Community Driven Development in Contexts of Conflict

Concept Paper
Commissioned by ESSD, World Bank

Arne Strand
Hege Toje
Alf Morten Jerve
Ingrid Samset

R 2003: 11
Community Driven Development
in Contexts of Conflict

Concept Paper
Commissioned by ESSD, World Bank

Arne Strand
Hege Toje
Alf Morten Jerve
Ingrid Samset

R 2003: 11

Chr. Michelsen Institute Development Studies and Human Rights
Indexing terms

Community Driven Development
Conflict contexts
Poverty
Reconstruction
Development

Project title

CDD and Conflict

Project number

23035
Table of Contents

List of Tables and Boxes ........................................................................................................................................... v
List of Abbreviations ................................................................................................................................................ vi

Executive Summary ...................................................................................................................................................... 1

Background ................................................................................................................................................................. 1
Section 1: CDD and conflict contexts ..................................................................................................................... 2
Section 2: Reviewing CDD in conflict contexts ..................................................................................................... 3
Section 3: Lessons learned ......................................................................................................................................... 5
Questions for further discussion and research .................................................................................................... 7

Introduction: Reconstruction and reconciliation – what is the scope for participatory and demand-led approaches? .................................................................................................................................................. 8

Section 1: What characterises CDD and contexts of conflict? .................................................................................. 11

CDD at a glance ........................................................................................................................................................... 11
Ends and means .......................................................................................................................................................... 11
Three basic concepts: do not romanticise what is local ......................................................................................... 13
Who are the primary CDD stakeholders? ................................................................................................................. 17
Characteristics of contexts of conflict .......................................................................................................................... 18

Section 2: A review of fourteen CDD projects ......................................................................................................... 22
Methodology ................................................................................................................................................................. 22
Organisation: four partners, but roles differ ............................................................................................................... 24
Objectives and project components: Adjusting to the conflict context ............................................................... 29
Area coverage: from national to village cluster ......................................................................................................... 31
Targeting: balancing need, security and capacity .................................................................................................... 32
CBOs: establishing or reactivating? .......................................................................................................................... 35
Capacity building and planning: careful preparation is essential ........................................................................ 36
The role of local and central government ................................................................................................................ 38
Section 3: Lessons and questions .................................................................................................. 40
Lessons about overall impact ........................................................................................................ 40
  Poverty ................................................................................................................................ 40
  Trust building and reconciliation ......................................................................................... 41
  Reconstruction and development ......................................................................................... 42
Lessons about project design ...................................................................................................... 44
Lessons about implementation .................................................................................................. 46
Issues for further discussion and research ................................................................................ 47
  The need for speedy and cost-effective delivery of reconstruction assistance .............. 48
  The need to improve the state-citizen relationship .......................................................... 48
  The need to create alternative forms of community organisation that foster reconciliation
  between factions of the society .............................................................................................. 49

Annex I. Terms of Reference ....................................................................................................... 51
Annex II. Questionnaire ............................................................................................................... 54
Annex III. Project Objectives and Scope .................................................................................. 56
Annex IV: Organisations and Persons Contacted .................................................................. 58
Bibliography ............................................................................................................................... 60
Web Pages .................................................................................................................................. 65
List of Tables and Boxes

Table 1. Country Contexts of Reviewed CDD projects: Financial Costs and Sectors .......... 21
Table 2. Reviewed CDD Projects In Conflict Settings .......................................................... 23

Box 1. Defining Characteristics of Community-Based Organisations ........................................ 12
Box 2. Empowering Communities: Guiding Principles ............................................................. 16

Box 1. Defining Characteristics of Community-Based Organisations ........................................ 12
Box 2. Empowering Communities: Guiding Principles ............................................................. 16
Table 1. Country Contexts of Reviewed CDD projects: Financial Costs and Sectors .......... 21
Table 2. Reviewed CDD Projects In Conflict Settings .......................................................... 23
Box 3. Organisational Arrangements – Social Fund in Kosovo................................................. 25
Box 4. Are Community Driven Projects Enough? Experiences from the Philippines .............. 27
Box 5. Community Driven Reconstruction in Indonesia: Project Design and the
     Challenge of Regional Violent Conflict................................................................................. 28
Box 6. The Utility of Legal Assistance: Lessons from Burundi Community
     Rehabilitation Project........................................................................................................ 30
Box 7. Linkages between Market, Government and Community: Bosnian Experiences .......... 32
Box 8. Targeting Groups or Entire Communities? Philippine and Georgian Experiences ......... 34
Box 9. Traditional Structures v. Creation of New Institutions: The Timorese Experience........... 35
Box 10. Compensation of Community Council Members: The Cases of Rwanda
        and East Timor .............................................................................................................. 36
Box 11. The Importance of Facilitation ..................................................................................... 37
Box 12. Preventing Projects from Overlapping with other Investment Plans ......................... 39
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>CBO</td>
<td>Community-based Organisation</td>
</tr>
<tr>
<td>CDC</td>
<td>Community Development Committees</td>
</tr>
<tr>
<td>CDD</td>
<td>Community-driven Development</td>
</tr>
<tr>
<td>CDR</td>
<td>Community-driven Reconstruction</td>
</tr>
<tr>
<td>CEP</td>
<td>Community Empowerment and Local Governance Project (East Timor)</td>
</tr>
<tr>
<td>CFSI</td>
<td>Community and Family Services International (Philippines)</td>
</tr>
<tr>
<td>CPRU</td>
<td>Conflict Prevention and Reconstruction Unit (The World Bank)</td>
</tr>
<tr>
<td>ESSID</td>
<td>World Bank’s Environmental and Socially Sustainable Network</td>
</tr>
<tr>
<td>FAO</td>
<td>UN Food and Agriculture Organisation</td>
</tr>
<tr>
<td>FAS</td>
<td>Angola Social Action Project</td>
</tr>
<tr>
<td>IDP</td>
<td>Internally Displaced Person</td>
</tr>
<tr>
<td>KDP</td>
<td>Kecamatan Development Project (Indonesia)</td>
</tr>
<tr>
<td>MRRD</td>
<td>Ministry of Rural Rehabilitation and Development (Afghanistan)</td>
</tr>
<tr>
<td>NGO</td>
<td>Non-governmental Organisation</td>
</tr>
<tr>
<td>PAD</td>
<td>Project Appraisal Document</td>
</tr>
<tr>
<td>PCF</td>
<td>Post-Conflict Fund</td>
</tr>
<tr>
<td>P.E.A.C.E.</td>
<td>Poverty Eradication and Community Empowerment (Afghanistan)</td>
</tr>
<tr>
<td>PID</td>
<td>Project Information Document</td>
</tr>
<tr>
<td>PRA</td>
<td>Participatory Rural (or Rapid) Appraisal</td>
</tr>
<tr>
<td>RDRP</td>
<td>Rwanda Development and Reintegration Project</td>
</tr>
<tr>
<td>SAD</td>
<td>Staff Appraisal Document</td>
</tr>
<tr>
<td>SCRAP</td>
<td>Support for Conflict-Ridden Areas Project</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
</tr>
<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
</tr>
<tr>
<td>UXO</td>
<td>Unexploded Ordnance</td>
</tr>
<tr>
<td>WB</td>
<td>World Bank</td>
</tr>
</tbody>
</table>
Executive Summary

Background

This concept paper was commissioned by the Community Driven Development (CDD) unit of the Environmentally and Socially Sustainable Development (ESSD) Network of the World Bank to the Chr. Michelsen Institute (CMI) in early 2003 as an input to a series of regional workshops on experiences with CDD approaches in war-torn countries. The paper is based on a desk review of available reports mainly from World Bank sources. In addition, the team carried out a small questionnaire survey among selected World Bank staff.

Violent conflict represents not only a significant barrier to development; it also wipes out efforts to improve the situation. Experience from many developing countries has shown that CDD programmes have been particularly effective in establishing or expanding essential social services and physical infrastructure at the local level. However, using CDD approaches in a conflict context as a means in post-war rehabilitation represents new challenges. When carried out in contexts of past or persistent conflict, CDD projects are confronted with some major challenges:

- communities where projects are set may be deeply divided;
- power is unequally distributed;
- lines between combatants and civilians may be blurred;
- a need to address past traumas may give rise to calls for inquiries or trials; and
- economic recovery and basic services may be urgently needed.

Nonetheless, the point of departure in this paper is that participatory and demand-led development approaches might potentially address three critical concerns in conflict contexts:

- The need for speedy and cost-effective delivery of reconstruction assistance.
- The need to improve the state-citizen relationship.
- The need to create alternative forms of community organisation that foster reconciliation between factions of the society.

Outline of paper. The paper is organised in three sections. First, the conceptual framework of CDD is presented together with a brief overview of characteristics of conflict contexts. The second section is a review of 14 CDD projects carried out in such contexts, assessing their relevance and impact. A note should be made, that most of the project documents reviewed are planning documents, and hence there was limited information on actual results and impacts. The final section contains a summary of main lessons found in the material reviewed, on the basis of which questions for further discussion and research are identified.
Section 1: CDD and conflict contexts

By combining the principles of popular participation and demand-driven finance, CDD approaches seek to place the control of decisions and resources with the beneficiaries. A CDD project is successful when it stimulates more development-oriented and inclusive community organisation. This paper argues that ideas about ‘community’, ‘social capital’ and ‘empowerment’ are central in any CDD approach, but in taking these ideas to conflict contexts CDD stakeholders are confronted with certain difficult questions:

- On what basis do communities act collectively in conflict context? What is a ‘community’ in such circumstances?
- Social capital is not always for the better, not least in conflict contexts. What kinds of social capital should be strengthened?
- There is no empowerment without disempowerment. What powers should the community obtain, and how can such powers be transferred or created in post-conflict situations? Who will be losing power in this process?

A key dimension with all three ideas and concepts is the civil society. CDD approaches are conditioned by the capacity of civil society organisations to function as interlocutors between communities and the state. In conflict contexts, however, civil society in most cases, is not readily in a position to play the roles envisaged in CDD, although it often remains strong at a local level, both in the parallel economy and in traditional institutions.

- There is often an extreme process of disengagement of civil society from the state.
- There has been a fallback on primary groupings within civil society. Kinship, tribal, religious and traditional political structures serve as coping strategies for people in response to the state’s collapse.
- Military strategies, extreme scarcity and displacement serve to undermine civil society.
- Predatory local authorities continue to contest the space occupied by civil society, moving into the parallel economy, attempting to create support by drawing on neo-patrimonial ties based on ethnicity.

Furthermore, when assessing the potentials for CDD approaches in conflict contexts, one must not only consider the type of constraints mentioned above. There is also the probability that CDD approaches may, if not carefully implemented, further aggravate the situation. Societies that have lived through prolonged conflicts are not ‘organisation-free’. The groups that are able to articulate their demands to a CDD-type financing mechanism, might be the wrong partners for addressing the three needs identified above.

Besides such new sets of issues that CDD stakeholders face they also have to redefine their roles vis-à-vis a new set of actors; such as relief agencies and armed groups doing humanitarian work.
How can CDD projects deal with these challenges? Before reviewing CDD projects, this paper suggests aspects of CDD that may constitute operational advantages in conflict contexts.

- **Decentralised flexibility.** CDD projects may benefit from a decentralised setup making them more flexible and more adaptable to volatile conflict situations and to the fact that wars and post-war transitions affect regions differently across the same country.

- **Partnering previous enemies.** Community action, a central CDD component, may encourage processes than can bridge differences through defining and prioritising communal needs. Building trust, in turn, may facilitate reconciliation and the integration of refugees, former combatants and internally displaced persons, as well as create mechanisms that will mitigate renewed conflict.

- **Promoting local capacity.** The CDD emphasis on capacity building, which implies that local people are treated as resource persons, may build confidence and a feeling of worth and thus have positive psychosocial effects in conflict contexts.

- **Bonding citizens and state.** Given its focus on making local and central government work together with local communities, CDD has an important potential to improve the state-citizen relationship, which may be shattered after violent conflicts.

**Section 2: Reviewing CDD in conflict contexts**

This paper reviews 14 CDD projects set in environments marked by conflict. Five are in Africa, six in Asia and three in Europe. Seven of the projects have been directly funded by the World Bank, six by the Post-Conflict Fund and one by the UN. The projects focus on reconstruction of infrastructure as well as capacity building, cooperation and reconciliation. Eight of the projects are ongoing or only very recently terminated.

**Organisation: several partners but roles differ**

Three broad sets of organisational arrangements for CDD can be identified, centred on partnerships between community-based organisations and (1) local or municipal governments, (2) non-governmental organisations or the private sector, and (3) central government or a central fund. In the majority of the projects examined, all these stakeholders are involved to varying degrees. What distinguishes one project from another is the specific role, in terms of responsibilities and authority, the different parties are assigned.

A major difference discerning the projects from one another is whether traditional institutions are used as partners or if new organisations are established. Several of the projects stress the establishment of new representative councils to handle the management of projects in a more democratic fashion. These projects demand special facilitation and planning. Other projects choose to expand already existing traditional institutions, arguing that this would strengthen project legitimacy and sustainability.

In multi-sectoral projects the communities have greater possibility of choice when developing project proposals, than in single-sector ones. The ‘open menu’ option also demands more
cooperation in the decision-making process, when different projects have to be considered and prioritised. One important difference in the projects reviewed concerns the specific power to allocate money for project implementation. In some cases this power lies with the implementing institution (the NGO or agency), while in other projects this is the responsibility of the community committees.

Objectives: only minor adjustments to the conflict context

Community empowerment is a common denominator for the various CDD projects reviewed. Although they all take place in conflict contexts, project objectives do not substantially differ from other CDD projects carried out in more stable environments. Still, the special challenges of a post-conflict climate are gradually being acknowledged.

Many projects have involved income generation through microfinance and revolving loans. Small loans to finance minor business activities were given, and had to be paid back before new loans could be issued. Given the mixed success of this project component it has, in several of the projects, been terminated.

Promoting transparent project management has been an important aim in all of the World Bank-sponsored CDD projects. Compared to other organisations, UN and NGOs alike, the World Bank seems to have taken more extensive measures to bring corruption issues up for broader discussion, introduced measures to prevent corruption and deal with it when/if it occurs.

Targeting: balancing capacity, security and need

The review confirms that the level of organisational capacity within the communities is a key factor in determining the scope of the projects. Most projects have formulated specific demands concerning communities’ ability and willingness to contribute cash or labour to carry out and maintain the sub-projects. A demand-driven approach has its limitations in reaching out to the most insecure areas and vulnerable groups.

The security conditions and remoteness of the areas where many of those who have suffered the most live, often do not allow for CDD implementation due to safety concerns on the part of the project staff as well as to practical obstacles for CBO formation and resource transfer. Such experiences seem to have led to an understanding that CDD projects need to initially prioritise conflict resolution as part of the approach.

Basically CDD is a holistic approach, focusing on the community as a whole. The projects have, however, mechanisms that are designed to ensure the participation of vulnerable groups in particular and some of the projects include separate sub-components, targeting for instance single female household, disabled persons, internally displaced people, or ex-combatants. Project experience shows that it is a delicate balance between helping vulnerable groups and helping the community as a whole. Unequal distribution may become a source of local disputes.
Capacity building and planning: careful preparation is essential

Several of the project documents underscore the importance of thorough planning and capacity building before sub-projects receive funding. If less time is spent on informing the communities about the project and their rights and responsibilities, experience shows that unwanted side effects like elite capture and corruption are more likely to occur.

Careful selection of facilitators is vital to the CBO capacity building process. In conflict contexts, however, it is not only professional background that will count, but also religious, political or ethnic identity and familiarity with the communities concerned.

In CDD projects, it is common to start out with small grants and gradually increase the amount of money to fund local sub-projects. In countries where a functioning bank system is non-existent, it is vital to have a well-planned system of disbursement, to ensure that the local belief in the projects does not fade.

In order to make sure that local demands are representative for the community as a whole participatory methods have proven useful to gain knowledge about specific communities, for project planning and for capacity building, especially in communities with a low level of literacy.

The role of local and central government

The CDD approach underlines the importance of partnership between governmental institutions and local community. But in conflict contexts, a potential problem for developing such partnerships is a low level of institutional capacity, constrained relationship to communities, and/or simply inexistence of a government structure. However, since the linkage is deemed important, some projects favour strengthening of local government, or inclusion of government representatives in the community councils.

In order to avoid that money is spent on solving issues covered by national or regional government plans, it is important that the projects build in mechanisms that ensure flow of information between the projects and the local regional authorities and line ministries. If not, this will impair communities’ capacity to make informed choices and prioritise wisely. Cooperation with local and central governments is also vital to ensure for example, that the personnel needed for a new-built hospital or school will in fact be provided by the state.

Section 3:

Lessons learned

Conflicts complicate CDD efforts to reach the poorest. The CDD approach has proved useful to alleviate poverty. Experience indicates, however, that poor and socially excluded groups may face difficulties in responding to the opportunities created by CDD projects, particularly in conflict contexts. Addressing the needs of these groups may require even more targeted approaches, combined with recognition of the fact that sustainable poverty reduction has to be preceded by a certain degree of stability and reconciliation at the community level.
CDD does not always reconcile previous enemies. The formation of CBOs and sub-district groups do not necessarily foster intra-communal trust and reconciliation in the aftermath of conflict. While the establishment of participatory community processes may constitute a useful framework for negotiations and dispute mediation, and even contribute to build trust locally, community-level reconciliation need to be linked to comparable processes on a national level.

Prioritise the process, despite urgent post-conflict needs. CDD is dragged in two directions: towards facilitating the process of establishing CBOs, and towards giving people immediate benefits of peace in the form of access to projects. Yet experience reveals that the process of CBO formation emerges as a prerequisite for the success also for shorter-term CDD projects.

Select the appropriate government agency, even when weak. While some government agencies may prove difficult to work with, especially in a conflict context where their role may be controversial or their capacities low, to bypass governmental structures or aiming at a particularly efficient agency is not a lasting solution. While easing the implementation of CDD projects in the short term, the strategy works against the aims of building CDD capacity within key ministries and, in the end, ensuring the government’s ownership of and responsibility for the CDD process.

Discuss social capital. CDD aims at rebuilding and strengthening social capital. But if the communities, CBOs and facilitators do not define the type of social capital that needs to be developed, the causes of the conflict may be left unaddressed and an unjust resource distribution maintained. Such a situation may jeopardise the CDD process and regenerate strife.

