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PROJECT PERFORMANCE ASSESSMENT REPORT

BENIN

**BORGOU REGION PILOT RURAL SUPPORT PROJECT
(CREDIT NO. 3098)**

June 11, 2003

*Sector and Thematic Evaluation Group
Operations Evaluation Department*

Currency Equivalents

Currency Unit: CFAF

1991	US\$1.00	CFAF 282.1
1992	US\$1.00	CFAF 264.7
1993	US\$1.00	CFAF 283.2
1994	US\$1.00	CFAF 555.2
1995	US\$1.00	CFAF 499.2
1996	US\$1.00	CFAF 511.6
1997	US\$1.00	CFAF 583.7
1998	US\$1.00	CFAF 590.0
1999	US\$1.00	CFAF 615.7
2000	US\$1.00	CFAF 712.0
2001	US\$1.00	CFAF 733.0

Abbreviations and Acronyms

CDD	Community Driven Development
DRC	District Review Committee
ICR	Implementation Completion Report
LIL	Learning and Innovation loan/credit
M&E	Monitoring and Evaluation
MTR	Mid-term Review
NRM	Natural Resource Management
OED	Operations Evaluation Department
O&M	Operation and Maintenance
PAD	Project Appraisal Document
PPAR	Project Performance Assessment Report
PTI	Program of Targeted Intervention
TSU	Technical Support Unit
VCs	Village Committees
VLPA	Village Level Participatory Approach

Fiscal Year

Government: January 1 December 31

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Summary

Attached is the Project Performance Assessment Report (PPAR) prepared by the Operations Evaluation Department on the Borgou Region Pilot Rural Support Project in Benin. The project was a LIL for which a credit in the amount US\$ 4 million was approved in June 1998. Most of the credit (almost 95 percent) was disbursed. The project closed on June 30, 2002, six months behind schedule.

The Borgou Pilot is an example of a Bank supported Community Driven Development (CDD) intervention. The CDD approach puts communities in charge of their own development in order to harness their considerable potential and social capital to improve the livelihood of the people. Since the World Development Report 2000/1 highlighted the importance of participation to poverty reduction, the World Bank has intensified its support for CDD in Benin, and elsewhere. The Borgou Pilot was designed to respond to the increasing recognition in Benin of the importance of community participation to the success of local development programs. The Borgou region had participated in a Bank-supported local planning exercise in the 1990s, an experience that made it suitable for piloting a three-year LIL. If successful, the Borgou approach was to be expanded and replicated throughout the country.

The primary objective of the Borgou Pilot was to improve the capacity of rural women and village communities to better manage their socio-economic environment. In particular, the project was to: (i) strengthen the capacity of village communities to design, prepare, and implement village development plans by using a participatory approach and simple procedures for the diagnosis of priorities and implementation of solutions; (ii) meet the immediate needs of 250 rural communities in the Borgou region for increased access to services and basic productive and social infrastructure; (iii) and test new resource mobilization and implementation arrangements as a prelude to the pending decentralization law under consideration by the government.

The design of the Borgou Pilot incorporated several features that put it at the forefront of Bank efforts to promote community empowerment. Today the Bank regards empowerment of the poor as central to the fight against poverty. The project largely achieved its quantitative objectives. Project interventions took place in 229 villages where the communities were successful in completing a total of 296 infrastructure sub-projects. A substantial number of literacy and training courses to improve technical capacity in the communities were also held. The access of the area's population to water, health centers, and schools has also increased. However it is difficult to say how much the project actually increased the community capacity to better manage their socio-economic environment as project performance indicators say more about quantitative input-output achievements than about qualitative progress toward meeting objectives.

The PPAR rates outcome as satisfactory rather than highly satisfactory. Given the importance that the LIL places on increasing community capacity, it is imperative that project performance indicators are able to track changes in capacity. Moreover the project had a limited impact on improving the participation of women in managing their socio-economic environment—a major project objective. In addition, limited success was achieved in adopting new agricultural production technologies. The PPAR rates sustainability as likely and borrower performance as highly satisfactory. However, the PPAR rates institutional development impact substantial rather than high, as some crucial institutional issues received less attention than

warranted. Though supervision was highly satisfactory, the PPAR rates overall Bank performance as only satisfactory for two reasons. First, the Bank did not give attention to coordination of rules and processes between different Bank projects that support similar activities in the Borgou region, often in the same communities. Second, with the move to budget support, the Bank did not effectively (and in a timely manner) communicate to the Borrower as to how it would continue to support a follow on to the Borgou Pilot. OED found that these factors have conveyed negative, confusing, and demoralizing messages to the borrower and the communities.

The PPAR reports on several aspects of project design that need more attention before a grassroots operation like the Borgou Pilot is scaled up or replicated widely. The experience of the Borgou Pilot also offers several important lessons for future Bank supported CDD interventions in Benin and elsewhere:

- The LIL instrument is designed to support learning and innovation. From the Borrower's perspective, implied in the use of a LIL is future Bank support for expansion of a successful experiment. However when the Bank shifts towards favoring a different lending approach for the country, without communicating clearly and in a timely manner to the Borrower as to what this means for follow-on support, the credibility of the LIL instrument is eroded.
- The design of CDD projects needs to be realistic about the costs and time required to satisfactorily implement such operations. Adequate attention to building the elements of sustainability at the community level often requires much more time and resources than Bank projects normally budget for the purpose.
- In a CDD intervention the performance indicators need to be designed to monitor and track quantitative and qualitative progress on achievement of objectives. Though the quality of community participation in decision making is difficult to measure, if no attempt is made to do so, it is likely to receive less attention as project teams become preoccupied with meeting progress on quantitative targets.
- The Bank needs to harmonize the rules and processes in its community based interventions in a given country and coordinate effectively on these aspects with other donors supporting similar interventions in that country.

Gregory K. Ingram
Director-General
Operations Evaluation

OED Mission: Enhancing development effectiveness through excellence and independence in evaluation.

