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MANAGING FOR RESULTS: CIVIL SOCIETY MONITORING IN THE DOMINICAN REPUBLIC

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Background

After a decade as one of the fastest growing economies in Latin America and the Caribbean, a series of unfortunate events in early 2003 led the Dominican Republic towards a rapidly declining spiral of the economic and social conditions in the country. The discovery of fraud and mismanagement in one of the country's largest commercial banks, Baninter, served as a catalyst to weaken an already deteriorated economy. The impacts of the financial crisis reverberated through all sectors of society - between 2003-2004, 15 percent of the Dominican population (1.4 million people) fell into poverty, and 6 percent (600,000 people) fell into extreme poverty with incomes too low to afford the minimum food basket, mainly due to the fall in real incomes resulting from the sharp rise in the prices of food and other wage goods (86 percent cumulative). Although no group was immune to the crisis, the poor experienced more dramatic effects on their everyday lives. The drastic rise in food prices further strained the pockets of households who were already spending large shares of their incomes on basic necessities.

The country, particularly the capital of Santo Domingo, also had been plagued for years by an on-going battle to stabilize the electricity sector. Non-payment of service¹ coupled with mistargeted subsidies benefiting the poor as well as the non-poor, resulted in frequent power shortages. In addition, the rising cost of fuel prices internationally were not followed by a commensurate rise in electricity prices in the country, forcing private distributors to cut power in many areas. The poor

barrios again were the most severely affected, where back-up generators were unaffordable and payment collection was lowest. The protests against the frequent unplanned black-outs escalated to rioting in 2002, eventually claiming the lives of 15 individuals.

The crisis also coincided with the presidential elections planned for May 2004. In a highly politicized society such as the Dominican Republic, socio-political tensions were strained by the hotly-contested campaigns. Claims of political manipulation further marred the situation.

At its core, the economic crisis magnified a more deep-rooted crisis of governance. Questions of corruption, mismanagement and inefficiency were claimed against the government and private sector alike. With increased demand and social turbulence, the weaknesses in the targeting and evaluation of government programs came very clearly to light. Consequently, the social emergency demanded not only an immediate response to alleviate the day-to-day struggles experienced, especially by the most vulnerable segments of society, but also to demonstrate a newfound resolve by the government to reinvent a *modus operandi* that emphasized transparency, accountability and efficiency.

Project Objectives and Activities

In this context, the World Bank supported a multi-faceted program to respond to social needs, specifically related to education, health, electricity and social assistance, while



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promoting a pioneering model of monitoring and evaluation through the involvement of civil society. The program, known as the “Social Crisis Response Adjustment Loan”, or SCRAL, had three principal objectives:

1. To build the response capacities and performance of social programs to ensure effective targeting, budget protection of key safety net programs, and inclusion of the large number of poor, undocumented Dominicans;
2. To support an emergency response program in the electricity sector through financial assistance for the importation of fuel; and,
3. To stimulate longer term reform in the social sectors to improve efficiency, effectiveness, and sustainability.

Under the SCRAL, several existing social assistance programs were strengthened to improve their reach to the poor. The universal school feeding program for Grades 1-8 would continue with the adjustment of more cost effective measures. Also, the conditional cash transfer program, which provided approximately US\$ 20 on a bi-monthly basis to poor mothers who sent their children to school regularly, was refined to increase the inclusion of the neediest households and the exclusion of non-poor families by formalizing the operational structure and guidelines of the program.

In order to better provide for the health needs of the most vulnerable populations, particularly women in their reproductive years and young children, the SCRAL promoted the rapid expansion of the subsidized health insurance program. Food subsidies were re-targeted to focus on the neediest populations in the provinces with the highest levels of poverty.

Finally, critical to the accurate identification of possible beneficiaries for each of the above-mentioned programs was the process of documentation of the large percentage² of undocumented Dominican residents. Without legal identification, access to basic social services, such as health and education, are prohibited in the Dominican Republic. Consequently, the Bank loan assisted 12,000 children to obtain their birth certificates, required for them to remain enrolled in school.

“Keeping the Lights On”

The social upheaval as a result of the electricity crisis demanded an immediate solution to, first of all, reduce the frequency of blackouts, and ultimately seek measures to break the cycle of inefficiency in the sector. The SCRAL provided the critical short-term resources needed to purchase fuel for power generation. To address the longer term issues, the Bank loan supported a national reform process of the electricity sector to better target the poor, protect the environment and improve the quality of services and their management.

Reform of the Social Sectors

In the medium term, the SCRAL has sought to strengthen the institutional structures and capacities of the social sectors. An independent evaluation of the numerous social assistance programs was proposed under the Bank loan, in order to assess the potential areas for consolidation or elimination.

The eligibility of beneficiaries for the health insurance and other social programs has required new standards and procedures for selection. As such, a universal system for beneficiary selection has been developed through the use of a more independent and systematic method, known as the proxy mean test.

