



2019 China Poverty Reduction International Forum:  
Joint Efforts on Knowledge Sharing, To Promote Global Poverty Reduction Governance  
2019中国扶贫国际论坛  
“分享减贫实践，助力全球贫困治理”

## WB Poverty 5 Project CDD Practice: A Case Study

世行扶贫五期项目：  
社区主导发展案例研究

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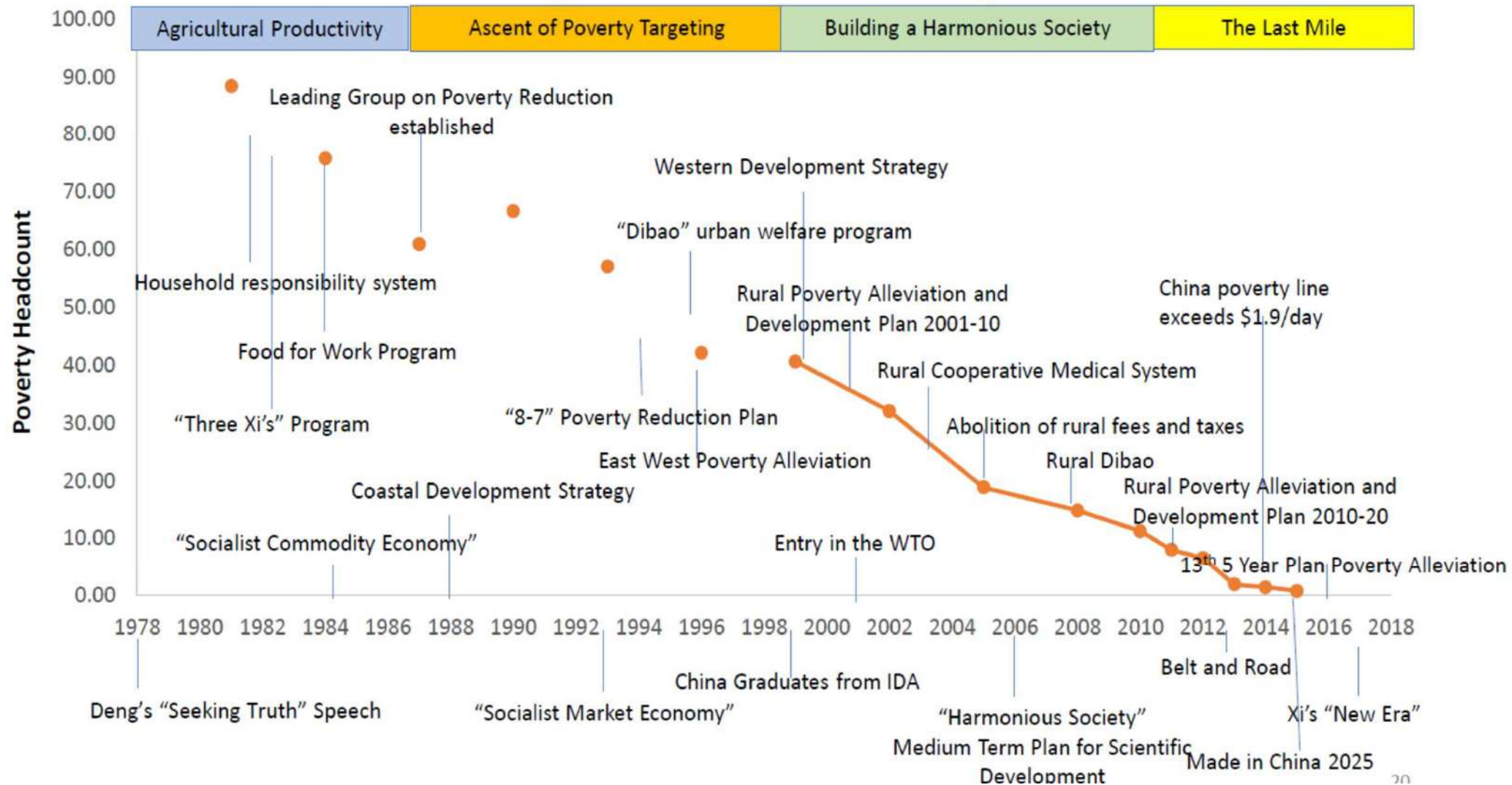
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# Outlines

- Background Information
- Project Design and Implementation
- Achievements and Impacts
- Lessons Learnt