About this Report

The Operations Evaluation Department assesses the programs and activities of the World Bank for two purposes: first, to ensure the integrity of the Bank's self-evaluation process and to verify that the Bank's work is producing the expected results, and second, to help develop improved directions, policies, and procedures through the dissemination of lessons drawn from experience. As part of this work, OED annually assesses about 25 percent of the Bank's lending operations. In selecting operations for assessment, preference is given to those that are innovative, large, or complex; those that are relevant to upcoming studies or country evaluations; those for which Executive Directors or Bank management have requested assessments; and those that are likely to generate important lessons. The projects, topics, and analytical approaches selected for assessment support larger evaluation studies.

A Project Performance Assessment Report (PPAR) is based on a review of the Implementation Completion Report (a self-evaluation by the responsible Bank department) and fieldwork conducted by OED. To prepare PPARs, OED staff examine project files and other documents, interview operational staff, and in most cases visit the borrowing country for onsite discussions with project staff and beneficiaries. The PPAR thereby seeks to validate and augment the information provided in the ICR, as well as examine issues of special interest to broader OED studies.

Each PPAR is subject to a peer review process and OED management approval. Once cleared internally, the PPAR is reviewed by the responsible Bank department and amended as necessary. The completed PPAR is then sent to the borrower for review; the borrowers' comments are attached to the document that is sent to the Bank's Board of Executive Directors. After an assessment report has been sent to the Board, it is disclosed to the public.

About the OED Rating System

The time-tested evaluation methods used by OED are suited to the broad range of the World Bank's work. The methods offer both rigor and a necessary level of flexibility to adapt to lending instrument, project design, or sectoral approach. OED evaluators all apply the same basic method to arrive at their project ratings. Following is the definition and rating scale used for each evaluation criterion (more information is available on the OED website: <http://worldbank.org/oed/eta-mainpage.html>).

Relevance of Objectives: The extent to which the project's objectives are consistent with the country's current development priorities and with current Bank country and sectoral assistance strategies and corporate goals (expressed in Poverty Reduction Strategy Papers, Country Assistance Strategies, Sector Strategy Papers, Operational Policies). *Possible ratings:* High, Substantial, Modest, Negligible.

Efficacy: The extent to which the project's objectives were achieved, or expected to be achieved, taking into account their relative importance. *Possible ratings:* High, Substantial, Modest, Negligible.

Efficiency: The extent to which the project achieved, or is expected to achieve, a return higher than the opportunity cost of capital and benefits at least cost compared to alternatives. *Possible ratings:* High, Substantial, Modest, Negligible. This rating is not generally applied to adjustment operations.

Sustainability: The resilience to risk of net benefits flows over time. *Possible ratings:* Highly Likely, Likely, Unlikely, Highly Unlikely, Not Evaluable.

Institutional Development Impact: The extent to which a project improves the ability of a country or region to make more efficient, equitable and sustainable use of its human, financial, and natural resources through: (a) better definition, stability, transparency, enforceability, and predictability of institutional arrangements and/or (b) better alignment of the mission and capacity of an organization with its mandate, which derives from these institutional arrangements. Institutional Development Impact includes both intended and unintended effects of a project. *Possible ratings:* High, Substantial, Modest, Negligible.

Outcome: The extent to which the project's major relevant objectives were achieved, or are expected to be achieved, efficiently. *Possible ratings:* Highly Satisfactory, Satisfactory, Moderately Satisfactory, Moderately Unsatisfactory, Unsatisfactory, Highly Unsatisfactory.

Bank Performance: The extent to which services provided by the Bank ensured quality at entry and supported implementation through appropriate supervision (including ensuring adequate transition arrangements for regular operation of the project). *Possible ratings:* Highly Satisfactory, Satisfactory, Unsatisfactory, Highly Unsatisfactory.

Borrower Performance: The extent to which the borrower assumed ownership and responsibility to ensure quality of preparation and implementation, and complied with covenants and agreements, towards the achievement of development objectives and sustainability. *Possible ratings:* Highly Satisfactory, Satisfactory, Unsatisfactory, Highly Unsatisfactory.

Contents

Principal Ratings	v
Key Staff Responsible	v
Preface	vii
1. Background	1
2. Project Design and Implementation	2
<i>Project Design</i>	2
Project Components and Financing	2
Empowerment-Promoting Aspects of the Project	2
<i>Project Implementation</i>	3
3. Ratings	3
Relevance	3
Efficacy	4
Efficiency	4
Outcome	5
Sustainability	5
Institutional Development Impact	6
Bank Performance	6
Borrower Performance	7
4. Evaluation Findings: Issues for Scaling up or Replication	7
5. Lessons	10
<i>Lesson 1:</i>	10
<i>Lesson 2:</i>	11
<i>Lesson 3:</i>	11
<i>Lesson 4:</i>	11
Annex A. Basic Data Sheet	13
Annex B. Borrower Comments	15

This report was prepared by Nalini Kumar, who assessed the project in October- November 2002. The report was edited by William Hurlbut. George Garner Woodall provided research support. Soon-Won Pak and Joan Mongal provided administrative support.

Principal Ratings

	<i>ICR*</i>	<i>ES*</i>	<i>PPAR</i>
Outcome	Highly Satisfactory	Not yet available	Satisfactory
Sustainability	Likely	Not yet available	Likely
Institutional Development Impact	High	Not yet available	Substantial
Bank Performance	Highly Satisfactory	Not yet available	Satisfactory
Borrower Performance	Highly Satisfactory	Not yet available	Highly Satisfactory

* The Implementation Completion Report (ICR) is a self-evaluation by the responsible operational division of the Bank. The Evaluation Summary (ES) is an intermediate OED product that seeks to independently verify the findings of the ICR.

Key Staff Responsible

<i>Project</i>	<i>Task Manager/Leader</i>	<i>Division Chief/ Sector Director</i>	<i>Country Director</i>
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Preface

This is the Project Performance Assessment Report (PPAR) for the Borgou Region Pilot Rural Support Project (Credit 30980). A credit in the amount US\$4 million was approved for the project in June 1998. The project closed on June 30, 2002, six months behind schedule. An Implementation Completion Report (ICR) was submitted by the Africa Region on December 20, 2002.

