

## Workshop on Constituency Development Funds

Commonwealth Parliamentary Association and SUNY CID  
Dar Es Salaam, 9-11 October 2012

### **Introduction**

SUNY CID provided the expert consultant services to a workshop on Constituency Development Funds (CDFs) organized by the Commonwealth Parliamentary Association (CPA) from 9-11 October 2012 in the White Sands Hotel in Dar Es Salaam, Tanzania. The workshop was co-hosted by the Parliament of Tanzania and the Tanzanian CPA chapter. CPA HQ cooperated with its chapter in Tanzania to provide conference services and the hotel and workshop/roundtable rooms. They organized the participation and travel of MPs from selected commonwealth countries. The Tanzanian chapter hosted a reception for participants.<sup>1</sup>

Constituency development fund (CDF) is the generic name for a policy tool that dedicates public money to benefit specific political subdivisions through allocations and/or spending decisions influenced by their representatives in the national parliament. CDFs give members of parliament (MPs) the capacity to shape policy choices and service delivery in their constituencies and potentially add to their set of political resources to win re-election.

The workshop in Tanzania followed from one held during the CPA's 56<sup>th</sup> Annual Conference in Nairobi, Kenya in September 2010 and from one in Jamaica in June 2011, where participants identified good practices and ways in which officials have addressed externalities and inefficiencies in implementation of CDFs, and drafted principles and guidelines that provide a normative basis for the operations of these funds. The objective of the Tanzania meeting was to consider the experience with CDFs in several commonwealth governments, to assess the extent to which such policymaking contributes to effective administration, and to consider how best to enhance the accountability and transparency of these funds. Participants reviewed and revised the design for a toolbox that would assist MPs and professional staff to manage CDFs in a comprehensive manner and drafted a Public Participation Tool that would provide a guide to good practice in CDFs in the commonwealth.

This summary briefly reviews the workshop, outlines insights into CDFs from participants, and introduces the toolbox design, Public Participation Tool, and sample templates for public participation in CDFs.

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<sup>1</sup> Appended to this report are the agenda for the CPA workshop, the comprehensive design for the toolbox, the Public Participation Tool and suggested templates for public participation. See: <http://www.cpahq.org/cpahq/mem/default.aspx> and [http://www.cpahq.org/CPAHQ/Mem/Meetings/Jamaica\\_2011.aspx](http://www.cpahq.org/CPAHQ/Mem/Meetings/Jamaica_2011.aspx) and <http://www.cpahq.org/cpahq/mem/default.aspx> and [http://www.cpahq.org/cpahq/Mem/Meetings/CDF\\_Workshop\\_in\\_Dar\\_Es\\_Salaam.aspx](http://www.cpahq.org/cpahq/Mem/Meetings/CDF_Workshop_in_Dar_Es_Salaam.aspx)

### **CDFs: Variety and Functions**

The workshop opened with a comparison of 20 governments with CDFs,<sup>2</sup> which placed them into a broader, comparative framework of distributive policy making. The survey compared the degree of funds' institutionalization and accountability, and roles played by MPs in managing the funds. It revealed substantial diversity in: the names of funds, sources and methods of financing, ways priorities are set and projects are selected, administrative management of funds, and the type of oversight of funds' operations. SUNY's research demonstrates that these funds resemble other government programs: with consultation in the identification of problems and projects, in cooperation and coordination between different parts of the government in awarding and implementing projects, and in overseeing the projects.

An extended discussion of the nature of CDF operations and policy making in Uganda, Zambia, Ghana, Kenya and Swaziland followed. The presentations made it clear that the CDFs in these countries provide local communities with opportunities to address local development and poverty reduction, and that MPs collaborated with stakeholders from local through national levels of government.

In neither Ghana nor Nigeria do formally constituted national-level CDFs operate, although there is interest in both governments to introduce versions of CDFs. Ghana continues to have a District Assemblies Common Fund in 170 districts that operates along the same principles as CDFs.<sup>3</sup> Similarly, in Nigeria, legislators succeed in inserting 'constituency projects' into the budget in a manner similar to the operations of earmarks in US congressional policy making.<sup>4</sup> Uganda's CDF had been rescinded a short while back, but many MPs believed that CDFs with clear rules and guidelines would contribute substantially to local development.

The participants addressed one standard critique of CDFs: that they perpetuate bad governance by blurring the boundaries between deliberation and implementation of policy. In this view, parliamentarians are responsible for lawmaking, representation and oversight, and can support service delivery most effectively by its oversight of the agencies that are constitutionally responsible for these functions of government. The involvement of MPs in the implementation of policy blurs crucial, constitutionally defined distinctions among different actors in government and opens up avenues for ineffective and corrupt governance.

