in supporting pro-poor targeting and social inclusion? (Specific questions: Q2.1: How effective was CDD in reaching out to the poorest communities? Q2.2: How effective was CDD in targeting the poor within communities? Q2.3: How effective was CDD in targeting ethnic minorities?	H4: Outreach to poor areas. H5: Addressing the priorities of the poor/ H6: Intra-community targeting H7: Elite capture H8: inclusive decision making H9: Women's voice and decision making	CDD project evaluation samples Project completion reports (as required) CPE sample Interviews with (former) CPMs Relevant thematic studies	Systematic review of project evaluation sample (All questions) Review of CPE sample (all questions) Selected case studies
Effectiveness: Q3. How important have been partnerships with other development partners for effective CDD? Specific questions: Q3.1: What were the main co-financing partnerships and how did they perform? Q3.2: What were the main reasons for partnering? Q3.3: What were the main types of partners engaged at implementation level and what role did they perform? Q3.4: How important were partnerships for leveraging wider (sector or policy-level) impacts?	Co-financing ratios H20: External facilitation	Project completion reports (as required) Interviews with (former) CPMs	Co-financing data Selected case studies

Review question	*Topics of related hypotheses (see annex 3)*	*Source*	*Review method*
Efficiency: Q4: How efficient were CDD operations in delivering community infrastructure and services? Specific questions: Q4.1: How efficient was the provision of infrastructure by projects with and without community development funds? Q4.2: What are the lessons on the performance of community development funds? Q4.3: How do community contributions compare between CDD and CBD projects and other projects? Q4.4: How well were beneficiary needs addressed in CDD and CBD projects? Q4.5: To what extent did pressure to disburse effect the performance of CDD projects? Q4.6: How did the flexible lending mechanism adopted for some CDD projects perform? Q4.7: Are there are any particular fiduciary management issues particular to CDD interventions? What are good practices with regard to fiduciary management in CDD projects? Q4.8: What are the lessons regarding the size and costs of CDD operations? Q4.9: How significant were the disbursement delays (during start-up and early implementation) in CDD operations as compared to other projects?	EFAs at design and completion Share of funding allocated to capacity building H10: Cost-effective infrastructure H11: Allocative efficiency H21: Project duration	ORMS financial data CDD project evaluation samples Project completion reports (as required) Relevant thematic studies CBD project sample	Systematic review of project evaluations Review of ORMS financial data Selected case studies
Impact: Q5: What were the reported social and economic impacts from CDD operations? Do they differ from those in CBD operations? Specific questions: Q5.1: Why do CDD projects have limited impact on social cohesion and governance, as reported in several studies? Q5.2: What has been the impact of CDD interventions on women? Q5.3: What have been the impacts on specific social groups, such as youth?	H12. Household consumptions and living standards H13: community capacities H14: Social cohesion	CDD and CBD project evaluation samples Project completion reports (as required) Relevant thematic studies	Systematic review of project evaluations Review of sample PCRs/ impact studies
Impact: Q6: To what extent did CDD operations contribute to empowering rural people and communities? Specific questions: Q6.1: Access to information Q6.2: Participation in decision making Q6.3: CBO capacity Q6.4: Accountability Q6.5: Social inclusion	H15. Social capital and empowerment Community-based management of natural resources	CDD project evaluation sample Project completion reports (as required) Relevant thematic studies	Systematic review of project evaluations Review of sample PCRs/ impact studies

Review question	*Topics of related hypotheses (see annex 3)*	*Source*	*Review method*
Impact: Q7: To what extent did CDD operations contribute to enhancing local governance? (impact) Specific questions: Q7.1: How has the use of CDD approach empowered communities to hold government to account? Are there examples of governments that have delegated demand-driven CDFs to communities? Q7.2: What was the role of CDD in the broader context of transparency and accountability? Q7.3: To what extent has IFAD influenced policies at the country, regional or global levels related to CDD? How has the use of the CDD approach sustained and scaled up outside IFAD financed projects?	H16: Downward accountability H17: Government capacity H18: Scaling up	CDD project evaluation sample Project completion reports (as required) Relevant thematic studies Focus group discussions	Systematic review of CDD project evaluations Review of project 'clusters'
Sustainability: Q8: How sustainable were the benefits derived from CDD operations? Specific questions Q8.1: Did community ownership help to ensure the sustainability of natural resources and the physical assets built? Q8.2: Which types of CDD projects had more sustainable outcomes? 8.3: What can be said about the sustainability of the organisations and social capitals built? 8.4: What were the key factors influencing the sustainability of benefits from CDD?	H19: Sustainable community infrastructure Sustainable management of natural resources	CDD and CBD project evaluation samples Project completion reports (as required) Relevant thematic studies	Systematic review of project evaluations Review of sample PCRs/ impact studies
Relevance: Q9: For what type of interventions and in what context is CDD most relevant? What are the broader principles and lessons from CDD that should inform IFAD's engagement with communities in the context of the Agenda 2030? Specific questions Q9.1: Relevance for empowering excluded or marginalised groups (e.g. indigenous peoples) Q9.2: Relevance for food security Q9.3: Relevance for sustainable NRM and climate change mitigation Q9.4: Relevance for accountable and inclusive governance (others to be included)		Relevant evaluation syntheses and studies Focus group discussions Survey among staff and consultants	Synthesis of lessons from review
Relevance: Q10. How well is IFAD set up institutionally to effectively promote principles of community engagement? Specific questions Q10.1: To what extent did IFAD learn lessons from CDD projects? Q10.2: To what extent did lessons from CDD inform new IFAD operations? Q10.3: How are responsibility for promoting CDD allocated within IFAD?			Review of IFAD policies and strategic document Interviews and focus group discussions Review of CDD project 'clusters' (Q10.2)

Review question	*Topics of related hypotheses (see annex 3)*	*Source*	*Review method*
Q10.4: To what extent are CDD principles integrated into IFAD's policies and strategies?			
Q10.5To what extent is the performance of CDD-focused operations tracked?			
Optional questions:			
Q10.6: Why there has been a decline in CDD type projects in the last decade?			
Q10.7: What is the reason for the regional differences in terms of the number and value of CDD projects?			
Q10.8: Did governance and sustainable collective action ever become a priority within IFAD operations? If so why?			
Q10.9: If local governance is intended as an outcome, how does IFAD balance this with its definition of community, which can be based on interest groups such as a cooperative? How is local governance defined?			

Source: ESR approach paper.

Working hypotheses

Table: Working hypothesis derived from existing studies and evaluations of CDD

Topic	*Working hypothesis*	*Evaluations and studies with supporting evidence*	*Confirmed*	*Un-confirmed*	*Unclear/ lack of evidence*
Project effectiveness	1. CDD approaches have been effective providing infrastructure in fragile contexts.	OED World Bank. 2005.; WB WP 2018	6/6		
	2. Outcomes ratings for CDD operations were above average.	OED World Bank 2005	/	/	/
	3. CDD has improved access to infrastructure in remote areas.	OED World Bank 2005; WB WP 2018;	12/12		
Targeting (effectiveness)	4. Participatory poverty targeting, as part of CDD, has improved outreach to poor areas.	3ie study 2018	13/13		
	5. CDD was not effective in addressing the priorities of the poor.	WB 2003 review; WB 2004 Mansuri and Rao	1/13	12/13	
	6. CDD was not as effective in targeting the poor within communities.	WB 2004 Mansuri and Rao	3/13	10/13	
Inclusiveness (effectiveness)	7. Inequality and elite capture have occurred in many CDD operations.	WB WP 2018; WB IEG 2017 women and CDD	2/13	11/13	
	8. Decision making often has not been inclusive in CDD operations.	WB WP 2018; WB 2003 review		13/13	
	9. CDD projects have generally increased women's voice and decision making in project activities.	WB IEG 2017 women and CDD	10/13	3/13	
Project efficiency	10. CDD operations provided cost-effective Infrastructure.	OED World Bank 2005; WB 2012; WB 2013 Mansuri and Rao; 3ie study 2018	2/13		11/13
	11. CDD operations had good allocative efficiency.	Commins 2007	11/13	2/13	
Economic impact	12. There have been substantial benefits from CDD projects in terms of household consumption and living standards.	OED World Bank 2005; WB 2012; WB 2013 Mansuri and Rao; WB WP 2018;	9/13	3/13	
Social impact	13. CDD projects have been effective building community capacities, becoming effective "development agents".	OED World Bank 2005; WB WP 2018	12/13	1/13	
	14. CDD did not improve social cohesion and conflict.	WB 2012; WB WP 2018; 3ie study 2018		10/13	3/13
	15. CDD had no significant impact on social capital and empowerment.	WB 2004 Mansuri and Rao; WB 2012; WB WP 2018;		13/13	
Good governance (impact)	16. CDD/CBA have improved transparency, trust and downward accountability.	Commins 2007; Goetz and Jenkins (1999); WB 2013 Mansuri and Rao; da Silva (2000); WB WP 2018;	11/13	2/13	
	17. CDD has helped building government capacities to implement participatory processes.	OED World Bank 2005	7/13	6/13	
	18. Only few governments have adopted the CDD approach more widely (scaling up).	OED World Bank 2005	4/13	9/13	
Sustainability	19. Community ownership in CDD has enhanced the sustainability of community infrastructure.	OED World Bank 2005	9/13	2/13	2/13
Limitations	20. Successful CDD depends on external facilitation.	WB 2003 review; WB 2004 Mansuri and Rao;	11/13	1/13	1/13
	21. Short project durations have limited the effectiveness of CDD approaches.	OED World Bank 2005	Not applicable in CDD sample		

Source: Compiled by ESR.

Detailed findings from qualitative review sample (13 CDD projects)

H.1: CDD approaches have been effective providing infrastructure in fragile contexts

Confirmed: 6 out of 6 projects targeting fragile situations [3, 8, 11, 12, 27, 28]

H.2: Outcome ratings for CDD operations were above average

Confirmed: see section IV. Performance of CDD within review sample, A. Effectiveness.

Within the IOE evaluated portfolio (347 projects), CDD-related projects performed better on effectiveness than non-CDD projects. The share of CDD-related projects with satisfactory ratings (of 4, 5 and 6) is 78 per cent for the CDD-related projects compared to 72 per cent for the non-CDD projects.

H.3: CDD has improved access to infrastructure in remote areas

Confirmed: 12 out of 12 projects [3, 4, 5, 6, 7, 8, 9, 11, 12, 16, 27, 28]. The target area in #10 Burkina Faso was nationwide. In all other CDD projects in the sample, the target area included remote communities and access to infrastructure, social and/or productive, was improved by the projects.

H.4 Poverty targeting, as part of CDD, has improved outreach to poor areas.

Confirmed: 13 out of 13 projects. Geographic poverty targeting in all the CDD projects in the sample reached out to poor areas. However, geographic poverty targeting is not specific to CDD and occurs in most, if not all IFAD-supported programmes.

H.5 CDD was not effective in addressing the priorities of the poor.

Confirmed: 1 out of 13 projects. Self-targeting in #10 Burkina Faso was insufficiently precise to the priority needs of the target populations and those targeted by IFAD's mandate - the poorest and vulnerable, women and youth. The evaluation found this regrettable given that it was an important lesson from the first phase. Income generating activities had been prioritised by women and youth during the planning process. However, they were later excluded from the list of eligible CDF investments resulting in their limited participation and ability to benefit from the project.

Unconfirmed: 12 out of 13 projects reportedly addressed the priorities of the poor through participatory planning and decision-making. Only in #6 Bolivia where there was a lack of balance between natural resources management and conservation on the one hand and the need of vulnerable populations for short-term economic development on the other.

H.6 CDD was not as effective in targeting the poor within communities.

Confirmed: 3 out of 13 projects. In #6 Bolivia, a large proportion of the families – the most vulnerable – did not participate in the project. The project required a counterpart contribution for all activities and provided technical assistance only for improvements in production and market penetration, without considering financial investment needs. Self-targeting in #9 Peru was not an effective mechanism to reach the poorest households within the identified poor conglomerates or localities. It was not oriented more to farmers with less agricultural land, or with less land under irrigation or to women. Some aspects limited access to project by poorest e.g. required monetary contributions (20-30 per cent) and assets (land, water, etc.), and participation in groups -in the case of PDN- of at least ten people, who must necessarily formalize themselves to access the resources of the project. Self-targeting in #10 Burkina Faso was also insufficiently precise to reach those targeted by IFAD's mandate (ie the poorest and vulnerable, women and youth). Instead usual village governance issues prevailed. Although some terroir management plans analysed diversity and vulnerability, this did not translate into direct targeting.

Unconfirmed: 10 out of 13 projects [3, 4, 5, 7, 8, 11, 12, 16, 27, 28]

H.7 Inequality and elite capture have occurred in many CDD operations.

Confirmed: 2 out of 13 projects.

Unequal fund allocations occurred in #3 Pakistan. The design and project guidelines did not pay much attention to equity aspects of CDF allocations per community organization (CO) or district. It also did not take into account the eventuality of multiple COs in the same village, or male and female COs in the same hamlet. No guidelines were developed or notified in terms of capping of cost of each type of scheme or per beneficiary cost, to ensure not only equity among COs but also feasibility of identified schemes. This resulted in a huge variation in the funds allocated to different COs for various types of schemes.

In #10 Burkina Faso, beneficiary contributions towards infrastructure investments were unequal across social strata. This promoted patronage, with better-off families having more control of infrastructure management. The better-off therefore had better access rights while poorer beneficiaries could not always afford user fees. Some villages also benefitted from the project more than others (because project support in villages varied between 1 and 4 years).

Unconfirmed: 11 out of 13 projects [4, 5, 6, 7, 8, 9, 11, 12, 16, 27, 28]

H.8 Decision-making often has not been inclusive in CDD operations

Unconfirmed: 13 out of 13 projects. All the CDD projects invested in facilitating inclusive decision-making processes and the evaluations report (to a greater or lesser extent) that decision-making was inclusive.

H.9 CDD projects have generally increased women's voice and decision-making in project activities.

Confirmed: 10 out of 13 projects [3, 4, 5, 6, 7, 8, 9, 12, 16, 28]

Unconfirmed: 3 out of 13 projects.

Women benefitted in #10 Burkina Faso from improved access to drinking water which reduced drudgery and freed up time for other activities, literacy training and environmental and HIV/AIDS awareness-raising. However the project's impact on gender equality and women’s empowerment was uncertain. The main drawback was the lack of a clear and effective targeting strategy to reach the most vulnerable (which included women). Another limitation was the exclusion of income generating activities from the list of eligible investments that women and youth had identified during the planning process which then limited their participation and ability to benefit from the project.

#11 Cabo Verde had a clear gender strategy which was included in the operational plans of the project management unit and the decision-making multi-stakeholder committees above community level. Gender concerns were therefore mainstreamed throughout project activities improving women's access to social services as well as to training, productive activities, community micro- projects and income-generating activities. However, the evaluation notes that the project did not succeed in increasing the share of women in decision-making bodies. Only 44 per cent of the anticipated target (original target not found) was reached. The project completion report remarked that an in-depth analysis of the characteristics of the beneficiaries would have helped the programme to have a better understanding of the context, which would have helped to increase women's voice and influence in decision-making.

In #27 Nigeria, women were one of the main target beneficiaries and were targeted through the participatory approach. A large number of women benefitted from outreach, sensitization, participation and empowerment. While there was plenty of evidence of women being involved in groups and receiving a significant proportion of projects support, sound evidence could not be found that women had taken a bigger role in decision-making at the community-level. From the evaluation field visit, there was little evidence of women in positions of leadership – all of the community development association leaders met were male. The decision-making opportunities observed were largely to do with women

associations formed to access programme funds, but these associations were observed to be collapsing. With the CDD approach as the main vehicle to mobilise women, the transformative impact of the interventions may not have been as strong because of the limited role and space women had within the existing cultural norms and social structures.

H.10 CDD operations provided cost-effective Infrastructure.