Old or new CBOs? A choice that is particularly important when designing projects for conflict contexts is whether to build on existing local institutions or to create entirely new ones. Building on what exists may enhance the legitimacy of community councils and the returns of project investments, although the inclusion and active participation of marginalised groups may prove difficult. If traditional power holders are bypassed in an effort to avoid elite capture, however, this may also cause societal tension.

Understand the CBOs. While the impact of the CDD approach is directly related to the strengths of the CBOs driving the process, we find few attempts at analysing what incentive systems are most effective in fostering CBO performance and accountability.

Take time. Implementation timetables of CDD projects in conflict-plagued countries have often been too ambitious. A main reason is that it has proved difficult to identify motivated and skilled local facilitators in countries with a low education level and/or emerging from conflicts that have affected the education system.

Conflicts complicate CDD success. On lessons learned, the paper concludes that the CDD approach makes an uneasy fit with situations marked by high inequality, individualised power in warlords, landlords or strongmen, or by dangers of elite capture. Such conditions tend to be accentuated in contexts of conflict. To make CDD a success in such contexts, therefore, a basic requirement is a thorough understanding of the situation on the ground.
Questions for further discussion and research

To enhance the applicability of CDD in areas marked by violent conflict, a range of concerns need to be grasped more comprehensively. Starting with the need for speedy reconstruction assistance, the following questions should be asked:

- In a conflict-ridden society, should it be the role of CDD to meet immediate local needs? Or should the focus remain on promoting long-term community development through participatory processes?
- If CDD projects do provide assistance to meet the immediate needs of the poorest segments of the population, how does that affect the trust building and empowerment of the community as a whole?
- What will be most important for a conflict affected community, to gain trust in their government and a peace process, rapid access to humanitarian assistance, or a real sense of holding influence over development processes?

Second, the need to improve the state-citizen relationship gives rise to questions such as:

- Should the CDD process be restricted to develop local development capacities or also be a tool for the establishment of national governance structures?
- When the capacity of governmental institutions is seriously impaired by violent conflict, how can CDD projects best be designed to improve development of knowledge and capacities within these institutions?
- How can the CDD process best be safeguarded against corruption and can microfinance projects be developed as an alternative to continued reliance on the illegal economy?
- How should we best differentiate between positive and negative social capital and identify ways to promote the positive one?

Finally, the need to organise communities in ways that foster reconciliation, gives rise to the following questions:

- How can the CDD approach be adapted so that it may help (re)establish local conflict resolution mechanisms and national institutions?
- What CBO formation process might best ensure the influence of poor marginalized groups and identification of projects that might address the needs of groups victimised by wars without alienating the wider population?
- In divided communities, do the establishment of representative councils and provision of finance alone ensure building of trust between conflicting parties? In practice, what factors influence the dynamics of council decision-making?
- Can a linkage be established between CBOs’ ability to freely select their projects and their feeling of empowerment?
Introduction:
Reconstruction and reconciliation – what is the scope for participatory and demand-led approaches?

1. Generally speaking, popular participation enhances the quality of planned development. There are several obvious reasons: needs are better defined, plans are informed by local knowledge, decisions have greater legitimacy, people may opt to mobilise their own resources, and control and accountability are strengthened. Participation, however, can be many different things, ranging from receiving only basic information to having the final authority to decide. The concept of Community Driven Development (CDD) can be placed at the latter end of this continuum.

2. By linking participatory development approaches, of which we have seen many varieties over the last several decades, with financing mechanisms that explicitly respond to demands, in the form of proposals or applications from local organisations and groups – so-called Community Based Organisations (CBOs) – CDD implies placing the control of decisions and resources at the level of the beneficiaries. Furthermore, a CDD programme is successful when it acts as a stimulus for more development oriented and inclusive community organisation. Experience has shown that CDD programmes have been particularly effective in establishing or expanding essential social services and physical infrastructure at the local level. CDD, of course, is no panacea to development, and is only complementary to top-down and supply-driven programmes.

3. In this paper we shall discuss the scope for using CDD approaches in conflict-ridden countries. This involves a range of different situations. Conflict contexts can include countries moving from a more stable development situation and into conflict and visa versa, and, furthermore, can include countries where only parts of the country are in conflict and where negotiations are underway for a peace settlement or a peace agreement is being observed. Violent conflict represents not only a significant barrier to development; it also wipes out efforts to improve the situation, and therefore affects poor countries particularly badly. As stated in a recent World Bank (WB) report (Collier, 2003), ‘conflict is development in reverse’.

4. The World Bank was established in response to post-Second World War challenges, and during its first ten years it was mainly engaged in the physical rebuilding of war-torn Europe. Since then, post-war reconstruction has been a recurring field in the WB

---

1 This concept paper is the result of work that the Community Driven Development (CDD) unit of the World Bank’s Social Development Department commissioned from the Chr. Michelsen Institute (CMI) in early 2003. The paper will form a basis for a work programme involving a series of regional workshops on CDD in conflict and post-conflict environments. In accordance with the Terms of Reference, given in Annex I, the paper (i) reviews a sample of CDD approaches used in ‘conflict operations’ and assesses their relevance, impact and the main lessons learned; and (ii) highlights the principal thematic areas for future research. This desk study was carried out by a core team of three CMI staff, supported by a reference group of other CMI researchers. The core team consisted of project leader and political scientist Arne Strand, social anthropologist Hege Toje, and political scientist Ingrid Samset. Political scientists Elin Skaar and Astri Suhrke and social anthropologists Alf Morten Jerve and Eyolf Jul-Larsen constituted the reference group. Jerve participated in completing the final draft.
portfolio. In 1995-96 the Bank established a Post-Conflict Unit, now the Conflict Prevention and Reconstruction Unit (CPRU), and later in 1997 a separate Post-Conflict Fund (PCF) was founded. A World Bank report on post-conflict reconstruction activity within the World Bank (Holtzman 1998) underscores the fact that the Bank’s mandate authorises an involvement in financing and facilitating reconstruction and development in its member countries. The WB mandate does not allow the institution to take charge of peacemaking or peacekeeping, and the Bank is not a relief agency. It is within these guidelines that the Bank’s future role in post-war reconstruction will evolve. The Bank has acknowledged that conflicts represent a particular challenge for its work, and that more systematic knowledge needs to be generated on how projects, including those within the CDD framework, can best be implemented in war-affected environments (Kreimer, 1998).

5. The end of the Cold War led to a change in conflict patterns. In today’s wars, the lines between combatants and civilians are increasingly blurred. In post-conflict ‘complex political emergencies’ and ‘failed states’, there are complex social and political challenges to be overcome besides economic recovery. A need to address the traumas of the past may give rise to calls for inquiries or trials. The aftermath of war also involves a variety of humanitarian actors, including military groups doing humanitarian work. Finally, causes and consequences of the hostilities will vary broadly from country to country. The context of past or persistent conflict, therefore, poses a range of challenges to stakeholders in CDD projects.

6. Our point of departure in this paper is that participatory and demand-led development approaches might potentially address three critical concerns in conflict contexts:

   **The need for speedy and cost-effective delivery of reconstruction assistance.**
   **The need to improve the state-citizen relationship.**
   **The need to create alternative forms of community organisation that foster reconciliation between factions of the society.**

7. For obvious reasons, working with the state or ‘the people’ in conflict contexts is not the same as doing so under stable conditions. Some of the major hindrances are:

   - Security being a critical concern.
   - A prevailing lack of trust between communities and towards governmental structures and officials.
   - Weakened or contested governmental structures.
   - Erosion of social capital.
   - A war economy operating in parallel to the legal financial system.

8. Furthermore, the civil society might not be in a position to respond constructively to calls for partnership under a CDD framework. Community Based Organisations are the cornerstone of any CDD project and form the crucial link between the state (or any other financing institution) and the beneficiaries. In a study of how conflicts affect civil society, Harvey (1998: 206-207) identifies five interlinked processes that, undoubtedly, might...
influence a CDD approach to reconstruction and reconciliation:

- An extreme process of disengagement of civil society from the state.
- A fallback on primary groupings within civil society. Kinship, tribal, religious and traditional political structures serve as coping strategies for people in response to the state’s collapse.
- Military strategies, extreme scarcity and displacement serve to undermine civil society.
- Predatory local authorities continue to contest the space occupied by civil society, moving into the parallel economy and attempting to create support by drawing on neo-patrimonial ties based on ethnicity.
- Civil society remains strong at a local level, both in the parallel economy and in traditional institutions.

9. Not only are CDD approaches in conflict contexts constrained by the factors mentioned above, there is also the probability that they may further aggravate the situation. As stated in Harvey’s last point, societies that have lived through prolonged conflicts are not ‘organisation-free’, but the groups that are able to articulate their demands to a CDD-type financing mechanism might be the wrong kind of partners for addressing the three needs identified above.

10. There is no simple answer on how to deal with these challenges, no ‘one size fits all’. The situations in which the World Bank operates differ considerably. Although the core element of a CDD project is some form of demand-responsive financing mechanism, one should avoid therefore presenting CDD as an instrument, in the sense of ready-made programme designs. Rather, it represents a way of thinking - an approach to development. The aim of this paper is to identify some of the experience with this approach in twelve post-conflict countries as a basis for discussing potentials and risks.

11. The paper is organised in three sections. The first section gives the reader an overview of the main elements of the CDD approach – conceptually and in practice. In section two we present our findings from a review of fourteen CDD projects, largely WB funded. The last section draws on the general findings from this review and articulates critical issues for further discussion and research.
Section 1: 
What characterises CDD and contexts of conflict?

CDD at a glance

Ends and means

12. **Bottom-up approach**. According to the World Bank, CDD represents a bottom-up approach to development and poverty reduction, based on the participation and empowerment of economically poor people. CDD seeks to *empower local communities* by handing over control over decisions and resources to accountable, inclusive community groups. CDD also aims at strengthening the relationships between such communities and local government, non-governmental organisations and central government through partnerships. CDD is viewed as a means to achieve a broad and comprehensive development agenda, including the provision of infrastructure services, the organisation of economic activity and resource management, the empowerment of the poor, the improvement of governance and the enhancement of the security of the poorest (Dongier et al. 2002).

13. Previously, community stakeholders took part in projects conducted or funded by the World Bank only to a limited extent. Between 1994 and 1998, however, community participation as an element in Bank-assisted projects significantly increased (Van Wicklin, 2001). The principle of participation gained ground as it was realised that the structural adjustment programmes and ‘market-led development’ of the 1980s had failed to reach the poorest segments of the population (Craig and Mayo, 1995). As opposed to previous approaches, the *far more participatory* CDD approach has proved more effective in terms of reaching the poor. It also appears more cost-effective and sustainable.

14. **Handling diversity**. The decentralised design of CDD provides the potential to shape the project in accordance with the concrete regional and community needs and challenges in development in conflict contexts. Conflict often affects regions differently, and the transition to peace may take a different pace and directions across a country. If the CDD project is designed in a *flexible* manner, the concrete challenges that different communities experience may thus be addressed successfully.

15. The CDD approach to community participation is centred on the ‘community-based organisation’ (CBOs), the actor to which control of decisions and resources is normally handed over. Ideally, the CBOs are representative of their community and work in partnership with demand-responsive support organisations and service providers, including elected local governments, the private sector, non-governmental organisations (NGOs), and central government agencies. Box 1 elaborates on the defining characteristics of CBOs.

16. **Rebuilding community trust**. Obstacles to development in conflict contexts include the depletion of human capital and the destruction of the social fabric and trust within the community, which consequently impair the ability to act collectively. The stress within CDD on community action and capacity building encourages processes where internal
differences and mistrust can be bridged through defining and prioritising communal needs. Community decision-making, project planning and implementation thus have a potential not only to meet the needs of rebuilding social and economic infrastructure, but also to start a process where social capital can be reconstructed.

17. Increasing awareness of local capabilities. A focus on community can create greater awareness of local capacities and facilitate processes where local knowledge and skills can be used to promote development and change. Treating local people as resource persons builds confidence and a feeling of worth, and may have positive psychosocial effects in conflict contexts.

Box 1. Defining Characteristics of Community-Based Organisations

<table>
<thead>
<tr>
<th>A community-based organisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Is a membership organisation of individuals in a self-defined community who have joined together to further common interests;</td>
</tr>
<tr>
<td>- Often consists of people that live near one another in a neighbourhood or in a village;</td>
</tr>
<tr>
<td>- May consist of people united by a common interest related to production, consumption, common pool resources, or service delivery;</td>
</tr>
<tr>
<td>- Is informal or formal;</td>
</tr>
<tr>
<td>- Differs from NGOs by furthering the interests of their members, whereas NGOs may pursue commitments that do not directly benefit their members; and</td>
</tr>
<tr>
<td>- Differs from local governments by being voluntary and choosing its own objectives.</td>
</tr>
</tbody>
</table>

Source: Dongier et al. 2002.

18. An enabling environment. Even though the CDD approach is rooted in the local community, it goes beyond the local sphere by focusing on how relations between the community, its surroundings and governmental structures can be improved. Beyond the strengthening and financing of CBOs, support to CDD thus usually includes the facilitation of community access to information through a variety of media; the forging of links between CBOs and formal institutions; and the promotion of appropriate policy and institutional reform. CDD projects are considered most successfully implemented if the government of the state has a functional decentralisation policy. In the absence of a central commitment to decentralisation, the projects themselves are seen as instrumental to the promotion of decentralisation.

19. State-citizen relationship. Conflicts erode governmental institutions, and often leave a legacy of distrust in the relationship between the government and communities. If the governmental institutions are seriously affected and weak it is likely that the strengthening of local governments will be moved down their list of priorities. A state’s basic service provision is also unlikely to work in a satisfying way, which may further erode the relation between citizens and state and fuel renewed conflict. In a transition between war and peace CDD offers a way to mitigate this effect as it can enhance the communication and institutional links between central government and rural areas that may not be so easily accessed. Operating in the intersection between communities and government, CDD seeks to foster a mutually reinforcing process between community development and local government development which, through scaling up, will exert
influence at national level (WBI, 2000). In addition, if successfully implemented the projects can strengthen trust and belief in the new government by the local communities, in the event that they experience an improvement in their lifestyle.

20. **Building social capital and strengthening political influence.** It is also suggested by the WB that allowing communities to have control over decisions and resources could enable them to build social capital by ‘expanding the depth and range of their networks’. Furthermore, a strengthening of inclusive local associations might increase poor people’s voice in local political processes and governance (Dongier et al. 2002: 308).

21. **Impact in conflict contexts.** CDD projects generally have two kinds of output targets: (a) to meet the basic needs of the community, and (b) to promote social change through the establishment of viable and representative community organisations. An important assumption underpinning this approach in a post-conflict environment is the contribution to greater social cohesion and mutual trust. It is assumed, therefore, that a CDD project may facilitate reconciliation and the integration of refugees, former combatants and internally displaced persons, as well as create mechanisms that will work against renewed conflict.

***Three basic concepts: do not romanticise what is local***

22. In our review of CDD documentation, we found frequent use of rather abstract social science concepts. There is an obvious danger that such a vocabulary may blur rather than clarify the notion of CDD. We note that three of the most central concepts used – ‘community’, ‘social capital’, and ‘empowerment’ – were either inadequately defined or not defined at all. The lack of an explicit understanding of the terms used to justify and build projects is unfortunate, since such a lack may cause misunderstanding between the various CDD stakeholders. We need to ask basic questions, such as:

- How does one recognise a ‘community’? On what basis do communities act collectively?
- Is social capital always constructive? What kind of social capital should be strengthened?
- What powers should the community obtain, and how should such powers be transferred or created? Who will be losing power in this process?

‘Community’

23. The ‘community’ is seen as a driving force of development, and encompasses a variety of social processes and organisations – including symbols, ideas, values and ideologies (Cohen, 1985). ‘Community’ refers to ‘collectivity’ or ‘social unit’, as well as to ‘forms of social bonds or sentiments’. The term is at the same time empirically descriptive and normatively prescriptive (Minar and Greer, 1970). It is this latter, normative aspect that gives the ‘community’ concept its clout, since it refers to widely acclaimed aspects of social life such as unity, solidarity, mutual help and constructive collective action. This normative and positive interpretation of ‘community’, however, ignores the fact that disputes, rivalry and conflict also constitute a daily part of communal life.
24. Given this variety of possible interpretations, it is vital that designers of projects that are to be ‘community driven’ articulate an understanding of the ‘community’ that is supposed to ‘drive’ the development. Such an understanding should, in particular, attempt to take note of the local understandings of ‘community’, which will depend on the sociocultural setting and specific local traditions and histories.

25. Another important issue concerning the concept of community driven development is the question of what conditions a community needs to be able to drive development in a sustainable way. What mechanisms should governments institutionalise to create enabling conditions? Popular participation in planning and implementation has been attempted in various ways for decades. While most of these approaches tended to be heavily guided or simply steered from central levels, the CDD approach implies mechanisms that leave greater space for independent decision-making at local level. The term ‘demand-driven’ is central. While mechanisms such as block grants and funding based on applications provide a greater scope for local empowerment, there are also obvious problems associated with sustainable management of the assets and services being created. What should be the role of the community versus (local) government in rebuilding essential public services? Finding the appropriate mix of demand- and supply-driven approaches in a given context and for specific purposes is a challenge that has to be approached carefully.

‘Social capital’

26. The CDD approach aims at building forms of social capital that enhance the local capacity for cooperation, in order to address common needs and stimulate economic development. Dongier et al. (2002: 308) in their presentation of CDD define social capital as ‘...the ability of individuals to secure benefits as a result of membership in social networks.’ But what, exactly, is this ‘social capital’ that CDD aims at building?

27. ‘Social capital’ may be regarded as complementary to and partly overlapping with ‘community’. Whereas community often refers to a social unit, social capital is tied to the dynamics and quality of relationships within and outside that unit. It refers to the social and cultural coherence of society, and the values and norms that govern interactions among people and the institutions in which they are embedded (Feldman and Assaf, 1999). Scholars have approached the question of societal coherence in various ways, and social capital is defined differently by different scholars. For instance, Pierre Bourdieu views social capital as resource - a form of relational power - relationships tied to specific persons that are useful in political, economical or cultural terms (Bourdieu, 1986). Whereas Bourdieu views capital as unequally distributed in society, scholars such as Robert D. Putnam identify social capital in a more depersonalized fashion as features of social organization, and vital assets in institutional and economic development (Putnam, 1993).

