

# Evaluating Social Funds

## *A Cross-Country Analysis of Community Investments*

**LAURA B. RAWLINGS**

**LYNNE SHERBURNE-BENZ**

**JULIE VAN DUMELLEN**

THE WORLD BANK  
WASHINGTON, D.C.

# Contents

<b>Abbreviations and Data Note.</b> . . . . .	<b>xiii</b>
<b>Acknowledgments.</b> . . . . .	<b>xiv</b>
<b>Executive Summary.</b> . . . . .	<b>xvi</b>
<b>Introduction.</b> . . . . .	<b>1</b>
Social Funds: An Innovative, Community-Based Tool . . . . .	1
Objectives of the Study. . . . .	5
Context of the Research . . . . .	6
Outline of the Report . . . . .	6
<b>1. Overview of Social Funds.</b> . . . . .	<b>9</b>
Definitions and Characteristics. . . . .	9
General Debates about the Model. . . . .	11
Description of the Six Case Study Social Funds. . . . .	13
<i>The Project Cycle and Implementation</i>	
<i>Arrangements.</i> . . . . .	<b>15</b>
<i>Capacity Building and Coordination with Stakeholders.</i> . . . . .	17
Findings from Earlier Studies. . . . .	18
<i>Measuring Workers' Gains.</i> . . . . .	18
<i>Expanding Access to Services.</i> . . . . .	19
<i>Reaching the Poor.</i> . . . . .	19

<b>2. Methodology</b> . . . . .	<b>21</b>
Overall Approach to Study Questions . . . . .	21
Research Questions . . . . .	22
Evaluation Methodology . . . . .	25
<i>Evaluating Poverty Targeting</i> . . . . .	26
<i>Evaluating Facilities</i> . . . . .	27
<i>Evaluating Household Impact</i> . . . . .	28
<i>Approaches to Impact Evaluation in the Country Case Studies</i> . . . . .	34
<i>Cost Study Methodology</i> . . . . .	37
<i>Analysis of Participation, Perceptions, and Priorities</i> . . . . .	38
Data Sources and Sample Sizes . . . . .	38
<i>Data Sources</i> . . . . .	40
<i>Sample Size and Design</i> . . . . .	45
Costs and Time Frame . . . . .	45
Implications . . . . .	47
<i>Lessons on Methodology</i> . . . . .	47
<i>Operational Recommendations for Evaluation</i> . . . . .	48
<b>3. Performance in Poverty Targeting</b> . . . . .	<b>51</b>
Research Focus . . . . .	51
Geographic Targeting Performance . . . . .	52
<i>Cumulative Results</i> . . . . .	53
<i>Recent Trends</i> . . . . .	56
<i>Variation in Spending among Districts or Municipalities</i> . . . . .	58
Household Targeting Performance . . . . .	59
<i>Results Based on Poverty Lines</i> . . . . .	60
<i>Results Based on Income or Consumption Deciles</i> . . . . .	63
<i>Results by Type of Project</i> . . . . .	65
Comparison of Targeting by Social Fund and Other Programs . . . . .	67
<i>Geographic Targeting</i> . . . . .	68
<i>Household Targeting</i> . . . . .	68
Targeting within Districts . . . . .	72
Analysis of Potential versus Actual Beneficiaries . . . . .	75
Implications . . . . .	77
<b>4. Education</b> . . . . .	<b>81</b>
Research Focus . . . . .	81
Impact on Infrastructure . . . . .	83
Impact on the Availability of Equipment, Furniture, and Textbooks . . . . .	86
Impact on Staffing, School Size, and Student-Teacher Ratios . . . . .	87

<i>Number of Students</i> . . . . .	88
<i>Student-Teacher Ratios</i> . . . . .	89
Impact on Educational Outcomes . . . . .	90
<i>Enrollment Rates</i> . . . . .	90
<i>Educational Attainment</i> . . . . .	94
Sustainability . . . . .	95
Implications . . . . .	97
<b>5. Health</b> . . . . .	<b>99</b>
Research Focus . . . . .	99
Impact on Infrastructure . . . . .	101
Impact on Availability of Key Inputs . . . . .	103
<i>Medical Equipment and Furniture</i> . . . . .	103
<i>Access to Essential Medicines and Supplies</i> . . . . .	103
<i>Staffing</i> . . . . .	104
Impact on Health Outcomes . . . . .	106
<i>Utilization Rates</i> . . . . .	106
<i>Health Outcomes</i> . . . . .	112
Sustainability . . . . .	114
Implications . . . . .	117
<b>6. Water and Sanitation</b> . . . . .	<b>119</b>
Research Focus . . . . .	119
Water Systems . . . . .	121
<i>Quality and Utilization</i> . . . . .	121
<i>Physical and Operational Sustainability</i> . . . . .	122
<i>Household-Level Impacts</i> . . . . .	127
Sewerage Systems . . . . .	129
<i>Supply and Utilization</i> . . . . .	129
<i>Physical and Operational Sustainability</i> . . . . .	131
<i>Household-Level Impacts</i> . . . . .	133
Latrines . . . . .	135
<i>Quality and Utilization</i> . . . . .	135
<i>Household-Level Impacts</i> . . . . .	136
Implications . . . . .	136
<i>Water Systems</i> . . . . .	136
<i>Sewerage Systems</i> . . . . .	137
<i>Latrines</i> . . . . .	138
<b>7. Community Dynamics</b> . . . . .	<b>139</b>
Research Focus . . . . .	139
Response to Community Priorities . . . . .	140

<i>How Projects Are Identified</i> . . . . .	140
<i>Findings</i> . . . . .	142
Participation throughout the Project Cycle . . . . .	145
<i>Project Identification</i> . . . . .	145
<i>Design</i> . . . . .	148
<i>Implementation</i> . . . . .	148
<i>Operation and Maintenance</i> . . . . .	150
<i>Does Participation Matter?</i> . . . . .	151
Implications . . . . .	153
<b>8. Cost Analysis of Social Funds</b> . . . . .	<b>157</b>
Research Focus . . . . .	158
<i>Complications and Caveats</i> . . . . .	159
<i>Comparators</i> . . . . .	160
Education . . . . .	162
Health . . . . .	167
Water and Sanitation . . . . .	168
<i>Water Supply Systems</i> . . . . .	168
<i>Sewerage and Latrines</i> . . . . .	170
Program Efficiency . . . . .	172
<i>Overhead Expenditures</i> . . . . .	172
<i>Speed of Execution</i> . . . . .	174
<i>Leveraging of Community Resources</i> . . . . .	175
Implications . . . . .	176
<b>9. Conclusions</b> . . . . .	<b>179</b>
General Findings . . . . .	179
Key Design Issues for Social Funds . . . . .	180
<i>Improving Poverty Targeting</i> . . . . .	181
<i>Improving the Impact</i> . . . . .	181
<i>Enhancing Sustainability</i> . . . . .	182
<i>Increasing Cost-Efficiency</i> . . . . .	183
<i>Ensuring Relevance to Community Needs and Active</i> <i>Engagement of Citizens</i> . . . . .	184
Key Issues for Impact Evaluation . . . . .	185
Implications for the Role of Social Funds within Poverty Reduction Strategies . . . . .	187
<b>Appendix: Methodology for Education, Health, and</b> <b>Water and Sanitation Impact Evaluations</b> . . . . .	<b>189</b>
<b>Bibliography</b> . . . . .	<b>197</b>