Confirmed: 2 out of 13 projects. In #5 Ethiopia, the construction costs of health posts and schools compared favourably with those of similar NGO-led initiatives; the cost of PCDP II human health posts cost 42 per cent less than Government/NGO for comparable construction; for PCDP primary schools grade 1-4 it was 57 per cent less; and for animal health posts PCDP was 43 per cent less. According to the World Bank Implementation Completion and Results report this was due to communities' participation and implementation of procurement and supervision and because construction activities took less time because of the follow up and control by community committees.

In #27 Nigeria, some evidence was obtained that indicated greater efficiency under CBARDP compared to CBPRP and Government implemented assets. It was not possible to investigate these comparisons in detail, but one likely factor explaining the lower costs under CBARDP was that works or equipment were usually obtained or undertaken by direct hire rather than through the use of contractors, and this avoided commission costs. From the physical assets visited, the quality of construction appeared sound, on the whole, at least where the asset was still being used.

Unclear/not evaluated: 11 out of 13 projects [3, 4, 6, 7, 8, 9, 10, 11, 12, 16, 28]

H.11: CDD operations had good allocative efficiency.

Confirmed: 11 out of 13 projects [3, 4, 5, 7, 8, 9, 11, 12, 16, 27, 28]. The inclusive and participatory nature of decision-making in CDD projects led to good allocative efficiency in general, that is, the CDF investments were in line with target group priorities.

Unconfirmed: 2 out of 13 projects. CDD projects had more limited allocative efficiency when elite capture occurred (#10 Burkina Faso) and when CDF investments focused on NRM alone rather than also including short-term economic development (#6 Bolivia).

H.12: There have been substantial benefits from CDD projects in terms of household consumption and living standards

Confirmed: 9 out of 13 projects.

Unconfirmed: 3 out of 13 projects. In #6 Bolivia, the evaluation found evidence of a limited increase in income, rather than "substantial". In #10 Burkina Faso, the project's impact on income is not reported. Improvements in agricultural productivity owing to soil and water conservation measures and increased irrigation were significant at the plot level but limited overall by the modest surface area covered. The exclusion of income-generating activities from project support also reduced the potential for the target group to improve household income. In #27 Nigeria, there was an indication that the CDD project contributed to improved incomes and assets, but it appeared that this impact was highly localised, benefitting only a small number of beneficiaries.

Unclear/not evaluated: 1 out of 13 projects. #3 Pakistan

H.13: CDD projects have been effective building community capacities, becoming effective "development agents".

Confirmed: 12 out of 13 projects [3, 4, 5, 6, 7, 8, 9, 11, 12, 16, 27, 28]. Each of these projects provided examples of how capacity building of individuals and/ or groups enabled them to become effective development agents for their community. For example, in #11 Cabo Verde, the CDD project made good progress towards achieving most of its physical targets and in decentralization and community mobilization through the establishment of key decision-making mechanisms at community level, through community development associations (or Association Communautaire de développement, ACDs) and at regional level through multi-

stakeholder committees (Commissions Régionale des Partenaires, CRPs). Through the project, these bodies acted as local catalysts and supported communities to initiate and manage development investments in a transparent and accountable way that increased beneficiary ownership and contributed to sustainability. The support provided to ACDs and CRPs strengthened the institutions enabling them to become key actors in the development and poverty reduction process at local level and recognized partners by Government structures, NGOs and donors.

Elsewhere in #9 Peru, farmer-to-farmer training made it possible to identify and count on local technical specialists who were hired though competitions and selected and paid by the users themselves. In addition, guided tours or learning and internship routes facilitated the exchange of knowledge and experiences between families and similar communities, contributing to the development of human capital in communities and self-managed processes.

Unconfirmed: 1 out of 13 projects. In #10 Burkina Faso, the project reportedly missed the opportunity to strengthen the capacity of rural communities to coordinate and defend their interests beyond the village level.

H.14: CDD did not improve social cohesion and conflict.

Unconfirmed: 10 out of 13 projects [4, 5, 6, 7, 8, 10, 11, 12, 27, 28]. For example, the evaluation of #4 Philippines stated that the results suggested that cohesion improved within and between indigenous peoples tribes and between indigenous peoples tribes and others. Elsewhere in #12 Mauritania, the CDD project contributed to a relative improvement in social cohesion, peace, and solidarity within the oases, through the holding of numerous meetings for planning, assessment, awareness raising, training and co-financing of community investments. Construction of infrastructure also demanded collaboration between groups.

Unclear/not evaluated: 3 out of 13 projects. Impact on social cohesion AND conflict were not explicitly reported on in the evaluations of #3 Pakistan, #9 Peru, and #16 Vietnam. Instead the evaluation reports focused on other aspects of social capital.

H.15: CDD had no significant impact on social capital and empowerment.

Unconfirmed: 13 out of 13 projects [3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 16, 27, 28]. All CDD projects broadly report on the positive impact on social capital and empowerment of communities.

H.16: CDD/CBA have improved transparency, trust and downward accountability

Confirmed: 11 out of 13 projects [4, 5, 7, 8, 9, 10, 11, 12, 16, 27, 28]. For example, the effectiveness of #4 Philippines towards its fifth objective – to enhance the responsiveness of local government and other service providers to the diversified needs of the community - was really the crux of the project's success. Most of the local governments saw the project as integral to their ongoing role in supporting local communities. The capacity developed within the local governments provided the foundation for continued support to community-based development activities, e.g. the continuation of community-based planning, establishment of an economic development office to continue supporting livelihood activities, and allocations of staff and financial resources for institutional development activities. The project made a significant important contribution to institutional development in and beyond Northern Mindanao, particularly with regard to strengthening local government because the project was embedded in the devolved regional, provincial, municipal and barangay institutional structures.

The evaluation mission examined local government budgets to confirm that active support and budgetary allocations for community activities were continuing. All local governments reported how local planning had become more participatory, and appreciated community involvement in subproject implementation. The project database provided information on the range of activities conducted. Of the 47 local governments involved, 42 were very active and effective in supporting community priority activities. Five were only moderately effective in implementing project activities, for example, having achieved only one subproject or not incorporating the community plans into local government plans. These local governments either experienced political conflict within their areas of intervention, or their leaders

were unwilling to commit the necessary counterpart funds. The evaluation also found that the communities spoke of an improved relationship with local government officials and staff, which had led to increased visits by local government staff and more resources reaching the communities. Among other things, such support encompassed more timely veterinary support, agricultural training, free distribution of improved seed varieties, assistance with advocating for improved social services, and liaison with other agencies in relation to tenurial or environmental protection matters

Unconfirmed: 2 out of 13 projects. Participatory development in #3 Pakistan remained project centred despite the initial intention of mainstreaming it through devolution. Government's own local development approach still remained top-down and through an administrative system that was accountable to its own vertical hierarchy and not to the beneficiaries and communities. Development planning also remained top-down and had no mechanism or avenues to ascertain the community needs at the grassroots level.

In #6 Bolivia, the CDD project focused on improving development processes at the community level, rather than improving local governance. Attempts to coordinate interventions with the public sector were made difficult by political and institutional changes in the country. Agreements with municipalities were also lacking to give continuity to the actions after the closure of the project. However, the project did make the importance of direct transfers of resources to peasants visible, which were then reflected in government regulations. Community members also reported improved access to elective offices (thanks to their social empowerment enabled by the project) which could suggest greater transparency and trust between communities and local government.

H.17: CDD has helped building government capacities to implement participatory processes.

Confirmed: 7 out of 13 projects [4, 5, 8, 9, 10, 16, 27]. The evaluation of #10 Burkina Faso reports that "a definite contribution was made to the country's decentralization process, which is expected to raise the quality of public administration and service delivery in rural areas through more effective people's participation in decision-making and greater accountability on the part of the Government and service providers". The project supported 45 Provincial Technical Consultation Platforms (CCTPs), which were composed of public administration, technical services and development partners and responsible for identifying public investment priorities and coordinating and harmonizing development approaches in the different sectors. Although the project's most substantial contribution was probably the financing of quarterly CCPT sessions, it also provided essential training to members on topics such as decentralization laws and processes, communication skills and local development planning. A drawback was that consultation at the Provincial level remained largely project-driven. The development of a communal planning guide in French facilitated the production of communal development plans at the local level. Although this too was limited by the subsequent lack of local government resources (human and material) to implement them, relying instead on external donors.

Unconfirmed: 6 out of 13 projects [3, 6, 7, 11, 12, 28]. For example, the evaluation of #3 Pakistan found that there was good appreciation for CDD at state and district level. Especially at district level, government line department staff were clear about the value of working through organized communities and bottom-up needs identification to increase the effectiveness of infrastructure schemes, forestry projects, etc. However, this was not backed up by a strategy for mainstreaming best practices demonstrated by the project into public sector development planning and service delivery. The CDD approach was therefore unlikely to be continued after project completion.

In #28 Nepal, the Western Uplands Poverty Alleviation Project successfully strengthened institutions for CDD at community level but had limited impact at district level. Lack of engagement of, and coordination with, local authorities hampered this process. Moreover, there was hardly any achievement in relation to policy and strategy development or improvement.

H.18: Only few governments have adopted the CDD approach more widely (scaling up).

Confirmed: 4 out of 13 projects [3, 11, 12, 28]. The efforts for scaling up in #3 Pakistan were not evident during or after the programme. The subsequent government funded programme to strengthen and build on the project activities in the IFAD-supported CDD project could have been seen as a step towards scaling-up. However, meaningfully scaling-up CDD would have been highly difficult without policy dialogue promoting a more a conducive policy and institutional environment.

In #28 Nepal, there was no evidence of plans to engage government, other donors or communities to multiply the project's efforts and resources in CDD to achieve higher impact.

Unconfirmed: 9 out of 13 projects [4, 5, 6, 7, 8, 9, 10, 16, 27]. For example, in #4 Philippines, a number of processes were improved and were being adopted throughout the country, such as for establishing coalitions of indigenous people to identify land boundaries, reducing the time needed for free, prior and informed consent to facilitate approval of projects in line with government requirements, and merging local indigenous people laws with local government unit by-laws. These advances were the result of implementation experience and the advocacy of indigenous people leaders trained and supported with project support. The project also made a significant important contribution to institutional development in and beyond Northern Mindanao, particularly with regard to strengthening local government because the project was embedded in the devolved regional, provincial, municipal and barangay institutional structures. During the evaluation mission, several local governments explained how the training and practices supported under the project had been applied in other barangays, how they had improved several governance processes, particularly for subproject design and implementation, operation and maintenance mechanisms to enhance sustainability, and participatory planning.

H.19 Community ownership in CDD has enhanced the sustainability of community infrastructure.

Confirmed: 9 out of 13 projects [3, 4, 6, 7, 8, 9, 16, 27, 28]. For example, most settlements and communities visited by the evaluation mission of #7 Brazil had access to reservoirs, artesian wells or underground dams. Families in targeted settlements and communities harvested, installed and managed water efficiently, with continued technical assistance from strengthened local institutions and service providers. In many communities, however, water continued to be very scarce. The evaluation observed that management of limited water resources for irrigation by user associations was still largely based on oral agreements – representing a risk to sustainability.

Unconfirmed: 2 out of 13 projects [10, 12]. The evaluation of #12 Mauritania, found the prospects for the sustainability of water infrastructure to be low. The management and maintenance committees set up for this purpose lacked the necessary technical skills and the tools at their disposal were often poorly adapted to their needs. Water user associations lacked the financial means necessary to take charge of the maintenance of water infrastructure and the renewal of certain equipment. For example, water pricing, did not cover minimum recurrent costs. The fragility of the water management committees, which according to the mission's interviews show little control over the technical and financial management of the works, was also noted.

The evaluation of #10 Burkina Faso also found the capacity of infrastructure management and maintenance committees to be weak. User fee collection systems did not work well resulting in a lack of funds for maintenance but qualified people to undertake maintenance and repairs were also scarce. Municipalities that had been established during the project were not integrated into the management systems promoted. Capacity-building efforts of the infrastructure management and maintenance committees was too basic and uniform. However, the project completion report noted that the likelihood of sustainability was reasonable given that the project was supposed to be the first phase of a fifteen-year project.

Unclear/not evaluated: 2 out of 13 projects [5, 11].

H.20 Successful CDD depends on external facilitation.

Confirmed: 11 out of 13 projects [3, 4, 5, 6, 7, 8, 9, 10, 11, 16, 27]. For example, in Brazil [#7]. The project collaborated with civil society organizations such as NGOs, religious movements, trade unions and universities to provide technical services to communities. They delivered technical assistance, extension and advisory services covering a range of technical areas from irrigation and livestock development to gender and other social equity issues. The evaluation states that they benefitted from capacity building at the individual and organizational level, increasing their technical competence and ability to respond to the needs of communities. Subsequently, some organizations opened offices and offered their services in the target area. The NGOs were also credited as vehicles to scout for innovations that could be replicated and scaled up by the project. Rural trade unions that traditionally represented rural workers also broadened their membership base to include family farmers. The performance of NGOs as technical service providers improved during the course of the project owing to the training they received. The project also made contracts with NGOs renewable on an annual basis, which promoted continuity in implementation and incentivised good performance. Indeed, the project had a policy of working with the best available organizations and soon found new partners if they did not perform well.

In the case of Bolivia, the lack of involvement from municipalities was reported to have limited the potential outcomes of the CDD project. Although farmer-to-farmer training was a successful way to provide technical assistance, further support was required from the municipalities. Agreements were signed with them at the beginning of the project activities, but their presence was limited to the formal awards ceremonies in the contests and the organization of festive events. A more leading role by the municipalities was not foreseen in the design, nor was there a search for alliances with the government or other donors for larger infrastructure. The executing agencies of the project did not have the personnel with the training and time necessary to develop such interaction. It was noted that the resources of the municipalities were limited but that they had been growing strongly since 2010. Specific experiences observed by the evaluation mission showed the potential of alliances with municipalities to substantially improve the effectiveness of interventions. They could have: i) leveraged additional resources for productive development (infrastructure for irrigation, rural road, tractor services); ii) contributed to land use planning for better management of natural resources within the framework of municipal associations of municipalities; iii) supported access to new market opportunities.

Unconfirmed: 1 out of 13 projects [28]. In Nepal [28], the project partnered with NGOs in phases I and II (which were supply driven) but chose not to in phase III (which became demand-driven). In this last phase, the project decided to directly contract individual social mobilisers and service providers rather than go through NGOs, which had proved less efficient and less effective. Social mobilisers from the target communities were found to be an efficient and relatively low cost means of contributing to many results and achievements. They were engaged in the formation of community organizations, in support of households and in conducting a number of other project-related activities at local level. In particular, social mobilisers for communities contributed to the well-functioning community investment planning process. With that said, the project managed to strengthen institutions at community level, but not so much at district level, which hampered the sustainability of the the CDD approach.

Unclear/not evaluated: 1 out of 13 projects [12]. The evaluation of Mauritania does not clearly describe the existence or otherwise of external facilitation of the CDD approach in communities and the resulting impact on project effectiveness and impact.

H.21 Short project durations have limited the effectiveness of CDD approaches.

Irrelevant for the sample of 13 CDD projects. None of them had short project durations or they constituted part of a longer phased project. The shortest intended project duration was 6 years, in #4 Philippines and #7 Brazil, which were both extended for 1 year and 3 years, respectively. In Peru, #8 was a 7-year project as well as the second in a cluster of CDD projects in the Southern and Northern highlands of the country.

The importance of long project durations in CDD projects was nevertheless evident. The CDD project, #3 Pakistan, was 8 years long but project performance only improved from mid-term. The evaluation stated that for a project that hinged on community development and capacity building which is a naturally long-term process with no shortcut, a lot of time had been lost that could not be made up. In Brazil (#7) from 2000 to 2009, the territories that had benefited from the CDD project for long periods of time made significant improvements to local social capital. In territories supported near the end of the project, the impact was less visible. The evaluation concluded that a minimum support period that varies according to circumstances was required for organizations to consolidate changes in institutional capabilities and to enhance social capital. In Peru (#9), the CDD project benefitted from an earlier phase of the project as well as learning from two earlier projects in the country. By accumulating and capitalizing on these experiences, the CDD project not only maintained the approaches and methodologies that were innovative at the time, but also improved and adapted them to the local context to strengthen impact. Although several difficulties were experienced in the implementation of the CDD project in Burkina Faso (#10), it was the first phase of a three-phase project to be financed by the World Bank and the Government of Burkina Faso (the Community Based Rural Development Project, 2001 – 2018). The difficulties encountered could therefore be addressed in the later phases.