---

28. Within the notion of social capital some scholars choose to distinguish between weak and strong social ties or relationships. Strong ties refer to the close relationships between family members and neighbours, often based on kinship, ethnicity and religion, which may work as a safety net for survival. Weak ties are relationships that connect people to outside communities, and thus may bridge differences in kinship, religion and ethnicity. Social capital has been further refined through a differentiation between ‘horizontal’ and ‘vertical’ social capital. ‘Horizontal’ and ‘vertical’ social capital includes both weak and strong ties. Horizontal social capital refers to social networks, norms and trust that facilitate cooperation for mutual benefit. Vertical social capital, on the other hand, conceptualises the hierarchical relationship between communities and individuals on the one hand, and state institutions, the legal environment and the market on the other (Colletta and Cullen, 2000).

29. How then does conflict affect social capital? It is widely acknowledged that conflict and a lack of economic and social security cause deterioration in the quality of trust in social relations and a tendency to reinforce political and ethnic divisions. Coletta and Cullen (ibid. 3-4) point out that violent conflict ‘…divides the population by undermining interpersonal and communal trust, destroying the norms and values that underlie cooperation and collective action for the common good, and increases the likelihood of communal strife.’ Such damage to the nation’s social capital, they argue, ‘…impedes the ability of either communal groups or the state to recover after hostilities cease.’ They conclude that even if other forms of capital are replenished ‘…economic and social development will be hindered unless social capital stocks are restored.’

30. Within CDD projects, as was the case for ‘community’, ‘social capital’ tends to be viewed as fundamentally constructive. In reality, however, ‘social capital’ is a resource that can be used for both productive and destructive purposes. Social capital may, for instance, constitute a key asset in practices of corruption and in violent conflicts. A question that must be asked is, therefore: what kind of social capital needs to be reconstructed after war?

‘Empowerment’

31. A pronounced objective within CDD is ‘community empowerment’. But what does ‘empowerment’ mean? How do CDD projects relate to community empowerment? And what challenges does a context of conflict pose to achieving this aim?

One World Bank document defines ‘empowerment’ as ‘the enhancement of assets and capabilities of diverse individuals and groups, so that they can engage, influence and hold accountable the institutions that affect their well-being’ (Matzen, 2002). Four central elements in empowerment are highlighted: information, inclusion/participation, accountability and local organizational capacities. CDDs aim to ensure such empowerment through the allocation of untied funds to communities, which may allow them to prioritise and manage their own projects. Box 2 reflects the Bank’s view on how, according to the Bank, communities can most efficiently be empowered to control their own affairs.

---

**Box 2. Empowering Communities: Guiding Principles**

| 1. | Develop local skills through learning by doing; |
| 2. | Start with small grants and grow gradually; |
| 3. | Aim at covering communities across entire countries; |
| 4. | Safeguard against social exclusion and elite capture; |
| 5. | Ensure that the direction of accountability is downward towards local people; |
| 6. | Transfer responsibility for tasks to the lowest level of government; |
| 7. | ‘Decentralise’ by cooperating between different levels of government; |
| 8. | Give a transparent share of resources to local governments; |
| 9. | Ensure ‘ownership’ by making sure that communities and local governments contribute to costs; |
| 10. | Let existing community-level institutions tailor the CDD projects; and |
| 11. | Include mechanisms to ensure that non-prioritised objectives are not undermined. |

*Source: World Bank Institute, 2000*

32. The core element of the concept of ‘empowerment’ is *power*. This analytical concept is complex and scientifically contested. Power is generally understood to be concerned with bringing about consequences. Some social scientists emphasize the different bases of power (for instance, wealth, status, knowledge, force, charisma, authority), while others stress the different forms of power (such as influence, coercion and control) or the different uses of power (such as individual or community ends, economic or political ends)(Kuper and Kuper, 1985). An important question, therefore, is what kinds of power the community should obtain, and how such powers should be transferred or created.

33. Based on what the World Bank defines as empowerment, it is possible to assert that CDD projects seek simultaneously to generate power in terms of knowledge and information, and to transfer power (from the state to the communities) in terms of control over resources and decision-making in issues that concern them the most. Empowerment thus implies redistributing power and transforming institutions, as part of a bottom-up democratization process. Empowerment in general and the community empowerment agenda of CDD projects in particular both deserve careful consideration, as they imply that an external actor with economic power may use that power to change power relations within the society where this actor disburses its funds. The question is, however, whether there can be a successful process of empowerment without changes in power structures both at local, and broader national and even international, levels (Allen, 2000).

34. **Empowering communities in contexts of conflict.** Empowering communities ‘as a whole’ may, moreover, be particularly difficult in areas affected by armed conflict. War tends to shift power relations within society, often in the direction of greater inequality, since the conflict situation favours those with weapons, who will use their military power to enhance their economic and political position. As a result, a post-war context is often marked by heavy imbalances and by rifts that may divide communities themselves. When untied funds are disbursed to communities emerging from war, it may therefore be difficult to ensure that the resources reach the community ‘as a whole’, since resource access to some extent may have been monopolised by smaller sections of the community. The experiences of Afghanistan and Rwanda, for instance, demonstrate that a major challenge in post-war contexts is to ensure that projects will not only benefit the victors of
war or those who still have access to military power, but also those who ended up on the losing side of the conflict, or who were impoverished or exploited as a result of it. The breakdown of institutions and transformation of social capital paradoxically also harbour important potential for change in power relations, and a significant task of reconstruction is to bring about change in the relationships and factors that once caused war.

35. From this discussion several fundamental questions arise: How will the process of empowerment through the transfer and creation of powers interact with the existing distribution of power in the community? How will this influence the relationship between local government and the community? Are CDD projects enough to bring about an all encompassing change in power relations at different levels?

Who are the primary CDD stakeholders?

36. At the core of a CDD project is the bilateral relationship between (a) a demand-responsive institution as the provider of financial and material support and (b) a local organisation capable of articulating its demand and making use of the support. However, there are few instances, not least in conflict contexts, where the intervention can be limited to only these two types of stakeholder. To make this basic relationship work, there is a need to influence the wider institutional environment. We can distinguish between eight types of stakeholder that independently may influence the outcome of a CDD project:

1) **People living in the community.** Ideally speaking it is their needs and involvement that is to inform and guide the interventions of all other stakeholders. However, as argued above, it may not be self-evident who these people are. There may be a conflict between the notion of a self-defined community and concern for inclusiveness.

2) **The community based organisations.** The CBOs are responsible for selecting, implementing, monitoring and sustaining the CDD projects. While most CDD projects involve a wide range of development actors, the single most important partner in CDD remains the CBOs. These are sometimes formed especially for the project through local elections with the assistance of CDD facilitators. The CBO may also emerge from already existing social institutions. In the latter case, there is a pressure to ensure that vulnerable groups are included, such as women and poor people, who traditionally may have had little or no influence on communal decision-making.

3) **The non-governmental organisations.** The Bank collaborates with NGOs in three ways within the CDD framework: (1) for facilitation of capacity building of the CBOs, (2) in situations where local government has been weak or contested, and (3) for purposes of monitoring and evaluating CDD projects.

4) **The facilitators.** Most CDD projects have recruited people to work as social mobilisers or change agents in the target communities. Their role is to facilitate the formation of CBOs, assist them in undertaking needs assessments, and provide them with the necessary skills and attitudes to manage and sustain the
development process. Facilitators involved in CDD projects include people locally employed and trained, local government officials, consultants and NGO staff.

5) **The central government.** CDD projects are often coordinated from an autonomous unit within a government department, or as a central fund operating independently, paralleling the governmental structure. The inclusion of government representatives is, however, not always plain sailing. Firstly, the central government of a country may show little willingness to agree on the degree of decentralisation that the CDD approach requires. Secondly, the selection of local and national government partners may be difficult, as the government structure may be opaque, and representatives with the needed skills may not always be available. Thirdly, there may be a lack of trust between the government and the local communities; as a result, WB staff and facilitators risk being judged with suspicion if seen as being too close to either the community or the government.

6) **The local governments.** Involvement of the local government is essential. Several CDD projects (e.g. Social Funds) have been criticised for bypassing, and thereby undermining, this level of government. Albeit often weak, local governments have the responsibility for overall planning and coordination, and they may assist communities in developing project proposals and function as technical advisers. In many instances capacity building is called for.

7) **International organisations.** In countries emerging from conflict, a multitude of international organisations are normally present. UN agencies, for instance, may be engaged in peace-building, governance and the provision of humanitarian and development assistance; other organisations may be involved in areas where CDD projects are also implemented. Even though these organisations are rarely directly involved in CDD projects, their role matters inasmuch as they may influence, collaborate with or overlap with CDD initiatives.

8) **The World Bank,** as the main financing agency, has been playing a very active role in most of its CDD projects, spurred not least by their innovativeness. WB staff has been very influential in the design process and the follow-up research.

**Characteristics of contexts of conflict**

37. Most of the CDD projects reviewed in this report have taken place under conditions of armed conflict, or in their aftermath. What are the main characteristics of such conflict or post-conflict contexts? In the following we will introduce key factors that need to be considered seriously when designing and implementing CDD projects in conflict-ridden settings.

38. **The general picture.** In countries experiencing armed conflict or emerging from such, there is severe destruction of the physical infrastructure, with landmines and unexploded ordnance posing a security risk. Governments may be short of the necessary human and financial resources, and people have little funding of their own to rebuild or develop their communities and businesses. People often lack trust in government agencies, communities are divided, and unrepresentative individuals may retain a
coercion-backed influence over decision-making. Nevertheless, post-conflict situations may also bring with them opportunities for positive changes and a ‘new start’.

39. **The role of the government.** There are very large variations as for types of government and administration established in conflict contexts. Many might have a long way to go before being accepted by the majority of the population or being able to establish a well functioning administration, although, at the same time, the expectations within the population might be very high. If the government has limited financial resources or is politically immature (or military influenced), donors and external forces might hold undue influence over the economic and political processes. A government’s inability to improve peoples living conditions, protection of their citizens against abuses and willingness to take political processes further might then very easily spark new rounds of violence, not least as there might be influential individuals and groups that have more to gain from a continued instability.

40. **Varying conflict causes.** Causes of conflict vary considerably, may change over time and differ from the official explanations. While underlying causes may relate to underdevelopment and resource competition, hostilities may be officially explained as being based on ideological, ethnic and religious differences, abuses of power and position, terrorism or human rights abuses. A thorough understanding of the causes of the conflict is hence essential when planning for CDD projects, to find ways to strengthen elements positive to development and ensure that the assistance at least ‘do no harm’ (Anderson, 1999).

41. **Poverty.** Arguably, there are two aspects of poverty that needs to be taken into consideration in conflict contexts. A high number of people are poor as they end up as victims of conflicts, having their property and income sources destroyed, as agriculture or smaller businesses, or having to leave these and their belongings behind when migrating. Moreover, large scale destruction, presence of mines and UXOs, a high number of people killed or injured and other results of violent conflict will certainly hamper people’s ability to overcome poverty, and making them more vulnerable to both economic hardship and natural disasters.

42. **Violations of rights.** Human rights and property rights are normally severely violated during war and armed conflict, with women and children becoming especially vulnerable. Re-establishing respect for such rights and enabling a reconciliation process to begin is thus a major challenge, in particular if the post-conflict government includes former military groups and leaders.

43. **Gender roles.** Conflicts tend to change traditional gender roles. On the one hand societies tend become more conservative and protective of women, often caused by increasing threats to their security and increase in rape and abduction cases, leading to restrictions on their movements and public job opportunities. While on the other hand the absence of men in many families, cause by enrolment in military units or (forced) work migration, might alter the traditional gender roles, forcing women to assume a larger responsibility for their families and generally within society.

44. **Psycho-social effects.** While physical destruction is easily identified the psycho-social effects of a conflict might be more long-lasting and difficult to map. Systematic oppression and the use of torture and rape, children seeing family members killed and
people having to live with fear over a number of years – these influence both individuals and communities.

45. **Migration.** Conflicts often create large-scale migration, as people flee the fighting or seek new income opportunities elsewhere. People with higher education are often the first to leave. In the aftermath of war, internally displaced people or refugees may be cautious about a quick return. Many families and networks will rather try to establish a security net by only sending some members back first to prepare the ground for the others.

46. **A fragile security situation and continuing violence.** Even if an armed conflict formally comes to an end, violence may continue on a lower or more localised level. Such low-intensity conflict will not only be disruptive for project implementation but might influence communities’ ability and willingness to engage in their own recovery processes. The success of demobilisation processes and the degree to which traditional conflict resolution mechanisms are intact might impact significantly on the conflict level.

47. **Influence of a war economy.** Throughout a conflict the different ‘conflict entrepreneurs’ often find different means of funding and sustaining their military and political engagement. Some of these are likely to be illegal, such as the sale of weapons, trafficking in drugs and people, the extortion of natural resources and the ‘taxation’ of traders and common people; there will be a reluctance to end such activities or hand control of resources over to a legitimate government. Local communities might here be sharply divided between those wishing to end illegal practices and leave financial resources and authority to the state, and those favouring continuing illegal practices for their own financial benefits or due to pressure from conflict entrepreneurs.

48. **Pre- and post-conflict: similarity and divergence.** A country that emerges from a war may have been at a low level of development before the strife occurred, and have had a weak governmental structure. Communities that CDD projects face in conflict contexts may therefore have a long history of self-reliance and management – although the conflict may have weakened community bonds and structures.

Even though the country contexts of the projects reviewed in this report share characteristics of a conflict or post-conflict environment, they also involve specific challenges related to the local and regional course of events. Table 1 illustrates this diversity of national contexts, and lists the main challenges faced in each context. It shows that the project framework has in some cases involved conflicts of varying intensity, limited to certain regions (Indonesia, Uganda, the Philippines and Georgia), and in others persistent and intensive conflicts with a country-wide scope (Angola, Burundi, Rwanda, Afghanistan, Bosnia and Herzegovina).
### Table 1. Country Contexts of Reviewed CDD projects: Financial Costs and Sectors

<table>
<thead>
<tr>
<th>Country</th>
<th>Conflict Context</th>
<th>Projects</th>
<th>Total project cost</th>
<th>Sub-sector</th>
<th>R/U</th>
</tr>
</thead>
<tbody>
<tr>
<td>Afghanistan</td>
<td>Internal and external conflicts</td>
<td>National Community Empowerment Programme</td>
<td>42 mill US$</td>
<td>Community Action Programme, Irrigation &amp; Drainage, Rural Roads, Other Transportation</td>
<td>R</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The P.E.A.C.E Programme</td>
<td>Annually 20 mill US$</td>
<td>Community action, Agriculture, Social services</td>
<td>R/U</td>
</tr>
<tr>
<td>Angola</td>
<td>Civil war</td>
<td>Social Action Project (FAS) (I-III)</td>
<td>I: 24 mill US$</td>
<td>Social Funds, Social Assistance</td>
<td>R</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>II: 47 mill US$</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>III: 120 mill US$</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bosnia and Herzegovina</td>
<td>Civil war</td>
<td>Building Local Institutions and Social Capital: the Tuzla Model</td>
<td>135 375 US$</td>
<td>Economic recovery / Private Sector</td>
<td></td>
</tr>
<tr>
<td>Burundi</td>
<td>Civil war</td>
<td>Social Action Project (I-II)</td>
<td>I: 10.4 mill US$</td>
<td>Central government administration, General education sector, Other social services, Roads and highways, Water supply</td>
<td>R</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>II: 13.6 mill US$</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Community Rehabilitation Project</td>
<td>2 mill US$</td>
<td>IDP/Resettlement/Refugee support</td>
<td></td>
</tr>
<tr>
<td>East Timor</td>
<td>War against Indonesian occupation</td>
<td>Community Empowerment and Local Governance Project</td>
<td>I: 21 mill US$</td>
<td>General public administration, Media, Other social services, Roads and highways, General water, sanitation and flood protection sector</td>
<td>R</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>II: 8.5 mill US$</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>II: 1.5 mill US$</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Georgia</td>
<td>War against Abkhazia</td>
<td>Self Reliance for IDPs and Host Families in Samagrelo region</td>
<td>1,333 201 US$</td>
<td>IDP /Resettlement/ Refugee support</td>
<td>R</td>
</tr>
<tr>
<td>Indonesia</td>
<td>Transition to democracy, regional conflicts</td>
<td>Kecamatan Development Project (I-III)</td>
<td>I: 273 mill US$</td>
<td>Irrigation and drainage, Subnational government administration, Primary education, Roads and highways, Water supply</td>
<td>R</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>II: 421.5 mill US$</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>III: 376.8 mill US$</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kosovo</td>
<td>Civil War</td>
<td>Kosovo Community Development Fund</td>
<td>10, 32 mill US$</td>
<td>Social Funds</td>
<td>R/U</td>
</tr>
<tr>
<td>Philippines</td>
<td>Regional conflict</td>
<td>Promoting Transition from Conflict to Peace and Development at Community Level in Mindanao</td>
<td>950 000 US$</td>
<td>IDP /Resettlement/ Refugee support</td>
<td>R/U</td>
</tr>
<tr>
<td>Rwanda</td>
<td>Civil war</td>
<td>Community Reintegration and Development Project</td>
<td>5,2 mill US$</td>
<td>Social Protection Adjustment</td>
<td>R</td>
</tr>
<tr>
<td>Serbia</td>
<td>Civil War</td>
<td>Southern Serbia Municipal Improvement and Recovery Programme</td>
<td>1 mill US$</td>
<td>IDP /Resettlement/ Refugee support</td>
<td>U</td>
</tr>
<tr>
<td>Somalia</td>
<td>Civil war</td>
<td>Health Service Recovery Project</td>
<td>1 mill US$</td>
<td>Health</td>
<td>R</td>
</tr>
</tbody>
</table>

**Sources:** Project information documents, and information given in questionnaire.

---

4 **Note.** Under ‘Context’ only the most general features of the conflicts are pointed out, and details on the sequencing and course of each conflict are not accounted for.