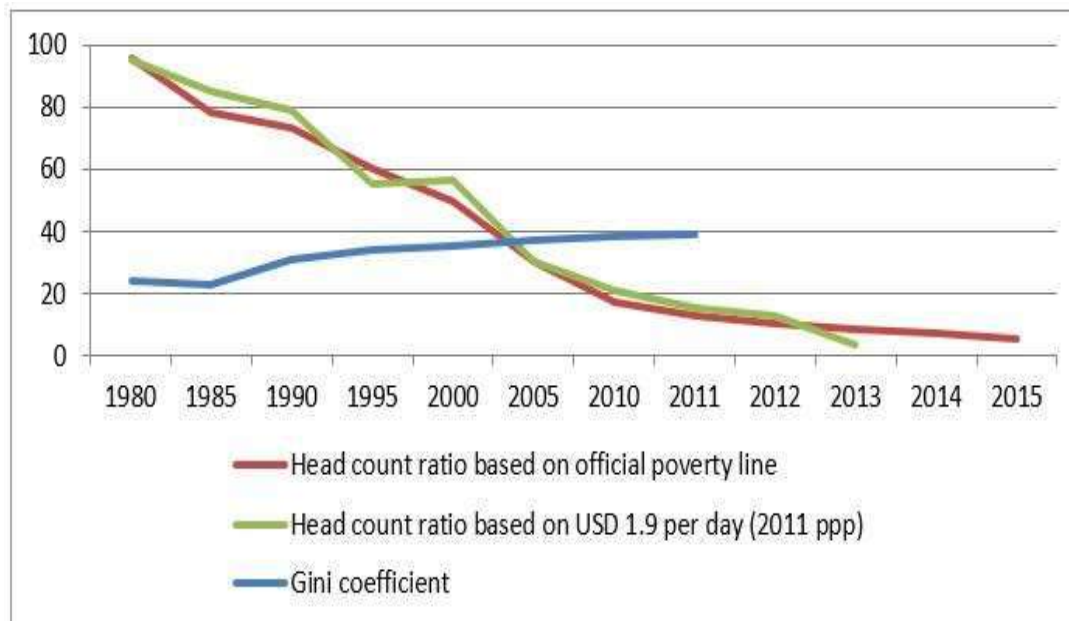


# Four Phases of Poverty Reduction Policy



# Poverty Reduction in China: Overview

- Remarkable success in poverty reduction, which other developing countries can learn much from.
  - Number of poor fell from 770 million in 1981 to less 20 million in 2018
- Strong government commitment to reduce poverty and income disparity (Poverty earmarked funding input from central government totaled about USD 70 billion) between 1980 and 2016)
- The government is on the final stage of its attempt to reduce poverty to zero by 2020





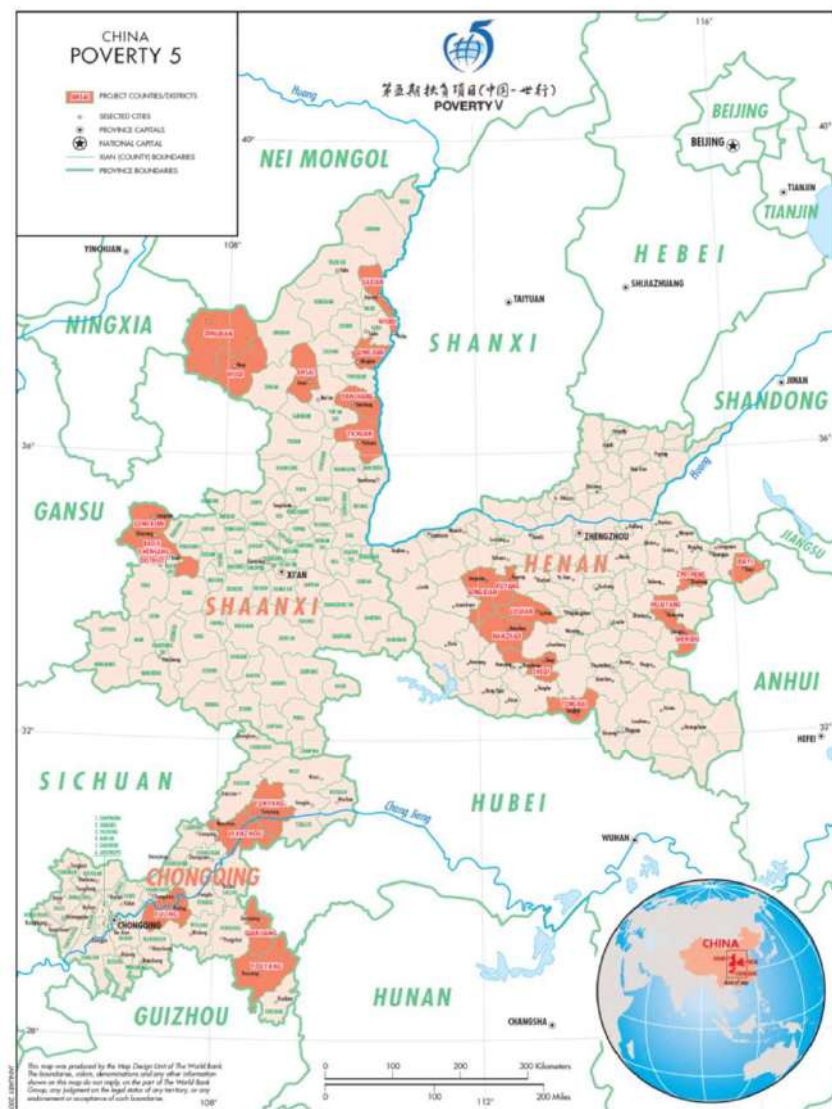
## World Bank – GOC Partnership in Poverty Reduction of more than 26 years