CDD-relevant projects sampled for quantitative review

Region	*Country*	*Project ID*	*Project name*
APR	Bangladesh	1100000343	Netrakona Integrated Agricultural Production and Water Management Project
APR	Bangladesh	1100001029	Agricultural Diversification and Intensification Project
APR	Bangladesh	1100001062	Third Rural Infrastructure Development Project
APR	Cambodia	1100001261	Rural Poverty Reduction Project in Prey Veng and Svay Rieng
APR	Cambodia	1100001350	Rural Livelihoods Improvement Project in Kratie, Preah Vihear and Ratanakiri
APR	Cambodia	1100001175	Community-Based Rural Development Project in Kampong Thom and Kampot
APR	China	1100001400	Inner Mongolia Autonomous Region Rural Advancement Programme
APR	China	1100001454	Dabieshan Area Poverty Reduction Programme (DAPRP)
APR	India	1100000282	Andhra Pradesh Tribal Development Project
APR	India	1100001063	Jharkhand-Chhattisgarh Tribal Development Programme
APR	India	1100000432	Mewat Area Development Project
APR	India	1100001210	Livelihood Security Project for Earthquake-Affected Rural Households in Gujarat
APR	India	1100001381	Women's Empowerment and Livelihoods Programme in the Mid-Gangetic Plains
APR	India	1100001155	Orissa Tribal Empowerment and Livelihoods Programme
APR	India	1100001226	Livelihoods Improvement Project in the Himalayas
APR	Indonesia	1100001112	Post-Crisis Programme for Participatory Integrated Development in Rainfed Areas
APR	Indonesia	1100001258	Rural Empowerment and Agricultural Development Programme in Central Sulawesi
APR	Laos	1100001207	Oudomxai Community Initiative Support Project
APR	Lao People's Democratic Rep	1100001396	Northern Region Sustainable Livelihoods through Livestock Development Project
APR	Nepal	1100001119	Western Uplands Poverty Alleviation Project
APR	Nepal	1100001030	Poverty Alleviation Project in Western Terai
APR	Pakistan	1100001182	North-West Frontier Province Barani Area Development Project

Region	*Country*	*Project ID*	*Project name*
APR	Pakistan	1100001245	Community Development Programme
APR	Pakistan	1100000319	Mansehra Village Support Project
APR	Pakistan	1100001077	Barani Village Development Project
APR	Pakistan	1100001078	Southern Federally Administered Tribal Areas Development Project
APR	Philippines	1100000486	Cordillera Highland Agricultural Resource Management Project
APR	Philippines	1100001137	Northern Mindanao Community Initiatives and Resource Management Project
APR	Philippines	1100001066	Western Mindanao Community Initiatives Project
APR	Sri Lanka	1100001254	Dry Zone Livelihood Support and Partnership Programme
APR	Sri Lanka	1100001316	Smallholder Plantations Entrepreneurship Development Programme
APR	Sri Lanka	1100001346	Post Tsunami Coastal Rehabilitation and Resource Management Programme
APR	Viet Nam	1100001202	Rural Income Diversification Project in Tuyen Quang Province
APR	Viet Nam	1100001552	Agriculture, Farmers and Rural Areas Support Project in Gia Lai, Ninh Thuan and Tuyen Quang Provinces
APR	Viet Nam	1100001091	Ha Tinh Rural Development Project
APR	Viet Nam	1100001272	Decentralized Programme for Rural Poverty Reduction in Ha Giang and Quang Binh Provinces
APR	Viet Nam	1100001422	Developing Business with the Rural Poor Programme
APR	Viet Nam	1100001483	Project for the Economic Empowerment of Ethnic Minorities in Poor Communes of Dak Nong Province
ESA	Burundi	1100001105	Rural Recovery and Development Programme
ESA	Eritrea	1100001359	Post-Crisis Rural Recovery and Development Programme
ESA	Eswatini	1100001159	Lower Usuthu Smallholder Irrigation Project - Phase I
ESA	Ethiopia	1100001458	Pastoral Community Development Project II
ESA	Ethiopia	1100001237	Pastoral Community Development Project
ESA	Kenya	1100001234	Mount Kenya East Pilot Project for Natural Resource Management
ESA	Kenya	1100001243	Southern Nyanza Community Development Project
ESA	Lesotho	1100001150	Sustainable Agriculture and Natural Resource Management Programme
ESA	Malawi	1100001164	Rural Livelihoods Support Programme

Region	*Country*	*Project ID*	*Project name*
ESA	Mauritius	1100001093	Rural Diversification Programme
ESA	Mozambique	1100001184	Sofala Bank Artisanal Fisheries Project
ESA	Mozambique	1100000359	Niassa Agricultural Development Project
ESA	Mozambique	1100001005	Family Sector Livestock Development Programme
ESA	Rwanda	1100000264	Byumba Agricultural Development Project - Phase II
ESA	Rwanda	1100001431	Kirehe Community-based Watershed Management Project
ESA	Rwanda	1100000314	Intensified Land Use Management Project in the Buberuka Highlands
ESA	South Sudan	1100001453	Southern Sudan Livelihoods Development Project
ESA	Tanzania	1100001006	Agricultural and Environmental Management Project
ESA	Uganda	1100001060	District Development Support Programme
ESA	Uganda	1100001369	District Livelihoods Support Programme
ESA	Zambia	1100001280	Rural Finance Programme
LAC	Argentina	1100001279	Patagonia Rural Development Project
LAC	Argentina	1100000506	Rural Development Project for the North-Eastern Provinces
LAC	Bolivia	1100001145	Management of Natural Resources in the Chaco and High Valley Regions Project
LAC	Bolivia	1100001298	Enhancement of the Peasant Camelid Economy Support Project
LAC	Brazil	1100001101	Sustainable Development Project for Agrarian Reform Settlements in the Semi-Arid North-East
LAC	Brazil	1100001335	Rural Communities Development Project in the Poorest Areas of the State of Bahia
LAC	Brazil	1100000493	Community Development Project for the Rio Gaviao Region
LAC	Dominican Republic	1100001068	South Western Region Small Farmers Project Phase II
LAC	Ecuador	1100001297	Development of the Central Corridor Project
LAC	Grenada	1100001181	Rural Enterprise Project
LAC	Guyana	1100001415	Rural Enterprise and Agricultural Development Project
LAC	Honduras	1100001198	National Programme for Local Development
LAC	Honduras	1100001407	Project for Enhancing the Rural Economic Competitiveness of Yoro

Region	*Country*	*Project ID*	*Project name*
LAC	Mexico	1100001268	Strengthening Project for the National Micro-watershed Programme
LAC	Panama	1100001389	Participative Development and Rural Modernization Project
LAC	Paraguay	1100001333	Empowerment of Rural Poor Organizations and Harmonization of Investments (Paraguay Rural) Project
LAC	Peru	1100000475	Management of Natural Resources in the Southern Highlands Project
LAC	Peru	1100001240	Market Strengthening and Livelihood Diversification in the Southern Highlands Project
LAC	Peru	1100001352	Project for Strengthening Assets, Markets and Rural Development Policies in the Northern Highlands
LAC	Venezuela	1100001252	Sustainable Rural Development Project for the Semi-Arid Zones of Falcon and Lara States Phase II
NEN	Azerbaijan	1100001148	Rural Development Programme for Mountainous and Highland Areas
NEN	Egypt	1100001050	Sohag Rural Development Project
NEN	Egypt	1100001204	West Noubaria Rural Development Project
NEN	Georgia	1100001147	Rural Development Programme for Mountainous and Highland Areas
NEN	Jordan	1100001071	National Programme for Rangeland Rehabilitation and Development - Phase I
NEN	Jordan	1100001295	Agricultural Resource Management Project - Phase II
NEN	Moldova	1100001265	Agricultural Revitalization Project
NEN	Morocco	1100000260	Livestock and Pasture Development Project in the Eastern region
NEN	Morocco	1100001178	Rural Development Project in the Mountain Zones of Al-Haouz Province
NEN	Morocco	1100001230	Livestock and Rangelands Development Project in the Eastern Region - Phase II
NEN	Sudan	1100001045	North Kordofan Rural Development Project
NEN	Sudan	1100001332	Butana Integrated Rural Development Project
NEN	Syrian Arab Republic	1100001073	Badia Rangelands Development Project
NEN	Syrian Arab Republic	1100001233	Idleb Rural Development Project
NEN	Syrian Arab Republic	1100001375	North-Eastern Region Rural Development Project
NEN	Tunisia	1100001104	Integrated Agricultural Development Project in the Governorate of Zaghouan
NEN	Tunisia	1100001213	Agropastoral Development and Local Initiatives Promotion Programme in the South-East
NEN	Turkey	1100001189	Sivas-Erzincan Development Project

Region	*Country*	*Project ID*	*Project name*
NEN	Turkey	1100001344	Diyarbakir, Batman and Siirt Development Project
NEN	Yemen	1100001061	Southern Governorates Rural Development Project
NEN	Yemen	1100001075	Raymah Area Development Project (RADP)
NEN	Yemen	1100001403	Rainfed Agriculture and Livestock Project
NEN	Yemen	1100001095	Al-Mahara Rural Development Project
NEN	Yemen	1100001195	Dhamar Participatory Rural Development Project
NEN	Yemen	1100001269	Al-Dhala Community Resources Management Project
NEN	Yemen	1100001293	Pilot Community-Based Rural Infrastructure Project for Highland Areas
WCA	Benin	1100001250	Rural Development Support Programme
WCA	Burkina Faso	1100001132	Community-Based Rural Development Project
WCA	Burkina Faso	1100001247	Sustainable Rural Development Programme
WCA	Cape Verde	1100001015	Rural Poverty Alleviation Programme
WCA	Chad	1100001144	Food Security Project in the Northern Guéra Region - Phase II
WCA	Chad	1100000469	Ouadis of Kanem Agricultural Development Project
WCA	Chad	1100001259	Kanem Rural Development Project
WCA	Congo	1100001311	Agricultural Rehabilitation Programme in Orientale Province
WCA	Cote D'Ivoire	1100001133	Small Horticultural Producer Support Project
WCA	Gambia	1100001152	Participatory Integrated-Watershed Management Project
WCA	Ghana	1100000477	Upper West Agricultural Development Project
WCA	Ghana	1100001124	Upper-East Region Land Conservation and Smallholder Rehabilitation Project PhaseII
WCA	Ghana	1100001183	Northern Region Poverty Reduction Programme
WCA	Guinea	1100001135	Programme for Participatory Rural Development in Haute-Guinée
WCA	Guinea	1100001345	Village Communities Support Project - Phase II
WCA	Guinea-Bissau	1100001278	Rural Rehabilitation and Community Development Project
WCA	Mali	1100000497	Zone Lacustre Development Project - Phase II

Region	*Country*	*Project ID*	*Project name*
WCA	Mauritania	1100001255	Oasis Sustainable Development Programme
WCA	Mauritania	1100001180	Maghama Improved Flood Recession Farming Project Phase II
WCA	Niger	1100000434	Special Country Programme - Phase II
WCA	Niger	1100001443	Agricultural and Rural Rehabilitation and Development Initiative Project - Institutional Strenghtening Component
WCA	Nigeria	1100001196	Community-Based Agricultural and Rural Development Programme
WCA	Nigeria	1100000273	Katsina State Agricultural and Community Development Project
WCA	Nigeria	1100000307	Sokoto State Agricultural and Community Development Project
WCA	Nigeria	1100001260	Community-Based Natural Resource Management Programme - Niger Delta
WCA	Sao Tome and Principe	1100001027	Participatory Smallholder Agriculture and Artisanal Fisheries Development Programme
WCA	Sierra Leone	1100001310	Rural Finance and Community Improvement Programme

Source: IFAD GRIPS.

Qualitative review sample

List of CDD projects sampled for qualitative review

	Serial no.	*Country*	Project *ID*	Project n*ame*	*Approval date*
PCD	#13	Bangladesh	1100000343	Netrakona Integrated Agricultural Production and Water Management Project	02/12/1993
	#21	Jordan	1100001071	National Programme for Rangeland Rehabilitation and Development	04/12/1997
CBD	#1	India	1100000282	Andhra Pradesh Tribal Development Project	04/04/1991
	#20	Brazil	1100001335	Rural Communities Development Project in the Poorest Areas of the State of Bahia	20/04/2006
	#24	Morocco	1100001178	Rural Development Project in the Mountain Zones of Al-Haouz Province	07/12/2000
	#25	Yemen	1100001075	Raymah Area Development Project	04/12/1997
	#26	Chad	1100001144	Food Security Project in the northern Guéra Region - Phase II	03/05/2000
PLG	#2	India	1100001063	Jharkhand-Chhattisgarh Tribal Development Programme	29/04/1999
	#14	Cambodia	1100001261	Rural Poverty Reduction Project (Prey Veng and Svay Rieng)	18/12/2003
	#15	China	1100001400	Inner Mongolia Autonomous Region Rural Advancement Programme	13/12/2007
	#17	Viet Nam	1100001552	Agriculture, Farmers and Rural Areas Support Project in Gia Lai, Ninh Thuan and Tuyen Quang	15/12/2010
	#18	Mozambique	1100001184	Sofala Bank Artisanal Fisheries Project	12/09/2001
	#19	Rwanda	1100001431	Kirehe Community-based Watershed Management Project	06/07/2013
	#22	Jordan	1100001295	Agricultural Resources Management Project-Phase II	02/12/2004
	#23	Morocco	1100000260	Livestock and Pasture Development Project in the Eastern region	19/04/1990
CDD	#3	Pakistan	1100001245	Community Development Programme	18/12/2003
	#4	Philippines	1100001137	Northern Mindanao Community Initiatives and Resource Management Project	06/12/2001
	#5	Ethiopia	1100001458	Pastoral Community Development Project - Phase II	15/09/2009
	#6	Bolivia	1100001145	Management of Natural Resources in the Chaco and High Valley Regions Project	13/09/2000
	#7	Brazil	1100001101	Sustainable Development Project for Agrarian Reform Settlements in the Semi-Arid North-East	03/12/1998
	#8	Peru	1100000475	Management of Natural Resources in the Southern Highlands Project	14/09/1995
	#9	Peru	1100001240	Market Strengthening and Livelihood Diversification in the Southern Highlands Project	17/12/2009

#10	Burkina Faso	1100001132	Community-based Rural Development Project	04/05/2000
#11	Cabo Verde	1100001015	Poverty Alleviation Programme	08/09/1999
#12	Mauritania	1100001255	Oasis Sustainable Development Programme	18/12/2003
#16	Viet Nam	1100001202	Rural Income Diversification Project in Tuyen Quang Province	06/12/2001
#27	Nigeria	1100001196	Community-based Agricultural and Rural Development Programme	16/09/2010
#28	Nepal	1000002482	Western Uplands Poverty Alleviation Project	06/12/2001

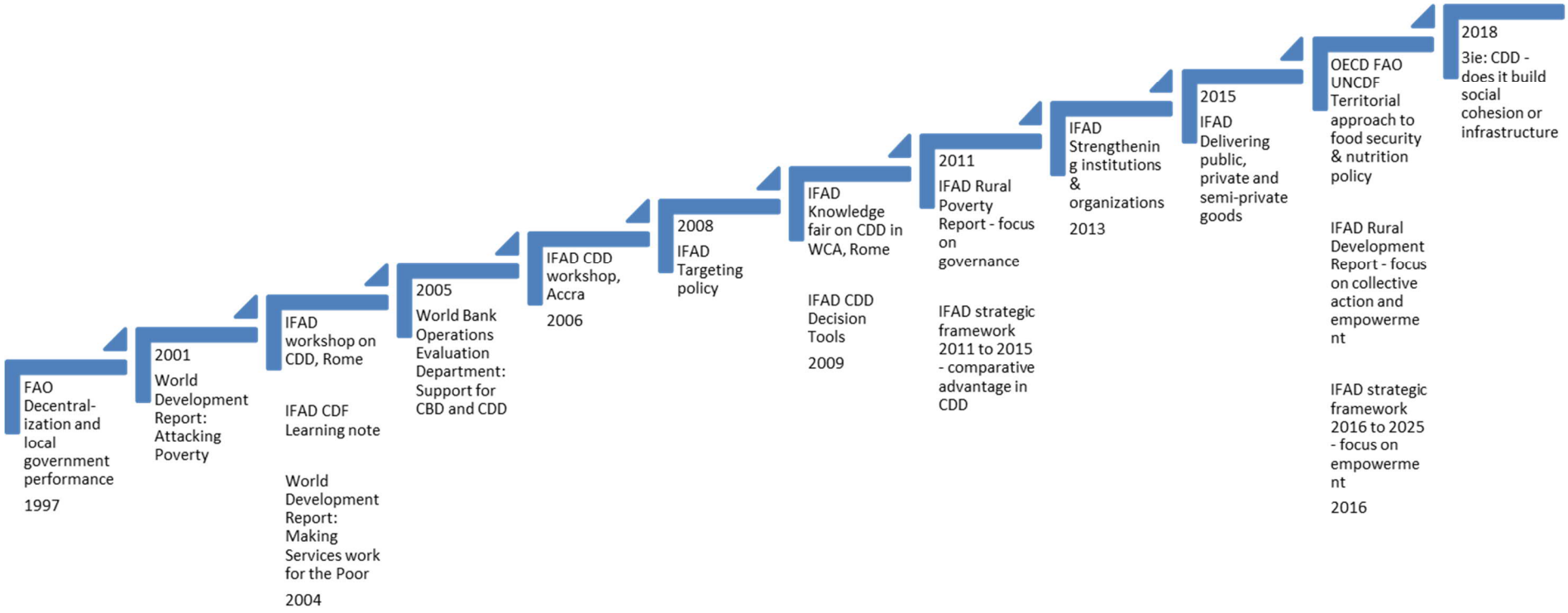
Source: IFAD GRIPS.