The SCRAL placed a strong emphasis on enhancing the transparency and accountability of the government’s social programs, particularly those programs whose budgets were protected under the loan. Weak targeting mechanisms, coupled with concerns of corruption, posed serious questions as to the ability and credibility of the government to comply with the requisites of the reforms. Given the high level of social tensions, the SCRAL served as a critical opportunity to counteract the general lack of public confidence with an increased sense of civic empowerment to both mitigate risks as well as stimulate ownership and commitment to the reform agenda. Civic empowerment came in the form of participatory mechanisms for monitoring and evaluating key social programs.

Civil Society Monitoring of the SCRAL

The social crisis provided the impetus to replace the sense of distrust of citizens towards their government with a relationship of mutual responsibility. The World Bank used this situation to further promote social accountability by defining the involvement of civil society organizations in the monitoring of the social reform programs as one of the legal conditionalities of the SCRAL. Despite initial resistance by government officials and local CSOs alike, both parties eventually agreed to participate in the program, recognizing the value of social monitoring to manage political tensions and ensure transparency of the process.

The Structure

The government established the Social Cabinet in 2001 to better coordinate and evaluate the various social assistance programs, particularly those financed through a discretionary budget under the Office of the President. The Cabinet is composed of representatives from the Ministries of Health, Education, Labor, Women, Youth, Planning, and the Presidency, and coordinated by a Technical Secretariat that reports to the Vice President. In the decree establishing the Social Cabinet, the Civil Society Consultative Council (CSCC) was also established, for the first time creating an institutional link between government and civil society. The CSCC is comprised of more than 80 CSOs in the country, including religious, academic, and other non-governmental organizations (NGOs).

Once the parties had agreed to participate in the program, the contractual arrangements were defined and delineated among the various actors. The Ministry of Finance coordinated and contributed US\$150,000 of the government’s own financial resources to implement this participatory approach, demonstrating a high level of commitment and ownership to the process. Yet to avoid any conflict of interest, as well as to

ensure transparency in the selection process, the Dominican Government requested the United Nations Development Programme (UNDP) to work with the CSCC to contract the CSOs. The Government and the CSCC agreed that INTEC (*Instituto Tecnológico de Santo Domingo*), which serves as the Secretariat for the CSCC, would be the recipient of the UNDP contract for civil society monitoring. INTEC, in turn, would handle the sub-contracting process of the CSOs, provide technical oversight of the design and implementation of all monitoring activities, review initial drafts of monitoring reports, and submit to the Government a final synthesized report. The Executive Committee of the CSCC (comprised of twelve CSO representatives elected by CSCC members to a two-year term) would be responsible for the oversight of the Secretariat's work and review of the reports submitted by the CSOs contracted to carry out the specific monitoring activities.

Five reputable Dominican NGOs were competitively selected, namely the Centro de Investigación para la Acción Feminina (CIPAF), Centro Cultural POVEDA, Equipo Vargas, Facultad Latinoamericana de Ciencias Sociales (FLACSO) and the Instituto Dominicano de Desarrollo Integral (IDDI). These organizations would be responsible for monitoring the activities proposed under the SCRAL and evaluating their effectiveness and impact. The NGOs utilized various methodologies to monitor the social programs, including numerous surveys, interviews, and field data collection. Random sampling of beneficiaries allowed for a more impartial analysis.

The Terms

Once the relationships had been well-defined, the Social Cabinet, World Bank, and CSCC identified the key reform actions under the SCRAL that would be monitored by civil society. Five specific actions were defined for participatory monitoring and evaluation in education, health and nutrition (See Box 1). The civil society organizations involved also defined the terms for the contracting of the NGOs responsible for the direct monitoring and evaluation of the actions. The CSOs also contributed to the definition of the methodology,

sampling design and key counterparts for its implementation.

After selecting the NGOs, a full day workshop, organized by the Social Cabinet and the Technical Secretariat of the Presidency, was held with the relevant government agencies and the participating CSOs to ensure that all the parties were on the same page, with a common understanding and information about the objectives, roles and responsibilities of each of the actors in the process.

Outcomes

The SCRAL demonstrated notable success in the achievement of its original objectives to respond to the immediate needs of the poor in the face of the crisis, while strengthening the institutional foundations of the social sectors (See Box 2). The high degree of compliance achieved through the SCRAL, in a country that had a high risk of non-compliance, can be contributed, in large part, to this new participatory approach that placed a greater level of oversight of the government's actions. In fact, the new administration that came into office in