The MPs neither gainsaid these traditional parliamentary responsibilities nor claimed that operations of CDFs were entirely without problems. However, they contended that CDFs provided a direct tool with which to address ineffective

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<sup>2</sup> the presentation is attached

<sup>3</sup> Source for this information?

<sup>4</sup> Philip Osafo-Kwako and Soji Apampa, "Nigeria, Country Assessment Research: Background Paper on the Political Economy of the Budget Process," Center for the Studies of Economies in Africa, June 2009, p. 42.

governance. They uniformly reported that MPs have unique responsibilities in their constituencies that extended beyond the act of representing the views of constituents in formulating policy and overseeing the executive. They said that CDFs enabled MPs to step in where the traditional public administration failed to deliver services effectively. One MP proposed that “constituency service should be embedded in the constitution” and affirmed that CDFs “will not go away anytime soon” because they address real needs and fill serious gaps. The discussion raised the following points concerning CDFs:

- *Catalyst for Service Delivery.* Reflecting the experience in Tanzania<sup>5</sup>, MPs reported that these funds provide an essential catalyst to address problems in service and delivery in their constituencies. Constituents routinely approach MPs and their offices concerning the delivery of services – far beyond the traditional type of support for weddings and funerals – in education, health, roads, transportation and similar services. CDFs help to fill gaps in delivery of services – e.g., providing toilets in schools, giving scholarships to poor students, fixing roads – that have not been provided by ministries and for which local government lacks sufficient resources. The MPs saw CDFs less as a major development program than as a catalyst to facilitate the smooth delivery of essential services. They believe that MPs play a crucial role in the gaps between the ministries and local/regional government. And in those countries that no longer have a CDF (e.g., Uganda), there is a corresponding absence of flexibility in addressing these gaps in service delivery.
- *Constituency-Based Funding.* There was general agreement that the financing was for the constituency rather than the MP. The MPs did not have ‘slush funds’ at their personal discretion, and each of the CDFs reported on at the workshop had a degree of institutionalization and accountability in the operations. MPs assisted in selecting projects for funding and had responsibilities in establishing and overseeing the administration of the funds. One MP indicated that CDFs provide the community with the power to influence decisions over services and local development priorities.
- *Management.* There is no single model for the management of these funds and the type of relationships that are developed between communities, MPs, parliamentary committees and executive agencies. In some countries, the funds work more closely with local government than in others. In some countries, the Ministry of Local Government plays a substantial role in managing the funds, while the Prime Minister’s Office plays a substantial role in other countries. Formulas for allocations of funds to constituencies differ in each country, as well, Participants agreed that it was important to adopt an approach to managing CDFs that ‘fit’ within the national political and administrative cultures.

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<sup>5</sup> Where the fund is called “The Constituencies Development Catalyst Fund”.

- *Accountability.* The MPs took account of the criticism from the media and good governance organizations. They agreed on the value of reaching out to these organizations to engage jointly in ensuring that the funds operate according to the principles of transparency, accountability and good governance. They supported efforts of national and regional anti-corruption agencies and civil society to monitor CDFs in the appropriate types of oversight, reporting, social audits and the like as part of making CDFs politically and socially acceptable.
- *Information Networks.* The workshop provided an opportunity for MPs from different countries to exchange information about how CDFs are managed in other countries. The Kenyan example was especially instructive. It was one of several devolved government funds that first passed in 2003; that has created complex internal arrangements on financing, project selection and oversight; and that has evolved to correspond to broader changes in Kenyan administration. The funds cover a range of issues: 34% of funding goes to the education sector and 12% go to bursaries, while 11.5% go to water, 6.5% to health and 6.2% to roads and bridges, while 24% goes to monitoring the fund, environment, sports and other things. CDFs have assisted in increasing school enrollments and help talented students from low-income families remain in school. It has opened rural access roads to improve economic growth; it has increased public access to health facilities and to clean and reliable water, and to help enhance security network via police posts throughout the country.
- *Continuing Challenges.* There continue to be challenges in the capacity of local committees, of providing funds with sufficient resources to make a difference in important areas, of spreading fund across too many projects, of political interests determining projects ahead of needs, of poor coordination with ministries to take over CDF-built facilities, poor quality, of abandoning projects and wasting resources, and of negative publicity attending the work of CDFs. These challenges provide opportunities for improving practical approaches to the design and implementation of CDFs.