List of outliers

Serial no.	*Country*	*Region*	*Project ID*	*Project name*	*Approval year*	*Effectiveness*	*Efficiency*
I	India	APR	1100001210	Livelihood Security Project for Earthquake-Affected Rural Households in Gujarat	2001	3	2
II	India	APR	1100001381	Women's Empowerment and Livelihoods Programme in the Mid-Gangetic Plains	2006	2	2
III	Pakistan	APR	1100001078	Southern Federally Administered Tribal Areas Development Project	2000	2	2
IV	Malawi	ESA	1100001164	Rural Livelihoods Support Programme	2001	3	2
V	Mozambique	ESA	1100000359	Niassa Agricultural Development Project	1994	3	3
VI	Swaziland	ESA	1100001159	Lower Usuthu Smallholder Irrigation Project - Phase I	2001	3	2
VII	Grenada	LAC	1100001181	Rural Enterprise Project	2001	3	2
VIII	Mexico	LAC	1100001268	Strengthening Project for the National Micro-watershed Programme	2003	2	2
IX	Panama	LAC	1100001389	Participative Development and Rural Modernization Project	2008	3	2
X	Egypt	NEN	1100001050	Sohag Rural Development Project	1998	2	2
XI	Georgia	NEN	1100001147	Rural Development Programme for Mountainous and Highland Areas	2000	2	2
XII	Syrian Arab Republic	NEN	1100001233	Idleb Rural Development Project	2002	2	2
XIII	Chad	WCA	1100000469	Ouadis of Kanem Agricultural Development Project	1994	2	1
XIV	Chad	WCA	1100001259	Kanem Rural Development Project	2003	2	2
XV	Congo(The Democratic Republic)	WCA	1100001311	Agricultural Rehabilitation Programme in Orientale Province	2005	3	2
XVI	Ghana	WCA	1100000477	Upper West Agricultural Development Project	1995	2	4
XVII	Guinea	WCA	1100001135	Programme for Participatory Rural Development in Haute-Guinée	1999	3	2
XVIII	Guinea-Bissau	WCA	1100001278	Rural Rehabilitation and Community Development Project	2007	3	2
XIX	Niger	WCA	1100000434	Special Country Programme - Phase II	1995	2	2

Source: IFAD GRIPS.

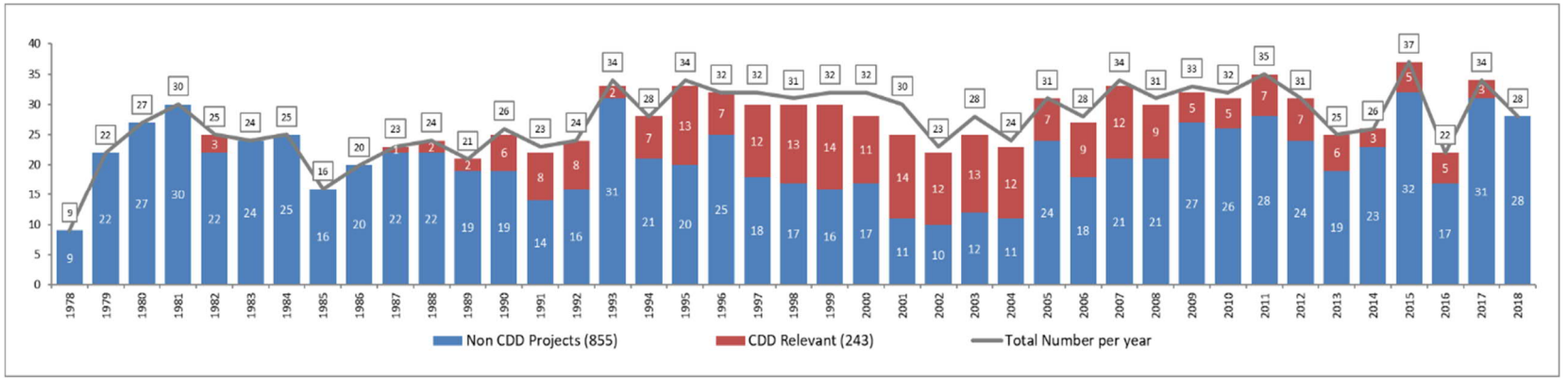
Timeline of key CDD-related documents and events



Source: Compiled by ESR on CDD.

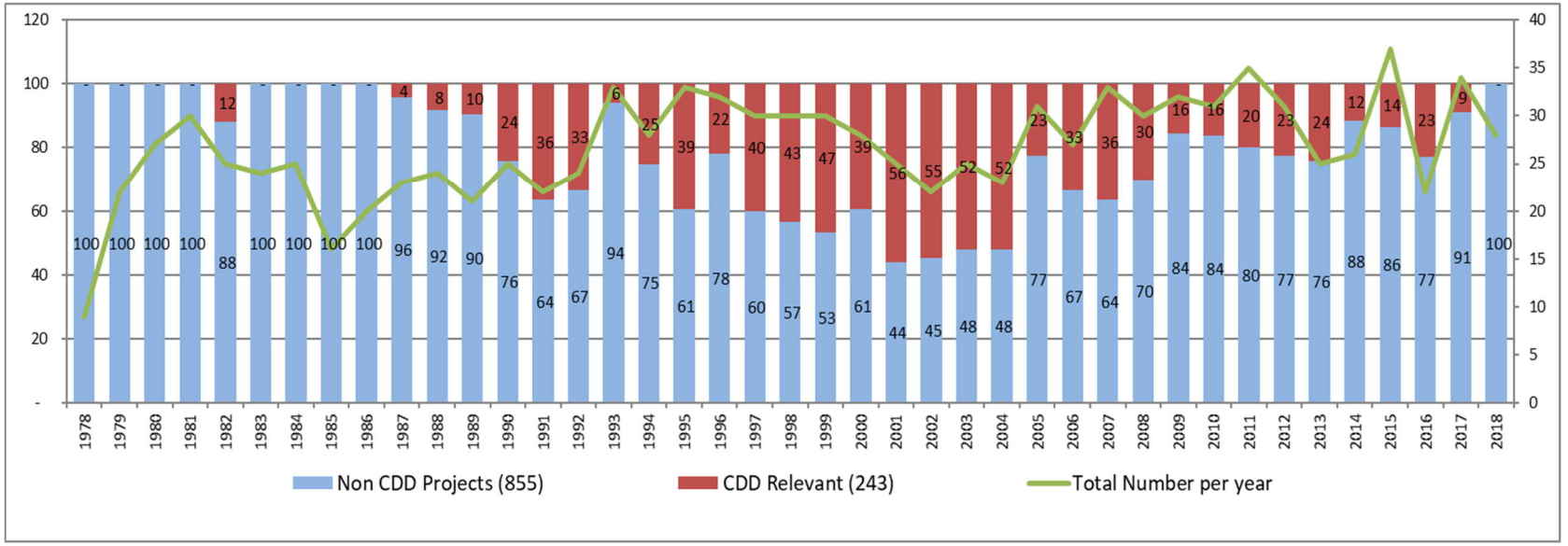
Supplementary graphs and tables

Figure 1
Trend of projects (non-CDD vs CDD) in portfolio by approval year



Source: IOE/ESR database – GRIPS.

Figure 2
Trend of percentages of approved amounts for CDD and Non CDD projects in portfolio by approval year



Source: IOE/ESR database – GRIPS.

Figure 3a
Number of CDD-relevant projects by region

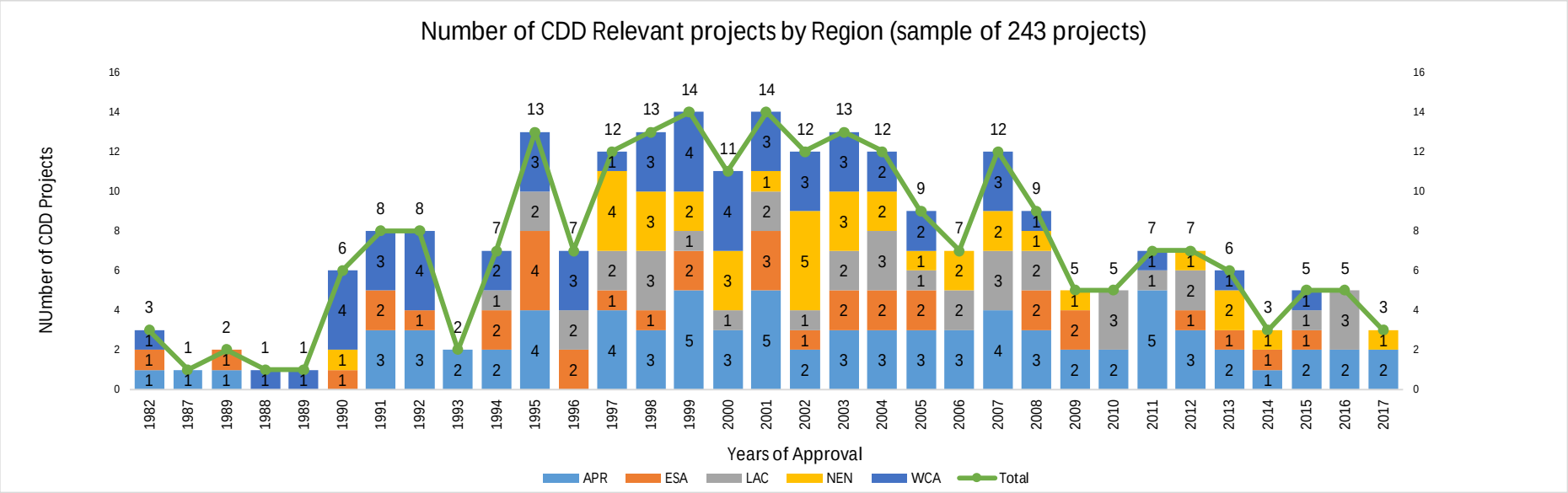


Figure 3b
CDD projects approved since 2012

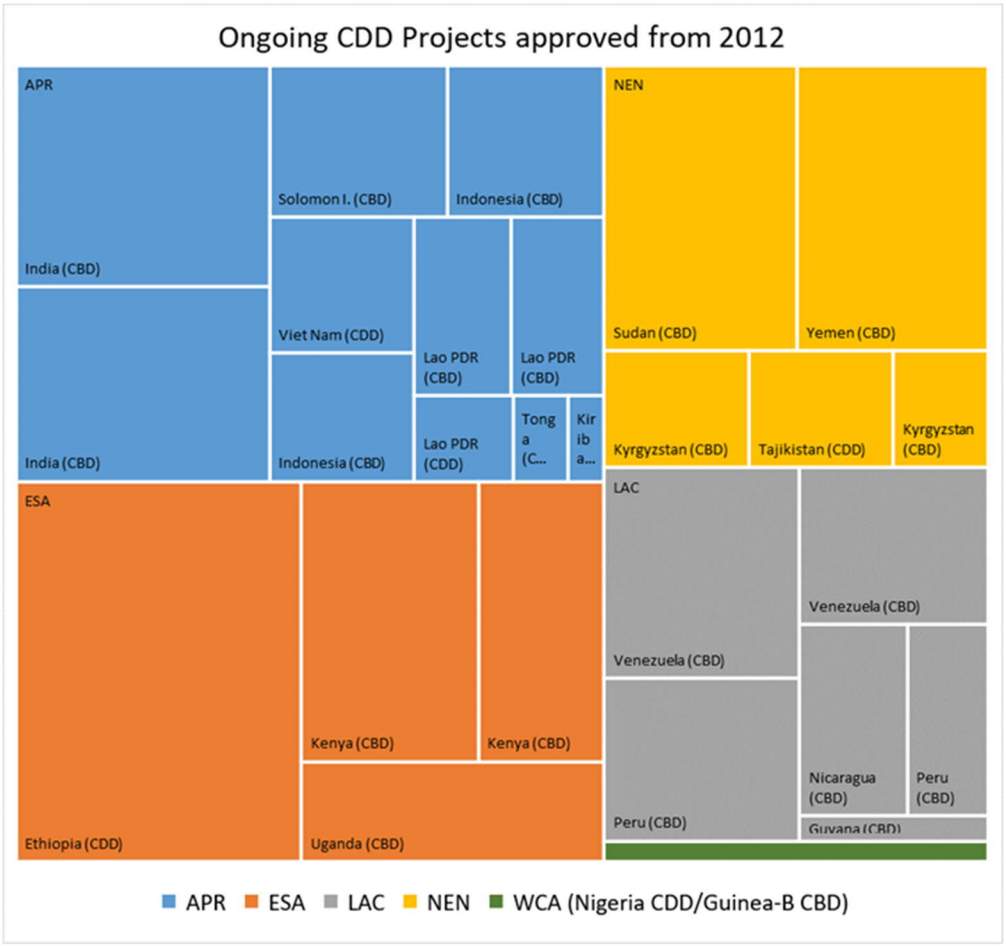
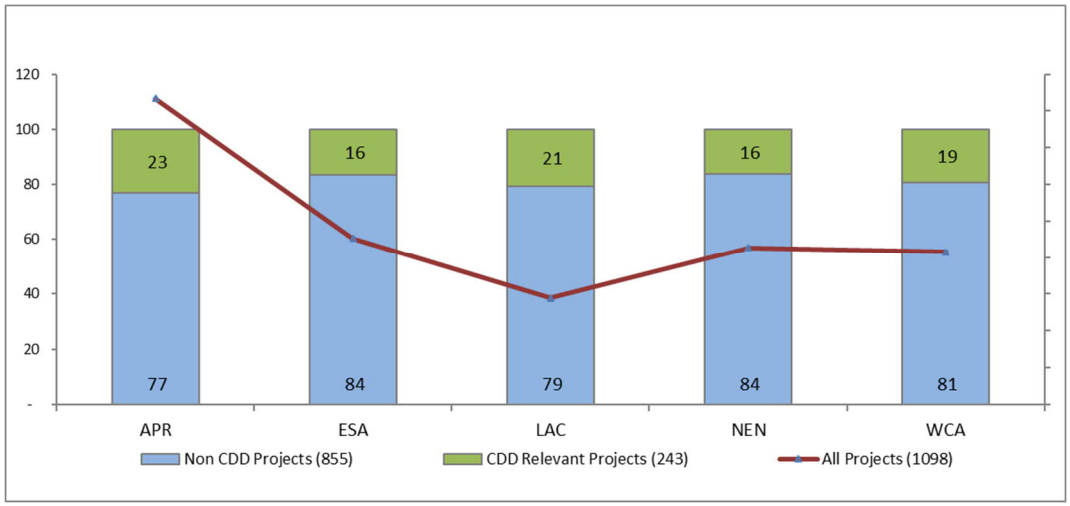
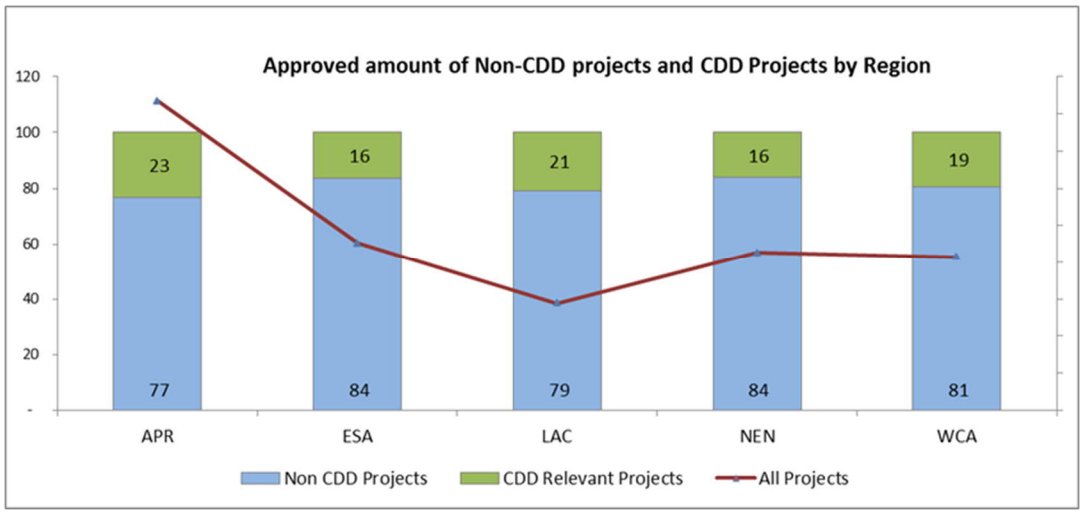