This report was prepared by the Operations Evaluation Department (OED) based on the ICR (Report No. 24797), the Project Appraisal Document (Report No. 17654), the Development Credit Agreement, review of Bank files, and a literature survey. An OED mission visited Benin in October-November 2002 to discuss the project with Bank staff, relevant government officials, nongovernmental organizations, beneficiaries, donors, consultants, and academics. The cooperation and assistance of all stakeholders and government officials is gratefully acknowledged, as is the support of the staff of the World Bank Country Office in Cotonou. The report benefited from the findings of a desk review carried out in OED *Community Driven Development: Lessons from the Sahel: An Analytical Review*.

The Borgou Pilot is an example of a Bank supported Community Driven Development (CDD) intervention. The CDD approach puts communities in charge of their own development in order to harness their considerable potential and social capital to improve the livelihood of the people. A best practice note prepared by the Africa Region notes that the Bank has used the Borgou model in numerous African countries. Since the project is a Learning and Innovation credit (LIL), and is being widely replicated, it is important that an external evaluation assess its outcome and performance. The OED assessment gives particular attention to assessing the project design and possible lessons for the preparation of similar CDD interventions. The assessment findings will also inform a forthcoming CDD evaluation in OED.

Following standard OED procedures, the draft PPAR was sent to the borrower for comments before being finalized. The comments are included as Annex B.

1. Background

1.1 Benin is a small West African country with a population of about 6.75 million (based on the 2002 census). With a gross per capita income of US\$380 (2001) and one-third of the population living below the poverty line, it is one of the poorest countries in the world. Agriculture employs 54 percent of the population and contributes about 38 percent to the country's GDP. Though the country has a good natural resource base and generally favorable climatic conditions (compared to its Sahelian neighbors), agricultural production is constrained by a poor road network and market infrastructure and inadequate storage and processing facilities. Agriculture production—of yams, cassava, maize, sorghum, groundnut, and beans—is also largely rain-fed. Commercial crops, mainly cotton, are primarily grown for export. The Borgou region, where the project under assessment was implemented, accounts for 45 percent of Benin's land area and is the major cotton producing area of the country.

1.2 Benin embarked on a policy of political decentralization in the early 1990s, based on principles outlined at the *Conference des Forces Vives de la Nation* in February 1990. In the late 1990s, relevant laws and regulations governing the organization of territorial government and communes were passed. The country held its first local elections on December 15, 2002. The decentralization effort coincided with increasing interest in participatory development approaches in Benin—in part a consequence of heightened donor interest in such approaches. The Bank has provided considerable advice and lending support for decentralization and participatory development to Benin.

1.3 In the past decade the Bank has supported several projects that involve community participation (water supply and sanitation, urban development, rural development, food security, and a social fund). In addition, several other donors—among them IFAD, the French, the Swiss, the Belgians, and USAID—have been supporting participatory development approaches. Though there appears to be a consensus among donors on the importance of the participatory approach, there are significant differences in the approaches and strategies supported by donors. Such differences in approach and strategy are present even among different Bank supported participatory projects.

1.4 Since the World Development Report 2000/1 highlighted the importance of participation to poverty reduction, the World Bank has intensified its support for community driven development (CDD) in Benin, as elsewhere. The CDD approach puts communities in charge of their own development in order to harness their considerable potential and social capital to improve peoples' livelihoods. Empowerment is expected to remove barriers that prevent communities from effectively engaging in political, social and economic activities. The Borgou Pilot was designed to respond to the increasing recognition in the country of the importance of community participation to the success of local development programs. The Borgou region had participated in a Bank-supported local planning exercise in the 1990s, an experience that made it suitable for piloting a three-year Learning and Innovation (LIL) credit. If successful, the Borgou approach was to be expanded and replicated throughout the country.

1.5 The primary objective of the Borgou Pilot was to improve the capacity of rural women and village communities to better manage their socio-economic environment. In particular, the project was to: i) strengthen the capacity of village communities to design, prepare, and implement village development plans by using a participatory approach and simple procedures for the diagnosis of priorities and implementation of solutions; ii) meet the immediate needs of 250 rural communities in the Borgou region for increased access to services and basic productive and social infrastructure; iii) and test new resource mobilization and implementation arrangements as a prelude to the pending decentralization law under consideration by the government.

2. Project Design and Implementation

PROJECT DESIGN

2.1 The design of the Borgou Pilot incorporated several features that put it at the forefront of Bank efforts to promote community empowerment. The project involved support for *improving* the understanding of rural communities about their socio-economic environment, *strengthening* their collective decision making capacity to manage the environment and *changing* the way communities relate with local government institutions in managing that environment. Hence, the project had the potential for significant impact on Beninese village society. Since the project is a LIL, the assessment gives special attention to those issues that would warrant more thought in the design of a larger follow-on operation in Benin and future efforts at replication of the Borgou model in other countries. These issues are presented as evaluation findings in section 4 of the report.

2.2 The Borgou Pilot built on the Bank's experience in Benin with the Village Level Participatory Approach (VLPA) in the 1990s. Under the VLPA, extension staff and other government and private agencies encouraged village communities to analyze their existing situation, identify priority problems, prepare action plans to deal with them, and implement those action plans. Financial resources for the purpose were provided from a variety of programs for agricultural services, natural resource management, rural infrastructure, health, and education.

Project Components and Financing

2.3 Like several other CDD projects supported in West Africa, the project tried to meet its objectives by supporting two broad kinds of activities: those aimed at capacity building and those that support basic infrastructure development and similar investments. Three project components supported these activities: i) a capacity building component in rural villages of the Borgou region (24 percent of actual Bank financing); ii) a community-based local development component (58 percent) that supported building of priority infrastructure, and other investments; iii) and a component that supported participatory management, technical support, and monitoring (17 percent). At appraisal, total project costs were US\$5 million, of which the IDA contribution was to be US\$4 million. The government contribution was to be US\$0.78 million and beneficiaries were to contribute US\$0.22 million. The project required a 20 percent contribution from the participating communities who were required to spend their own contribution on the subproject first before having access to matching grants. Most of the credit (94.68 percent) was disbursed. The actual IDA amount was US\$3.79 million.

