Report Number: ICRR0024664

1. Project Data

Project ID	Project Name	
P146970	Third Village Investment Project	
Country	**Practice Area(Lead)**	
Kyrgyz Republic	Social Sustainability and Inclusion	
L/C/TF Number(s)	**Closing Date (Original)**	**Total Project Cost (USD)**
IDA-56010,IDA-67820,IDA-D0410,IDA-D7270	30-Nov-2020	28,058,174.52
Bank Approval Date	**Closing Date (Actual)**	
27-Mar-2015	30-Nov-2024	

	IBRD/IDA (USD)	Grants (USD)
Original Commitment	12,000,000.00	0.00
Revised Commitment	28,989,699.23	0.00
Actual	28,058,174.52	0.00

Prepared by	Reviewed by	ICR Review Coordinator	Group
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2. Project Objectives and Components

a. Objectives

According to the Project Appraisal Document (PAD) (p. 4) and the Financing Agreement of June 12, 2015, (p. 5) the objective of the project was “a) to build local capacity for participatory development, and b) improve access to quality community infrastructure services in targeted project areas.”

The project received Additional Financing (AF) in September 2020. However, since the scope of the project was increased, this review does not conduct a split evaluation.

The objective will be parsed as follows:

i. to build local capacity for participatory development;
ii. to improve access to quality community infrastructure services in targeted project areas.

b. Were the project objectives/key associated outcome targets revised during implementation?

Yes

Did the Board approve the revised objectives/key associated outcome targets?

Yes

Date of Board Approval

28-Sep-2020

c. Will a split evaluation be undertaken?

No

d. Components

The project included three components:

Component 1: Capacity Building of Local Self-Governments and Communities (appraisal estimate US$2.2 million, AF US$2.5 million, actual US$4.4 million): This component was to finance three sub-components:

i. Community mobilization: This sub-component was to inform local communities and local self-governments about the project objectives and prepare them for identification of their priority needs, preparing local development strategies, and seeking financing for their priority project.
ii. Training: This sub-component was to finance trainings in at least three cycles over the project's life and was to aim to cover all 266 municipal districts (AAs) in the four northern regions of the country. Special attention was to be paid to the participation of women in training sessions.
iii. Peer-to-peer learning: This sub-component was to finance exchange visits among communities, local councils and local administrations to learn good practices in participatory governance and local development.

When the project received AF in 2020, the scope of the capacity-building activity to help vulnerable men and women establish or reestablish their livelihoods was expanded.

Component 2: Village Investments (appraisal estimate US$8.5 million, AF US$13.3 million, actual US$21.3 million): This component was to finance two different types of grants:

i. Sub-grants for sub-projects: These grants were to finance new construction, reconstruction, and major rehabilitation works.

ii. Sub-grants for micro-projects: These grants were only to be available to “Ayil Aymaks” (AA) (administrative territorial units serving at the lowest level of self-government) that were classified by the central government as “subsidized”. Financed activities were to include repair works, beautification (landscaping, painting, etc.), and upgrading of facilities (procurement of new furniture, athletic equipment, information and communication technology, etc.).

When the project received AF in 2020, the scope of this component was expanded to support additional health- and livelihoods-related investments in 222 AAs in the North.

Component 3: Project Management (appraisal estimate US$1.2 million, AF US$1.2 million, actual US$2.4 million): This component was to finance the costs of the implementing agency for project management, specifically coordination and supervision of implementation activities, financial management, annual audits, and monitoring and evaluation.

When the project received AF in 2020, this component received additional financing to help strengthen project management and M&E to implement the expanded scope of Components 1 and 2.

e. Comments on Project Cost, Financing, Borrower Contribution, and Dates

Project cost: The project was estimated to cost US$12.0 million. In September 2020, the project received Additional Financing (AF) in the amount of 17 million. The actual cost of the project was US$28.06 million.