Figure 4
Percentage of non-CDD projects and CDD Projects by Region (number of projects)



Source: IOE/ESR database – GRIPS.

Figure 5
Percentage of approved amount of non-CDD projects and CDD projects by region

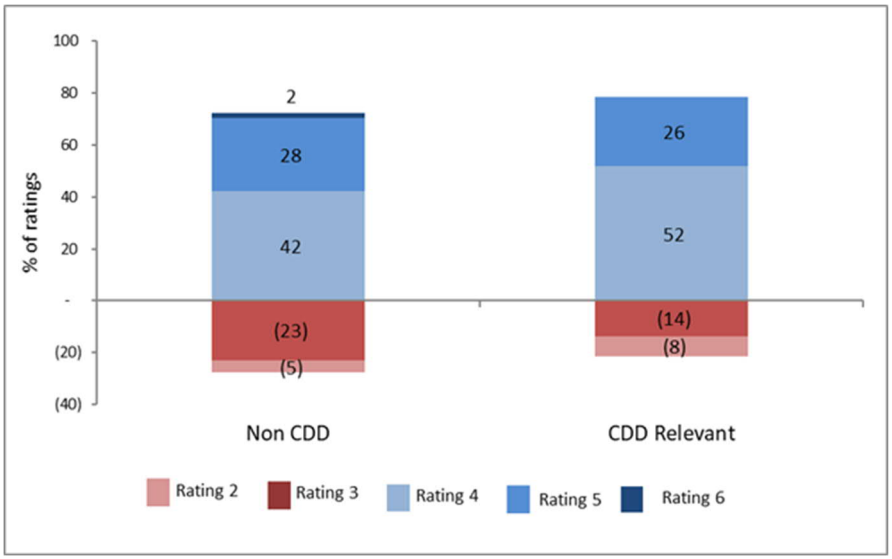


Source: IOE/ESR database – GRIPS.

1. IOE evaluated sample figures

1.1. Effectiveness

Figure 6
Mix of IOE Effectiveness ratings and percentage of projects

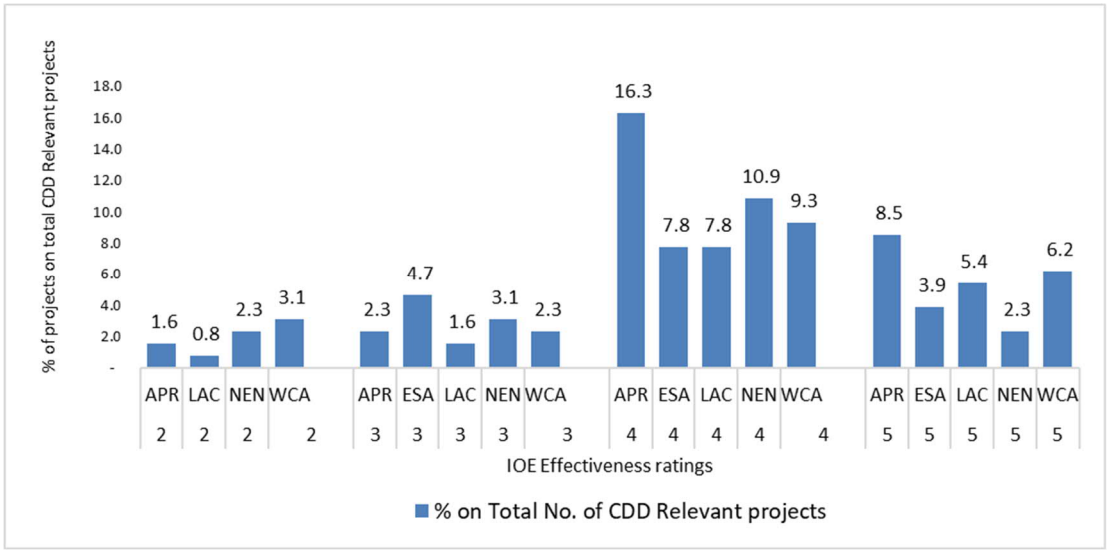


Source: IOE/ESR database.

1. The entire portfolio of IFAD's CDD projects in the analysis (132 completed projects approved between 1990 and 2010), effectiveness shows a higher share of satisfactory ratings (78 per cent) than Non CDD projects (sample of 215 completed projects approved between 1989 and 2011).

2. Within the CDD relevant projects, APR (8.5 per cent) and WCA (6.2 per cent) indicate the highest percentage of satisfactory ratings (5).

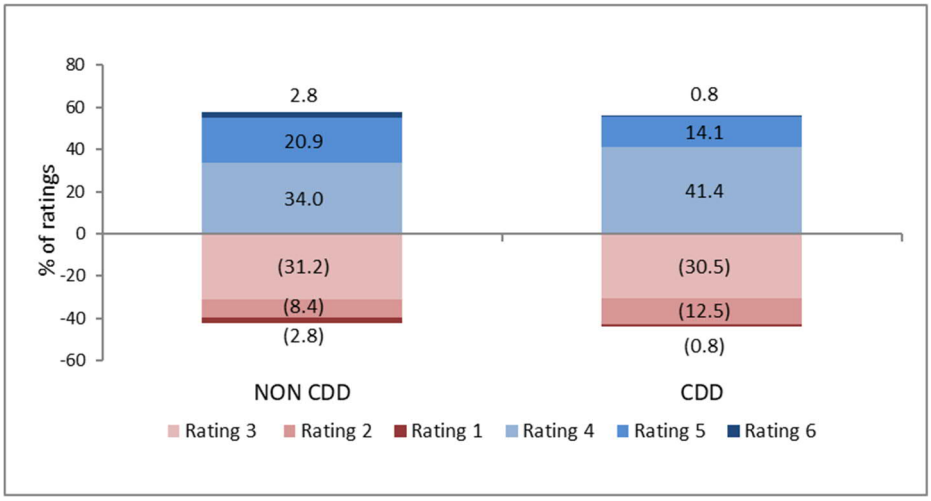
Figure 7
IOE Effectiveness in CDD selected sample (132 projects)



Source: IOE/ESR database.

1.2. Efficiency

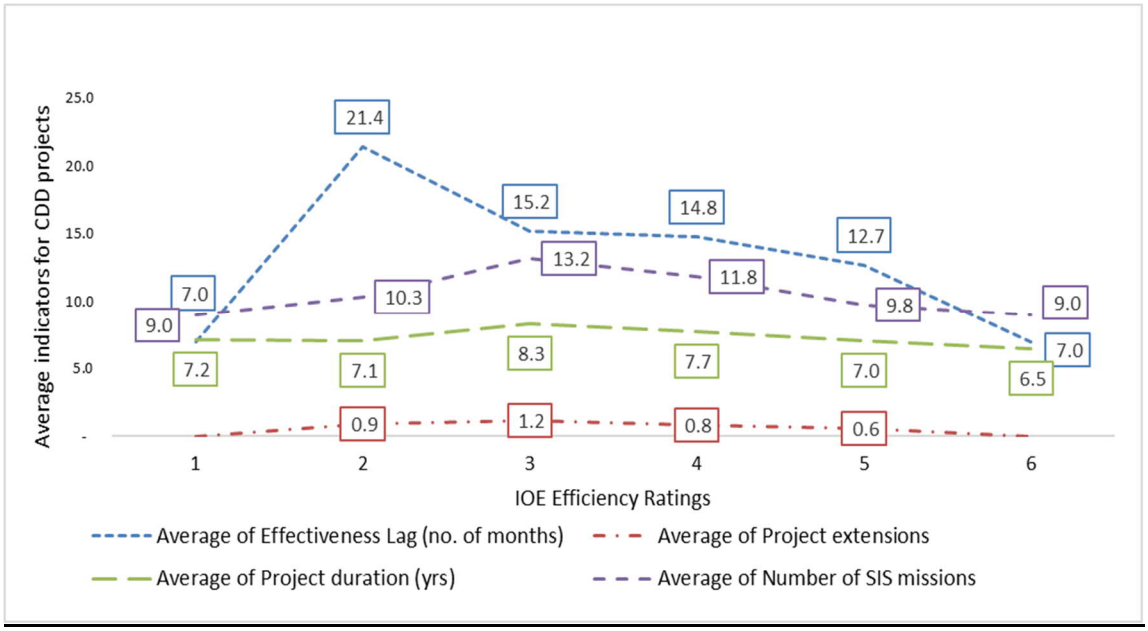
Figure 8
IOE efficiency mix of rating in in CDD and non-CDD projects



Source: IOE/ESR database.

3. CDD projects show an erratic trend in effectiveness lag, especially in projects with rating 2 (representing 12.5 per cent of CDD projects analysed), leading to a decreasing lag with higher efficiency ratings.

Figure 9
CDD projects efficiency ratings by effectiveness lag, project extensions, SIS missions and project duration



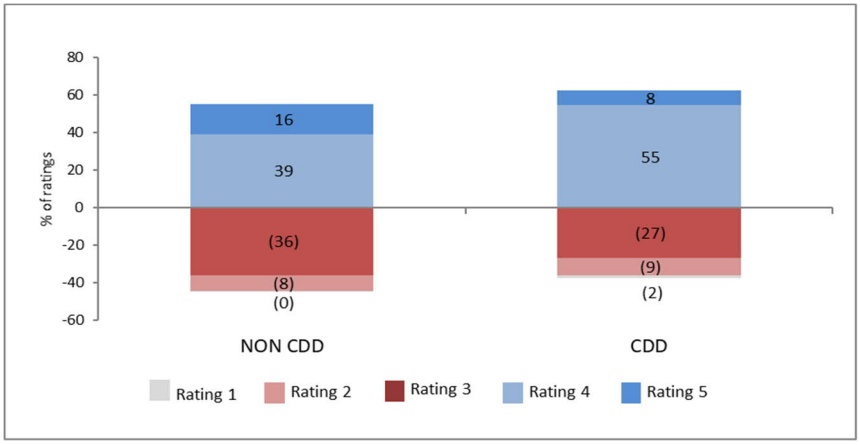
Source: IOE/ESR database.

1.3. Sustainability

4. The ratings mix for IOE sustainability ratings for the two groups of projects (CDD and Non CDD) shows that CDD projects have most of the positive ratings concentrated in moderately satisfactory and a slightly larger share of ratings 1 (highly unsatisfactory).

5. Overall, despite the larger satisfactory share of ratings than Non CDD, CDD projects have 50 per cent less of highly satisfactory ratings than Non CDD, which may imply that the actual level of sustainability does not necessarily reflects long term results.

Figure 10.
IOE Sustainability mix of ratings in in CDD and non-CDD projects

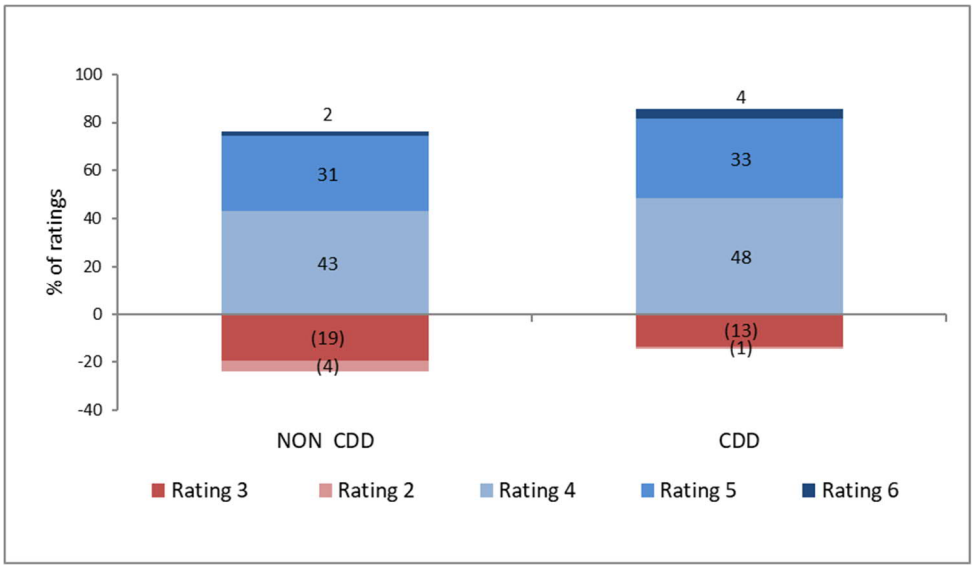


Source: IOE/ESR database.

1.4. Gender equality and women's empowerment

6. The ratings mix for IOE GEWE for the two groups of projects shows that CDD projects have a larger share of satisfactory ratings (33 per cent) and some highly satisfactory ratings as well (4 per cent).