- ❑ Effective program based on decade-long integrated cycles of:
  - Analysis (three major studies)
  - On-the-ground testing (ten major projects with 20 million beneficiaries)
  - Continuous feedback into policy process
- ❑ Successful cooperation with the leading group for poverty reduction is essential to effectiveness and policy impact of studies and projects
- ❑ The LGOP-Bank cooperation in poverty reduction that has evolved from multi-sector approaches, introduction of participatory approaches and community-driven development, towards market-based approaches to poverty reduction.

# World Bank Rural Poverty Reduction Projects Portfolio in China

- Four investment projects with total commitment of \$450 million.
- First poverty reduction PforR under preparation (\$400 million).
- Focus on mountainous areas in Western provinces of Guizhou, Guangxi, Sichuan, Shaanxi and Gansu provinces.
- Addresses poverty reduction through agricultural industrialization and rural infrastructure development.

# Sustainable Development in Poor Rural Areas Project



Results Framework and Indicators PDO	Project Outcome Indicators	Use of Project Outcome Information
Explore and pilot more effective and innovative ways of providing poverty reduction assistance to the poorest communities and households in Henan Province, Shaanxi Province and Chongqing Municipality (the Project Provinces) through CDD and participatory approaches.	<ul style="list-style-type: none"> <li>Chinese Government acknowledges importance of CDD and participatory approaches for future poverty alleviation and rural development work.</li> <li>80% satisfaction rate among beneficiaries regarding (a) project impact on income levels and well-being, and (b) CDD approach.</li> </ul>	Determine whether project has been successful in (a) influencing national policy, (b) empowering project communities' to determine their own development, and (c) improving the income levels and well-being of beneficiaries.

GEF Global Objective
To pilot sustainable land management and adaptation measures to address vulnerability to climate change in poor rural areas in the Project Provinces.

Project Components			
1: Community Driven Development (CDD) (US\$118 million)		2: Community Development Financing (CDF) (US\$36 million).	
3: Sustainable Land Management and Adaptation (SLMA_GEF) (US\$4.3 million).		4: Project Management, Monitoring and Evaluation (US\$12 million).	

# Community Driven Development (CDD)

- Core principles
  - Community knowledge of priority problems
  - Special attention to vulnerable groups
  - Community capacity to implement and/or oversee implementation in areas where community has comparative advantage
  - Transparency in Financial Management
  - Grievance redress mechanisms
- Results
  - Poverty impact (robust evaluations)
  - Ownership
  - Quality of infrastructure
  - Cost
  - Citizen engagement and satisfaction





# CDD on a global scale



- Types of CDD
  - Large scale national programs (Indonesia, Philippines, India)
  - Urban CDD (Indonesia, Pakistan, Brazil, ...)
  - Programs on specific (poor) areas or vulnerable groups (Vietnam)
  - Pilot programs to test and adapt methodology (China)
- WB lending on CDD
  - >400 projects; USD 20 Billion (wide variance in loan amount from 1 Billion to 10 Million)



## Poverty 5 Project: Story Highlights

- Community-based approach gives farmers control over use of poverty relief funds and project implementation.
- Village-based financial cooperatives improve farmers' access to financial services.
- A Global Environment Faculty (GEF) grant helped farmers understand and adapt to climate change.