5 R= rural, U= Urban
Section 2:  
A review of fourteen CDD projects

Methodology

49. Selection of projects. The concept paper is based on a review of altogether fourteen CDD or community empowerment projects. The projects were selected based on an overview provided by the World Bank. In addition we searched the Internet for projects with ‘community driven development’ or ‘community empowerment’ as keywords. The search led us mostly to the World Bank’s own Web Pages, which is the main reason why all of the selected projects except one are in some way linked to the Bank. The majority of these selected projects may be grouped into two categories: (1) projects where the World Bank, most frequently in close cooperation with national government, financed CDD projects through loans, and (2) CDD projects implemented by NGOs or international humanitarian organisations partly or fully financed by grants from the Post-Conflict Fund (PCF). In projects of the first category the World Bank influence is more significant.

50. Five of the projects took place in Africa, six in Asia, and three in Europe. Seven of the projects were funded by the World Bank, six by the PCF, and one by the UN. All projects were oriented towards community empowerment and implemented in countries which were either recovering from conflict or experiencing renewed conflict. The World Bank project in Afghanistan and the Support for Conflict-Ridden Areas Project (SCRAP) in Indonesia were in the starting-up phase and reports on implementation were therefore not available. It is included, however, to compare how the different projects are designed and to judge whether the special challenges found in the aftermath of the conflict influenced the development of the project. Table 2 provide further details on the projects reviewed.

6 See appendix IV for an overview of people and organisations contacted.
7 In the case of the Social Action Project in Burundi, financial support was granted to a national NGO.
8 The Post-Conflict Fund (PCF) was established in 1997 to enhance the Bank’s ability to support physical and social reconstruction in post-war societies. In contrast to the loan and credit system that the Bank most often operates through, the PCF grants are available to a wider range of recipient and implementing agencies. The PCF supports planning, piloting and analysis of ground-breaking activities through the funding of various partners (institutions, non-governmental organizations, United Nations agencies, transitional authorities, governments, and other civil society institutions). The projects are often designed to provide a basis for future Bank Programmes and projects on a larger scale.
<table>
<thead>
<tr>
<th>Sponsor</th>
<th>Area</th>
<th>Country</th>
<th>Name of Project</th>
<th>Implementing Agency</th>
<th>Start</th>
<th>End</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Burundi</td>
<td>Social Action Project (I-II)</td>
<td>Twitezimbere</td>
<td>1997</td>
<td>2005</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rwanda</td>
<td>Community Reintegration and Development Project</td>
<td>Ministry of Local Government</td>
<td>1999</td>
<td>2003</td>
</tr>
<tr>
<td>Asia</td>
<td></td>
<td>Afghanistan</td>
<td>National Community Empowerment Programme</td>
<td>Afghanistan Assistance Coordination Authority and the Ministries of Interior, of Rural Reconstruction and Development, of Public Works, and of Irrigation</td>
<td>2002</td>
<td>2004</td>
</tr>
<tr>
<td>East Timor</td>
<td></td>
<td>Kecamatan Development Project (I-III)</td>
<td></td>
<td>UNTAET Department of District Administration</td>
<td>2000</td>
<td>2003</td>
</tr>
<tr>
<td>Indonesia</td>
<td></td>
<td>Community Empowerment and Local Governance Project</td>
<td></td>
<td>Ministry of Home Affairs</td>
<td>1998</td>
<td>2008</td>
</tr>
<tr>
<td>Europe</td>
<td></td>
<td>Kosovo</td>
<td>Kosovo Community Development Fund</td>
<td>Community Development Fund</td>
<td>2001</td>
<td>2003</td>
</tr>
<tr>
<td>The Post-Conflict Fund</td>
<td>Africa</td>
<td>Burundi</td>
<td>Community Rehabilitation Project</td>
<td>Burundi/ UNHCR</td>
<td>1999</td>
<td>2002</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Somalia</td>
<td>Health Service Recovery Project</td>
<td>International Federation of Red Cross and Red Crescent Societies</td>
<td>2000</td>
<td>NA10</td>
</tr>
<tr>
<td>Asia</td>
<td></td>
<td>Georgia</td>
<td>Self Reliance for IDPs and Host Families in Samagrelo region</td>
<td>Acción contra el Hambre</td>
<td>2002 Dec.</td>
<td>2002</td>
</tr>
<tr>
<td>Philippines</td>
<td></td>
<td>Promoting Transition from Conflict to Peace and Development at Community Level in Mindanao</td>
<td>Community and Family Services International</td>
<td>2001</td>
<td>2003</td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td></td>
<td>Bosnia and Herzegovina</td>
<td>Building Local Institutions and Social Capital: the Tuzla Model</td>
<td>Friends of Bosnia</td>
<td>2002</td>
<td>NA</td>
</tr>
<tr>
<td>Serbia</td>
<td></td>
<td>Southern Serbia Municipal Improvement and Recovery Program</td>
<td>UNDP/ Government of Federal Republic of Yugoslavia</td>
<td>2001</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>The UN</td>
<td>Asia</td>
<td>Afghanistan</td>
<td>The P.E.A.C.E Programme</td>
<td>UNDP, FAO, UNCHS (Habitat), and OPS</td>
<td>1997</td>
<td>2001</td>
</tr>
</tbody>
</table>

10NA= Not available
51. **Procedures and difficulties in data collection.** The data collection for the paper has been conducted by means of the following methods: (1) a search of key documents, including policy papers, source books, project appraisals, project information documents, evaluation reports, working papers, and discussion papers; (2) the use of a questionnaire distributed to key WB and project staff; and (3) telephone interviews. The questionnaire was distributed to 22 different organisations and persons, out of which 8 found the time to participate (see appendix II for questionnaire). Further, we consulted the literature on rehabilitation and development efforts in conflicts, on participatory processes, on peacebuilding and on experiences from other conflicts and humanitarian interventions. A main difficulty faced in the process of data collection, however, was getting hold of the most relevant progress and evaluation reports. Unfortunately, this difficulty sets certain restrictions on our scope for assessing the lessons learned.

52. It should furthermore be noted that WB documents on CDD generally emphasise positive learning, and documents made public only to a limited extent expose reflections on failures and negative experiences. This limits the opportunity for a wider reflection on the WB’s own experiences. Since our access to independent evaluation reports has been limited we have attempted to find general lessons learned, formulated by mostly unnamed authors in various official project description documents.

53. In the following review, we will focus on how CDD projects in different conflict settings are organised and implemented. An overall question is to what extent the projects respond to the challenges of post-conflict contexts. How does the specific conflict environment inform the project design?

**Organisation: four partners, but roles differ**

54. According to Dongier et al. (Dongier et al. 2002) three broad sets of organisational arrangements for CDD can be identified, centred on partnerships between community-based organisations and (1) local or municipal governments, (2) non-governmental organisations or the private sector, and (3) central government or a central fund. In the majority of CDD projects that we have examined, all these stakeholders are involved to varying degrees. What distinguishes one project from another is the specific role, in terms of responsibilities and authority the different parties are assigned.

55. In general, CDD projects allocate funds to local communities where community groups are formed or activated with the assistance of project facilitators in order to identify communal needs. The facilitators work to enhance the community groups’ capacity to plan, manage and maintain small projects of different kinds, financed through block grants from a central fund or agency. The communities also receive technical advice from local government officials or project staff on the projects. In short, the communities are empowered through the allocation of control over money and through learning democratic project management.

56. **Social funds.** Of the 14 projects reviewed, three were social fund projects (in Angola, Kosovo and Burundi). In the last decade the World Bank has financed 108 social funds and similar demand-driven multi-sector projects in 57 countries. Social funds are often referred to as CDD proper. The general organisational arrangement of social fund programmes consists of national NGOs or other associations working with community
groups/councils to identify community infrastructure needs and to prepare sub-project proposals. The proposals are submitted to the NGO or agency, which in addition to being responsible for facilitating local initiatives also handles the distribution of resources funding the local sub-projects. Box 3 exemplifies the general organisational features of one of the social fund projects reviewed.

**Box 3. Organisational Arrangements – Social Fund in Kosovo**

| The social fund project in Kosovo is managed by the Community Development Fund (CDF), which operates as a non-governmental agency in partnership with the Kosovo Fund for Open Society (a member of the Soros/OSI foundation). The local partners are project committees, mobilized by CDF facilitators, and municipal authorities. The Serb minority became a vulnerable group in Kosovo after of the war. Project documentation shows that the Serb communities were reluctant to participate in the project. In order to increase Serb participation the CDF hired a Serb facilitator to work with these communities. The mid-term review report finds that the participation of Serb communities since then has significantly improved. 

When CDF works in rural areas where the local authorities provide few services, the community committees are responsible for identifying needs and developing project proposals. In areas where the municipal government is more effective in terms of service delivery, they play a more direct role in project preparation, supervision, operations and maintenance. Otherwise, the municipal governments are mainly involved in the identification of target communities, providing the necessary clearance and permits for project implementation. The CDF distributes fund resources, deciding which of the proposals submitted by the communities are worthy of financial support. The allocation of money is regulated by an ‘open menu’, defining eligible projects into four main sectors: 1) community works; 2) social infrastructure; 3) economic infrastructure; and 4) sanitation and the environment. The CDF is also responsible for monitoring the projects.

**Source:** Kosovo Community Development Fund Project PAD, Mid-term review report January 2002.

57. **Promoting a democratic process.** Compared to the social fund projects, the Kecamatan Development Project (KDP) in Indonesia and Community Empowerment Project (CEP) in East Timor are based on a different organisational arrangement. Elections are held at a hamlet level to elect representatives to the village council, and from this council a specific number of persons is chosen to represent the village on a sub-district level. In East Timor a group consisting of women and younger men, traditionally groups with less power, monitors the decision-making process at the sub-district level. The facilitators are trained people permanently hired by the project. Each village has two facilitators who function both as conflict mediators and capacity builders, and who work to mobilise collective action in the community. Local government officials serve as advisers on technical and project management issues, and independent NGOs monitor the project in order to ensure transparency.

58. The KDP cycle starts with four to six months of facilitation and planning at sub-village, village and sub-district levels. In open public meetings the villagers decide upon a maximum of two proposals for forwarding to the final round of kecamatan decision levels; of the two proposals, one has to come from women. These are in turn submitted to the sub-district councils, composed of representatives from all the villages in the sub-district. At this level the village and their project proposals are competing with other communities for project funding. In the first project cycle, however, each village receives a fixed sum of money into a village bank account for local distribution to projects through
the village council. In the second round a larger sum is allocated directly to the sub-district level for allocation between the villages based on the selection of project proposals. The communities also carry a small part of the financial burden of sub-projects though a contribution of cash or labour, to encourage so-called ‘ownership’. Employment is also generated through local contracting, also handled by the village councils.

59. Another major difference separating the social fund projects from other CDD arrangements is the institution responsible for the distribution of project funding; that is, deciding which projects deserve funding. In the social fund projects in Angola, Kosovo and Burundi this power lies with the implementing institution (the NGO or agency). In the projects executed in countries like Rwanda and Indonesia, this is a responsibility allocated to the community committees. Another significant difference between the social fund projects and the Kecamatan model is the explicit element of competition for funds in the latter case.

60. Working with traditional institutions. The P.E.A.C.E. initiative led by UNDP in Afghanistan represents a somewhat different organisational arrangement. It was launched in 1997 in an effort to provide programme coherence to the activities of five different rehabilitation and development projects\(^\text{11}\) financed by UNDP, and implemented by three different UN agencies. The unifying element for these projects was the overall aim of poverty reduction and community empowerment. The ‘Strengthening self-help capacities in rural communities’ project (re)activated the Afghan council, the *shura*, traditionally adjudicating village disputes, and transformed it into a project management unit (see box 11). The programme also encouraged the establishment of women’s *shuras* to make the local decision-making process more sensitive to women’s views and needs. The committees served as a nexus for needs assessment, credit provision, income generation and training for other P.E.A.C.E. activities. The *shura* structure was incorporated into a system of pyramid representation that reached up from villages to district committees on three levels: the village, the sub-district/cluster village and the district. Local committees managed revolving funds to support crop, livestock and other income generating activities. The communities also contributed to carrying project costs with cash and labour. The *shuras* established in this project were also used in the implementation of other projects in the programme. It also had an application beyond the limits of the programme through serving as contacts and partners for other humanitarian agencies and NGOs running projects in these regions, which suggests the likelihood of sustainability after the programme has been brought to closure.

61. Creating new forms of CBOs. Another project incorporated in the P.E.A.C.E programme was ‘Rebuilding communities in urban areas’, sponsored by UNHCS/Habitat. It focused its efforts mainly on urban areas. The project encouraged the establishment of community forums (CFs) in urban neighbourhoods as key decision-making bodies to address collective needs and establish priorities. The project also provided seed capital to establish income generation activities in support of community funds, to finance local social services. The CFs were led by a consultative board and

\(^{11}\) These projects were: 1) Strengthening self-help capacities in rural communities; 2) Food security through sustainable crop production; 3) Rebuilding communities in urban areas; 4) Comprehensive disabled Afghans programme; 5) Livestock development for food security.
supported by a management team, which carried out the day to day business of the forum. This organisational arrangement had the special strength of incorporating a regular mechanism for direct community consultation in an urban setting.

62. The degree of choice. The majority of projects reviewed are multi-sectoral. This implies that resources allocated to the community may be spent to cover diverse local needs. Multi-sectoral projects can be very demanding in terms of resources in a conflict environment with destroyed infrastructure and deteriorating social services. For instance, in the Burundi Community Rehabilitation Project, the country was suffering from a deterioration of social services and a continuing polarisation, and few agencies would be able to manage multi-sectoral projects. This was an important factor which motivated the cooperation between the WB and UNHCR (Brusset et al. 2002). The project proposal is guided by a list defining the specific sectors eligible of financial support. In the majority of projects this often takes the form of an ‘open menu’, which broadly defines different sectoral themes (see box 3). Alternatively, the sub-projects are limited by a negative list, stating explicitly for what purposes the fund resources may not be used. For instance, in CEP the ‘negative list’ and ‘open menu’ mechanisms are combined. The villages decide together about a negative list of items which cannot be funded, and the grants are regulated by three types of activities that can be funded social infrastructure, productive economic activities and social welfare activities (Ospina and Tanja 2002). The projects that are multi-sectoral give the communities a greater possibility to define needs, compared to single-sector projects with an already predetermined focus (like agriculture or health). The CDD projects are mainly directed towards stimulating local initiative in terms of economic activity, and the (re)building of social and economic infrastructure, in addition to improving access to basic services like schools and health clinics. But does this cover the needs of a population recovering from war? Box 4 presents a different approach to the development and recovery of communities.

Box 4. Are Community Driven Projects Enough? Experiences from the Philippines

The armed conflict in Mindanao has caused the deaths of 12 000 people. In 2000, more than 900 000 Filipinos were forced to flee their homes because of the violent conflict in this part of the country, and in January 2001 almost a quarter of a million people were internally displaced, living in the homes of family and friends or at evacuation centres. The project design in the CFSI-led project was first and foremost directed towards IDPs and one of the project’s main objectives was to ensure an enabling environment for safe returns. CFSI applied a psychosocial approach, focusing not only on material and economic support but also on the relational and emotional effects of violence. The other CDD projects reviewed had no explicit focus on the emotional and physical strains of the population caused by war, or how to help people and communities to deal with traumatic experiences. The principal idea seems to be that the repair of social capital will automatically occur through community capacity building and the processes revolving around the projects. Most of the projects reviewed seemed to have a tendency towards a prioritizing of infrastructure projects before health and education projects.

Source: [www.cfsi.ph](http://www.cfsi.ph)

63. Going through phases. The projects most often run in three cycles, each cycle usually lasting three to four years. They are usually preceded by a piloting phase where the lessons learned from the pilot project create an important basis for further development of the project’s design. For instance, the PCF-funded project in Mindanao,
Philippines (see box 4) is not only a separate project, but also functions as a pilot for a future World Bank social fund project in the same region.

64. The CDD projects are designed to be flexible, adapting to changing circumstances and drawing on the challenges met and lessons learned. For instance, the first two project cycles of KDP in Indonesia focused on local institutional building and poverty alleviation in rural communities. The project was originally developed in response to the economic crisis in Indonesia. The newly established Support for Conflict-Ridden Areas Project (SCRAP), starting April 2003, represents a shift, now focusing exclusively on the conflict-ridden areas of Indonesia. The Ministry of Planning in Indonesia developed a map pointing out regions prone to public violence, which comprises 26 out of 31 provinces (World Bank 2003c). The aim of this project is primarily to strengthen community-led planning and dispute resolution processes in order to build mechanisms that will work against renewed violent conflict. The project aim is therefore clearly relevant and responds to one of Indonesia’s major challenges. This project builds on KDP but it funds different activities and requires a different facilitation and cooperation structure (see text box 5). This illustrates how projects may evolve and transform over time.

Box 5. Community Driven Reconstruction in Indonesia: Project Design and the Challenge of Regional Violent Conflict

The violent conflicts that we see in Indonesia today are extremely complex, and represent a threat not only to state power but also to macroeconomic stability as investments in Indonesia are perceived as risky. Many of the causes of these conflicts may be traced to Indonesia’s institutional weakness and the transition to a new institutional regime. The sudden loss of executive control with the ending of the Suharto regime allowed latent conflicts to turn into different cases of regional violence. The conflicts have had several negative effects: economic decline, a loss of services such as health and education, and a cyclical recurrence of violence. The core challenge for community development in post-conflict environments is to prevent violence from reoccurring. A common denominator underlying all of Indonesia’s community level conflicts is that they feed on an absence of mediating institutions that can resolve and channel local level conflicts.

The SCRAP project comprises three main components. The first component is designed to promote local-level reconciliation; the second is directed towards restarting productive activity and creating jobs; and the third is designed to improve access to, and improve the quality of education and health services. The first component, called ‘Community development, reconciliation and dispute resolution’ builds on KDP. Even though earlier KDP provides the beginning of a framework for community level reconstruction, the original project was not designed for peace building. This project planning will (as in KDP) take place in project locations, but it is different in terms of what is considered basic units of cooperation and decision-making. Instead of different villages competing for project funding, a minimum of two villages cooperate in the development of project proposals. Socio-cultural programmes that promote cross-village encounters (such as sports and cultural performance) also receive funding. The project thus promotes the strengthening of relationships between communities over intra-community relations. The inter-village forums already established through KDP will review the inter-village investment proposals. Another difference is that KDP favours decisions that benefits larger groups. This project will provide additional targeted investments responding to the needs of smaller vulnerable groups. The facilitation in KDP was directed towards participatory investment planning and the facilitators hired were mostly young and recruited from
neighbouring provinces. In Indonesia village level experience show that conflicts are most successfully handled by older people, with strong roots and broad networks in the communities. This understanding will guide the recruiting of facilitators in the project.