Figure 11
IOE GEWE mix of ratings in in CDD and non-CDD projects

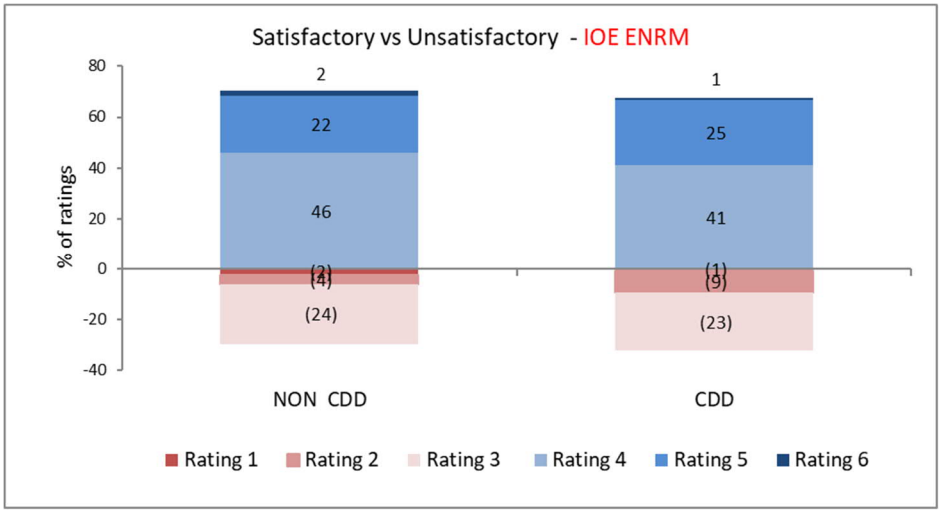


Source: IOE/ESR database.

1.5. Environment and natural resources management.

7. The ratings mix for IOE ENRM reflects the same distribution for both CDD and Non CDD, without any major difference between the two groups of projects.

Figure 12
IOE ENRM in CDD and non-CDD projects

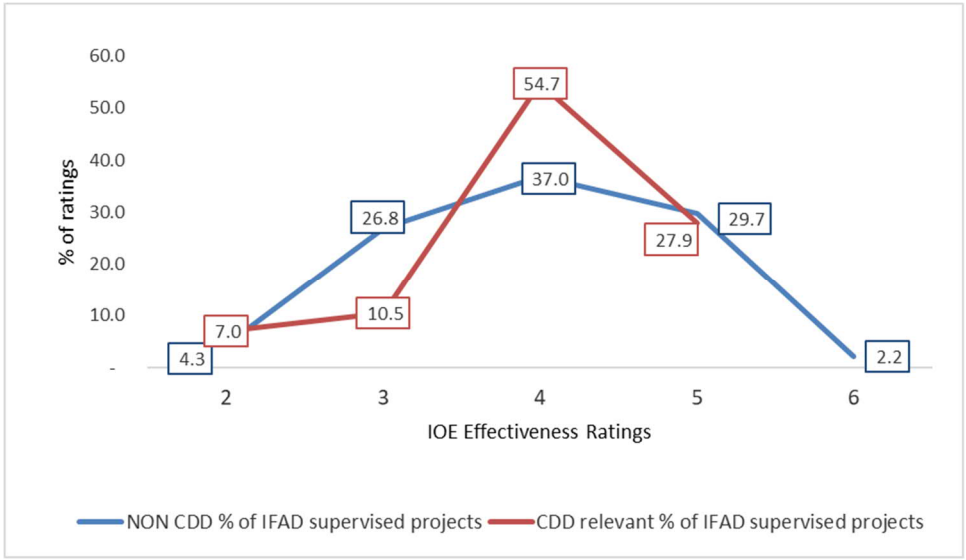


Source: IOE/ESR database.

2. CDD performance and supervision

8. Effectiveness in IFAD supervised Projects. In terms of distribution of ratings, positive performance is driven by a high concentration of moderately satisfactory ratings for CDD projects (54.7 per cent of the projects).

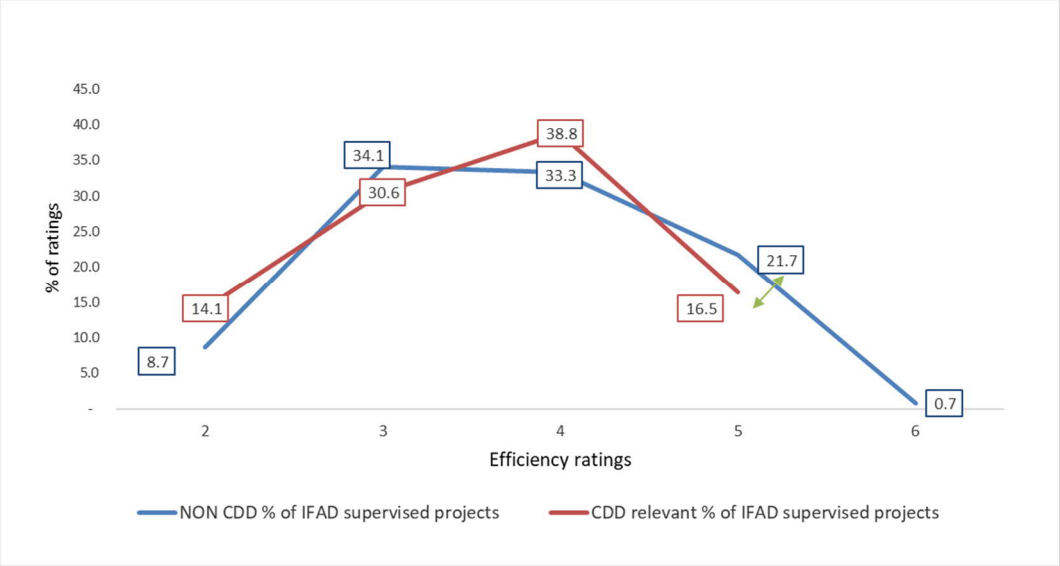
Figure 13
Distribution of effectiveness ratings – IFAD supervised projects



Source: IOE/ESR database.

9. Efficiency in IFAD supervised Projects. In terms of ratings mix, there is no major difference between the two groups, except for a noticeable gap in rating satisfactory (5), in favour of Non CDD projects.

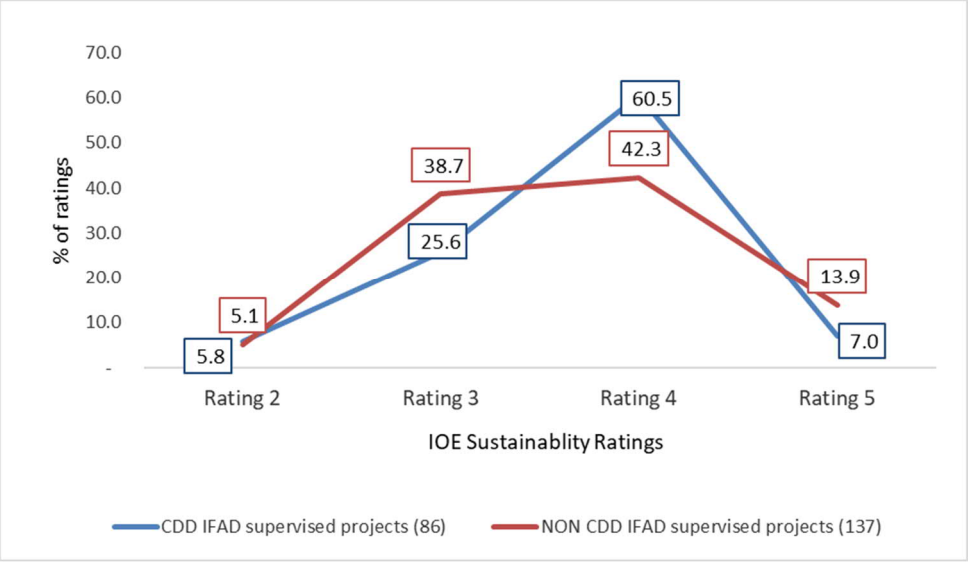
Figure 14
Distribution of efficiency ratings – IFAD supervised projects



Source: IOE/ESR database.

10. Sustainability in IFAD supervised projects. In terms of ratings mix, CDD projects show a higher share of moderately satisfactory ratings, which drive the overall better performance in sustainability than Non CDD. However, the latter perform better with satisfactory ratings (5), with almost double the share than CDD projects.

Figure 15
Distribution of sustainability ratings – IFAD supervised projects

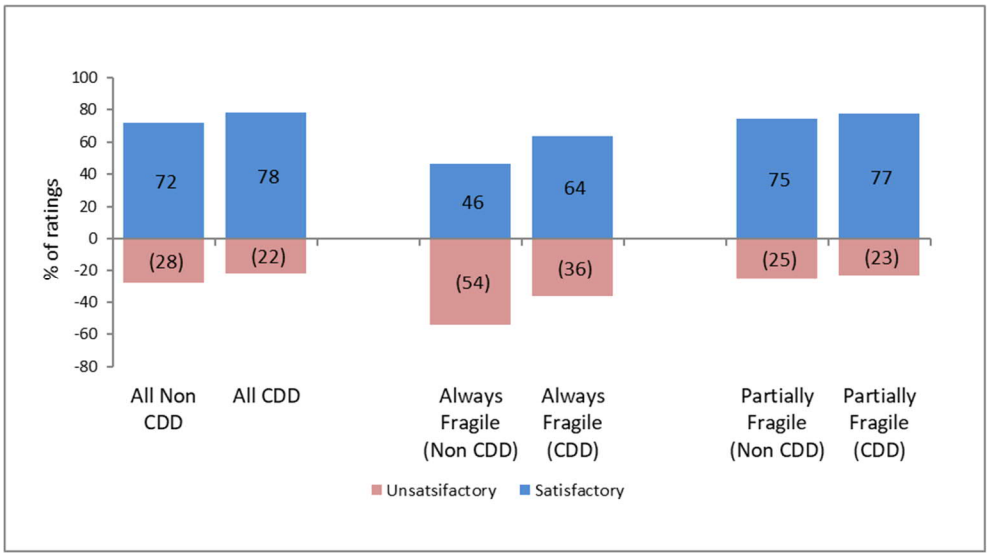


Source: IOE/ESR database.

3. CDD performance fragile countries.

11. Effectiveness of CDD project in fragile countries. CDD relevant projects in always fragile countries show a better performance in effectiveness than Non CDD. They also show: (i) an average project duration between 7 and 12 years for 65 per cent of projects; (ii) an average co-financing of 43.8 per cent.

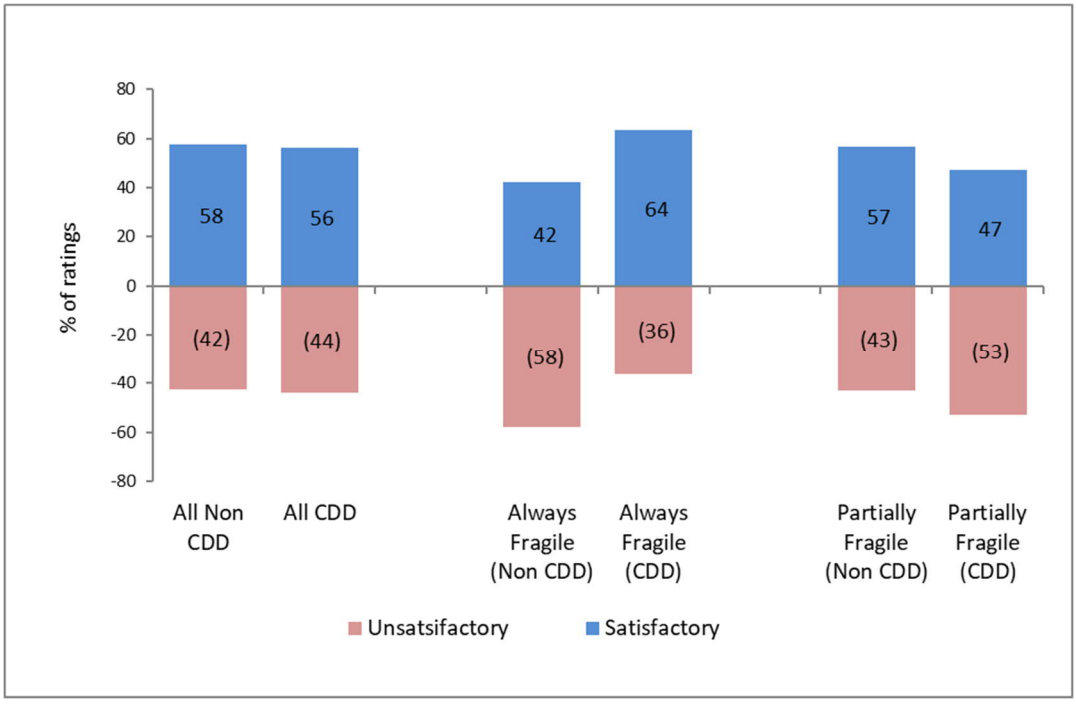
Figure 16
Satisfactory vs unsatisfactory – IOE effectiveness in CDD and non-CDD projects in fragile countries*



*Fragile countries definition used in CLE IFAD's Engagement in Fragile and Conflict-affected states and situations (May 2015)
Source: IOE/ESR database.

12. Efficiency of CDD project in fragile countries. CDD projects perform better than Non CDD in always fragile countries. CDD projects in fragile countries also show: (i) an average effectiveness lag of 14 months; and (ii) an average number of 13 SIS Mission per project.

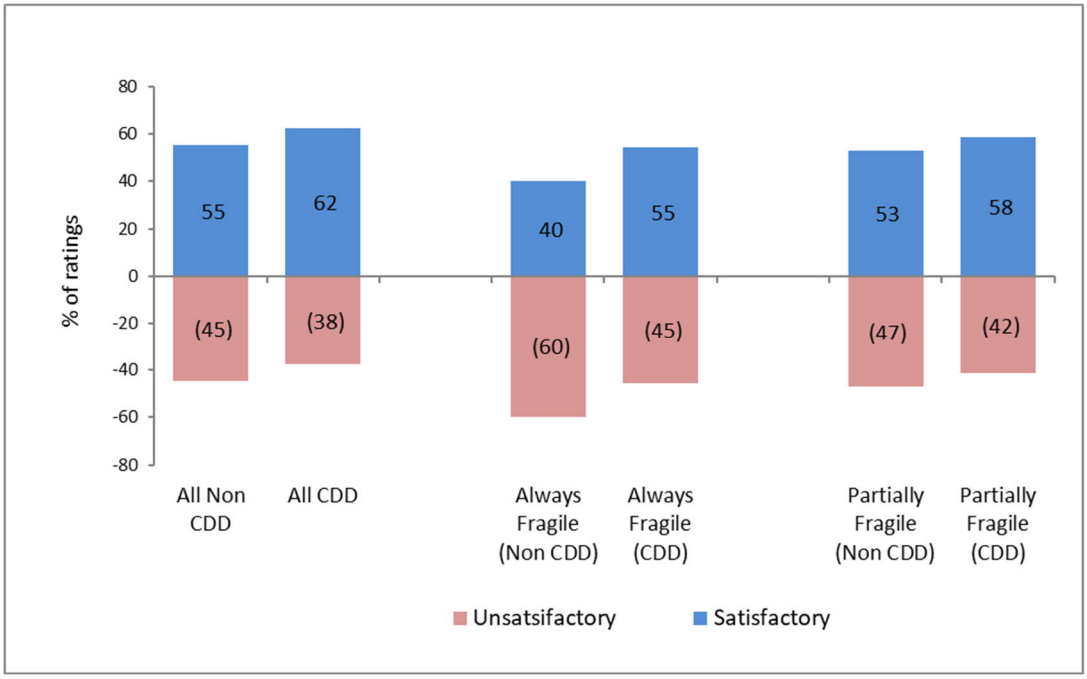
Figure 17
Satisfactory vs unsatisfactory – IOE efficiency in CDD and non-CDD projects in fragile countries *



*Fragile countries definition used in CLE IFAD's Engagement in Fragile and Conflict-affected states and situations (May 2015)
Source: IOE/ESR database.

13. Sustainability of CDD project in fragile countries. CDD projects perform better than Non CDD in fragile countries, especially always fragile ones.