# Main Beneficiaries

Implemented in a period of five years from 2010 to 2015, the project involved 25 project counties, 142 townships and 776 administrative villages in Henan Province, Shaanxi Province and Chongqing Municipality in central and western China, and benefited 951,100 people.

# Key Results

- 5,628 kilometers of new or improved roads reduced travel time for villagers within or between villages. In addition, about 260 kilometers of field tracks and 432 bridges or culverts built or improved made it easier for farmers to transport production inputs and agricultural produce.
- 425 new drinking water supply schemes, 144 water wells, and 60,599 new water tanks provide clean drinking water for the rural residents.
- New biogas digesters improved the quality of life and reduced indoor air pollution for 115 rural households.
- Rural communities in the project areas generally benefited from new community libraries, cultural squares, village schools and clinics, public toilets, and village beautification activities.
- 411 rural community cooperatives were established with a total membership of 28,720 households. CDF met the cash needs of poor rural households and enabled them to undertake income generation activities, such as livestock raising and cash-crop and tree crop farming, benefiting 92,355 people. The repayment rate reached 99%.
- The CDD approach was extensively adopted in the project areas. The participation rate of rural households was nearly 93%, with over 65% participation rate of women. A survey shows that 96% of the beneficiaries felt that the project reflected their needs, and the satisfaction rate with infrastructure improvement was about 94%.
- The survey found that 35% of the poverty households in the project villages worked their way out of poverty between 2010 and 2014, and the poverty rate declined by 23% during the period.
- Under the sustainable land management and adaptation pilot, vulnerability assessments and resource mapping exercises were conducted, and training was provided in 84 villages, raising farmers' understanding of the impact of climate change on their livelihood and production.