Empowerment-Promoting Aspects of the Project

2.4 Two aspects of project design were to promote empowerment: i) local communities were assigned decision making authority and control over resources; and ii) rural communities had flexibility in selecting their sub-projects.

2.5 First, the project gave local communities decision-making power and assigned the local government institutions a supportive and coordinating role. Participating communities drew up local development plans, and prioritized and developed their micro-projects with help from an autonomous Technical Support Unit (TSU). They submitted funding requests that were cleared by a District Review Committee (DRC), which consisted of representatives of various government agencies, civil society, and producer groups. A key function of the DRC was to ensure that there was no subproject duplication in any one village and that interventions at the district level were complementary to those carried out by existing government services. After project proposals were cleared by the DRC, local communities contracted public works (to public

and private providers) and had ultimate responsibility for sub-project implementation, monitoring, and payment to hired contractors. Procurement responsibility was also shifted to the community. The communities advertised their requirements for a service provider (public, private, or NGO) through local radio broadcasts.

2.6 Second, the Pilot was a multi-sectoral operation and participating communities could choose from a variety of social and productive investments that met their priority needs, including support for improved cropping systems, storage facilities, rural roads, water points, public latrines, social infrastructure, natural resource management (NRM).¹ Income generating activities like bee keeping, shea butter processing, vegetable cropping and tree nurseries could also be supported. Giving choice to the communities to decide on sub-projects in accordance with their priorities was to contribute to their empowerment. Technical training and adult and functional literacy was to provide simultaneous capacity building support.

PROJECT IMPLEMENTATION

2.7 The project was appraised in April 1998, approved in June of the same year, and became effective in March 1999, 6 months later than planned because of the delay in ratification of the credit by the National Assembly. The mid-term review (MTR) was held in January 2001, and the project closed in June 2002, six months behind schedule largely to compensate for the 6-month delay in credit effectiveness.

2.8 Implementation was slowed at the start by delay in the procurement of vehicles and equipment, an initial misunderstanding about the role of the TSU, and because of adjustments needed in management of community-based procurement procedures. There were also some delays with the release of counterpart funds during implementation. However, implementation picked up later and by MTR, the project had complete 256 micro-projects in 114 of the 259 targeted villages. The speed of processing requests and simple procedures were appreciated both by the communities and the government.²

3. Ratings

Relevance

3.1 Relevance is rated **high**. The Bank regards empowerment of the poor as central to the fight against poverty.³ The project was also relevant to the Country Assistance Strategy and to meeting the development needs of the rural sector of the country. The project experience was to feed into the national Agriculture Sector Investment Program as the new government's vision for rural development endorses a participatory approach. In addition, the project was to contribute to the country's decentralization effort. Limited local capacity had been recognized as a constraint to the process of decentralization and the primary project objective was to increase the capacity of the village communities to manage their socio-economic environment. By empowering communities and building in them the capacity to "demand" better service from the local government, the CDD approach was expected to strengthen the process of decentralization in the country.

1. No rural roads were actually built.

2. The MTR states that it took an average of 2.5 months between an application being approved by the district review committee and the completion of the micro-project.

3. The World Bank's Strategic Framework considers empowering poor people to participate in development and investing in them as one of the two priority areas of support in client countries.

3.2 A LIL was an appropriate instrument to use in this instance because the project was to test a number of decentralized procedures as the basis for future rural development rules and policies in the country. The LIL provided a good opportunity to also test out new implementation procedures. The project experience has provided valuable lessons for the design and implementation of future similar interventions.

Efficacy

3.3 Overall project efficacy is rated as **substantial**. The project interventions took place in 229 villages where the communities were successful in completing a total of 296 infrastructure sub-projects. A substantial number of literacy and training courses to improve technical capacity in the communities were also held. The access of the area's population to water, health centers, and schools has increased. The project received tremendous publicity through radio broadcasts in local languages. These broadcasts also allowed the communities to advertise their requirements for contractors. Ultimately sub-project identification, prioritization, and implementation took place relatively quickly.

3.4 However, it is difficult to say how much the project actually increased community capacity to better manage their socio-economic environment. Though the number of Fulani herders represented in the village committees has increased, it is difficult to say how much they are able to take part in the decision-making process. This is because project performance indicators say more about quantitative input-output achievements than about qualitative progress toward meeting objectives.

3.5 The project also had a limited impact on improving the participation of women in managing their socio-economic environment, a major project objective. In addition, as noted by a socio-economic impact study, the success in adopting new agricultural production technologies was limited as the available technological package may not have been adapted well to field realities (local conditions like climate, soil, marketing etc.).⁴

Efficiency

3.6 A qualitative assessment of project efficiency suggests a rating of **substantial**. As in most CDD projects, no financial or economic analysis was undertaken at either the appraisal or completion stage. The assumption was that since in a CDD intervention the investment decisions were the responsibility of the beneficiaries themselves the most suitable sub-projects would be chosen and the rate of return with respect to valuation of welfare would be maximized. The completion report quotes a socio-economic impact study carried out in April 2002, which reports an ERR for the whole project at 57 percent. Though the project was lauded for completing sub-projects in record time, this assessment does have some concerns about the rate of utilization of some of the sub-projects, particularly, health centers, and operation and maintenance (O&M) of other investments like storage facilities. The assessment does not find the ERR rates reported by the socio-economic impact to be credible for the following reasons: *First*, a review of the impact study shows that the ERR calculations were not made for all kinds of investments supported by the project. More than 70 percent of project funds were utilized for social investments and capacity building. However, the majority of the micro-projects reviewed for ERR by the impact

4. "L'origine de ces problèmes réside probablement dans le fait que l'équipe du projet composée seulement de 13 techniciens, confrontée à la tâche énorme imposée par le programme de travail doit se fier aux technologies proposées aux agriculteurs par les institutions sous-traitées. Faible appropriation des technologies proposées dans les formations est probablement due aux déficiences des paquets technologiques disponibles et mal adaptées aux réalités de terrain." *(The origin of these problems probably resides in the fact that the project team, made up only of 13 technicians, confronted with the enormous task imposed by the work program must trust in the technologies proposed to the farmers by the subcontracted institutions. Weak appropriation of the technologies suggested in the trainings is probably due to the deficiencies of the technological packages available and badly adapted to realities in the field.)*

study were productive investments that formed a small percentage of total investments supported by the project. *Second*, even for the micro-projects that were reviewed, the costs appear to have been severely underestimated. For example, the cost estimates for the market gardening micro-project do not appear to take into account the opportunity cost of land. It is also not clear whether cost estimates were made for fertilizers, pesticides, marketing costs, or technical support provided to the group for running the market gardens. For the beekeeping micro-projects the calculations do not appear to take into account the processing costs of honey, packaging costs, or an imputed value for the technical assistance provided to the farmers.