Figure 18
Satisfactory vs unsatisfactory – IOE sustainability in CDD and non-CDD projects in fragile countries *



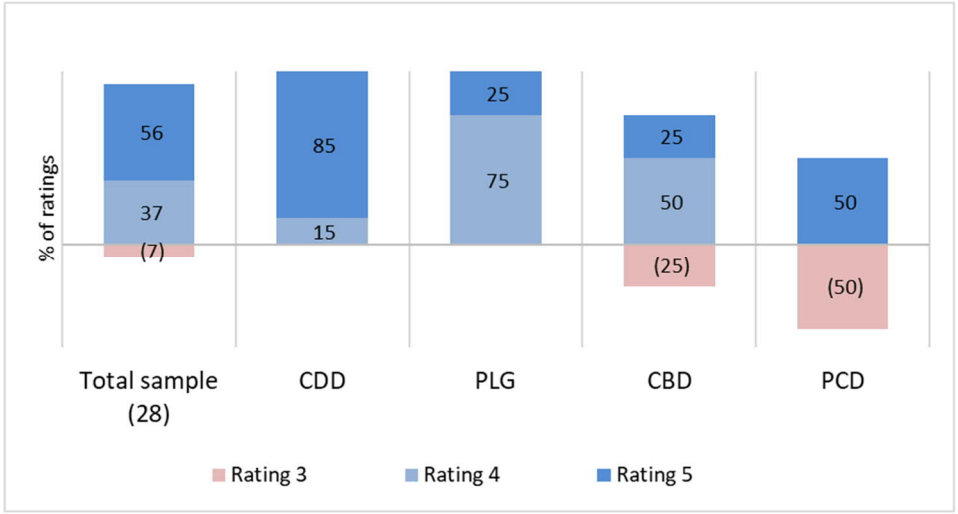
*Fragile countries definition used in CLE IFAD's Engagement in Fragile and Conflict-affected states and situations (May 2015).
Source: IOE/ESR database.

4. Performance in qualitative review sample

14. The detailed review is based on a 28 selected CDD projects, divided in four different typologies: 13 CDD projects, 8 PLG projects, 5 CBD projects and 2 PCD projects.

15. Effectiveness in selected sample. CDD projects drive the positive performance in effectiveness, followed by the PLG typology.

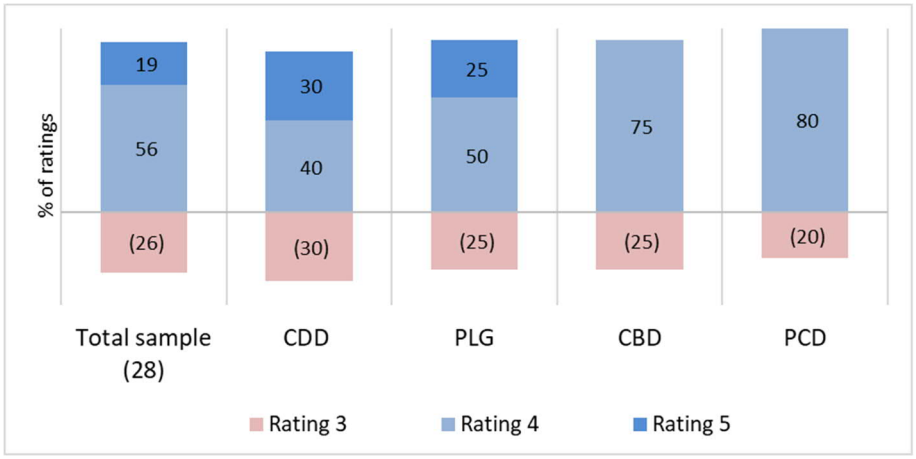
Figure 19
IOE effectiveness ratings – satisfactory vs unsatisfactory by CDD sample typology



Source: IOE/ESR database.

16. Efficiency in selected sample. Efficiency performance is overall balanced amongst the different typologies of CDD projects.

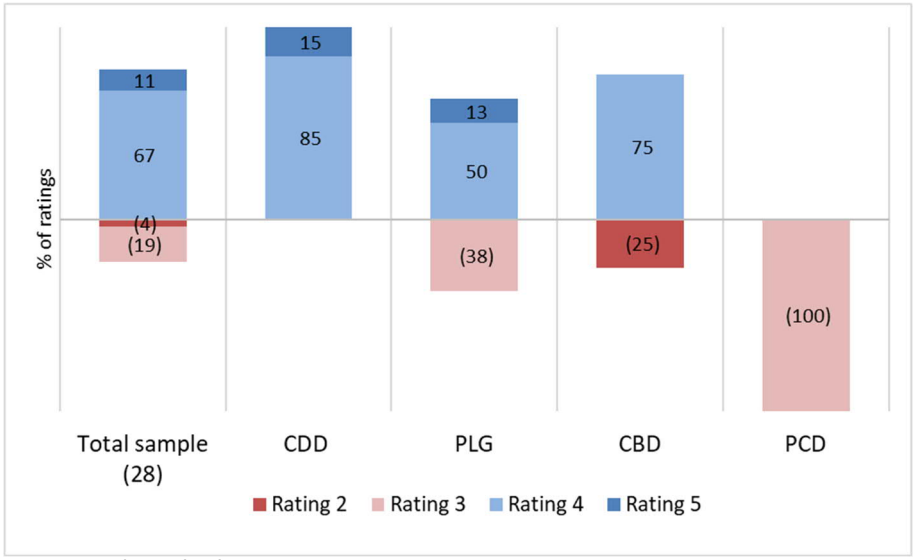
Figure 20
IOE efficiency ratings - satisfactory vs unsatisfactory by CDD sample typology



Source: IOE/ESR database.

17. Sustainability in selected sample. CDD projects show the highest share of sustainability amongst the different typologies. Unsatisfactory ratings are driven by PLG and PCD projects.

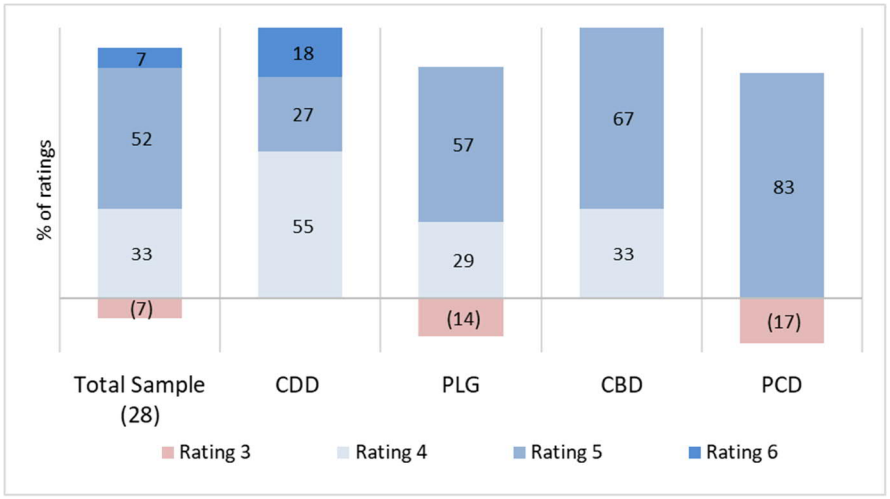
Figure 21
IOE efficiency ratings - satisfactory vs unsatisfactory by CDD sample typology



Source: IOE/ESR database.

18. GEWE in selected sample. CDD projects show a high percentage of satisfactory ratings.

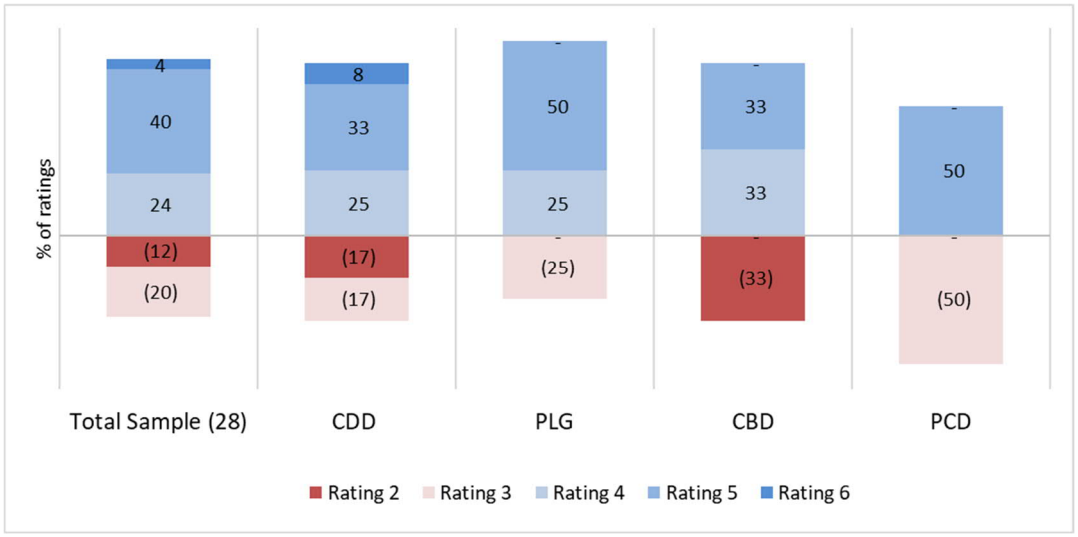
Figure 22
IOE GEWE ratings - satisfactory vs unsatisfactory by CDD sample typology



Source: IOE/ESR database.

19. ENRM in selected sample. CDD and CBD projects show the highest percentage of unsatisfactory ratings (2) in ENRM.

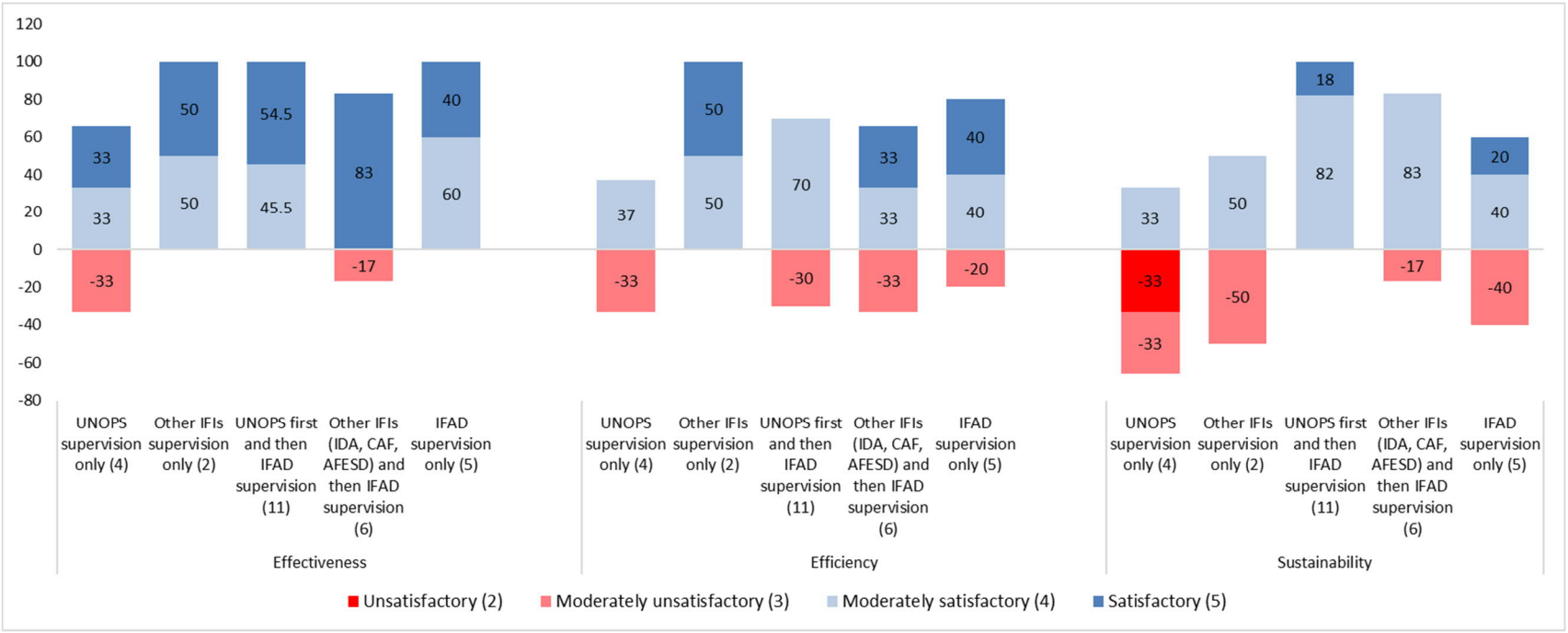
Figure 23
IOE GEWE ratings - satisfactory vs unsatisfactory by CDD sample typology



Source: IOE/ESR database.

20. Supervision in selected sample. The selected projects have been classified based on five different criteria: (i) projects that were supervised by UNOPS only; (ii) projects that were supervised by other IFIs); (iii) projects that started with UNOPS supervision then taken over by IFAD; (iv) projects that started with other IFIs' supervision then taken over by IFAD; and (v) projects that have been supervised exclusively by IFAD form the beginning.

Figure 24
Performance of project supervisions in selected sample



Source: IOE/ESR database.

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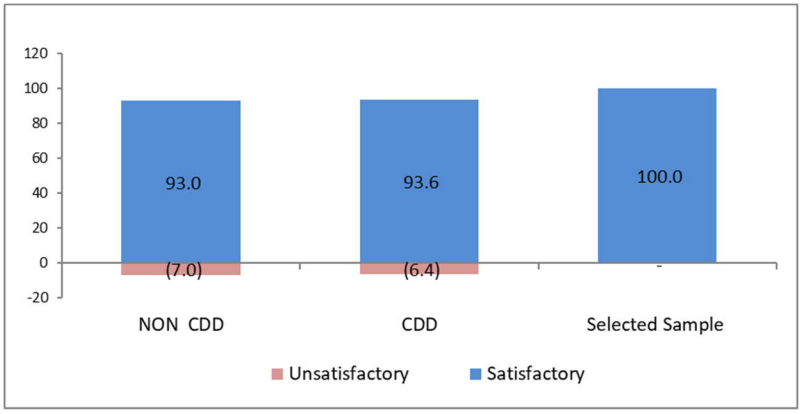
21. CDD performance (ORMS criteria). The following PSR criteria have been used to analyse performance of CDD and Non CDD projects: (i) quality of beneficiary participation; (ii) institutions and policy engagement; (iii) human and social capital empowerment; and (iv) targeting and outreach.

22. Quality of beneficiary participation. No difference noticed in performance between CDD and Non CDD projects. The selected sample only shows positive ratings.

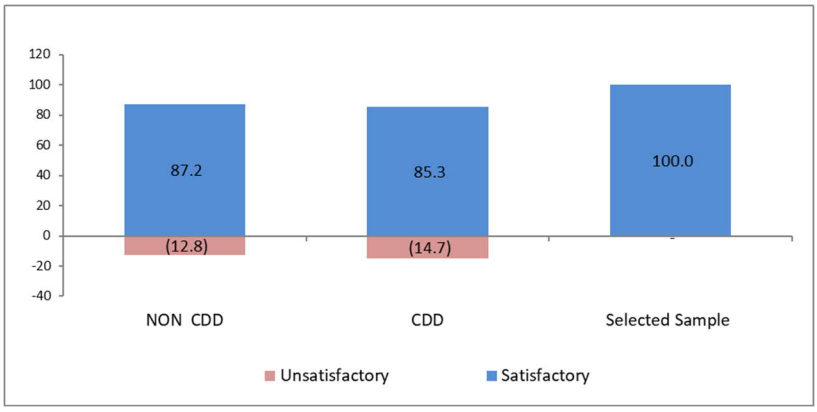
Figure 25
Satisfactory vs unsatisfactory PSR ratings on quality of beneficiary participation CDD vs non-CDD projects



Source: ORMS data.