Financing: The project was financed by an IDA grant in the amount of US$5.4 million (of which US$5.1 million was disbursed), an IDA credit in the amount of US$6.6 million (of which US$6.2 million was disbursed), an IDA Additional Financing (AF) grant in the amount of US$8.5 million (of which 8.1 million was disbursed), and an IDA AF credit in the amount of US$8.5 million (of which US$8.3 million was disbursed).

Borrower Contribution: It was not planned for the Borrower to make any contribution.

Dates: The project was restructured three times:

- On May 9, 2020, the project was restructured to extend the closing date by 16 months from July 28, 2020, to November 30, 2021, to allow for the completion of project activities that had been delayed due to the need to put in place a remedial action plan to overcome early project non-compliance issues.
- On September 28, 2020: the project received AF in the amount of US$17 million to scale up the project and address the impacts of the COVID-19 pandemic and support rural communities.
- On April 27, 2021, the project was restructured to extend the closing date of the AF (IDA Credit Number 5601-KG) by eight months from November 30, 2021, to July 30, 2022, to allow for the completion of project activities that had been delayed due to the COVID-19 pandemic.

The project was approved on March 27, 2014, and became effective on February 26, 2016. The Mid-Term Review was conducted on December 2, 2019, and the project closed on November 30, 2024, 24 months (2 years) after the original closing date.

3. Relevance of Objectives

Rationale

Country/region and sector context. According to the PAD (para. 1), the Kyrgyz Republic was one of the poorest economies in the Europe and Central Asia region (ECA) at the time of appraisal. Almost two-thirds of the Kyrgyz population lived in rural areas, where the poverty incidence was higher than in urban zones. Furthermore, weak governance was a major obstacle to the country's economic development. The low level of accountability within a highly centralized governance system resulted in political and social upheaval in 2005 and 2010. Anti-government protests and inter-ethnic conflicts evinced pent-up public frustration over corruption, rising inflation, and deterioration in social services and infrastructure. In response to these events, the government of the Kyrgyz Republic committed itself to improved local governance and reduced corruption as the basis for the country's economic and social development. The early phases of the decentralization process in the Kyrgyz Republic focused on establishing community structures to implement local development initiatives.

Over ten years before project appraisal, local authorities' responsibilities towards local populations as well as opportunities for participatory local development had increased. However, local governments and communities still had limited capacity to undertake participatory approaches to governance and development resulting in a weak state-society relationship triggering conflicts due to poor management and inequitable distribution of basic services, resources, and employment opportunities.

As a result, the government asked the World Bank for assistance. This project was based on two previous Community-Driven-Development (CDD) World Bank projects, the Village Investment Project (VIP1) and the Second Village Investment Project (VIP2) which aimed to improve access to infrastructure and services through community mobilization and planning.

Alignment with the Government strategy. The objective of the project was in line with the country's National Development Strategy (2018-2040), which envisions a competitive, innovative economy that supports high-quality jobs across the country, along with social development that puts the Kyrgyz Republic among the top 60 in the UNDP Human Development Index by 2040 (CPF para. 2). The project also supported the government's Development Program to 2026, which four out of six development principals include: private sector development, regional development, human capital development and resilience as well as infrastructure.

Alignment with the World Bank strategy. The objective of the project supported the World Bank's most recent Country Partnership Framework (CPF) (FY24-28) with the Kyrgyz Republic. Especially, the objective was in line with the CPF's higher-level objective 3 of "enhancing human capital and empowering vulnerable populations".

The objective addressed a key development challenge and was aligned with the World Bank and Government strategies. Overall, the relevance of objectives is rated High.