Box 1: Actions Monitored by Civil Society

SECTOR	ACTION	INDICATORS and MONITORING DESIGN
Education	1. School Feeding	<ul style="list-style-type: none"> ▪ Confirm coverage of school feeding program to all schools in the country ▪ 160 schools, 960 people (students, teachers and principals), distributed across all 32 provinces of the country ▪ Evaluate the impact of the program on nutrition and attendance of students
Education	2. Schooling of Poor Children	<ul style="list-style-type: none"> ▪ Confirm that poor mothers receive payment for sending their children to school on a regular basis ▪ Confirm the attendance of the children ▪ 100 schools, 500 mothers, distributed in poor areas nationwide ▪ Evaluate the impact of the program on the decision of parents to send their children to school
Education	3. Schooling and Rights of the Child	<ul style="list-style-type: none"> ▪ Confirm the application of the policy of the Ministry of Education to permit children without birth certificates to attend school ▪ 450 children (and their parents) without documentation in the areas of greatest number of undocumented persons
Health	4. Registration of Poor Families in the Subsidized Health Insurance System	<ul style="list-style-type: none"> ▪ Support undocumented families to obtain an identity card in order to register in the health insurance system ▪ 500 families in the southwestern part of country where 12,000 families had been identified
Nutrition	5. <i>Comer es Primero</i>	<ul style="list-style-type: none"> ▪ Confirm launch of the program ▪ Confirm the selection of beneficiaries ▪ Confirm that the grants reach the beneficiaries ▪ Confirm that the beneficiary families comply with their obligations ▪ 500 households

August 2004 further strengthened the role of civil society in the activities of the Social Cabinet, including participation in the definition of key social program priorities, the implementation mechanisms and monitoring for results. Moreover, the SCRAL

by the Social Cabinet with civil society, set forth transparent, common guidelines, in terms of the objectives, intended beneficiaries, quantitative targets, monitoring methodology and timelines. Consequently, all the stakeholders had a clear and shared understanding of the direction of the program, promoting greater transparency in the process and in the results.

Box 2: Results Achieved through the SCRAL

- ✓ 1.6 million students were served on a daily basis through the school feeding program in school year 2003-04
- ✓ 100,000 mothers received US\$ 8/month for sending their children to school on a regular basis
- ✓ 20,000 undocumented children enrolled in primary school
- ✓ 12,500 children received official birth certificates
- ✓ 12,000 undocumented families received support from NGOs to enroll in the subsidized health insurance program
- ✓ A new operational manual for subsidized food distribution was approved, and the successful pilot program reaching 20,000 households is quickly being scaled up

offered a step forward towards a renewed level of confidence and trust of citizens towards their government.

The receptivity to and effectiveness of civil society monitoring of the SCRAL in the Dominican Republic was the result of a series of factors that both empowered civil society, while “protecting” the government. Although both parties expressed a great deal of reluctance to engage in this approach at the beginning, it was quickly understood that it could serve as a mutually beneficial endeavor. The *World Bank played a catalytic role*, in this regard, to convince the government and civil society of the importance of this initiative to increase the accountability and transparency of government programs. The shared commitment of Bank staff and management alike consistently demonstrated the importance of this agenda to the client, not only in the preparation of the loan, but also in its implementation.

The active participation of civil society in monitoring the program also provided the government a *defense against political criticism*. The transparency of the process and results made it more difficult for opponents to make claims of corruption or political manipulation. At the same time, it served as a motivation for the government to involve civil society and seek to improve the quality of the programs. In fact, the monitoring by civil society *increased the motivation of social program administrators* to improve the effectiveness of the programs, demonstrate their professional capacity and reduce potential for criticism.

Unlike previous efforts to engage civil society, the very concrete and tangible role for CSOs under the SCRAL allowed for more demonstrable results. The terms for social monitoring were based on *clear, objective, and quantifiable indicators*, which limited the ability to distort results for subjective, judgmental, or political interests. Not only that, the monitoring matrix, which was developed through a collaborative process

Conclusion

The underlying governance crisis that contributed to the social emergency faced by the Dominican Republic in 2003 further weakened public confidence in their government to provide the needed resources and services to the neediest populations. Consequently, it was critical to not only alleviate the immediate social strains, but also to rebuild trust between the government and citizens. The assistance provided by the World Bank through the Social Crisis Response Adjustment Loan served as a fitting instrument to meet these two needs. Through the inclusion of participatory monitoring and evaluation by civil society as a requisite of the program, the loan contributed to the effectiveness of social services for the poor through increased transparency and compliance. At the same time, the SCRAL demonstrated a renewed will of government to be accountable to its citizens, improving public opinion while recognizing the importance of civic engagement to achieving common goals.

The positive results of the program have further expanded collaboration between the government and civil society, which has extended beyond the loan and has transcended into the new administration. As part of the World Bank-financed Social Protection Investment Loan (FY06 deliverable), civil society monitoring and evaluation of all key project components is being integrated from the start. In addition, this model for civil society monitoring of a government’s reform program supported by the Bank has been replicated in Haiti, where distrust between government and civil society actors and the need to promote accountability and transparency in the use of public resources are even greater.

Notes

¹ Less than 60 percent of energy generation and distribution costs are recovered through tariffs.

² Although estimates vary greatly based on the source, a conservative figure would suggest approximately 12 percent of the total population to be undocumented.

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