Another pressing issue in Indonesia, and a source of conflict, concerns the question of land and boundaries. As a means of counteracting the prevalence of land disputes in rural Indonesia, NGOs introduce community mapping programmes into regions with boundary-related land conflicts. Getting communities to map and judge what they think are the correct boundaries is hoped to be the first step towards giving a referent in such disputes. In addition, the component works to strengthen and develop both formal and informal mechanisms for local-level dispute resolution, linking up to the legal system on various levels. Each village also nominates men and women representatives as dispute mediators and receives special training in conflict mediation. The third cycle of KDP can be seen as an important step towards accommodating the general principles of CDD in a project design developed to address special challenges of conflict in Indonesia.

Source: PAD: Third Kecamatan Development Project: Support for Conflict-Ridden Areas Project (World Bank 2003c)

Objectives and project components: Adjusting to the conflict context

65. What does one hope to achieve by handing down control over resources and decisions to local communities in a post-conflict environment? The goals of the projects reviewed are multiple and ambitious. They seek to meet urgent economic and social needs of the population, build representative, inclusive and sustainable institutions on a local level; improve institutional capacity on a local governmental level; promote reconciliation across lines of conflict through processes of cooperation; and build local institutions for conflict mediation to raise the threshold for turning to violence.

66. All the projects include a component of community development, where funds are allocated to local communities, in which community groups are mobilised with the assistance of project facilitators in order to identify communal needs. The facilitators work to enhance the community groups’ capacity to plan, manage and maintain small projects of different kinds, financed through block grants from a central fund or agency.

67. Looking at CDD projects first implemented in post-conflict settings, the project components and specific objectives do not substantially differ from the CDD projects functioning in more stable environments. There has been a gradual acknowledgement of the special challenges posed in a post-conflict climate, and that these factors need to be taken into consideration to ensure that community empowerment projects ‘do no harm’. This is reflected both through a call for more systematic knowledge of conflict and its mechanisms, of which this concept paper is an example, and through expressing a need for CDD projects more specifically tailored to meet challenges encountered in conflict context.

68. Understanding the causes of conflict. This trend is reflected in the development of the social action project in Angola. It started out in 1995 with poverty and poverty reduction as its main concern. Widespread poverty is obviously a crucial side-effect of violent conflict, and Angolan society struggled, and is still struggling, with this problem. The objective of the first cycle was therefore clearly relevant. However, the special challenges of implementing a social fund project in communities that had experienced a brutal civil war for decades were not reflected in the project components. In contrast, the third project cycle starting this year has broadened its scope to include conflict as an
explicit factor in the design. The standard ‘community development’ component which aims at fostering ‘human capital building by bringing communities together’ (Human Development 2003) is typically a cornerstone in the design. In addition, however, it is acknowledged that we know too little about how the post-conflict situation influences social capital building, which is stated as one of the main objectives in the project. A pilot study is therefore included in the design to learn more about the impact of conflict, and to assess vulnerability to determine which of the population groups have been most affected by conflict in terms of impairing their ability to escape poverty.

**Box 6. The Utility of Legal Assistance: Lessons from Burundi Community Rehabilitation Project**

The grant from the PCF was given to facilitate preparations for the return of refugees living in refugee camps in Tanzania. The project’s objective was rehabilitation of infrastructure, building local capacity and supporting self management achievements by the local population. The sub-projects covered i)activities relating to economic security; ii) construction work (schools, health centres, roads) and iii) legal advice and judicial support (aimed at both local population and Ministry of Justice). The evaluation reports states that the first project category was poorly understood by the beneficiaries, while they attached most significance to construction work and legal advice. Legal issues are among the most sensitive ones after a long history of forced migration and civil war, and this programme has increased in importance over time. The legal assistance took on two forms. A ‘mobile legal clinic’ was established to play a role in mediation, conciliation and information, and awareness-raising among the communities. This was done through public meetings, and through individual legal assistance. In addition one sub-project aimed at supporting the efforts to professionalise tribunals and strengthen the independence of the judiciary in the target provinces. The reports concludes that an integrated approach to justice, even though it may be perceived as politically threatening by the authorities, are very useful both as a means for people to express their views and to help settle legal disputes. The authors recommend adopting a ‘dual approach’, where for instance construction projects are developed in conjunction with legal projects.

*Source: Brusset et al. 2002*

69. Two interesting findings stand out from the Burundi project. The above case illustrates the importance returning migrants place on settling land disputes, as this might be a precondition for them to resettle and restart economic activities in their livelihoods. The second finding points towards a language/literacy barrier existing between the government administration and the local population, in this case inhibiting longer term planning as the villagers felt they were not allowed ownership over these processes. On the contrary, the report states that the most promising sub-projects from the social aspect point of view sprung from the spontaneous and unorganised contracts with the population in connection with the implementation of projects, where local government officials had less control (Brusset et al. 2002).

70. As with the Angolan project, several projects include components that aim at strengthening research capacity in the country involved and collecting more systematically knowledge on general issues important to the project. Poverty has been one of the recurring themes in such components, but increasingly attention is devoted to conflict and its mechanisms.

71. **Microfinance sustainability.** Many of the projects include a sub-component for income generating activities, which often take the form of microfinance and revolving
loans, where small loans are distributed from a fixed sum of money to finance small local business activities. The loans have to be repaid before new loans can be issued. This project component has had mixed success. In both Angola and Burundi the income generating activities ceased to exist before the first cycle of the project was concluded. The micro-credit component in the Angolan project was halted because of sustainability problems, the complexity of the activities, the high cost per beneficiary and the lack of staff to handle the challenges. In addition, the payback rate turned out to be unsatisfactory (Implementation Completion Report 2001). In the KDP project in Indonesia it is noted, however, that a large number of lenders were women. Despite women being equally represented in the community councils, practical experience showed that women took part in the decision-making processes to a lesser extent. In spite of mixed experiences with the micro-credit component, it may in some cases function as a means of reaching women, who are ‘muted’ in community council contexts.

72. Transparency. To mitigate the problem of widespread corruption the KDP programme stressed the importance of transparency in particular. The project was designed to keep processes and financial management simple, so that stakeholders could easily understand and use them. As a means to promote transparency, the project had several design mechanisms for wide information dissemination, open financial management and internal and external monitoring. Information on the project and financial operations was disseminated internally through meetings reporting on projects and progress, and through information boards at village and sub-district level, to stimulate internal monitoring. Government officials also conducted routine monitoring. In addition, a network of journalists and forty NGOs contributed to the external monitoring. The Programme stressed regular monitoring by consultants at all levels. Compared to other organisations, UN and NGOs alike, the WB seems to have taken far more extensive measures to bring corruption issues up for broader discussion and introduced measures to prevent it and deal with it when/if it occurs.

Area coverage: from national to village cluster

73. The projects reviewed vary enormously in their geographical scope. The KDP in Indonesia has a national range, covering 20 of Indonesia’s 26 provinces, including more than 9000 villages, and reaching some 25 million people. The Mindanao project covered one conflict-ridden region in the Philippines, working in 28 villages, and assisting some 33 500 persons, most of them displaced by the armed conflict. The Self-reliance project in the Samagrelo region in Georgia concentrated on seven villages, where members of 3000 families received training on agriculture-related issues.

74. Area development projects. Most of the projects, however, did not have a national scope and could fit the definition of what is commonly known as ‘area development schemes’. They operate in selected provinces or districts of the country, chosen according to diverse criteria, attempt to respond to local needs in a comprehensive manner, mobilising community self-help, local decision-making, civil society organizations and private sector enterprise (Bernander, 2002). One main critique directed towards area development schemes is that they address issues of national scope and importance in a piecemeal fashion: while some regions and communities benefit, others do not. A second question is whether these projects are sufficiently broad in scope to bring about overall
change across the country. Some CDD projects compensate with a quick scaling up, and through encouraging an integration of community councils in the governmental structure (as in Indonesia, East Timor and Rwanda). Related to these concerns is the question of how the different districts are selected and groups targeted.

75. **Obstacles to scaling up in conflict settings.** In conflict contexts the security situation may impede the projects from scaling up. Several of the projects experienced renewed violent conflict in the areas they were working. In some cases they had to start over again implementing sub-projects, or the project had to be discontinued until the security situation had improved. Another factor that influences the potential for up-scaling is the capacity of the central administration, which is likely to be weakened by a long-lasting war. Capacity is an important issue in the coordination of programs on a larger scale. Ruined infrastructure/communications and difficult conditions for fiscal transfer represent additional obstacles to scale.

**Targeting: balancing need, security and capacity**

76. **Differences between rural and urban settings.** Most of the CDD projects were implemented in rural settings where village communities constituted the basis of CBOs. Only two of the projects operated exclusively in urban settings: the Habitat project under the P.E.A.C.E. programme in Afghanistan, and the Tuzla project in Bosnia and Herzegovina implemented by the NGO ‘Friends of Bosnia’. In order to become self-reliant the central government in Bosnia and Herzegovina has developed an economic development strategy where the main goal is the creation of ‘an entrepreneurial society’. The CDD project implemented in Tuzla supports this national strategy through aiming at developing the social and human capital needed for an entrepreneurial society. It provides a radically different CDD design, bringing together municipal government, business and local NGO stakeholders in a collaborate effort to improve public space, and build social and human capital through a trust-building process across ethnic boundaries, bringing people together through common interests. One important factor differentiating this project design from others was the fact that the CBOs were not territorially defined through village or urban neighbourhoods, but were community organisations (NGOs or citizens’ associations). Another unusual component was the role assigned to private business in the project (for more details on this project see textbox 7).

**Box 7. Linkages between Market, Government and Community: Bosnian Experiences**

On paper, the programme ‘The New Initiative for Tuzla’ intends to bring together local government, business community and community organizations to implement public infrastructure projects, called ‘community works projects’. Community organization members are encouraged to devise job-creating funding proposals for the projects. A committee approves applicant community organizations for a community work project according to two criteria: (1) the organisation’s commitment to the values of a multi-ethnic open society, and (2) the viability of the job-creating funding proposals. These organizations receive funding in proportion to their contribution of volunteer work on the public infrastructure projects, as micro-investments in their organizations. The municipality assumes full responsibility for providing all necessary material and expertise, while the business community contributes with funding in return for marketing opportunities.
The first grant performance report on the period October 2002 to April 2003 demonstrates that the project met unexpected problems. The first five months of the project revealed that overcoming a lack of trust in post-conflict Bosnia represented a formidable challenge. The municipal government suddenly proved unwilling to participate in the project, and wanted the World Bank fund transferred to other projects. There was also revealed misuse of project resources in one of the central NGOs participating in the project. The implementing NGO ‘Friends of Bosnia’ tried to reform the partner NGO, without sufficient success. Efforts were made to persuade the mayor to endorse the project, which was crucial for the necessary participation of local government. Friends of Bosnia finally succeeded in securing the involvement of local government, and in recruiting strategic NGO partners. One tree planting project was then launched. NGO volunteer workers contributed 779 professional labour hours planting 219 trees throughout Tuzla.

A preliminary experience based on the first implemented infrastructure project is that when finally commencing it proved effective in overcoming distrust and bringing together local stakeholders for a joint effort towards a positive change. The project design hinges on the willingness of all the stakeholders to contribute. The experience with the sudden withdrawal of local government revealed that their involvement was crucial for this project design to work. To make all the stakeholders cooperate, the implementing organization had to fight its way through competing agendas. By setting a central criterion of transparency, the project may prove to strengthen healthy NGOs, and contribute to the building of cooperative links between the three partners.

Source: Friends of Bosnia, 2003a

77. Insecurity influences selection of regions. Regions were targeted after predetermined criteria ranging from socioeconomic factors to local organisational capacities, level of poverty, the degree to which the community has been afflicted by violence, the remoteness of the localities, and security conditions in the regions. The general criterion for CDD in post-conflict reconstruction is to try to reach those areas and people who have suffered the most and are most needy. However, the security conditions in these areas and their remoteness may not always allow for an implementation of CDD because of safety concerns on the part of the project staff, and practical obstacles that make elections and the transfer of resources too difficult. In the first social action project in Angola, the Bank went against the central government’s wishes by implementing the project in what were considered insecure regions, which implied that many poor people in need of assistance would not be reached. It appears, however, to have been changes in terms of viewing CDD not only as a means to reconstruction and development, but as a potential tool in conflict resolution and peace-building in non-secure areas.

78. Receiving capacity matters. In order to be successful, the CDD approach requires a certain level of organisational capacity within the communities in question. Since all the projects practise the principle of ‘ownership’ through a local contribution of cash or labour, the communities also need a certain level of resources to be able to participate. The willingness of the communities to participate is also a necessary prerequisite for introducing these projects. For instance, the Somalia Health Service Recovery Project aimed at developing a system, strategy and tools to convert a network of 49 community health centres into a sustainable service that would form part of the future health sector in Somalia. The project was a result of the cooperation between the International Federation of Red Crescent, Somalia Red Crescent Society and the World Bank. The health project sprang from the idea that the long-term recovery of local services in post-conflict environments could only be ensured through the empowerment of local communities to participate fully in the running and resourcing of their health facilities. Three conditions
were predefined as necessary for introducing the project in communities: 1) the willingness of the community to engage; 2) the availability of sufficient resources to contribute to the service; and 3) the technical capacities of individual community members to support the service.

79. **Special measures to involve vulnerable groups.** The CDD approach, as it is reflected in the projects reviewed, mostly works with villages or urban neighbourhoods to identify needs, and to plan and implement projects. Basically CDD is a holistic approach, focusing on the community as a whole. The projects have, however, mechanisms that are designed to ensure the participation of vulnerable groups in the decision-making process. Some of the projects also have separate sub-components, targeting vulnerable groups such as single female households (KDP III Indonesia), disabled persons (P.E.A.C.E Afghanistan), internally displaced people (Georgia), or ex-combatants. It involves a delicate balance between helping vulnerable groups and helping the community as a whole, as textbox 8 illustrates.

---

**Box 8. Targeting Groups or Entire Communities? Philippine and Georgian Experiences**

Mindanao, a region in the Philippines, has experienced armed conflict over the last thirty years. The region is marked by the large number of people internally displaced. Community and Family Services International (CFSI) is a social development organisation based in the Philippines that works to help displaced people. CFSI received funding from PCF to implement a project targeting first and foremost IDPs in the Mindanao province. The objective was to develop enabling conditions that encourage safe returns in order to facilitate the process of transition and stabilization.

In order to encourage IDPs to return home and to map out what needed to be done to facilitate a secure return, CFSI in Mindanao arranged ‘Go-and-See Visits’. These tours included ‘Site Development Planning’ carried out by the IDPs in the evacuation centres with support from CFSI, to identify anticipated needs related to the return. The communities of origin were involved in planning to prevent conflicts occurring when the IDPs returned to their homes. Even though the communities were engaged in the process of repatriation, the CFSI mainly focused on IDPs. A livelihood assistance programme was developed in response to urgent financial needs and targeted exclusively IDPs. One financial scheme was designed for implementation at the evacuation centres (Start-Up Capital Assistance), the other was designated as start-up capital upon return (Livelihood Assistance Upon Return). The latter programme put greater emphasis on building social cohesion through group work, and was intended to serve as a ‘pull factor’ to encourage IDPs to return home. The teams receiving financial support were returning IDPs only, and did not include the rest of the home community. In one of the progress reports CFSI remarked that this represented a potential conflict between the people returning to their homes and those who chose not to flee, and would have to be treated with extra caution.

In contrast to the project in Mindanao, the IDP project in the Samagrelo region of Georgia, implemented by a NGO (Acción contra el Hambre), sought to integrate IDPs into their host communities, targeting villages as a whole. When organizing cooperatives to engage in diverse agricultural activities, IDPs and locals together comprised the groups, encouraging integration and mutual solidarity through cooperation and joint efforts to make different kinds of agricultural production work. These two projects were implemented in two completely different environments. CFSI struggled to implement their project in an extremely difficult security situation of ongoing violent conflict, while the Georgian region was mainly struggling with poverty and low-income related issues. In the Philippines the main aim was to help people to return to their homes, while the Georgian project sought to integrate IDPs into host communities. These examples reveal a dilemma in CDD projects: How can one reach the most vulnerable without causing conflict? And how can one reach the most vulnerable people when focusing on the community as a whole?

---

Sources: www.cfsi.ph and Acción contra el Hambre
CBOs: establishing or reactivating?

80. **Resistance from local power holders.** An important discussion is if CDD projects should build upon already existing CBOs rather than creating completely new ones. The advantage offered by building on already existing organisational structures is that the local population is familiar with the institution and how it works. This enhances the sustainability of the CBOs and therefore the sustainability of the project. Building on existing organisations may, however, have drawbacks; institutions may tend to favour particular groups and are often not representative of the entire community. The projects that choose to build on existing communal institutions are therefore often extended to be more inclusive. In East Timor, for instance, the traditional local power holders were deliberately bypassed when the village councils were elected. This was done at the request of Timorese leadership, who wanted to establish new, and more representative councils. The bypassing of traditional power holders gave rise to local tensions between new and old power structures (See box 9). The choice between using already existing CBOs and creating new ones is a crucial issue when designing a CDD project.

