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Social Funds and Public Works and Employment Projects in Sub-Saharan Africa

Social funds and public works and employment operations emerged in Sub-Saharan Africa in the late 1980s and early 1990s as responses to emergency situations—worsening poverty in the case of social funds, and massive unemployment in the case of works and employment projects. Following almost a decade of experience, there are many lessons to be learned from the different approaches and innovations of these projects. A review entitled *Local Solutions to Regional Problems: The Growth of Social Funds and Public Works and Employment Projects in Sub-Saharan Africa* examines sixteen social fund and nineteen works and employment operations financed by the World Bank. The review had three goals: (a) to draw out best practices on the evolving nature of these projects in Africa, now in their second and third generation; (b) to provide guidance on the design of new operations, particularly with respect to capacity building at the municipal and community levels; and (c) to serve clients through more systematic learning by Bank staff and stakeholders involved in social funds and public works operations.

The main lessons from the review are outlined below. These pointers should not be seen as prescriptions or project blueprints. The review illustrates that a variety of models and institutional structures exist within this sample of projects. These projects need to be designed according to country contexts, political realities, and geographical considerations.

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<th>LESSONS</th>
<th>TIPS</th>
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<tr>
<td>1. Keep short-term and long-term objectives distinct</td>
<td>• Malawi and Eritrea social funds include top-down public works approaches to create jobs (short-term), while addressing the institutional and sustainability issues of future management of micro-projects (long-term). In works projects in Benin, Mauritania, Mali and Senegal, short-term objectives of employment generation are accompanied by long-term municipal capacity building and local revenue mobilization components.</td>
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<td>2. Safeguard autonomy, transparency and accountability</td>
<td>• Works and social fund agencies must be largely free from political influences, which can be done by having civil authorities on the governing boards. The Angola social fund has national and provincial boards including government and non-government representatives; in Benin’s AGETIP, the Archbishop of Cotonou has been president of the board as civil society representative. By-laws, operational manuals and competitively-selected staff are the best assurance of autonomy and accountability.</td>
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<td>3. Continue to build local capacity</td>
<td>• A stated objective in Benin, Mauritania, Senegal and Mali works projects was to develop local government. Eritrea and Ethiopia included large stand-alone capacity building programs. By developing a longer-term perspective, the new generation projects are helping stakeholders build capacity at the community and local government levels, both of which are essential for the sustainability of micro-projects.</td>
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4. Coordinate across sectors

- While the first generation projects did not always seek to coordinate with sector ministries, second generation projects are making a strong effort in this direction. The Malawi social fund organized workshops to develop informed opinions on the merit of a sector approach versus a fund one; annual work programs and budgets of social funds in Eritrea, Zimbabwe, and Ethiopia are approved by the Ministry of Finance and line ministries.

5. Target end-beneficiaries better

- Although social funds are doing a better job than works projects at targeting poorer communities, they continue to improve methods for reaching targeted end-beneficiaries. The Zimbabwe social fund systematically uses poverty maps and revisits targeting mechanisms to reach the voiceless; the Malawi fund includes a top-down job creation component for the rural poor, and works operations create employment by paying minimum or below-minimum wages for unskilled labor.

6. Express demand

- Social funds are designed as demand-driven projects and continue to improve this approach, one instrument being a systematic client consultation process, particularly in Ethiopia, Malawi, Zambia and Zimbabwe. Works projects are learning to incorporate demand in project design—Mali and Mauritania AGETIPs promote community town meetings to determine priorities.

7. Mobilize local revenues

- Social funds and AGETIPs have been able to obtain a contribution to the investment cost of sub-projects—Mali and Mauritania’s revenue generating public micro projects require 50% investment contribution, and up to 3 years of maintenance funds up-front, and all social funds require a contribution of at least 10% of investment costs.

8. Get feedback from stakeholders

- Best practice social funds and works projects in Africa include beneficiary assessments and more recently, broader feedback through consultation with different stakeholders to discuss investments and maintenance.

9. Start with pilots

- The most successful social funds and AGETIPs started with a pilot phase to test approaches before scaling-up.

10. Refine operational tools

- Both social funds and works approaches are considered effective instruments to implement projects. Their operational manuals have proved invaluable for operations, and need to be continuously refined—the Malawi II social fund held a series of workshops to ensure that their procedures reflected the involvement of stakeholders for the follow-up phase.

If this review illustrates anything, it is that one size does not fit all—nor does one size always fit in the same country. Many works and employment projects and social funds in Africa have evolved considerably, adapting to new country situations and learning from other operations in the region and elsewhere.


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