Rating

Substantial

4. Achievement of Objectives (Efficacy)

OBJECTIVE 1

Objective

To build local capacity for participatory development

Rationale

Theory of Change: The project's theory of change stated that project inputs/activities such as mobilizing communities to identify their priority needs, prepare local development strategies, and seek financing for their priority project, providing training in at least three cycles over the project's life, and finance exchange visits among communities, and training local councils and local administrations in good practices in participatory governance and local development were to result in several outputs. These outputs were to include a functioning inclusive planning process being set up and operated, local area development strategies and financing plans being formulated, and a mechanism for knowledge exchange being established. These outputs were to result in the intermediate outcome of local capacity for participatory development being built.

The theory of change was sound and did not have any logical gaps. The project made the following assumptions: i) community members and local self-governments were to be available and willing to be mobilized, trained, and engaged in the participatory process; ii) sufficient funds, materials, labor and technical knowledge were to be available; and iii) stable politics and governance to enable uninterrupted project implementation.

Outputs:

- An average of 104 people participated in public hearings at the Aiyl Aimak level, exceeding an average of 100 people, which was the target.
- 86 percent of beneficiaries had an increased knowledge of local governance topics covered under project trainings, exceeding the target of 60 percent. According to the World Bank team (September 28, 2025), the project measured increased knowledge of local governance topics among beneficiaries by conducting pre- and post-training assessments of participants in a set of trainings for local governments (Aiyl Okmotus) and local representative body (Aiyl Kenesh). The results showed a clear improvement in participants' understanding after completing the training, with "increased knowledge" defined as a positive change in their assessment responses.
- 265 Aiyl Aimaks submitted proposals to compete for grants, exceeding the target of 240 Aiyl Aimaks.
- 265 Aiyl Aimaks developed a local development strategy involving the community, close to achieving the target of 266 municipal districts.
- 99 percent of target communities effectively completed the agreed community mobilization and social accountability process, exceeding the target of 80 percent.
- The Livelihoods Support Program was implemented in all municipal districts, achieving the target of 100 percent.
- 83 percent of sampled female and 80 percent of sampled male beneficiaries stated that their engagement in decision making on project investments was effective, exceeding the target of 75 percent for both genders. According to the World Bank team (September 28, 2025), to assess the

effectiveness of beneficiary engagement in decision making on project investments, the project carried out social accountability surveys across all project targeted communities. "Effective" engagement was determined by beneficiaries' positive feedback regarding questions on their participation in decision-making processes. Overall, the findings indicated that most respondents felt their involvement was meaningful, that project investments reflected their priority needs, and that the agreed processes for community mobilization and social accountability were successfully completed.
- 266 municipal districts conducted public hearings (where the information is disclosed to the public on budget formulation and execution in accessible formats) annually, achieving the target of 266 municipal districts.

Additional outputs reported in the ICR but not covered by the Results Framework and hence without target values:

- 467,893 participants engaged in 7,541 social mobilization activities.
- 1,552 capacity trainings were conducted, reaching 43,660 participants including 23,419 women

Outcomes:

- 99 percent of sampled beneficiaries perceived that their role in decision making had increased, exceeding the target of 70 percent.
- 100 percent of sampled female beneficiaries perceived that their role in decision-making had increased, exceeding the target of 70 percent.
- The satisfaction rate of beneficiaries who attended exchange visits (peer-to-peer learning) was 100 percent, exceeding the target of 80 percent.
- 99 percent of sampled beneficiaries reported that community investments funded by the project reflected their priority needs, exceeding the target of 80 percent.

Additional evidence from the baseline and endline survey showed the following:

- The share of respondents who felt empowered to participate in community development activities increased from 52 percent to 57 percent.
- The share of respondents who felt that they played an influential role in affecting the outcome of decisions on local services and infrastructure increased from 30 percent to 34 percent.
- The share of respondents who felt that such decisions reflected their preferences fairly or well increased from 20 percent to 33 percent. For women this perception increased from 18 percent to 32 percent.

The ICR (para. 30) stated that the difference in endline survey data and project data may be due to three factors that may be weakening the evidence base somewhat: i) different methods and samples; ii) possible social desirability bias among beneficiaries responding to community scorecards and therefore overstating the results; and iii) different time frames since the baseline and endline surveys only cover the additional financing period.