**Box 9. Traditional Structures v. Creation of New Institutions: The Timorese Experience**

The selection of hamlet representatives to the Village Development Council (VDC) was organised by a selection committee consisting of the hamlet chief and two trusted members, one male and one female. This committee was to organise a democratic process, asking community members to identify male and female potential candidates. One female and one male representative were then elected as members of the VDC. Elders and village heads were excluded from candidacy. An evaluation report demonstrated that the education and experience of the candidates were the most important criteria for the election of community representatives, rather than descent. This resulted in young literate people who either had ‘project experience’ or had proven themselves to be good leaders in the war for independence gained access to power in a society where traditionally old age, descent and power are intertwined. Traditional power is divided between political and religious authority, based on lineage – belonging to ‘the House’, which traditionally holds the power. In contrast, neither age nor descent mattered in the choice of VDC representatives. And in contrast to many elders who are illiterate, the elected young people were able to fulfil the CEP requirement of literacy. As a result, the council was seen as solely functional without the traditional political tasks of decision-making and conflict resolution. The role of the VDC is therefore not in direct conflict with traditional powers. The evaluation report concludes that the lack of seniority in these councils has contributed to the fact that the councils have not yet developed real power. But still it has been noted that the exclusion of traditional power has caused tension in some of the villages, and may be a cause of conflict if and when the VDC develops real power. There are also indications, however, that traditional power works complementarily to the VDC in terms of solving disputes that arise from project decisions, implementation and management and do not find a solution within the VDC.

*Sources: Ospina and Hohe, 2002*

81. **Lack of trust.** Mobilizing local communities to take part in the project may represent a challenge. In Angola, one reason for variable regional success was partly attributed to the fact that the facilitators did not succeed in persuading communities to participate. There may be a number of reasons why communities may be difficult to mobilize. As noted earlier, one widespread effect of violent conflict is the weakening of the relationship between the government and communities in terms of trust. Lack of trust in government or facilitators promoting the project may be reasons why communities
choose to decline the offer. Once the community groups have been mobilized and elections arranged, the projects face another challenge in motivating elected community members to spend their time representing the village in the time-consuming planning and management process (see box 10).

**Box 10. Compensation of Community Council Members: The Cases of Rwanda and East Timor**

In the Community Development Committees (CDC) in Rwanda a considerable amount of time and effort were involved in building the local capacities of the CDCs to prepare the committees for the various aspects and challenges of project management. However, because of the heavy workload of CDC members many voiced discontent. They had not expected that their involvement would demand so much of their time, and some even claimed that the project was impoverishing them, through the fact that the time tied up in meetings and training pulled them away from economic activities. The question of time spent and compensation may influence the motivation of community representatives to attend training activities and meetings. In East Timor the evaluation report notes that women representatives often experienced disagreement with their husbands over the issue that their time was bound up in community matters which did not bring any economic contribution to the household. This brings forward the issue of compensation for council members. Many fear that if money were to be given, this would increase the risk of elite capture and corruption. This is a general question confronting the projects.

*Sources: Ospina and Hohe, 2002; World Bank 2001c*

**Capacity building and planning: careful preparation is essential**

82. **Time a critical factor.** As mentioned earlier, the KDP project spent four to six months on facilitation and planning. Since the community plays a central role in the project, it is underscored in several of the project documents that an understanding among the community members of the project and the community group’s function and responsibility is essential for success (see box 10). Without thorough preparation, project experience shows that unwanted side effects like elite capture and corruption are more likely to occur. In a post-conflict environment, however, time may be scarce. In East Timor, for instance, less time was spent planning because of the immediate needs of the population. Shortly after the CBOs had been established, the villages received an emergency grant, a fixed sum of money distributed equally within the villages for covering emergency needs.

83. **Assisting project formulation.** In the cases of KDP in Indonesia, and CEP in East Timor, the planning starts at sub-village level where facilitators (NGOs or locally employed consultants) help develop the project proposals. Each of the sub-village units submits their proposals to the village council, where a number of projects are selected. The second grant cycle had an element of competition, under which each of the villages could submit a maximum of 4 proposals, half of which had to be from women’s groups, to the sub-district council of elected representatives from each village. Here their proposals competed for project funding with other villages. The element of explicit competition is unique to the KDP and CEP project design. In contrast, in Rwanda the Community Development Council (CDC) used extra time to develop a three-year
Community Development Plan in which the needs and priorities of the community were established.

84. **Starting with small money.** In CDD projects it is common to start out with small grants and then gradually increase the amount of money which the community councils or sub-district councils manage. After going through a phase of capacity building, planning and prioritizing of projects, the councils may find that the block grant is too small to cover the most needed project, which is a potential frustration for the communities. In countries where a functioning bank system is non-existent, it is of crucial importance to have a well thought through system of disbursement so that the projects can start to be implemented as soon as the planning is finished and decisions are made. This is important in making sure that community members in a fragile initial phase do not lose the motivation to participate or lose faith in the projects’ ability to deliver basic services.

85. **Using local facilitators.** The role of facilitators is vital in the capacity building of CBOs, in encouraging positive local processes and in the dissemination of information. The respondents on the Mindanao project pointed out, amongst other things, that the decision to hire and build the capacity of local professionals with different ethnic and religious backgrounds was important in a heterogeneous region. One of the success factors mentioned in the KDP project was the high availability of educated but unemployed people, who were hired as facilitators for the project, and who were willing to work for lower pay (Edstrom 2002).

**Box 11. The Importance of Facilitation**

A comparison of different strategies for the development of community based organisations in Afghanistan, often termed *shuras*, reveals striking differences as to how community based they were and what roles they assumed. Traditionally such *shuras* were primarily involved in the settling of conflicts within the village, open to the participation of all the men of the village(s) and generally consensus oriented. While one NGO only focused on the composition and selection criteria for the (men only) development *shura* and its involvement in project selection, the other NGO undertook an elaborate PRA exercise with separate female and male *shuras* before establishing a list of common village priorities. Government and representatives of UN agencies were here invited to the PRA exercise, emphasis was placed on the development of the *shura* and within a wider district village *shuras* were later linked up in a district council, enabling and encouraging collaboration and joint district projects.

A survey in these two villages revealed that the villagers and the *shura* members had a very different understanding of and perception of their respective roles. Within the first village neither the *shura* nor the villagers had a clear understanding of what the *shura* was expected to do and achieve, most people were not at all informed about the proposed projects and the large majority still believed that the *shura*’s responsibility was to solve community disputes. They had in general a negative attitude towards the NGO, claiming that only a few persons in the village had been able to benefit from the NGO assistance. On the other hand, in the second village, which had undergone the PRA exercise and capacity building process, people regarded the *shura* as a community development body, and were well aware of which projects the NGO and the villagers had agreed to prioritise in the village.

*Source:* Strand, 2003

---

13 For further details on the *shura* function in Afghanistan see Harpviken, Strand and Ask (2002) *Civil Society in Afghanistan*, Commissioned Report, Bergen, CMI
The methods used in capacity building and planning were in most cases participatory. The Rwanda development and reintegration project (RDRP) in particular used PRA as its main method for gaining knowledge about specific communities, for planning projects, and for building capacity in both communities and local governments.

**The role of local and central government**

87. **Avoiding obstruction.** The projects include cooperation with local government to varying degrees. In Rwanda RDRP, the relationship between local government and communities devoted special attention to the design because of its previous participation in the atrocities during the civil war. To avoid the risk of obstruction in the decision-making process that was likely to occur if Community Development Committees (CDC) were established as parallel structures to local authorities, the CDCs were instead composed of both elected representatives from the communities, and government officials (Cliffe et. al. 2003).

88. **Building capacity.** Another potential problem in post-conflict environments is the low level of institutional capacity on the part of local government. In some cases local government may be close to non-existent, and a partnership is therefore difficult to develop. Since the linkage between the communities and the government structure is deemed important, some of the projects also emphasise the strengthening of local government. The Angolan Social Action Project, for instance, included capacity building as an effort not only in community groups, but also in NGOs and local government.

89. **Bypassing.** In the KDP project, local government structures were bypassed in the transferring of block grants, which went directly to the village’s own bank account. This was done mainly because the standard fiscal transfers would go faster so that the projects decided upon locally could be realised quickly. Speed was an important concern in the project design. Another argument for bypassing local government with the cash flow was the problem of widespread corruption at all levels of government in Indonesia, which had also contributed to weakening the trust between citizens and the state apparatus. However, the local administration provided technical advice for the planning and management of the project, in addition to contributing with some amount of funding. Judith Edstrom (2002) remarks that it is a danger when introducing a well-financed parallel structure to produce the undesirable consequence of weakening the government. It may also weaken the sustainability of community councils if and when the project no longer receives funding. In post-conflict settings, where governmental institutions have survived, but need rebuilding, this design may have a counterproductive affect.

90. **Selection of a governmental lead agency.** The central government agencies have a central role in coordinating and leading the projects. The implementing agency is often placed within one of the government ministries. A general challenge in the project design is the identification of a capable government agency to lead the project, and to ensure sufficient administrative autonomy to avoid political interference in the implementation of the project. The ministries responsible for social welfare and community development have often been weak in terms of power and staff. In several of the Bank projects other and more powerful ministries, often economic or other sectoral ministries have been selected as partners (Edstrom, 2002). The KDP, however, chose the Community
Development Department in the less powerful Ministry of Home Affairs to implement the project. There were several reasons for this choice: (1) the KDP would be a bigger unit in this ministry and therefore have more influence; (2) the Ministry of Home Affairs had less vested interest in pushing one specific sector, which is an advantage for an ‘open menu’ design; (3) the ministry was willing to hand over some of its power to the project management consultants, and its interference was less than it would have been in more powerful ministries; and (4) it benefits from the administrative, political and logistical support of the ministry (Edstrom, 2002).

91. **CDD can be politically controversial.** Implementation of CDD hinges on the cooperation and endorsement of the project from the central government. The history of the CEP project in East Timor demonstrates how a planned project may be endangered by lacking support from the central authorities. Before its implementation, the project became a source of disagreement between the World Bank and the United Nations Transitional Administration in East Timor (UNTAET). The CEP objectives were to establish transparent, democratic and accountable local structures in rural areas to make decisions about development projects in a decentralized fashion. Influential individuals within the UNTAET strongly opposed the project, fearing a loss of control over the significant fund resources and that the new structures would challenge the UNTAET governmental structure. However, due to strong pressure the UNTAET finally gave in, and the project was successfully implemented (East Timor Institute for Reconstruction Monitoring and Analysis, 2000). This example demonstrates how a decentralisation process may be perceived as threatening to central state power.

**Box 12. Preventing Projects from Overlapping with other Investment Plans**

<table>
<thead>
<tr>
<th>Source: Codippily et al., 2002</th>
</tr>
</thead>
</table>

In CDD projects where a separate association or fund assists local communities to identify communal needs and to develop and implement sub-projects without including the governmental structures, there is a risk that projects identified locally and programmes planned by the government or by other donor organisations may overlap. For instance, a local community decides that they want to improve the road leading to the municipal trade centre, not knowing that the government is developing programmes to improve the roads in the district. The community could thus have spent the money to cover other needs. The Community Development Fund (CDF) in Kosovo realized after the project pilot phase that it was necessary to develop a policy to ensure that CDF investments were well coordinated with municipal investment plans. They decided that no project would be approved unless the following conditions were met:

- The municipality had to be informed of and approve the project.
- The CDF double-checked with the relevant sector department to ensure the project fitted the overall sector policies.
- The project design had been submitted for technical approval by the competent municipal body.
- All necessary permits had been obtained.
- The CDF double-checked with other donors to ensure no one else was considering financing the same project.

In projects of the Kecamatan kind, where, in place of the fund administration like in the Kosovo project, the villagers in the sub-district council themselves decide which projects deserve funding, similar mechanisms should be built in so that the villagers are able to make informed choices. An important question is thus how CDD projects can be linked up with other initiatives and structures.
Section 3:
Lessons and questions

92. From the feedback on our questionnaire and a review of WB documents a picture emerges of how the WB judges its experiences of implementing CDD projects in conflict contexts, and how this learning is then reflected in presentations and project documents.

93. **Need for scrutiny of negative experiences.** Throughout this review of CDD experience in conflict contexts certain themes appears to be understudied or not well enough documented to form a solid foundation for conclusion on or advocacy for the CDD approach. That being stated, the WB deserves credit for the extensive research that has been undertaken prior to the establishment of these projects, for the close follow-up throughout the implementation process, and for the number of independent studies that have been commissioned to assess the projects. The future challenge for all CDD stakeholders is therefore to ensure that both positive and negative learning is fed back into the review process.

**Lessons about overall impact**

*Poverty*

94. War impoverishes both the economy and the population of affected countries. Violent conflicts hit poor people hardest, driving them further into poverty. According to WB staff the CDD approach has proved useful in terms of addressing poverty related-issues, as many of the CDD projects in conflict contexts focus on the establishment of basic social services, on rebuilding economic infrastructure, and on income generating activities. Concrete evidence of the advantage of CDD compared to other methods of poverty reduction is, however, lacking, possibly due to the short time the CDD approach has been in use.

95. **The poor may not be in the position to articulate demands.** We know that poor and socially excluded groups, in general, have difficulties in responding to the opportunities created by CDD-type projects. Addressing the needs of such groups may often require more targeted and supply driven-approaches. We note that this dilemma has not been fully discussed in the documents reviewed, and that there seems to be a general assumption that CDD will alleviate poverty just because it operates at community level and is demand driven. In a review of CDD projects implemented in East Asia and the Pacific Region Kudat and Özbilgin (2001: 4) finds that ‘the poverty and participation focus of CDD is not maintained during implementation’, which could indicate that it is difficult to directly address some of the root cause to poverty through CDD. Some of the poorest or most marginalised groups might be reluctant to claim their rights. This might be due to deep-rooted traditions or fear of punishment if they challenge local power holders and/or conflict entrepreneurs, or upset those who have traditionally supported them throughout hard times. Overcoming these fears is likely to be a longer process.
where capacity building and active and targeted support for the CBOs might be required, and, certainly, a degree of security and rule of law.

96. Programme scaling up - a challenge. There are a number of conflict characteristics that might pose challenges for scaling up of CDD programmes. Inevitably, needs will vary within a country depending on the degree and types of conflict caused destruction, and the composition of the population, i.e. number of returnees and/or demobilised soldiers. One type of programmes might therefore only be needed in a relatively limited area, and as such not be useful to consider for scaling-up. The degree and types of remaining conflicts is another challenge that might be difficult to overcome at a district or province level, where CBOs will have to prioritise between types of projects and areas to prioritise. And, matters might be made more complicated if the government wish to prioritise certain areas over others. If such decisions are not based on documented needs but rather done to favour their supporters or to ‘buy’ the support of opposing groups, it might easily initiate new conflicts. A lack of reliable baseline data and accurate aid disbursement figures might make scaling up prioritisation more difficult for the government, whereas criticism is made easier for their opposition.

97. Reconciliation before development. Furthermore, in conflict-contexts it may be even more difficult to respond to the needs of the poorest. We note, for instance, that the third cycle of the KDP project has set local-level reconciliation as the first project component, with restarting of productive activities and creating jobs as the second one. This could indicate an understanding that more sustainable poverty reduction efforts will require a greater degree of stability and reconciliation at the community level.

Trust building and reconciliation

98. The expectation of the CDD process with the formation of village CBOs and sub-district groups is that it will build trust among the involved parties and aid the post-conflict reconciliation process. CDD is to provide a secure and predictable environment with clarified power relationships within the village, between villages and towards local and central government bodies. Capacity building of the various stakeholders can lay the groundwork for more permanent changes. There is nevertheless a range of questions that arise in this regards, not least how to measure the impact of the trust-building and reconciliation efforts, and how to determine the degree of facilitation and commitment required to enable a wider and ‘scaled up’ reconciliation process.

99. Creating a framework for dispute mediation. Experience from Indonesia shows that the establishment of participatory community processes to address collective needs may provide a useful framework for negotiations and dispute mediation at the local level. In conflict areas the CDD process might provide the communities with a peaceful forum to solve their practical problems. This finding is supported by experience from Afghanistan where the project design and negotiation phase was used to bring together again societies forcibly divided by the conflict, through ensuring their involvement in the project management.

100. Allowing women larger influence. The explicit demand from the WB for including women in the CBO process does allow them greater influence over the decision
making than has traditionally been their role in many communities. While it is reported to have had positive impact on institutional development, as in Rwanda, experience from Indonesia showed that women took part in actual decision making to a lesser extent than men do. Changing deep-rooted traditions and gender roles might take time and need to be carefully devised, not to be seen as imposed on the communities or exposing the women to an unacceptable degree. Encouraging establishment of separate women groups that then receive management training, employment and training of female facilitators and ensuring that the government and the WB send female staff to the village to meet with the women might ensure a more rapid progress on such issues.

101. **Requiring a national process.** International experience indicates that an entrenched reconciliation process entails a range of elements that go beyond agreeing and working together on practical projects. To reconcile those previously opposed, communities need to find ways of addressing the violent past, including trials, truth-telling, compensation for past injustice, or a combination of these and other measures. Such processes do, however, require attention at a national level, and might therefore, in themselves, be a cause of conflict, as powerful individuals and groups might obstruct them for fear of being taken to court or losing influence.

102. **Reconciliation scaling-up is difficult.** Thus for CDD it seems important to separate what impact the process might hold at different levels and generate an understanding of the length of time that might be required to achieve the expected changes. From the various material reviewed a range of examples emerges of trust-building and reconciliation at the village and district level, with signs that the population has taken a firm stand and is raising its demands on local and central authorities. Less evidence is found of a scaling-up effect that might, at least in the shorter term, exert influence on national reconciliation processes. It might, furthermore, be questioned if the World Bank wish to get involved in such processes. Not least as in some conflict contexts such public processes might be met with resistance from the local and central government or even international actors. Eventually, using the CDD as a pronounced tool for reconciliation as part of a poverty eradication strategy might possibly force the WB to make a choice between supporting the government/administration or the CBOs.

103. **CDD is politically sensitive.** The East Timor case introduces another element underlining the above point: namely how CBO formation and the intention to empower communities to engage directly with the national government (or the UN administration in this case) might be regarded as a political process rather than a simple humanitarian one. While this case might be special as the UN at that time was in the middle of the election process, it still indicates that empowering people has a political dimension not always welcomed by those in power. The present strategy of the Afghan Transitional Authority of demanding secret ballot elections for the CBOs, to prepare the Afghans for elections for President and Parliament and to establish a governance structure at the village level, to bypass the present local government structure, are example of how CDD might be used for larger political purposes in a conflict context.

**Reconstruction and development**

104. From the reports it emerges that there in this case are two possibly contradictory objectives. On the one hand there is an emphasis on the extensive
facilitation of CBO establishment while on the other hand there is an urge for immediate project initiation to enable people to see the benefits of the peace process. In the latter case, there is frequent use of the term ‘reconstruction’, limiting the developmental aspect of the process and possibly the project range.