3.7 The assessment was not able to undertake an independent economic analysis for the project. Given the shortcomings in the M&E it was not possible to build an estimate of the benefits flowing from the project, particularly those related to increase in capacity of the community. However it was possible to make rough estimates of total IDA cost per village and per person for the project. The OED Working Paper on *Community Driven Development: Lessons from the Sahel* calculated such costs for several CBD/CDD projects in the Sahel region. It is worth noting that the Working Paper found that the Borgou Pilot had the lowest costs per person of all the projects analyzed. The paper reports that the per person costs of a Bank supported operation ranged from US \$ 8.89 in the Borgou Pilot to US \$35.75 for the Mali National Rural Infrastructure Project.

Outcome

3.8 The assessment rates outcome as **satisfactory**. OED rates a project satisfactory when it achieves or is expected to achieve most of its major relevant objectives efficiently with only minor shortcomings. Despite the significant project achievements a review of design and implementation shows that there were some shortcomings:

- Project monitoring and evaluation (M&E) provides little information on qualitative progress toward achieving the primary project objective of improving the capacity of village communities to better manage their socio-economic environment. Given the importance that the LIL places on increasing community capacity, it is imperative that project performance indicators are able to track changes in this capacity.
- The project had a limited impact on improving the participation of women in managing their socio-economic environment—a major project objective.
- The success in adopting new agricultural production technologies was limited.

Sustainability

3.9 Overall sustainability is rated **likely**. The project was a LIL and if the lessons are “learned” (see section 4) sustainability is likely. There is however substantial commitment in the government and the communities toward decentralization and community participation. There is also considerable recognition not only in the government but also among other donors that the collective decision-making capability in the communities in the region has been strengthened. If the Bank ultimately does not follow through with a follow on to the Borgou Pilot, there is a possibility for other donors to step in. While an aid free future is probably years, if not decades off for Benin, the social capital developed will enable communities to be more self reliant in recognizing their development needs and mobilizing savings from productive investments to support existing or future development efforts in their communities—a fact that is particularly important given the budgetary limitations of the local governments.

Institutional Development Impact

3.10 Institutional development impact is rated **substantial**. The project helped test a new rural development approach that allowed effective transfer of responsibility to the village communities. A partnership between the communities, the private sector, and the local government developed and project implementation generated momentum in support of community driven initiatives in the country. Cooperation with local NGOs was also good. Communities took charge of managing the resources and implementation of micro-projects. Decentralized community procurement procedures were put in place and local radio broadcasts played an important role in advertising community requirements for works and services.

3.11 Literacy and post-literacy training was an important activity supported by the project and the project claims to have helped improve the basic skills of numerous villagers. The socio-economic impact study reports high success rate on examinations at the end of the courses. However, conversations with villagers revealed that several of those who attended training under the Borgou Pilot have been attending literacy training for several years under different donor projects or government programs. Every year in several villages literacy training is held for a certain number of months funded through various sources. Though they attended training under the Borgou Pilot, it is difficult to tell how much of the achievement in reading and writing skills has occurred because of the project as no baseline measurement of literacy levels was done on project initiation.

3.12 Though the project activities helped strengthen collective decision-making capabilities in the communities, it is difficult to tell how much capacity improvement actually took place and how much can be attributed to the project as monitoring indicators were not suitably designed. The Bank has been working with communities in the Borgou region for quite some time now (see para. 2.2) and other donors have also been active at the community level.

3.13 Further, as seen in Section 4, some crucial institutional issues received much less attention than warranted.

Bank Performance

3.14 Bank performance is rated **satisfactory**. While supervision was highly satisfactory the Bank's performance was wanting on two fronts: First for not following through effectively on the LIL. (see para 5.2 for a full discussion). While there may be merit in moving towards budget support for Benin, the Bank needs to give timely and careful thought to initiatives (for example, CDD interventions) that were begun earlier and how they could continue to receive support while new budgetary procedures are being adopted and communicate clearly and in a timely manner to the Borrower. Second, the confusion at the community level because of the lack of coordination between different Bank projects that supported similar activities—that is, the Borgou Pilot and the Social Fund. Between the two projects there were different requirements for community contribution, and level of community involvement in sub-project management also varied. Harmonization of approaches becomes crucial, particularly when both projects were on several occasions involved in the same communities.⁵ The Bank can do little about pushing other donors to coordinate if it is not able to coordinate its own activities. It may be argued that both these issues are outside immediate project performance and should not influence the Bank performance rating. However, this assessment is convinced that timely attention to both would have led to a stronger impact than has happened currently.

⁵ The Region in its comments notes that they share the PPAR's conclusion on the impact of lack of coordination between similar Bank projects. Further the Region notes that they have made a conscious decision to not have separate follow-ups to the Borgou Pilot, the Social Fund but to rather design a National CDD project to build on the achievements of the two projects and the Food Security Project.

Borrower Performance

3.15 Borrower performance is rated **highly satisfactory**. Support from the Ministries of Agriculture, Planning, and Finance for the project was considerable. The government commitment to the project approach is evident in the preparation for expansion of the Borgou model to other parts of the country. The government took the recommendations of the supervision mission seriously. The various partners—DRC, regional supervision committee, the TSU, local radios and local government institutions, functioned effectively and were able to deliver results despite the initial delays and misunderstanding about the role of the TSU (see para. 4.5 and 4.6 for a detailed discussion).