According to the ICR (para. 32) two projects by other donors were implemented at the same time in two of the four oblasts that were covered by this project, making it unclear to what extend the achievements can be attributed to this project. Overall, achievement of this objective was Substantial with moderate shortcomings.

Rating
Substantial

OBJECTIVE 2

Objective
To improve access to quality community infrastructure services in targeted project areas

Rationale
Theory of Change: The project's theory of change stated that project inputs/activities such as financing new construction, reconstruction, and major rehabilitation works as well as providing grants to Ayil Aymaks for repair works, beautification (landscaping, painting, etc.), and upgrading of facilities were to result in several outputs. These outputs were to include community-prioritized local social and economic infrastructure being built or rehabilitated. These outputs were to result in the outcome of improved access to quality community infrastructure services in targeted project areas.

According to the PAD (p. 21) infrastructure services' referred to "successfully constructed/rehabilitated infrastructure and fully functioning facility and existence of operations and maintenance plan and budget".

Outputs:

- 89 percent of subproject investments were prioritized in women's groups, exceeding the target of 50 percent.
- 115 microprojects were completed, exceeding the target of 65 microprojects.
- 398 subprojects were completed, exceeding the target of 260 subprojects.
- 91 percent of women and 87 percent of sampled beneficiaries reported improved access to infrastructure and services, exceeding the target of 70 percent.
- 125 subsidized and 46 non-subsidized municipal districts had access to improved quality infrastructure service, exceeding the target of 110 subsidized and 16 non-subsidized municipal districts.
- 85 percent of relevant subprojects supported climate change adaptation or mitigation, exceeding the target of 80 percent.
- 2,243 women earned an additional income as a result of project investments, exceeding the target of 1,600 women.
- 423,076 persons had access to project-built infrastructure services. Since investments were demand driven, it was not possible to determine ex ante what investments the communities were to select. The target of the parent project was 29,000 persons, which was exceeded.

Outcomes:

- 91 percent of sampled subprojects resulted in infrastructure services of satisfactory quality, exceeding the target of 80 percent.
- 97 percent of sampled beneficiaries reported that investments in social infrastructure supported post-COVID-19 needs, exceeding the target of 80 percent.

- 91 percent of sampled beneficiaries reported that investments in livelihoods supported the reestablishment of livelihoods, exceeding the target of 80 percent.

Findings from the baseline and endline survey showed the following:

	no sub-project	**sub-project implemented**
Health care improved	increase from 34% to 35%	increase from 40% to 74%
Education improved	increase from 38% to 49%	increase from 43% to 70%
Overall satisfaction with health care	decrease from 51% to 43%	increase from 53% to 61%
Overall satisfaction with education	decrease from 71% to 66%	increase from 73% to 78%

While this data demonstrated improvement in health care and education services in the villages were such sub-projects were implemented, the ICR did not explain why overall satisfaction decreased in no sub-project villages even though healthcare and education services also improved. Overall, achievement of this objective was Substantial.

Rating
Substantial

OVERALL EFFICACY

Rationale
Achievement of both objectives was Substantial thus the overall efficacy is rated as Substantial.

Overall Efficacy Rating

Substantial

5. Efficiency

Economic efficiency:

Both the PAD and the ICR conducted an economic analysis. The PAD (para. 37) stated that given the demand driven nature of the project, the project conducted a financial analysis of six likely typical micro and sub-projects; i) school repair; ii) improved power supply; iii) construction of a community center; iv) drinking water supply; v) school construction; and vi) establishment of a medical post. The NPV ranged from US$ 1,775 to US$ 44,312, and the IRRs from 15.8 percent to 32.7 percent. For the overall project, the IRR was 28.8 percent.