105. **It takes time to organise.** While there is a discussion under way in the WB on introducing Community Driven Reconstruction as a response to demands for more rapid project initiation, a number of CDD evaluations emphasise the importance of proper CBO formation as the single most important element in CDD success.\(^\text{14}\) A major challenge is the extent of facilitation and capacity development required for CBOs to not only prioritise projects, but be in a position to manage and report on these and in the end sustain the project investments. Although there might be a need for a more rapid project initiation in a conflict context, it might still be questioned whether speeding up the CBO decision-making process is a feasible solution or whether this is undermining the longer term and wider CDD objectives.

106. **Bypassing is not a lasting solution.** A related issue is therefore the selection of the government structure(s) to involve in the CDD planning and implementation process. As noted from the project overviews there are large variations as to what ministry and/or department that is selected as CDD partner. The selection criterion seem, at least in some cases reviewed, to favour the entity that offers less bureaucratic resistance to the WB and not necessarily the one with the main formal responsibility for local level development efforts. Such strategies might certainly ease the implementation of CDD projects in the short term, but at the expense of building a more permanent CDD capacity within key ministries, coordination of the wider development efforts and, in the end, ensuring the government’s ownership of and responsibility for the CDD process.

107. **‘Negative’ social capital may be reinforced.** A stated intention of the CDD is the rebuilding and the strengthening of social capital, which is defined as ‘the ability of individuals to secure benefits as a result of membership in social networks’. In conflict contexts in particular it might be difficult to differentiate between what constitutes or develops positive and negative social capital, not least given the strong influence of powerful individuals and the difficulty of excluding these from the CDD processes. Thus, if the communities and the CBO, in collaboration with the facilitators, do not define what type of positive social capital needs to be developed in that particular community, the underlying causes of the conflict might be left unaddressed and an unjust resource distribution maintained. That could then jeopardise the entire CDD process and generate new conflicts.

108. **Some element of couching is needed.** The CDD concept rests on popular participation, civic engagement and a fully demand driven project selection process in which the poor can be empowered through the experience that their prioritisations are honoured and supported. What might be questioned, however, is how participant-oriented and demand driven the processes actually are, as the WB in cooperation with central government and implementing agency will have designed and guided the process in

---

\(^\text{14}\) A review of the Indonesian KDP project (Edstrom, 2002, 2) states that ‘The essence of the programme, therefore, is establishing vital participatory processes, rather than delivering tangible physical evidence of the investment, although the latter remains important for assessing project success.’
different ways. From the start it is the implementing agency and the hired facilitators that select the communities to be invited and assisted to form the CBO, including a range of preconditions that have to be met as to how they are to be formed. They will furthermore be informed about what kind of projects will not receive financial support, and what requirements they need to fulfil to be entitled to support. In CEP and KDP the CBOs must forward their project proposals (of which one has to be for a project benefiting women) to the sub-district council, where a further selection process takes place. The feedback from the questionnaires underlines the fact that the initial CBO establishment is much less community- than design-driven, though WB staff is of the view that gradually throughout the process more authority and responsibility are placed with the CBOs. While a pick-and-choose or a top-down approach at initial stages might be unavoidable, if rapid project implementation is favoured, it at least limits the villagers’ opportunity to exercise power over the decision making process.

109. **Good analysis of impact is lacking.** Measuring and comparing the impact of development projects is always difficult, but more so for CDD projects, as there are multiple project goals and a range of implementation strategies is applied. In addition, the key term, community-driven development is not very well defined. While WB staffs, responding to the questionnaire, are of the opinion that CDD projects in conflict contexts have improved the living conditions of a large number of poor people, it has proven rather difficult to confirm this commonly held view. One reason is the relatively short time the CDD approach has been utilised in conflict contexts, leaving us with limited documentation as to whether this approach has been able to reduce the poverty level and rebuild social capital more permanently.

**Lessons about project design**

110. **The timeframe is often too ambitious.** Due to the complexities of the conflict context, weak government capacity, and a shortage of facilitators several reports point out that the implementation timetables of CDD projects have often been too ambitious. Delays may for instance be caused by renewed conflict that force the project proceeding on hold. While community capacities have tended to be higher than anticipated, it has been realised that the social and technical dimensions of the projects’ implementation require skilled facilitation and advice. Finding motivated and skilled local facilitators turns out to be of utmost importance, but they are extremely difficult to identify in countries with a low education level and/or emerging from long-lasting conflicts that have eroded the education system – which is typical of many conflict contexts.

111. **Choosing between traditional and new CBOs - no simple answers.** If trust among communities is weak and powerful individuals have gained a large influence, it emerges that CBOs have less scope for impartial and poverty-oriented project selection. An early indication from the Afghanistan programme is that CBOs might be taken over by local elites or commanders who might undermine the ability of existing village organisations to influence project prioritisation. As outlined in the review, different approaches have been utilised for CBO formation in different contexts: attempts have been made to offset the undue influence of traditional power holders or officials related to former power structures. It appears, however, that when these are excluded there is a risk of reducing the CBOs ability to forge collaboration within the villages or at least to hold
the authority to reconcile personal or communal differences. Yet, an advantage of establishing new CBOs is that they may have greater potential for including representatives of marginalised groups, and thus, in the longer term, ensure a higher degree of inclusion of the poorest and of women in the development processes. As a result it can be suggested that there is no clear answer as to what form of CBOs that might provide the best result. The reviews indicate that it would depend on (a) the specific context and whether there is a presence of powerful individuals wishing to take personal advantage of the funds or the CBOs; (b) the pre-existence of inclusive and representative community structures; and (c) the ability of the facilitators to form and develop representative CBOs able to resist undue pressure.

112. **Simplified project design and speedy financial disbursement is required.** A general lesson is that project designs must be simplified and financial disbursement should be speedy. One specific challenge for community-level management in conflict contexts is the actual disbursement of funds and keeping of cash in the villages, as banking services either may not exist or may be unreliable and the security situation might remain unstable. The use of the traditional money transfer mechanisms, as the Hawala system that is trusted and used by the local population, might then be the only available solution until a proper and more transparent banking system comes in place.

113. **A broader and more holistic scope provide better results.** A general argument, presented for the second phase of the Timor community empowerment programme, is that broader scope CDD programmes that include paying attention to cultural and local organisations are more successful than those that maintain a narrow engineering and technical design. Experience from the demobilisation of ex-combatant projects and those where the approach is narrowly targeted (such as for returnees) shows that such a selection process may become a source of conflict in itself. A CDD design with a more ‘holistic’ approach, targeting communities as a whole, might then include groups deemed to be specifically vulnerable in the overall project design without singling them out and prioritising them above other villagers.

114. **Avoid technically complex projects.** It is generally mentioned that CDD may be inadequate for larger projects requiring a high degree of technical or specialized expertise for project design that might not be available in the country or region emerging from conflict. This could include expertise on reconstruction of large-scale irrigation systems, re-establishing higher education structures or larger health projects. The form of relationship that is established between local communities and governmental structures appears therefore to be important for the success of even the smaller projects. A gap or a lack of trust between community and government might seriously inhibit the ability or will to ask for or to provide CBOs with project advice, thus making the projects dependent on (expensive) external consultants.

115. **Corruption and representative distance.** Corruption is acknowledged to be a major concern in most conflict contexts, in which a lack of transparency and openness on the use of funds are frequently cited as reasons for corruption to prevail. An evaluation report from the PEACE project in Afghanistan remarks that there were signs in some of the villages of personal enrichment among the community representatives (Bernander 2002). The report points out that having three executive levels may have created a distance between the communities and their elected representatives, and thus impairing
the community’s potential control with corruption. This indicates that a close connection between communities and representatives would work against corruption. On the other hand it has been argued, that ‘decentralised political systems are more corruptible, because the potential corrupter needs to influence only a segment of the government, and because in a fragmented system there are fewer centralised forces and agencies to enforce honesty’ (Andvig, 2001). The question that then remains unanswered is whether the CDD design is equipped with the necessary mechanisms to address this problem, or whether a decentralisation of power might in fact broaden the scope for practices of corruption.

116. In either cases, internal monitoring by community members and various types of external monitoring, building of accountable and transparent institutional and communal ownership of resources might represent a safeguard against corruption. The Indonesian experience shows that the CDD projects had a multiplier effect in terms of villagers holding local government officials more accountable and demanding greater transparency within other government sponsored programmes.

Lessons about implementation

117. The strength of the CBOs is of outmost importance. Several sources notes that the impact of the CDD approach is directly related to the strengths of the CBOs driving the process. It is argued that the sustainability and effectiveness of CDD-enhanced processes depends on simple and transparent procedures and on actors with strong and consistent incentives for good performance. However, we find few attempts at analysing what incentive systems are the most effective in fostering performance and accountability in CBOs, and how the general insecurity and weakened human resource base so frequently found in conflict contexts influence on these processes.

118. CDD less fit for situations with high inequality and instability. According to expert opinion, the CDD approach could make an uneasy fit with situations marked by high inequality, individualised power in warlords, landlords or strongmen, and by dangers of elite capture. In such contexts, the aims of community participation and of targeting the most vulnerable and marginalised groups are difficult to realise since funds and projects will tend to be absorbed by the most powerful local agents. CDD will become even more difficult to implement in areas where security remains below a minimum threshold, limiting the ability of facilitators and WB staff to keep regular contact with the CBOs, and where a financial delivery system is weak or does not exist.

119. Micro-credit schemes have proved difficult to implement. Microcredit projects appear not to have yielded the expected results, primarily due to a low repayment rate. An explanation provided is that since small-loan arrangements tend to benefit individuals more than collectives, it has proven difficult to reconcile the objectives of sustainable microfinance and community empowerment. It is argued that while successful micro-finance depends on establishing a direct borrower-lender relationship and on rigorous adherence to clearly defined rules, community empowerment depends on

---

15 This was remarked by several of the respondents on our questionnaire.
multi-stakeholder involvement and collective decision-making. What seems lacking in these reviews is an explicit discussion as if actually the most profitable project are selected. And, furthermore, if local communities do have the necessary time (especially the women) to allocate to such activities, if there might be better income opportunities in the black economy or if the population might be forced to either deliver some of their income to powerful individuals or to rather engage in activities that generate better income for these.

120. **The urban/rural divide.** The majority of CDD projects are implemented in rural settings, which might cause additional implementation challenges in conflict contexts. While a conflict might have caused the same degree of destruction, migration and alienation towards government in the urban settings as in a rural one, there are some other important differences. It is a very strong likelihood that the majority of the educated population seeks towards the towns, that the banks and educational institutions are first established there and that security is given higher priority there than in remote rural areas, not least to protect the governmental institutions and international organisations. Thus, it might prove comparatively easy both to establish CBOs and to initiate and support urban based projects, whereas many city dwellers might be reluctant to work in the more remote areas, even expressing reservations, as frequently heard in Afghanistan, against working with ‘these uneducated people’. Such attitudes might generate tension between the rural and urban population if not properly addressed.

121. **Sustainability of projects is a major concern.** Many project reports express concern about the longer-term sustainability of the projects, both due to a lack of coordination with other development actors as well as to governments’ inability to continue funding-initiated projects. Limited donor willingness to fund longer time development programmes in conflict contexts, meagre financial resources among the population and a lack of viable financial institutions from which individuals or CBOs might obtain credit or loans might exacerbate such difficulties.

**Issues for further discussion and research**

122. Our point of departure for this paper was that participatory and demand-led development approaches hold the potential to address three critical concerns in conflict contexts:

- The need for speedy and cost-effective delivery of reconstruction assistance.
- The need to improve the state-citizen relationship.
- The need to create alternative forms of community organisation that foster reconciliation between factions of the society.

123. Likewise, we identified a number of possible hindrances to development processes, including: security as a critical concern; a prevailing lack of trust between communities and towards governmental structures and officials; weakened or contested
governmental structures; erosion of social capital and a war economy operating in parallel to the legal financial system.

124. Based on the theoretical introduction to the subject, the review of a selected number of CDD projects and WB lessons learned, and feedback from staff involved in conflict context CDD projects, we will here identify a number of issues we deem important for discussion and further research.

The need for speedy and cost-effective delivery of reconstruction assistance

125. A range of WB sources emphasise the need for a rapid implementation of CDD projects in conflict contexts. Not least because the population have needs that must be met more urgently in such situations, that they through benefiting from assistance can gain confidence in a peace process and a national government, start rebuilding their social capital and involve themselves in the wider rehabilitation processes.

126. At the same time CBO formation in conflict contexts might need more time for facilitation and reconciliation than in most development contexts since communities may be divided and in need of building a degree of trust in external actors. Several reports emphasise the importance of a well thought out CBO formation process to ensure transparency, that the CBOs are sufficiently empowered to act on behalf of the communities, that the projects are sustained and that the process is not hijacked by powerful individuals. The discussion about the ideal composition of the CBOs highlights the difficulty of this process, as does the concern about the difficulties of finding competent facilitators.

127. The ‘speed versus depth’ issue for a CDD process in a conflict context can be formulated in terms of the following questions:

- In a conflict-ridden society, should it be the role of CDD to meet immediate local needs? Or should the focus remain on promoting long-term community development through participatory processes?
- If CDD projects provide assistance to meet the immediate needs of the poorest segments of the population, how does that affect the trust building and empowerment of the community as a whole?
- What will be most important for a conflict affected community, to gain trust in their government and a peace process, rapid access to humanitarian assistance, or a real sense of holding influence over development processes?

The need to improve the state-citizen relationship

128. It is acknowledged that the role of the national government is essential in the CDD process, both for successful project implementation and for sustaining the initial efforts. However, conflicts tend to increase tension between central and local government institutions and between the government and the citizens. Reconciling such opposing
forces thus seems essential, as does building the necessary understanding and commitment within the government and in the population at large.

129. Given that governments establish different administrative structures and allow for varying degrees of local decision making, it is impossible to provide a blueprint for how the relationship with government institutions can be formalised in CDD. In addition, the presence of other humanitarian, political and even military actors needs to be taken into account when establishing and nurturing such relationships. Another challenge is for government entities to see community empowerment as a positive development and not a threat to their authority, and that there is a real acceptance of prioritising the poorest segments of the population.

130. A prevailing war economy and a large degree of corruption are frequent characteristics of conflict contexts that might represent major obstacles to the CDD process. People might benefit more from continued involvement in illegal activities than from adapting to the CDD requirements, and there is a large possibility that both governmental entities and individuals alike will be reluctant to abandon illegal practices.

131. There might be a shortage of skilled CDD personnel in local organisations and within governmental institution and much of their experience will be from more emergency oriented assistance schemes. This frequently has led to a practice of externally driven and more superficial decision making, where the idea that the communities should be allowed to gain control over their own development process has not been prominent. Change of a relief and ‘provision for’ attitude among the various CDD stakeholders might then be a lengthy process in conflict contexts.

132. Questions to be asked under this heading are:

- Should the CDD process be restricted to develop local development capacities or also be a tool for the establishment of national governance structures?
- When the capacity of governmental institutions is seriously impaired by violent conflict, how can CDD projects best be designed to improve development knowledge and capacities within these institutions?
- How can the CDD process best be safeguarded against corruption and can micro-finance projects be developed as an alternative to continued reliance on the illegal economy?
- How should we best differentiate between positive and negative social capital and identify ways to promote the positive ones?

The need to create alternative forms of community organisation that foster reconciliation between factions of the society

133. It has been argued that the composition of the CBOs is of utmost importance for the communities’ ability to engage in reconciliation and wider empowerment processes aimed at generating social change and strengthening social capital, and that a lasting empowerment of the communities and project sustainability will depend on communities’ ability to establish representative, innovative and skilled CBOs, able to draw on resources
in their own communities, the government, the WB and among a range of other humanitarian actors. One major dilemma here is how to handle the presence of powerful individuals who might either be associated with past oppression or have expanded their influence during the conflict by holding military power or gaining control over what used to be community property or resources. Their influence over the CBOs or involvement in project selection processes might inhibit reconciliation and set project priorities that might not be for the common good. That stated, we have witnessed that traditional power holders might hold the key to peaceful conflict resolution in the communities and have the necessary authority to confront new ‘conflict entrepreneurs’, and thus be instrumental in enabling the internal community reconciliation process. By marginalising them in the CDD process the ability to use this process as a reconciliation tool might be reduced.

134. Conflicts frequently lead to displacement and to large numbers of community members residing outside their traditional habitat. Their needs might then be rather different from those who have remained in the communities throughout the conflict, as well as their attitudes, habits and traditions might have changed during the period in exile. Thus, a way will need to be found that not only facilitates their return to the communities from where they fled but also secures them a degree of influence over the CDD prioritising process, as in the end this group might actually constitute the majority of the village/hamlet population.

135. An open project menu is regarded as important for empowerment as the communities will see that their decisions are honoured by those that provide them with the assistance. Here, however, the WB appears to convey mixed signals. There is already a list of projects that the WB refrains from funding, and there are certain combinations of projects, according to WB experience, that have proven more beneficial in conflict contexts. How to balance these two positions and at the same time to allow the local communities to define their project priorities seem major challenges.

136. The questions to be posed are then:

- How can the CDD approach be adapted so that it may help (re)establish local conflict resolution mechanisms and national institutions?
- What CBO formation process might best ensure the influence of poor marginalised groups and identification of projects that might address the needs of groups victimised by wars without alienating the wider population?
- In divided communities, do the establishment of representative councils and provision of finance alone ensure building of trust between conflicting parties? In practice, what factors influence the dynamics of council decision-making?
- Can a linkage be established between CBOs’ ability to freely select their projects and their feeling of empowerment?
Annex I. Terms of Reference

Community-Driven Development in Conflict Contexts:
Learning from Experience and Improving Approaches

Consultant Terms of Reference
Per January 2003

Objective and main features of proposed activity

The Community-driven development (CDD) anchor unit in the World Bank’s Environmental and Socially Sustainable Network (ESSD) has been allocated funds from the Norwegian Trust Fund to support a programme of work on CDD in conflict contexts.

CDD is a development approach that gives control of decisions and resources to community groups, working in tandem with demand-responsive support organizations and service providers including elected local governments, the private sector, NGOs, and central government. It is a way to provide social and infrastructure services, to organize economic activity, to empower poor people, improve governance, and enhance security of the poorest.

