

# Principles and Guidelines for Constituency Development Funds

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## Constituency Development Fund Workshop 2011

The Commonwealth Parliamentary Association (CPA) in collaboration with the State University of New York organized this workshop to investigate the operations of Constituency Development Funds (CDFs) in Commonwealth jurisdictions. The Workshop explored the operations of these funds by asking about: the efficiency of service delivery in constituencies, the extent to which such policymaking contributes to effective administration, and the best ways to enhance the accountability and transparency of policy making on such funds.



The Workshop, hosted by the Jamaica Branch of the CPA in June 2011, brought together 11 Parliamentarians from the CPA's Asian, Indian and Caribbean Regions. It followed on a larger workshop held during the CPA's 56<sup>th</sup> Commonwealth Parliamentary Conference in Nairobi, Kenya, in September 2010 which identified the growth of CDFs and highlighted the need for a common set of guidelines for these funds.

The Parliamentarians attending the Jamaica workshop, together with civil servants and academics, compared the delivery of CDFs in their own jurisdictions as well as case studies from other regions. The discussion revealed that, though there was great diversity in how the funds were administered and allocated, there was an overall consensus on the need for effective governance. The workshop therefore identified the following key principles and guidelines for CDFs.

## Introduction



Parliamentary involvement in grassroots community development has grown considerably across Commonwealth countries. One important tool in this effort has been the Constituency Development Fund (CDF), which appropriates national funding for MP-influenced, locally determined, constituency-level development. CDFs become legitimate mechanisms of development through their creation in legislation. They also facilitate the legitimate connection between Members of Parliament and their constituencies. A central hope behind CDFs is that local input promotes better targeting of projects to the needs of constituents, more attention to implementation and a way of holding government officials responsible for results by giving the capacity for development to MPs whose electoral fate will be locally determined.

CPA Members recognize that CDFs should include steps to eliminate opportunities for corruption and be part of comprehensive development efforts. Below are principles and guidelines for the operation of CDFs that are consistent with international norms and values about legislative performance and socio-economic development. These principles highlight the importance of transparent project selection and implementation in a manner that enables citizens to work together for the development of their constituency, demand accountability and maintain regular oversight. Further, the

administration and management of CDFs can empower provincial and district governments and professional experts to apply their own contextual knowledge to solve local development problems. CDFs also should foster public learning through monitoring and evaluation about what types of development projects are most successful in meeting the needs of citizens and promoting community development.

It is clear that the successful operation of any CDF is contingent upon strong MP involvement and leadership. As representatives of a constituency's citizens, MPs play an essential role in facilitating citizen participation to make claims upon government services. In this role, MPs can ensure that CDF resources are used efficiently and honestly, with the intent to meet the public interests of their constituencies. Thus, the potential offered by CDFs hinges on the initiative of MPs and their dedication to empowering citizens to participate in their own development.

## **Principles and Guidelines for CDFs**

The following are general principles of good governance that should apply to all CDFs across cases.

### **I. Responsiveness**

CDFs are a distributive policy tool designed to meet the development needs of citizens. Their success is contingent upon an inclusive process of consultation which fosters co-operation among constituents, MPs, and technocratic experts. CDF initiatives should respond to local developmental needs. On this basis, CDFs require channels of input for local citizens and civil society at all steps in decision-making on CDFs.

- CDFs shall improve the well-being and livelihoods of constituents. The primary purpose of a CDF is to redirect additional resources to constituencies to solve socio-economic and humanitarian problems identified by

citizens and elected representatives.

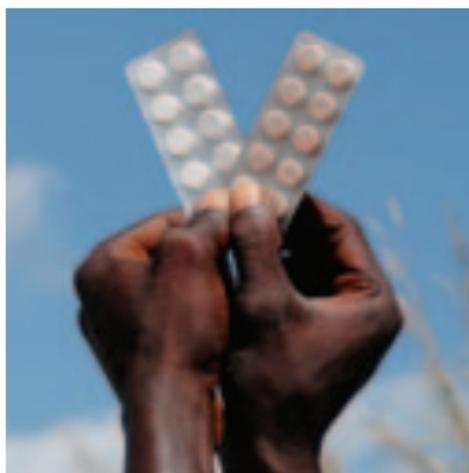
- Civic participation in government and MP-constituent relations shall be improved through the operation of CDFs.
- CDFs shall respond to constituents' needs regardless of political party affiliation or their relationships to MPs and CDF committees and/or implementers. CDFs shall not be used vindictively to retaliate against any public official's electoral opponents.
- Project selection and implementation shall be based on the needs of the people, who will be provided opportunities to communicate their diverse development needs to MPs and CDF committees and/or implementers for the duration of the project.
- Responsiveness can be achieved through a variety of means, including public forums and discussions about a community's development needs. A responsive CDF process shall also solicit input from all legitimate stakeholders by regularly including them in project selection and implementation.