4. Evaluation Findings: Issues for Scaling up or Replication

4.1 Several aspects of project design need to be given much more thought before a grass-roots operation of this type is scaled up, or the project model is replicated widely in different countries. These are noted below.

Immediate needs versus planning for the long term

4.2 A basic question that emerges from the experience of this project is: What is it that determines success in such interventions? Is it the ability to get resources quickly to the communities—which this project succeeded in doing quite well—or is it building community capacity for long-term sustainable development? If the latter, then the project should have given more attention to an important aspect of capacity building. The project emphasized building capacity in the communities to implement their development plans, but it did not emphasize that in ‘developing’ their development plans and selecting sub-projects for implementation the communities should give importance to a balance between social and productive investments. Poor villagers sometimes have difficulty differentiating between the cause of poverty (shortage of productive and natural resource maintaining investments) and their immediate needs (social investments) and may find it less easy to agree on modalities for productive investments. In Borgou, communities without access to schools and health centers favored those investments over productive investments. In the long run, however, finding the resources to effectively manage the social investments and ensure their adequate maintenance becomes a challenge for the poor communities, particularly when budgetary resources for the purpose are also not available from the government. For example, the assessment mission visited a village in Borgou where a health center had been established under the project. However, neither the local government nor the community has the resources to pay for a trained doctor or nurse to staff the center or to have a stock of medicines available. This could be considered a part of the problem of getting decentralization to work effectively in the country since local governments in Benin are starved of resources. However the results would have been very different if the village development plan had linked and balanced productive with social investments in the community, i.e. it provided for both productive and social investments to be undertaken, with the income from the productive investment providing the resources to pay for the operation and maintenance of the social investment. It will be at least several years, if not decades, before decentralization in Benin can reach a stage where adequate resources will be available at the local level to support the running of village level infrastructure.

4.3 The implementing agency is not to blame for this lack of emphasis on productive investments, however. The importance of a balance between productive and social investments and the sustainability implications were not recognized by the project design. The project’s main objective was improving “the capacity of rural women and village communities to better manage their socio-economic environment,” among other things, by providing them with resources to implement their development plans. However, in translating this to what the project sought to do,

the focus, according to appraisal documents, was on meeting the **immediate needs** of up to 50 percent of the rural communities of the Borgou region for increased access to services and to basic productive and social infrastructure. It is not clear why the project objective was interpreted in this way. One possible explanation could be to ensure that there was immediate interest and response from the communities. However, the “immediate needs” plan was not a balanced development plan for the village to get out of poverty. Hence, the long-term sustainability implications of supporting investments that meet “immediate needs” were not well appreciated as a part of project design.

4.4 The project design also did not give adequate attention to backward and forward linkages necessary to sustain an income-generating activity. Examples from two kinds of activities supported by the project can be given. The assessment mission visited a tree nursery near Parakou, the headquarters of the Borgou region, which is struggling because there is too little demand for its products. Adequate thought to whether there was demand for the nursery’s produce was not given at the initial stage. A visit to two bee keeping units revealed a similar picture. Though villagers report that beekeeping is a profitable activity, in addition to training, long-run sustainability requires attention to issues like securing loans for interested farmers, and adequate marketing and processing of the product so that reasonable returns can flow back to the community. At the moment an NGO is providing processing and marketing support to the beekeepers. However, this may not be an appropriate long-term solution.

Arrangements for Project Implementation

4.5 The project provided for an autonomous TSU to support its implementation. Though it was to be under the Ministry of Rural Development, the ministry’s regional directorate (CARDER) was not to interfere in its day-to-day management. The TSU was staffed with professionals recruited from the private sector and was essentially established outside the government structure. Although there was some initial misunderstanding of its role relative to that of the government, the unit functioned effectively and delivered results. However, the experience with this TSU demonstrates several issues that require attention in the implementation of similar or larger-scale interventions.

4.6 First, in the Borgou Pilot the initial misunderstanding about the role of the autonomous TSU relative to government agriculture, health, and education services was addressed through written agreements that clearly outlined the areas and conditions of cooperation between the project and the services. This approach may not be practical or feasible in a scaled up national operation as there may be administrative and political implications of setting up autonomous implementing units outside the government structure. Even in a short three-year project like the Borgou Pilot, the assessment mission sensed resentment in the local government over the responsibility and control the autonomous TSU had. The long-term effects of a parallel extra-governmental implementing structure on the functioning, organization and effectiveness of the government need to be more fully understood.

4.7 Second, the TSU had major responsibility for providing planning, management, and implementation support to the beneficiary communities. However, the TSU was staffed very sparsely—nine technical staff to cover the whole region. The OED Working Paper on *CDD and the Sahel* highlighted the critical importance of adequate facilitators to the success of a CDD effort. Other OED reports have also shown that successful CDD programs have often required skilled facilitation support to reach sustainability and maturity.⁶ In the short time frame of a LIL, in a region where there were no major local conflict issues, the TSU staff stretched themselves beyond their capacity and delivered results. However, if they had been required to spend more time in each of the communities under their jurisdiction, either to help resolve local conflicts or

6. See, for instance, OED’s evaluation of the Aga Khan Rural Support Program in Pakistan.

because there was need to build a greater understanding of the balance between productive and social investments in the community (para. 4.2 above), then the limited strength of the TSU could have become an implementation bottleneck.

4.8 The TSU was to be dismantled once the technical and managerial capacity of the communities improved. Since project closure there have been no funds to keep the unit in operation. However, the technical and managerial capacity of the communities may not reach a stage where they can be on their own in the short time of a Bank project, and even more so under the three-year period of a LIL.

Community Social and Cultural Factors

4.9 Conflicts between ethnic or political groups were not a big issue in the Borgou region, but they often are in several regions or countries. Hence, when attempts are made to move resources and decision-making capacity to the communities it is important to remember that community hierarchies, relationships, and social stratification can profoundly influence the capacity of communities to come together and make decisions. Preparation for a larger follow-on project effort has to therefore be realistic that in some communities more time and resources may be required to deal with local conflicts before one can expect to build capacity to better manage the socio-economic environment.