CDD approaches aim to provide communities and local governments with the capacity and resources to better address the challenges of their own development. In conflict and post-conflict contexts, these challenges are ever more acute. The principles of participation, social inclusion, social accountability and partnership can provide critical means for preventing conflict and be a vehicle for promotion of social cohesion and trust; hence, CDD approaches are increasingly being utilized to address the challenges in conflict and post-conflict environments. However, current knowledge of appropriate design mechanisms and methodologies and impact and sustainability of CDD investments in conflict settings is weak and there has been little by way of dissemination of good practice.

The work will explore the twin objectives of: (i) detailing the specific challenges of designing and implementing CDD approaches in conflict or post-conflict environments and understanding how to better design operational components of CDD programs and projects, and; (ii) improving our knowledge of how CDD can contribute to reconciliation, reconstruction and development in a post-conflict setting (rebuilding social capital, trust-building, participation and civic engagement, CBO-local government linkages, etc.).
The proposed work programme will involve a review of experience to date of the contribution and impact of CDD approaches in conflict environments as a first step in building knowledge of successful operational tools and institutional arrangements. The 3-year work programme will also include four regional practitioner exchange workshops (Africa, Central Asia and East Asia), preparation of case studies and training modules and the provision of technical assistance to CDD teams.

This work is expected to benefit World Bank and other practitioners (government, civil society, private sector, donors) working in conflict areas to understand and improve upon approaches for community-based and community-driven conflict prevention, resolution, mitigation and reconstruction.

Specific Responsibilities for the Consultant

This work programme requires a focused research agenda and analytical framework to guide the workshops, documentation and case studies, for which the consultant would be responsible. A critical requirement is an assessment of current practice including analysis and reporting on key lessons and information gaps. Tasks to be undertaken by the consultant would include:

1. **Preparation of a concept paper.** Research and drafting of background paper based on desk review, web research and interviews with Bank staff and external specialists. This paper would (i) take stock of CDD approaches used in ‘conflict operations’ and assess their relevance and impact and main lessons learned; (ii) frame the overall agenda for the work programme and, (iii) highlight the principal thematic areas for research. It would thus serve as the basis for discussion and guidance in the regional workshops.

2. **Support to regional workshop.** The work proposes to draw lessons from empirical experience of CDD programmes on the ground by convening a series of workshops for practitioners and specialists in three regions (Africa, Central Asia and East Asia). In FY03, an initial workshop for Portuguese-speaking Africa is planned to take place in May in Maputo. This would draw together CDD teams (including representatives from government, civil society and World Bank staff and perhaps other donors) and CDD/conflict specialists from Angola, Mozambique and Guinea-Bissau. It is hoped that a team from East Timor would also participate in this Lusophone workshop. The workshop would be expected to catalyze local/regional networking amongst practitioners (supported by website development, distance learning and practitioner exchanges) and be structured to generate operationally-relevant material for dissemination and training purposes. The consultant would support the planning and delivery of this workshop (agenda, material development, etc.)

3. **Preparation of Technical Note.** The consultant will be responsible for the production of a Technical Note by preparing a synthesis of proceedings of the workshop, summarizing the most relevant and substantial inputs from the participants and other outputs as deemed necessary (i.e. distance learning, website and training tools development).
## Timing

<table>
<thead>
<tr>
<th>Date</th>
<th>Deliverable</th>
<th>Consultant activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>February-April 2003</td>
<td>• Concept paper</td>
<td>• research and prepare background paper through literature review, interviews, web research</td>
</tr>
<tr>
<td>April-May 2003</td>
<td>• AFR Lusophone workshop</td>
<td>• prepare background material, agenda and organization of workshop with local consultants</td>
</tr>
<tr>
<td>May-June 2003</td>
<td>• Technical Note</td>
<td>• Prepare workshop synthesis and dissemination note</td>
</tr>
</tbody>
</table>

## Coordination and Supervision

Daniel Owen (SDV), Ian Bannon (SDV), Veronica Nyhan (WBI) and Jacomina de Regt (AFR) are co-task managers. The consultant will report to Daniel Owen, coordinator of the CDD anchor group in ESSD.
Annex II. Questionnaire

Project:

*If you have been working on several projects within the field addressed here, please pick one of them.*

Position:

1) How was the development of project design influenced by the conflict or post-conflict environment? What were the challenges? What factors became especially important to make the project a success?

2) One crucial aspect, discerning CDD from other participatory approaches, is the stress on empowering individuals and community groups to drive the process from below. In your project, how, and according to what kind of criteria, was the community-based organizations (CBO) identified? Did you experience any problems in finding a suitable CBO, and if so, to which extent did you have to intervene to make one emerge?

3) To what extent, in your view, did the CBOs
   a) Plan the project?
   b) Implement the project?
   c) Drive and further develop the project?
   d) Include vulnerable and excluded groups?

4) What do you see as the most challenging aspect and phase of the project?

5) In the project, what have so far been the main achievements?

6) In your opinion, has the project contributed to promote
   a) Reconciliation in the community/ies concerned? If yes – in what ways? If no – why not?
   b) Reconstruction in the community/ies concerned? If yes – in what ways? If no – why not?
7) In what kind of conflict or post-conflict situations do you imagine that CDD will not be a suitable approach?

8) Please include any other comments you may have on these or related issues.

Many thanks for your cooperation!
## Annex III. Project Objectives and Scope

<table>
<thead>
<tr>
<th>Projects</th>
<th>Objectives</th>
<th>Geographical scope/ number of beneficiaries</th>
</tr>
</thead>
</table>
| Social Action Project (I) Angola | 1) Improve access to basic services  
2) Improve the capacity of communities and nongovernmental organizations (NGOs) in project management  
3) Generate additional income and employment  
4) Enhance the capacity of Angolan institutions to collect and analyze poverty-related data; and provide a better understanding of the main causes of poverty | In 9 provinces, 31 out of 70 municipalities  
1,012 mill beneficiaries |
| Social Action Project (I) Burundi | 1) Encourage participation of poor individuals in small scale productive activities  
2) Improve living conditions through employment generation and better social services  
3) Foster participation of local governments and NGOs in development related activities  
4) Monitoring of poverty to improve governmental capacity to formulate and implement economic and social policies | In 93 of 118 communes  
1,284 mill beneficiaries |
| Community Empowerment and Local Governance Project (I) East Timor | 1) Increasing community participation in planning, implementation and maintenance of community’s assets and economic activities;  
2) Increasing business activity and income generation, expanding employment opportunities  
3) Providing infrastructure  
4) Increasing capacities of community institutions to facilitate the process of community empowerment. | 416 village development councils |
| Kecamatan Development Project (I) Indonesia | To reduce poverty and improve local level governance in Indonesia | 986 sub-districts (kecamatan) in 22 of Indonesia’s 26 provinces, including, 25 million beneficiaries |
| Community Reintegration and Development Project Rwanda | To demonstrate that community reintegration and development can effectively take place through a process of government decentralization and community participation. | 12 communes |
| National Community Empowerment Programme Afghanistan | Recapitalize villages and neighbourhoods to enable them to return to normal level of economic activity | Not available |
| Kosovo Community Development Fund | 1) Support access and quality of community infrastructure and services in poor and war-affected communities, including minority communities  
2) Support local institutional capacity building at CDF, municipal and community level through the introduction and promotion of principles of public participation, sound resource management, client satisfaction with service delivery, cost recovery, transparency and accountability. | Five regions in 30 municipalities, 186 sup-projects completed. |
<table>
<thead>
<tr>
<th>Projects</th>
<th>Objectives</th>
<th>Geographical scope/number of beneficiaries</th>
</tr>
</thead>
</table>
| Promoting Transition from Conflict to Peace and Development at Community Level in Mindanao Philippines | 1) Make a difference in the lives of Filipinos displaced by armed conflict by working with the affected communities to develop enabling conditions that encourage safe return or settlement, facilitate the process of transition and stabilization, and provide a foundation for peace building and sustainable development.  
2) Contribute to the existing knowledge base by developing and testing models that will inform approaches to the transition from conflict to peace.                                                                 | 28 villages, 33,500 beneficiaries                                                                            |
| Self Reliance for IDPs and Host Families in Samagrelo region Georgia    | Improve living conditions of vulnerable IDPs and local population in rural areas in the Samagrelo region in a sustainable way by enhancing their self-reliance, integration and community cohesion                                                                                                                                                                                                                                           | 7 villages, 3,000 families                                                                                   |
| Building Local Institutions and Social Capital: the Tuzla Model Bosnia and Herzegovina | 1) To create private sector jobs, providing products and services to Tuzla’s local and regional markets  
2) Improve public infrastructure  
3) Stimulate local investment in public and private sector  
4) Build social capital: increase inter-personal trust and social cohesion, increase confidence in formal institutions, enhance civic values, enhance participation in and strengthen the relationships between Tuzla’s local government, business community, and local NGOs and citizen’s associations  
5) Build human capital: instil the values, skills and confidence of entrepreneurial leadership                                                                 | NA                                                                                                           |
| Southern Serbia Municipal Improvement and Recovery Programme Serbia    | To contribute to the consolidation of the consensus on peace in Southern Serbia thorough municipal development, economic recovery and social rehabilitation                                                                                                                                                                                                                  | 6 municipalities                                                                                            |
| Community Rehabilitation Project Burundi                                 | 1) Rehabilitation of infrastructure  
2) Building local capacity to enhance the country’s ability to integrate returning refugees                                                                                                                                                                                                                                                                                                                                                   | 16 sub-projects carried through                                                                                |
| The P.E.A.C.E Programme Afghanistan                                     | Food security, social services, and livelihood opportunities. Special attention to women’s rights, providing assistance to the poorest and marginalised groups, attention to ongoing environmental degradation and sustainability of the programmes                                                                 | 26 rural districts, 6 urban areas, 2,100 CBOs, farmers groups and cooperative associations                   |
| Health Service Recovery Project Somalia                                 | To develop a strategy, systems and tools to transform community health centres into a sustainable service that would form part of the future health sector in Somalia                                                                                                                                                                                                                                             | 49 communities                                                                                             |
## Annex IV: Organisations and Persons Contacted

<table>
<thead>
<tr>
<th>Organisations contacted</th>
<th>Contact persons</th>
<th>Projects/Units</th>
<th>Date of first inquiry</th>
</tr>
</thead>
<tbody>
<tr>
<td>The World Bank</td>
<td>Dan Owen, Senior Social Development Specialist</td>
<td>Social Action Project Angola</td>
<td>8. May 2003</td>
</tr>
<tr>
<td>The World Bank</td>
<td>Susan Wong EASES M&amp;E consultant</td>
<td>Kecamatan Development Project</td>
<td>8. May 2003</td>
</tr>
<tr>
<td>The World Bank</td>
<td>Colin Scott, Manager</td>
<td>Post Conflict Fund</td>
<td>8. May 2003</td>
</tr>
<tr>
<td>The World Bank</td>
<td>Norbert Mugwagwa, Task team leader</td>
<td>Northern Uganda Social Action Fund</td>
<td>8. May 2003</td>
</tr>
<tr>
<td>The World Bank</td>
<td>Gillian M. Brown, Former Task team leader</td>
<td>East Timor Community Empowerment II</td>
<td>8. May 2003</td>
</tr>
<tr>
<td>The World Bank</td>
<td>Patrice Dufour, Task team leader</td>
<td>Knitting together nations Bosnia</td>
<td>8. May 2003</td>
</tr>
<tr>
<td>The World Bank</td>
<td>Sean Bradley, Social Protection Specialist</td>
<td>CDD projects in Sierra Lione</td>
<td>8. May 2003</td>
</tr>
<tr>
<td>The Soros Foundation/The World Bank</td>
<td>Caroline Mascarell, Task team leader</td>
<td>Kosovo Fund for Community Development Fund</td>
<td>9. May 2003</td>
</tr>
<tr>
<td>The World Bank</td>
<td>Markus Kostner, Former Task team leader</td>
<td>Rwanda Reintegration and Development Project</td>
<td>8. May 2003</td>
</tr>
<tr>
<td>Counterpart International</td>
<td>Arlene Lear, Senior VP</td>
<td>Empowering women: Socioeconomic Development in Post-Conflict Tajikistan</td>
<td>8. May 2003</td>
</tr>
<tr>
<td>No.</td>
<td>Organization/Agency</td>
<td>Name/Role</td>
<td>Project/Program Description</td>
</tr>
<tr>
<td>-----</td>
<td>---------------------</td>
<td>-----------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>14</td>
<td>The World Bank</td>
<td>Alexandr Marc, Steven Holztman, Task manager</td>
<td>Municipal Improvement and Recovery Program in Southern Serbia</td>
</tr>
<tr>
<td>15</td>
<td>Accion contra el Hambre</td>
<td>Julia Kharashivili, Project coordinator</td>
<td>Self Reliance Fund for IDPs in Georgia</td>
</tr>
<tr>
<td>16</td>
<td>The World Bank</td>
<td>Pamphile Kantabaze, Task team leader</td>
<td>Community Rehabilitation Project in Burundi</td>
</tr>
<tr>
<td>17</td>
<td>Community and Family Service International (CFSI)</td>
<td>Steven Muncy, Executive Director, Celia Santos, Mindanao Project Coordinator</td>
<td>Promoting Transition from Conflict to Peace and Development at the community level, Mindanao, Philippines</td>
</tr>
<tr>
<td>18</td>
<td>IFRC</td>
<td>Sean Deely, Project manager</td>
<td>Health Sector Rehabilitation (Somalia)</td>
</tr>
<tr>
<td>19</td>
<td>UNDP</td>
<td>Knut Østby, Deputy Resident Representative UNDP, Kabul</td>
<td>P.E.A.C.E project, Afghanistan</td>
</tr>
<tr>
<td>21</td>
<td>Friends of Bosnia</td>
<td>Chris Bragdon, Director of Bosnia Projects</td>
<td>Strengthening Local Level Institutions and Building of Social Capital in Bosnia and Herzegovina: The Tuzla Model</td>
</tr>
</tbody>
</table>
Bibliography

Accion contra el Hambre. 2001. Self Reliance Proposal for IDPs and Host families in Samogrelo region, Georgia.


Web Pages

Post Conflict and Reconstruction Unit

Post Conflict Fund

Community Driven Development Sites:
http://lnweb18.worldbank.org/ESSD/sdvest.nsf/09ByDocName/CommunityDrivenDevelopment


http://lnweb18.worldbank.org/essd/essd.nsf/5361d39258b24df7852567eb00649c1f/5c8fa27a2e38
 c67785256a42005e0c54/$FILE/Comments_on_CDD_Session.pdf.
http://lnweb18.worldbank.org/essd/essd.nsf/5361d39258b24df7852567eb00649c1f/5c8f
a27a2e38c67785256a42005e0c54/$FILE/Comments_on_CDD_Session.pdf.

Social Capital Sites


Social Funds Sites


Project Documents available on the Internet

Rwanda Community Reintegration and Development Project

Project Information Document (PID)

Project Appraisal Document (PAD)

Kosovo Community Development Fund Project

Project Information Document (PID)

Angola Social Action Fund Project (FAS)

Project Appraisal Document for a Second Social Action Fund Project
Staff Appraisal Report (SAR)

Kecamatan Development Project/SCRAP

Burundi Social Action Project

http://www4.worldbank.org/sprojects/Project.asp?pid=P064510
Community Empowerment Project East Timor

http://www-
  60400472/Rendered/PDF/multi0page.pdf

http://www-
  wds.worldbank.org/servlet/WDS_IBank_Servlet?pcont=details&eid=000094946_020626
  0400472

http://www-
  wds.worldbank.org/servlet/WDS_IBank_Servlet?pcont=details&eid=000094946_020215
  0401074

http://www-
  wds.worldbank.org/servlet/WDS_IBank_Servlet?pcont=details&eid=000094946_010124
  0606060
Summary

Violent conflict represents not only a significant barrier to development; it also wipes out efforts to improve the situation. Experience from many developing countries has shown that Community Driven Development (CDD) programmes have been particularly effective in establishing or expanding essential social services and physical infrastructure at the local level. However, using CDD approaches in a conflict context as a means in post-war rehabilitation represents new challenges. When carried out in contexts of past or persistent conflict, CDD projects are confronted with some major challenges:

- communities where projects are set may be deeply divided;
- power is unequally distributed;
- lines between combatants and civilians may be blurred;
- a need to address past traumas may give rise to calls for inquiries or trials; and
- economic recovery and basic services may be urgently needed.

Nonetheless, the point of departure in this paper commissioned by the CDD unit of the Environmentally and Socially Sustainable Development (ESSD) Network of the World Bank, is that participatory and demand-led development approaches might potentially address three critical concerns in conflict contexts:

- The need for speedy and cost-effective delivery of reconstruction assistance.
- The need to improve the state-citizen relationship.
- The need to create alternative forms of community organisation that foster reconciliation between factions of the society.
Recent Reports

R 2003: 1 TJØNNELAND, Elling N. and Pundy Pillay

R 2003: 2 JERVE, Alf Morten et al.

R 2003: 3 KNUDSEN, Are

R 2003: 4 SANDELIEN, Guri

R 2003: 5 Hugo Stokke, Tone Kristin Sissener, Mukta S. Lama-Tamang

R 2003: 6 FJELDSTAD, Odd-Helge and Lise Rakner

R 2003: 7 K.A.S. MURSHID et al.

R 2003: 8 LANGE, Siri

R 2003: 9 FJELDSTAD, Odd-Helge, Ivar Kolstad and Siri Lange

R 2003: 10 TVEDTEN, Inge et al.

CMI's publications, Annual Report and quarterly newsletter are available on CMI's homepage www.cmi.no.

For priced publications:
Surface mail (B-economique) free with prepaid orders. For airmail (A-prioritaire) outside the Nordic countries add 20 %

Easy ways to pay:
Cheque, issued in Norwegian kroner
Post office giro, paid by International Giro: 0808 5352661
SWIFT: DNBANOB, Den norske Bank no: 5201.05.42308

Order from:
Chr. Michelsen Institute
P.O. Box 6033 Postterminalen, N-5892 Bergen, Norway
Fax: + 47 55 57 41 66 Phone: + 47 55 57 40 00
E-mail: cmi@cmi.no