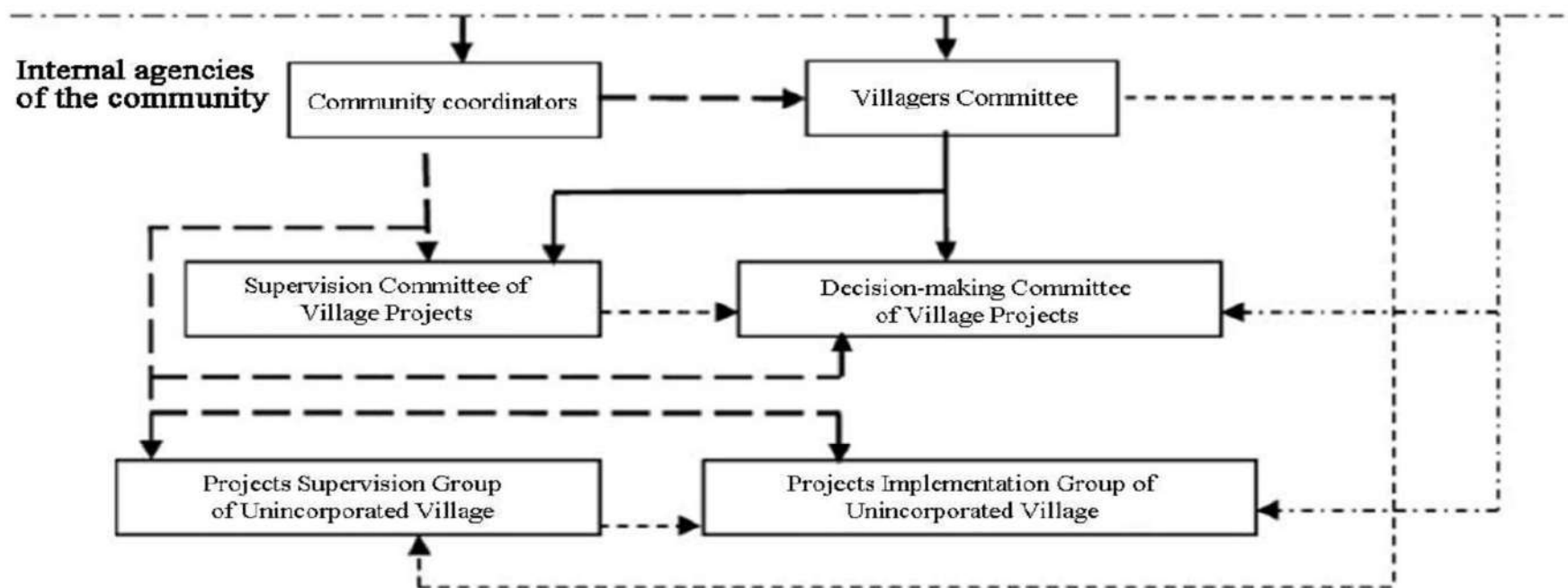


# CDD Practice



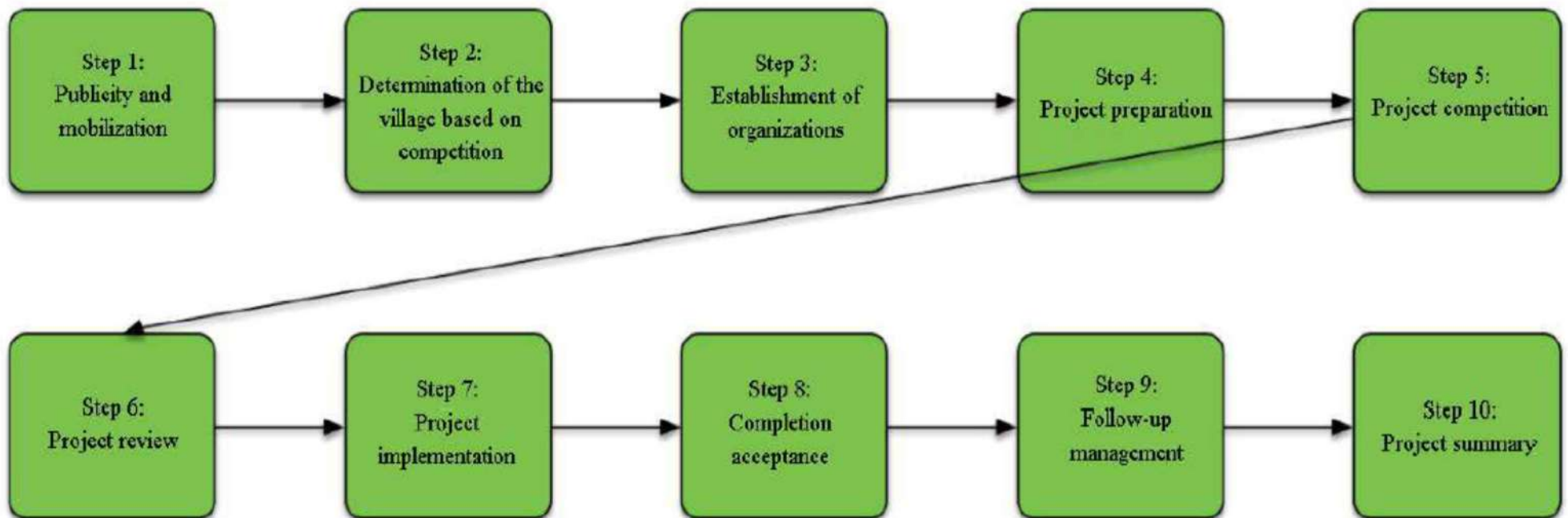
# Institutional Structure

**External agencies of the community**  
( Including project leading groups (PLGs) at all levels, Project Management Offices (PMOs), Technical Steering Committees, Technical Steering Groups etc.)



In the pictures — · · · → Relationship of coordination and guidance; —————→ Relationship of leadership or management;  
 - - - - - → Relationship of ancillary services; - · - · - · → Relationship of supervision and inspection; ● - · - · - · → Relationship  
 of technical advice, guidance or supporting services.

# A “10-step” Operation Procedures



# Impact: Cost

- Delivery through communities reduces costs by 20% compared to LG procurement
- Reasons:
  - Ownership
  - Governance
  - Implicit incentives: alternative uses for resources



天山6组人行路修建前



天山6组人行路修建后



天山村8组公路硬化前



天山村8组公路硬化后



天山村公共服务中心建设前



天山村公共服务中心建设后



# Impact: Quality

- Community monitoring of contractors
- Greater ownership of Operations & Maintenance
- Independent assessments of quality indicates 80% of infrastructure in use and good to excellent condition 5 years after construction



# Other Impacts

- Put community on driver's seat (community Initiative)
- Interest of “community” are aligned with interests of the poor
- Improved capacities of community (empowerment)
- Improved community relations, increased solidarity
- had high poverty impact

# Lessons Learnt

- Mindset change and government support is key to success
- The Ten-step procedure gave a guarantee to implement the CDD approach
- Intensive community mobilization and awareness building is of vital importance to ensure participation
- Right institutional arrangements ensured the democratic and transparent decision-making process
- Mainstreaming CDD principles requires sound external policy environment
- Incentive mechanisms put in place to truly stimulate the internal impetus of community

# Empowering Poor Farmers in China

A video clip 2 min 视频





# Thank You!

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