Workshop participants concluded that CDFs represent an important and legitimate policy tool that enables MPs to contribute to initiatives in local service delivery and development, especially when local government or central ministries have been unable to deliver services in local communities. They did not view CDFs as a one-stop solution for service delivery and development, but as a necessary catalyst and stop-gap in an imperfect administrative world. They recognized its potential political advantage, but focused most of all on how the funds help to solve problems of development in their constituencies. Participants agreed that the efforts of SUNY and the CPA to place CDFs into a good governance framework were well worth the effort: "this was exactly the way to go with this process." Consequently, they

appreciated the value of creating a tool box that involves civil society that is often crucial of CDFs and that builds in coordination with actors in governments.

### ***CDF Toolbox***

SUNY/CID provided three draft documents for revision: an overall design for the tool box; a draft Public Participation Tool; and a set of templates that would assist parliamentary staff and MPs to facilitate effective public participation in the development of CDFs. Participants carefully reviewed and revised the overall design of the tool box, the public participation tool and the templates for participation – all are attached:

- The *Comprehensive Design for the CDF Toolbox* includes tools addressing: Sourcing and Financing; Rules and Procedures; Public Participation; Procurement, Tendering and Contracting; Implementation and Operations; and Impact Assessment, Monitoring and Evaluating CDFs. Participants strongly emphasized the importance of separating out the evaluation of individual projects and the implementation of particular funds from an overall assessment of the impact of CDFs on service delivery and development.
- The *Public Participation Tool* outlined and discussed a broad spectrum of potential public participation: from informal participation; indirect, institutional participation; and direct participation and decision making. It then outlined the following tools: Constituency Needs Assessment; Public Awareness Campaigns; Constituency/CDF Offices; Consultative Community Meetings; Constituency Based Budget Proposals; and Coordination with Local, Regional and National Agencies. MPs and staffers can adapt any of these tools to the particular circumstances.
- Each tool contains a series of options and activities that can be adapted to varying circumstances depending on the size of the fund, national legislation regarding employment of the fund, and the like. The community based budget proposals borrow from elements of participatory budgeting that has been pioneered in Porto Alegre, Brazil and have been widely employed internationally. It gives to groups of citizens a good deal of latitude in determining budget priorities, formulating alternative proposals for projects, and selecting which projects will get funded at ‘community assemblies’ or ‘citizen assemblies’. The MPs at the workshop welcomed the opportunity to associate themselves with such participatory and ‘direct democracy’ mechanisms in CDFs. They agreed that such participation could help to provide a basis for decisions on priorities and project selection.
- The six *Public Participatory Tool Templates* provide models for practices that can be used to implement the activities in the public participatory tool in the

toolkit. These sample templates include a community needs assessment survey instrument, a community needs assessment focus group questionnaire, a community-based budget steering board invitation letter, a community-based budget proposal activity timeline, a media advisory/press release for community meetings, and a sample twitter conversation. They are intended to provide a model to be adapted by MPs and CDF managers to particular circumstances.

Participants believed that strengthening the CDF policy network within the CPA was a worthwhile near-term activity especially in view of the conclusion that CDFs will remain an important part of the policy landscape in many commonwealth countries. Aside from exchange visits about CDFs among African countries, participants held that a series of subsequent workshops could address the remaining tools in the toolbox, and that it would be worthwhile to organize workshops that brought MPs, staffers, and selected civil society groups together to develop some common perspectives on the operations of these funds.

## Participants in CPA Workshop on Constituency Development Funds:

1. Hon. Mussa Assan Zungu, Parliament of Tanzania
2. Hon. Dr. Faustine Ndugulile, Parliament of Tanzania
3. Hon. John Shibuda, Parliament of Tanzania
4. Hon. Dr. Eustarokia Kazonga, Parliament of Zambia
5. Hon. David Ekwee Ethuro, Parliament of Kenya
6. Hon. Emmanuel Kwasi Bedzrah, Parliament of Ghana
7. Hon. Ace Mashwama, Parliament of Swaziland
8. Hon. Ibi Ekwau Florence, Parliament of Uganda
9. Hon Sani Ibrahim Dorawa, Parliament of Nigeria
10. Hon. George Namatumbo, Parliament of Malawi
11. Prof. Mark Baskin, SUNY CID
12. Ms. Elsie Simpamba, Commonwealth Parliamentary Association
13. Mr. Demetrium Mgalami, Parliament of Tanzania
14. Mr. Saidi Yakubu, Parliament of Tanzania
15. Prof. Severine Rugumamu, University of Dar es Salaam
16. Dr. Abel Kinyondo, University of Dar es Salaam
17. Mr. David Koross, CDF Board (Kenya)
18. Ms. Rose M. Kioko, CDF Board (Kenya)
19. Mr. Ysuf Mbuno, CDF Board (Kenya)
20. Mr. Susan Ma5ritim, CDF Board (Kenya)
21. Ms. Liz Kitundu (CDF Board (Kenya)