## II. Transparency

Transparency, as in the case of CDFs, is the fundamental cornerstone of an open government that promotes citizen engagement. Transparency refers to the administration of government services in an open and publicly observable manner that creates opportunities for public participation. MPs, CDF committees and/or implementers shall open decision-making processes to the public.

- The process of CDF project selection and implementation shall be transparent. MPs and CDF committees and/or implementers shall consult constituents about local development problems and all possible solutions.

- All deliberative decisions made by MPs, CDF committees and/or implementers and other bodies shall be open to the public. The flows of all CDF funds shall be transparent and traceable to specific decision-making processes.
- All financial information regarding the use of CDF funds on projects shall be publicly available and documented according to standard and auditable accounting principles. Documentation of CDF funding shall be made publicly available in a timely manner.
- CDF programmes shall ensure ease of access for all citizens, who shall be allowed to make claims of redress and appeal regarding the CDF process according to government regulations.



### III. Administration and Management

CDFs shall be administered and managed in an efficient, effective and transparent manner. In this regard, MPs and committees and/or implementers shall facilitate the process by mobilizing citizen participation, streamlining implementing mechanisms and proactively complying with them. Such actions ensure that CDF administration and management will be performed in a timely fashion and remain faithful to the intent of CDFs.

- CDF funds shall be allocated to individual constituencies in a fair and equitable manner, regardless of MPs' partisanship, gender, religion, race or ethnicity.
- CDF funds shall be released in a timely manner and CDF projects shall be completed in a timely manner. The release



of funds shall not be employed as part of a legislative election campaign.

- CDF funds shall be channeled to a separate account of a public agency. Access to the funds shall be limited to officially authorized administrators. Funds shall be managed according to the best practices of public financial management.
- The structure of CDF administration shall be clearly defined. Each administering body at corresponding levels shall function with unambiguous legitimate authority, explicit responsibility and substantive commitments. The structure of authority will be clearly stated to the public to ensure that citizens are knowledgeable about the decision-making process of CDF management.
- A set of policies and procedures shall be made public to guide the implementation of the fund and the projects.
- Funding shall be devoted to development in constituencies. Funded areas may include poverty reduction, infrastructure, water, education, health care, sanitation and disaster mitigation, and shall address specific needs of individual constituencies.
- CDFs shall utilize all available technical expertise relevant to a particular project. Governments should make available to

CDF implementing agencies relevant technical expertise. For example, public health professionals should be consulted about any CDF project that seeks to improve the health care of constituents. Such expertise is essential to ensure that development projects are carried out in effective and efficient ways that improve livelihoods.

- CDF committees and/or implementers shall coordinate their projects with similar initiatives of local governments and agencies of the central government in order to avoid waste, utilize resources efficiently, and strive for sustainability of local development.

#### IV. Accountability and Oversight

Accountability and oversight play essential roles in promoting project quality, improving decision-making, and preventing corruption and abuse of CDF funds. Proper oversight of CDF financing ensures fiscal probity and promotes accountability to the public among MPs and CDF committees and/or implementers.

- Within government regulations, MPs, CDF committees and implementers shall be held accountable for their respective roles, conduct and decisions in the process of CDF implementation.
- Procedures and/or legal regulations shall be put in place to hold CDF actors accountable.
- Appropriate entities with adequate monitoring and oversight capability shall be assigned responsibility for overseeing CDF implementation.
- Any findings and/or results of investigations shall be released to the public in a timely manner.

#### V. Monitoring and Evaluation

Monitoring and evaluation of CDF projects are essential tasks to help ensure learning about what actions are most



effective in fostering constituency development. Monitoring ensures that CDF projects are progressing toward their goal, while evaluation assesses the efficiency, effectiveness, impact and results of a CDF project. MPs, among other stakeholders, shall engage proactively in facilitating this process.

- Monitoring shall be performed throughout a CDF project to ensure that it is progressing towards its publicly stated goal. Constituents and legitimate stakeholders shall be afforded opportunities to participate in the monitoring process.
- If a monitoring entity determines that a project is deviating from its stated goal; under government regulations, it shall make recommendations about adjusting implementation.
- Evaluation shall be conducted upon completion of projects by appropriate government agencies. Evaluations shall be made publicly available to ensure that CDF committees and/or implementers are aware of the effectiveness of previous CDF projects.
- In addition to monitoring and evaluation, CDF projects will be subject to regular audits by appropriately designated entities for the duration of the project.

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