The financial analysis of the ICR (p. 41) included five types of investments made under the project: i) construction, renovation, and equipping of health facilities; ii) construction, renovation, and equipping of kindergartens; iii) construction, renovation, and equipping of schools; iv) installation of energy-efficient heating systems and insulation of schools, and v) construction and equipping of livelihood facilities. Data existed only to calculate the NPV and EIRR for investments in health facilities, which accounted for about 28 percent of funds for community investments. For all other types of investments, the ICR used data of economic analyses of similar World Bank community-level investments projects. The EIRR for health facilities was 42.8 percent and the NPV was US$8.2 million.

The analyses indicate that the project was a worthwhile investment.

Operational efficiency:

The project experienced Financial Management and Procurement-related implementation delays during its initial phase requiring an extension of the parent project by 16 months. Also, according to the ICR (para. 55) the project financing decreased by a total of US$800,000 due to fluctuations in the SDR/exchange rate. However, when the project closed, all activities had been completed, and the IDA credit had been fully disbursed.

Overall, the project's efficiency is rated Substantial.

Efficiency Rating

Substantial

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal		0	0 ☐ Not Applicable
ICR Estimate		0	0 ☐ Not Applicable

* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome

Relevance of the objective was High. Efficacy and Efficiency were Substantial resulting in an overall outcome rating of Satisfactory.

a. Outcome Rating

Satisfactory

7. Risk to Development Outcome

The risks to the project's development outcomes can be classified as follows:

Government commitment: The government remains to be committed to the project's objective as demonstrated through its continuing cooperation with the World Bank and the implementation of a new project, the National Community Initiatives Project (P180909), which aims to improve access to climate-resilient socio-economic infrastructure and increase economic opportunities for women and youth in target communities. Therefore, the risk of lack of government commitment is low.

Financial: The financial risk to the project's development outcomes is low since a new World Bank project will be implemented that aims to scale up, standardize and deepen the impact of CDD projects in the country (ICR para. 76).

Technical: According to the ICR (para. 76), there is a risk that built capacity will not be sustained due to the dissolution, consolidation, and reorganization of local governments in connection with ongoing administrative and territorial reforms which resulted in a decrease of sub-districts (from 452 to 231). According to the World Bank team (September 25, 2025) there is some risk that staff trained under the project may have been let go, but detailed data on this was not available at project closure. The ICR notes that the risk will be mitigated somewhat by the preparation and appraisal of the successor project to VIP3, the National Community Initiatives Project (P180909), which has taken this into account, and which is viewing the reforms and the new local self-government planning process as an opportunity to deepen local governance reforms.

8. Assessment of Bank Performance

a. Quality-at-Entry

According to the ICR (para. 50), the project design was built on lessons learned from previous World Bank CDD projects implemented in the country as well across the world. These lessons included: i) integrating local governance structures into CDD project is critical to avoid duplication of parallel structures and ensure sustainability: ii) using competitive approaches to allocate sub-project financing might allow for better meeting community needs and improve the quality of sub-project proposals; iii) quality of infrastructure is a challenge in local governance and community driven projects world-wide; and iv) most successful local governance/CDD projects build on successful pilots. The project took these lessons into account by integrating local governance structures into the community mobilization and decision making process, establishing a competitive approach to fund distribution, and putting in place detailed technical supervision arrangements to ensure quality infrastructure.

The ICR (para. 71) stated that the World Bank team conducted several technical assessments (e.g. organizational and institutional review of Community Development and Investment Agency (ARIS), baseline capacity assessment of local governments, etc.) and consulted with beneficiaries on good practices in community development.

According to the PAD (para.36) the World Bank identified relevant risks and rated all risks Moderate stating that political risks in the Kyrgyz Republic require close attention and certain social and political developments may be outside of the project's scope to mitigate. However, the World Bank team did not identify the risk of financial management and procurement related issues due to weak capacity at ARIS that resulted in implementation delays (see section 10b for more details).

The Results Framework was mostly adequate with some minor shortcomings (see section 9a for more details).

