

PUBLIC SECTOR GROUP
Application for Thematic Group Funding

1. *Activity Title:*

Developing Indicators of Local Government
Institutional Capacity for Community-Driven
Development Projects

2. *Task Manager:*

Talib Esmail, Sr. Rural Development Specialist
AFTR2 (ext. 85436)

3. *Description of activity:*

Community-driven development (CDD) calls for interplay between an engaged civil society and responsive local governments that possess sufficient institutional capacity to successfully implement projects. Thus Bank operations that follow CDD approaches encounter a challenge similar to that faced by projects focusing on central government: the need for clear, practical indicators of institutional capacity. In the case of CDD, such indicators can serve to demonstrate that a local government has achieved the necessary administrative competence, and to be one part of a comprehensive assessment that triggers the transfer of additional responsibilities (including the management of funds from the Government budget or from donors) to the local level.

This activity will pilot a systematic approach to (1) eliciting information from individual local governments about key institutional capacities and (2) synthesizing such findings as a first step to (3) initial proposals of possible indicators to be used for the purposes described above. While the activity will draw primarily upon recent research carried out in Nigeria under the Micro-Watershed and Environmental Management Program (MEMP), it will include consultation with teams working on seven other CDD projects in Nigeria in order to promote broad applicability of the findings and consistency with other CDD work.¹

Specific components of the activity will include:

- (a) review the draft analytical questionnaire (developed in collaboration with Nick Manning) used in MEMP to guide interviews with local governments in six states in Nigeria
- (b) synthesize responses to the questionnaire, identifying key findings as well as areas requiring further research
- (c) based upon the above, propose revisions to the draft questionnaire
- (d) work with task managers and other Bank staff to make an initial proposal of indicators that would be appropriate for (and could be applied in practice to) the local government context

The outputs will be (1) revised questionnaire (2) draft indicators (3) a page for the Civil Service Website describing the project background, analytical approach (including the questionnaire text) and findings.

Work will be carried out by Bank staff or a consultant specialized in public sector management, with oversight by Talib Esmail, Senior Rural Development Specialist, AFTR2. Quality control will be provided by Navin Girishankar, Public Sector Specialist, AFTI2.

4. *Breakdown of costs:*

<u>Item</u>	<u>Breakdown</u>	<u>Total \$</u>
Task Manager	0.2 weeks @ \$3,900	780
Staff/Consultant	2.5 weeks @ \$3,000	7,500
Quality control	0.4 weeks @ \$3,900	1,560

¹ The work will be coordinated with activities outlined in "Community-Driven Development in Nigeria: a Benchmarking Proposal," Nigeria country team, November 10, 2000.

TOTAL

9,840

5. *Timeline:*

Analytical work and consultations	early 2001
Page for Civil Service web site	Spring 2001

6. *Description of expected contributions to current operations on the ground (with identification of specific operations):*

The activity will improve upon an existing draft analytical tool (the questionnaire) and provide possible indicators of institutional development for further development and integration into CDD/decentralization operations.

Specific operations that stand to benefit from this work are the Micro-watershed and Environmental management Program (MEMP), as well as other CDD projects in Nigeria (Secondary Primary Education Project, Community-Based Poverty Reduction Project P06986, Community-Based Urban Development Project P069892, HV/AIDS Program P070291, Second Health Systems Development Project P070290, Small Towns Water Supply and Sanitation Project P064008, National Rural Transport Project).

Circulation of findings among thematic group members and exposure via the Civil Service web site will facilitate integration of findings into additional operations in other countries and regions.

7. *Explanation of the public good aspect of this activity, i.e. the generalizable lessons and benefits that this activity is expected to provide:*

This activity is designed to contribute to ongoing efforts to develop a more systematic and consistent approach to community-driven development.² By providing a refined model questionnaire and proposing local-government specific indicators that can be adapted to other country/region contexts, it will also benefit decentralization and administrative reform work that addresses issues of institutional capacity at sub-national levels.

8. *Form(s) of knowledge output(s) that this activity will generate (e.g., PREM Note, paper, workshop, seminar):*

- (a) draft indicators of local government institutional capacity
- (b) Civil service web site page, accessible to a broad audience of clients, Bank staff, and other international development organizations

²Ibid.