4.10 A major project objective was improving the capacity of rural women. However, the role that women can play in community decision making is largely determined by social factors. The project was able to promote their significant participation in literacy programs, but it could do little about putting women in decision-making positions since societal norms worked against such a change. Hence, careful attention to local social and cultural factors is crucial to the framing of realistic project objectives.

Poverty Targeting

4.11 The Borgou Pilot was a Program of Targeted Intervention (PTI) but specific emphasis was to be placed only on the participation of women and Fulani herders. The project did not specifically target either the poorest villages in the Borgou region or the poorest in the villages of intervention. The project design also required a 20 percent community contribution. Any scaling up or replication of the model will need to give careful thought to three questions: First, given the poverty alleviation mandate of the Bank, should these projects consider specific targeting of the poorest villages? Second, if they do target the poorest, then can the 20 percent community contribution requirement hinder their participation? Even in the Borgou Pilot, as acknowledged by project documents themselves, the 20 percent contribution requirement made it difficult for some marginalized communities to participate. Third, how can monitoring and evaluation be designed to offer information about whether benefits are reaching the poor?

Environmental Impact

4.12 The Borgou Pilot supported several subprojects, specifically wells and dams, which could cumulatively have a major environmental impact. While the impact of a single well may be insignificant, the collective impact of hundreds of wells can be significant. The socio-economic impact study notes the significant increase in water availability (12 times) for the villages.⁷ Conversations with field staff and villagers revealed that dams and wells built by the project have made water available year-round, affecting the migratory pattern of the Fulani herders in the region. Over time such factors can have major implications for the water table in the area, for the quality of seasonal grazing and sometimes for land use rights also. Moreover, there can also be

7. Socio-Economic Impact Supported by the Bank, carried out by Vicotr Michel Dangnon, Stanislaw Manikowski, Cossoba Nanako Razaki Sanoussi and Moussiliatou Yai Abou.

impact on erosion via the cutting of bush to make livestock enclosures and because of the collection of fuelwood. Hence the importance of monitoring environmental impact of such operations.

Compatibility with Decentralization Law

4.13 A major project objective was testing new resource mobilization and implementation arrangements as a prelude to Benin's 1999 decentralization law. However, the project supported CDD activities at the village level, whereas decentralization in Benin stops at the commune level. The harmonization of Village Committees (VCs) with the decentralization framework is an issue that needs more attention up front.

The Efficiency Issue

4.14 While putting communities in charge of their own development as an approach may have several advantages, a major issue in replicating the Borgou model will be to examine whether the approach makes economic sense—do the benefits outweigh the costs. The CDD approach is but one mechanism to finance small-scale infrastructure in communities. Is it more cost effective to deliver such infrastructure through line ministries and local governments? Preparations for scaling up the Borgou model need to give careful attention to this issue which is to be examined in more detail by a forthcoming OED study on CDD.

5. Lessons

5.1 The experience of the Borgou Region Pilot Rural Support Project offers several important lessons for future Bank-supported CDD interventions in Benin and elsewhere.⁸

LESSON 1:

The LIL instrument is designed to support learning and innovation. From the Borrower's perspective, implied in the use of a LIL is future Bank support for expansion of a successful experiment. However when the Bank shifts towards favoring a different lending approach for the country, without communicating clearly and in a timely manner to the Borrower as to what this means for follow-on support, the credibility of the LIL instrument is eroded.

5.2 The government of Benin planned to use the Borgou model as an exemplar for decentralized government administration throughout the country. The project experience revealed some important lessons, precisely as is expected of a LIL, but ensuring that the lessons are fully "learned" is part of the preparation of a follow-on phase. The tremendous publicity surrounding the Borgou Pilot created momentum in support of the CDD approach in the country. The project closed in June 2002. The Bank has now moved towards providing Benin with budgetary support rather than project assistance. The government requested IDA support to help extend the Borgou model to the whole country in June 2001. IDA's response was that a follow-on operation to the Borgou Pilot would be financed through the national budget under the new procedures for IDA financing. However even as of November 2002 there was lack of clarity, in the government both at the center and the region level as to how a CDD project like the Borgou Pilot could be financed through national budget procedures and what form it would take. The Region in its comments notes that last fall (2002) a decision was taken to prepare a National Community Driven Development Project that is scheduled for Board presentation in FY04. Though a decision may finally have been taken to move forward with support, there was a considerable period of uncertainty for the Government as to whether future support would be available. This uncertainty

8. Several issues raised here support the findings of the recently completed OED desk review on *CDD and the Sahel*.

does not bode well for local development planning. It dampened the momentum that had been generated for CDD approaches and conveyed negative and demoralizing messages to the borrower and the communities.

LESSON 2:

The design of CDD projects needs to be realistic about the costs and time required to satisfactorily implement such operations. Adequate attention to building the elements of sustainability at the community level often requires much more time and resources than Bank projects normally budget for the purpose.

5.3 Section 4 of this report discussed several aspects of project design that need to be given much more attention. Balancing immediate needs and long-term development needs, accommodating the effect of social and cultural factors on capacity building, and choosing the right implementing agency are important details that require serious thought, careful attention and adequate planning. The choices made must also be compatible with local political, social, and economic conditions. Handling these issues adequately has implications for project preparation time and implementation schedules. Hence in designing and implementing CDD interventions, Bank management and staff need to be realistic about costs and disbursement schedules.

LESSON 3:

In a CDD intervention the performance indicators need to be designed to monitor and track quantitative and qualitative progress on achievement of objectives. Though the quality of community participation in decision making is difficult to measure, if no attempt is made to do so, it is likely to receive less attention as project teams become preoccupied with meeting progress on quantitative targets.

5.4 During project implementation, more attention was given in the Borgou Pilot on completing the number of sub-projects, disbursing the credit amount and holding the identified number of training courses. All of the Borgou Pilot supervision missions cited progress in the number of micro-projects constructed, number of villages covered, number of training sessions held, and amount of money disbursed. This is particularly problematic for a LIL where process and learning should be given more prominence than physical input achievement. The mission documents provide little information on qualitative progress on the main project development objective, improvement in the capacity of women and village communities to manage their socio-economic environment. Where the documents note that the quantity and quality of infrastructure has improved they give little information on the basis for the quality judgment. The operational manual did identify impact indicators, but in practice outcome/impact indicators were lumped together in the supervision documents and the completion report and give more information on quantity than on improvement in quality.