23. Institutions and policy engagement. CDD projects show more unsatisfactory ratings than non CDD projects.

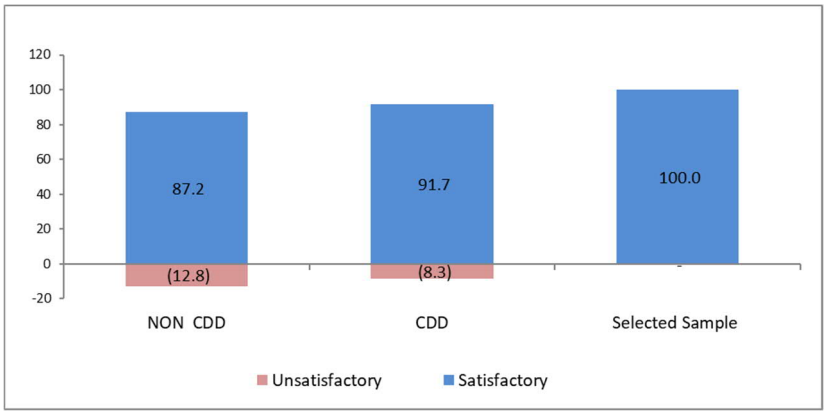
Figure 26
Satisfactory vs unsatisfactory PSR ratings on institutions and policy engagement CDD vs non-CDD projects



Source: ORMS data.

24. Human and social capital empowerment. CDD projects perform better than non CDD projects.

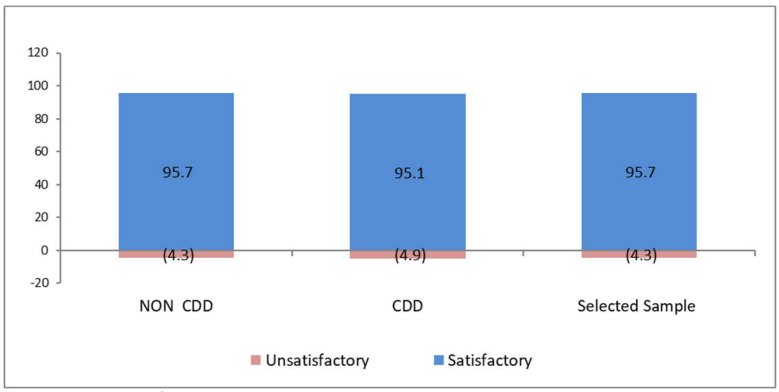
Figure 27
Satisfactory vs unsatisfactory PSR ratings on human and social capital empowerment CDD vs non-CDD projects



Source: ORMS data.

25. Targeting and outreach. Full alignment in ratings between CDD and non CDD projects.

Figure 28
Satisfactory vs unsatisfactory PSR ratings on targeting outreach CDD vs non-CDD projects

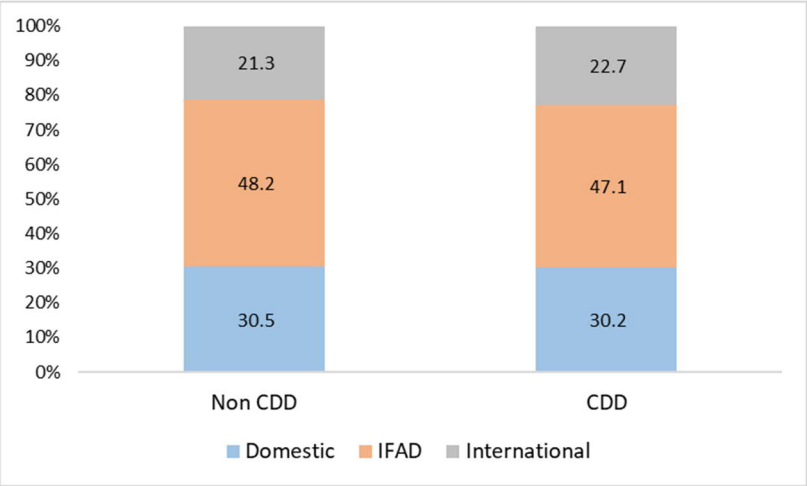


Source: ORMS data.

5. CDD Co-financing and partnerships.

26. Co-financing. The proportions of domestic, IFAD and international financing are similar for both CDD and Non CDD projects. About 23 per cent of IFAD-supported projects with elements of CDD is co-financed by international organizations.

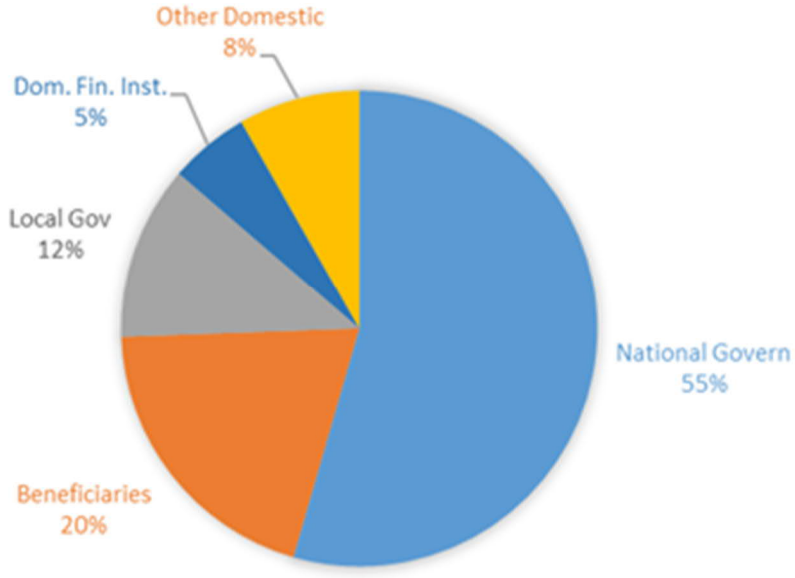
Figure 29
Share by financier type in CDD and Non CDD projects (based on approved amount within sample of completed and evaluated projects in ESR dataset: 347 projects)



Source: IOE/ESR database.

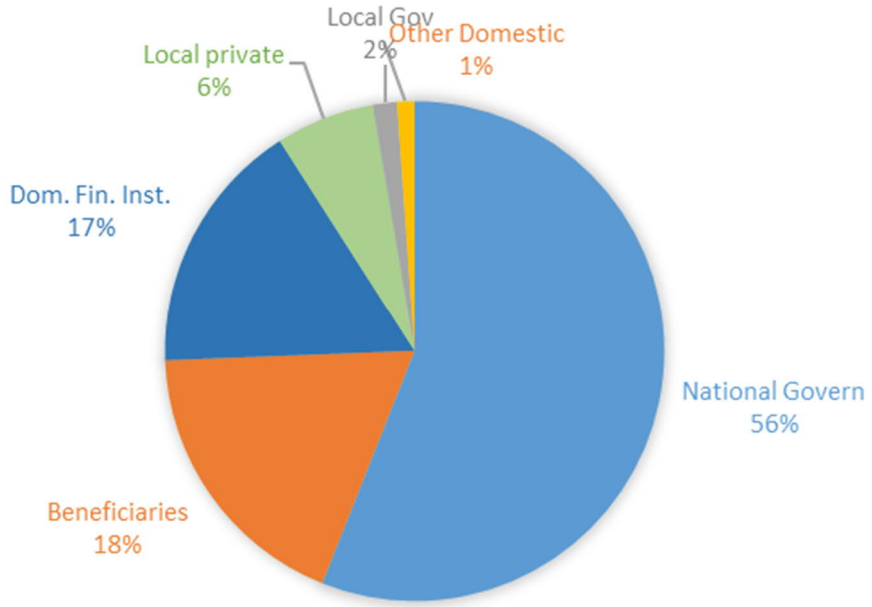
27. Within the domestic contributions, it is noticeable how much higher the proportion of local government is in CDD projects (12 per cent) in comparison to non-CDD projects (2 per cent). Financing by domestic financial institutions is higher in non-CDD, while contributions from national government and beneficiaries are aligned in both CDD and non-CDD.

Figure 30
Domestic financing in CDD (approved amount - sample of 132 projects)



Source: IOE/ESR database and ORMS.

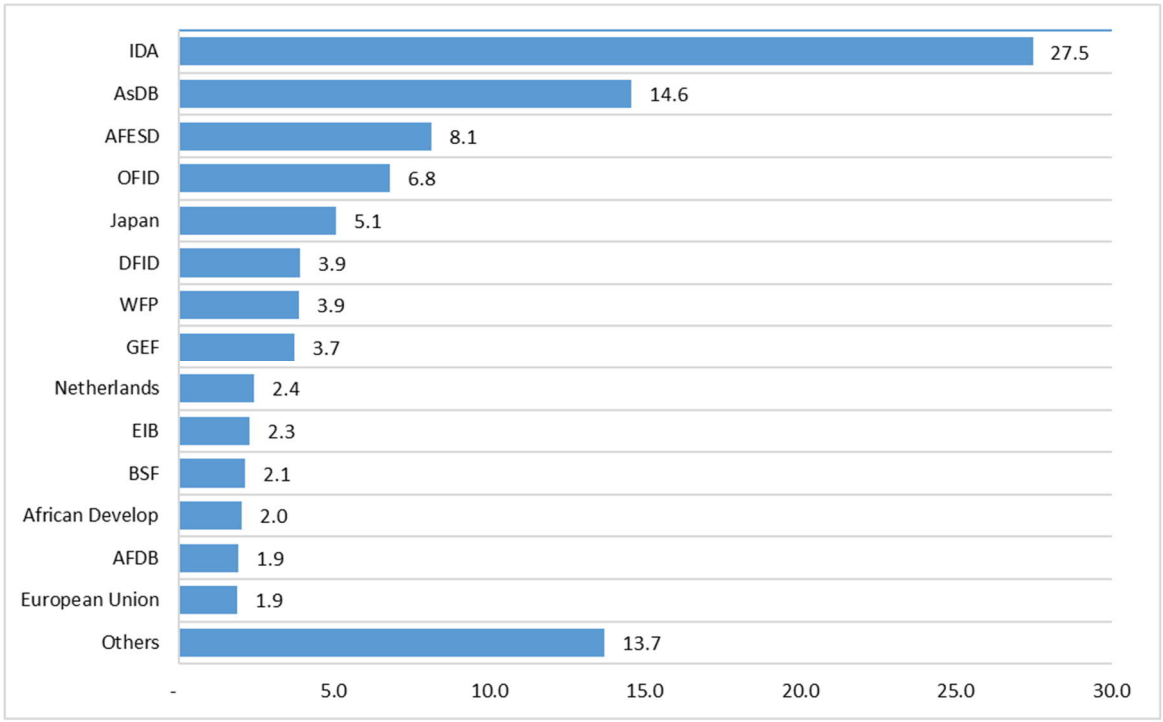
Figure 31
Domestic financing in non CDD (approved amount - sample of 215 projects)



Source: IOE/ESR database and ORMS.

28. Partnerships. IDA, AsDB and AFESD alone contribute to 50 per cent of international financing in CDD projects, while the remaining half is distributed amongst 36 different financiers.

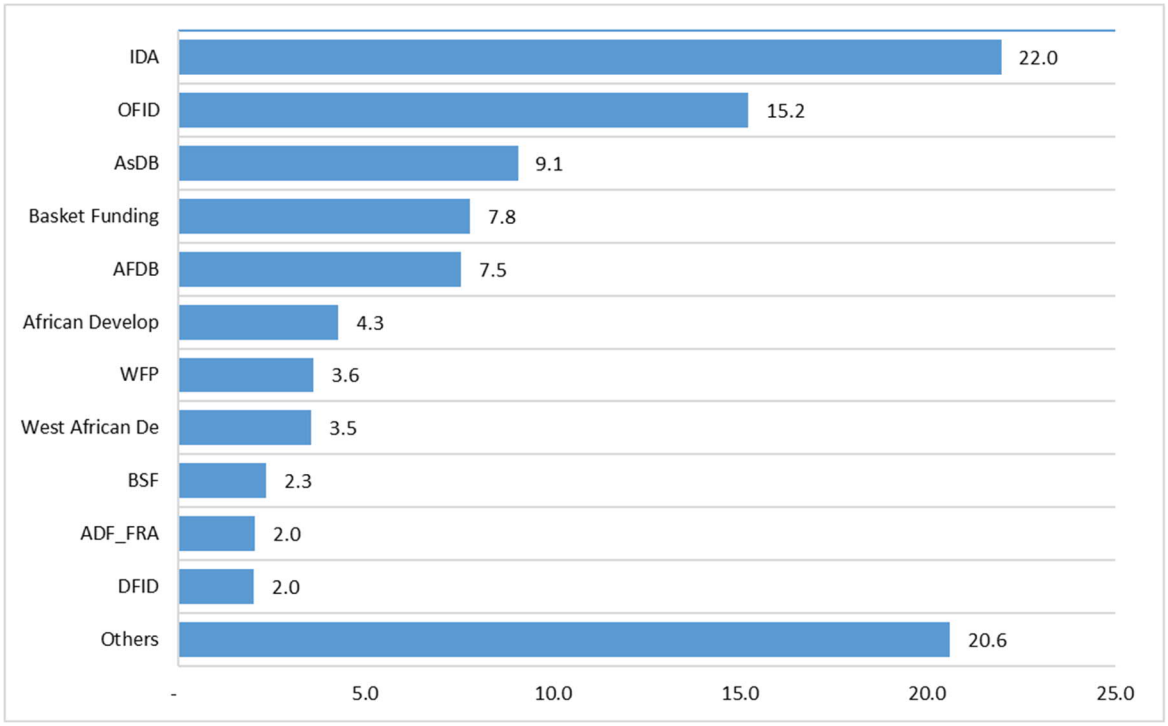
Figure 32
International financing in CDD (approved amount - sample of 215 projects)



Source: IFAD - Oracle Business Intelligence

29. As for Non CDD projects, IDA, OFID and AsDB provide 46 per cent of international financing, while the remaining amount is provided by 44 different institutions.

Figure 33
International financing in non-CDD projects (approved amount - sample of 215 projects)



Source: IFAD - Oracle Business Intelligence.

Senior independent adviser's report[1]

Thank you for the opportunity to provide an external review of the proposed evaluation synthesis of CDD in IFAD-supported projects. Let me start by congratulating you on a very comprehensive, balanced, and well written paper. Covering so many dimensions of CDD, summarizing the history and past evaluation work on CDD, distilling the CDD portfolio and doing justice to accumulated findings from outside IFAD is not easy, but you have managed to do so really well in the report.

As most of my comments from different stages of the research have already been incorporated, I will only reiterate some of the key points I made, which have relevance for future work of IFAD and potential collaboration and research. My main comments are:

- Unpacking the wealth of information into smaller nuggets. I still feel there is scope to 'unbundle' the findings of the report into smaller pieces because otherwise it is a lot to absorb for any reader. The "key-points" summary boxes as well as the Conclusions chapter were excellent in this regard. But I would suggest that you perhaps consider smaller short notes on specific dimensions of the evaluation synthesis (e.g. how CDD did on targeting, how it did on infrastructure, etc.) so that those can be disseminated and read separately.
- Further exploring changes in 'type' of CDD projects. The phased evolution of CDD you have brought out in the report is very interesting and quite similar to the trajectory seen in the World Bank as well. The new chapter you have included on this is, therefore, very welcome. These would be areas which I would suggest are explored more deeply: Did menus for projects change? Were LGU linkages increased over time (something we saw in the WB portfolio)? Was there a shift from public to private goods? It can then help guide the models of CDD that IFAD would want to invest in going forward.
- The findings on social cohesion merit further investigation. One of the most interesting findings in the evaluation synthesis was the fact that unlike other evaluations, the synthesis found that IFAD CDD projects had been successful in fostering social cohesion and social capital. Given that this has not been the experience in other programs (including in the World Bank) it would really help to further investigate the success factors in IFAD that made this happen. This finding alone merits further research, as it would be a valuable contribution to the global literature on CDD.
- Dissemination in the WB through the CDD community of practice. Last but not least, I would strongly recommend that you leverage the CDD community of practice that the World Bank coordinates, as IFAD's findings summarized in this evaluation synthesis will have global relevance.

[1] Report provided by Janmejay Singh, Lead Social Development Specialist, South Asia Region Social Development Unit, World Bank Group.

List of key people met

International and donor institutions

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ISBN 978-92-9072-986-0

IFAD internal printing services