LESSON 4:

The Bank needs to harmonize the rules and processes in its community based interventions in a given country and coordinate effectively on these aspects with other donors supporting similar interventions in that country.

5.5 In addition to the Borgou Pilot, the Bank has supported other participatory interventions in Benin—in the Borgou region and sometimes in the same communities. The Benin country department has begun internal consultation and discussion on the need to harmonize different Bank-supported participatory approaches in the country, but so far there has been no follow-up on these discussions. In addition, other donors—among them IFAD, the French, and USAID—have been supporting construction of village-level infrastructure in the Borgou region, often using participatory approaches. The community contribution requirements for each intervention are

different. For example, the Bank-supported Social Fund Project required a 10 percent contribution from communities, while the Borgou Pilot required a 20 percent contribution. As acknowledged by supervision documents, this has created confusion at the community level.⁹

5.6 There are also major sustainability implications of the lack of coordination and harmonization. *First*, when one donor project ends, the communities turn to another donor with their ready-made list of demands. Since resources do not appear to be a constraint, there is less incentive to make the best possible use of scarce money. *Second*, in the long run, the presence of multiple donors and multiple projects creates for villages an incentive to avoid participation in projects that put greater emphasis on community capacity building as a part of the requirement for financing a sub-project. If money for the same sub-project can come more easily from another donor, why should a community want to be tied down with a project that requires them to undertake numerous capacity building exercises? *Third*, differing modalities for assistance to communities and different implementation schedules can create wasteful competition among projects. Supervision documents for this project report instances of villagers withdrawing their contributions from other projects and bringing them to the Borgou Pilot because they were happier with the short implementation schedule. *Fourth*, no matter how efficient the project and how short the implementation schedule, communities will always prefer to contribute less rather than more, especially if they have an option to do so. The assessment field visits and conversations with villagers revealed that many would like the community contribution requirement reduced and cited their preference for the 10 percent requirement of the Social Fund project over the 20 percent requirement of the Borgou Pilot.

9. A supervision document notes that the coordinators' group had made recommendations on the harmonization of procedures among the projects. The document also suggested that the recommendations be forwarded to the relevant government ministries to facilitate the drafting of applications for amendments to the lending agreements. It noted that this was urgently needed because communities were becoming confused by the variety of community contributions required for the various projects.

Annex A. Basic Data Sheet

BORGOU PILOT RURAL SUPPORT PROJECT (CREDIT 30980)

Key Project Data (amounts in US\$ million)

	<i>Appraisal estimate</i>	<i>Actual or current estimate</i>	<i>Actual as % of appraisal estimate</i>
Total project costs	5.00	4.75	95
Loan amount	4.00	3.79	94.68
Cofinancing	n.a.	n.a.	n.a.
Cancellation	n.a.	n.a.	n.a.
Institutional performance			

Cumulative Estimated and Actual Disbursements

	<i>FY99</i>	<i>FY00</i>	<i>FY01</i>	<i>FY02</i>	<i>FY03</i>
Appraisal estimate (US\$M)	1.5	2.8	3.8	3.9	3.9
Actual (US\$M)	0.2	0.9	2.4	3.6	3.66
Actual as % of appraisal	13%	32%	63%	92%	94.5%
Date of final disbursement:					

Project Dates

	<i>Original</i>	<i>Actual</i>
PCD	-	02/15/1998
Appraisal	-	04/09/1998
Board approval	-	06/16/1998
Effectiveness	09/01/1998	03/18/1999
MTR	09/18/2000	01/05/2001
Closing date	12/31/2002	06/30/2002

Staff Inputs (staff weeks)

	<i>Actual no. staff weeks</i>	<i>Actual US\$('000)</i>
Identification/preparation	n.a.	n.a.
Appraisal/negotiation	n.a.	99,474.11
Supervision	100.38	238,429.87
ICR	7	30,000
Total		

Mission Data

	<i>Date (month/year)</i>	<i>No. of persons</i>	<i>Specializations represented</i>	<i>Implementation Progress</i>	<i>Development Objective</i>	<i>Types of problems</i>
Identification/ Preparation	07/1997	11	TTL; OPS; ECL; LVS; ARS; AIS; RUS; AOS; ASS; IMS; FIA			
	09/1997	8	TTL; 2 EXS; TRS; AGS; ECO; FIA; IMS			
Appraisal	05/1998	7	TTL; OPS; AOO; AGS; EXS; IMS; FIA			
Supervision	10/1999	1	OPA	S	S	
	12/1999	5	TTL; GES; RUD; AECO; DIS	S	S	
	06/2000	3	TTL; AGS; DIS	HS	HS	
	01/2001	3	TTL; AGS; DIS	HS	HS	
	04/2002	2	TTL; DIS	HS	HS	
Completion	07/2002	2	TTL; RDS	HS	HS	

AECO=Agricultural Economist; AGS=Agriculture Specialist; AIS=Agricultural Institutions Specialist; AOO=Agricultural Operations Officer; AOS=Agricultural Operations Specialist; ARS=Agricultural Research Specialist; ASS=Agricultural Services Specialist; DIS=Disbursement; ECL=Ecologist; ECO=Economist; EXS=Extension Specialist; FIA=Financial Analyst; GES=Gender Specialist; IMS=Implementation Specialist; OPA=Operations Specialist; OPS=Op. Specialist; RDS=Rural Development Specialist; RUD=Rural Development; RUS=Rural Sociologist; TRS=Training Specialist; TTL=Task Team Leader; VS=Livestock Specialist

Other Project Data

Borrower/Executing Agency:

FOLLOW-ON OPERATIONS

<i>Operation</i>	<i>Credit no.</i>	<i>Amount (US\$ million)</i>	<i>Board date</i>
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None so far, though a National Community Driven Development Project is scheduled for Board presentation in FY04.

Annex B. Borrower Comments

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