Overall, quality of entry is rated Satisfactory.

Quality-at-Entry Rating
Satisfactory

b. Quality of supervision
The World Bank team conducted a total of 24 supervision missions throughout nine years of implementation. The World Bank team supported ARIS to address its staffing and executive leadership issues that resulted in Financial Management and Procurement issues.

According to the ICR (para. 74) during the COVID-19 pandemic, the World Bank team worked closely with ARIS to reallocate funds, to establish an online community feedback platform to monitor the impact of the pandemic on communities in real time, address requests to rehabilitate community first aid points, and prepare a plan for a post-COVID response.

In 2020, the World Bank team restructured the project to extend the closing date to allow for the completion of project activities which had been delayed due to the implementation of a remedial action plan to address the project's non-compliance issues (see section 10b for more details) and prepared AF within six months to scale up the project and address COVID-19 pandemic related issues.

Quality of Supervision Rating
Satisfactory

Overall Bank Performance Rating
Satisfactory

9. M&E Design, Implementation, & Utilization

a. M&E Design

The project’s objective was clearly specified, and the theory of change was sound. However, the Results Framework lacked some PDO indicators to appropriately measure all aspects of the objective, specially “built capacity” and “quality” infrastructure.

While the Results Framework included several intermediate outcome indicators that were adequate to capture the project’s contributions towards achieving the objective. However, beneficiary surveys are not sufficient to objectively measure increase in participation. Therefore, the project lacked indicators to measure increased participation in decision making more independently.

The project’s M&E was based on the system developed for the previous project.

The project’s M&E activities included an inception survey, quarterly implementation progress reports, descriptive semi-annual reports on implementation, and a completion survey.

b. M&E Implementation

According to the ICR (para. 60), ARIS had high M&E capacity, and the collected data was reliable and of high quality. The project tracked all indicators included in the Results Framework. Also, community members were included in monitoring project activities. Furthermore, VIP3 developed tools that also enhanced M&E activities by providing real time information, facilitating communication, and allowing community members to actively engage in decision making.

When the project received AF in 2020, the Results Framework was revised to include indicators assessing the increase in project scope as well as the quality aspect of the objective.

According to the World Bank team (September 25, 2025) similar M&E arrangements will be continued in the 40 AAs covered under the $27 million National Community Initiatives Project (NCIP) approved as a follow-up to this project and the Community Support Project (in Kyrgyz Republic). NCIP will deepen work with Aiyl Okmotus (local self-government administrations) including a greater focus on institutionalizing relevant elements of the CDD approach. This may include elements of the M&E system, but it is too early in project implementation to confirm specifics.

c. M&E Utilization

According to the ICR (para. 62) the project’s M&E data were used to inform decision making. For example, M&E data were used to address issues related to the poverty focus of grants and the small size of sub-projects. Also, ME data identified issues related to technical oversight during sub-project implementation that resulted in the provision of training on the technical checklist for the engineering team.

Overall, the M&E quality is rated as Substantial.

M&E Quality Rating
Substantial

10. Other Issues

a. Safeguards

The project was classified as category B and triggered the World Bank's safeguard policies OP/BP 4.01 (Environmental Assessment), OP/BP 4.12 (Involuntary Resettlement), and OP/BP 7.50 (International Waterways). The project prepared Environmental Management Plans for each sub-project and developed a Resettlement Policy Framework. When the project received AF in 2020, OP/BP 4.09 (Pest Management) was triggered. According to the ICR (para. 65) the project developed a Stakeholder Engagement Plan and Labor Management Procedures as well as updated the Environmental and Social Management Framework to reflect the activities that were added during the AF and provide guidance on how to integrate pest management into site-specific Environmental and Social Management Plans.

According to the ICR (para. 67), throughout project implementation, safeguard ratings were Satisfactory or Moderately Satisfactory except in May 2017, when the project did not complete the Social Safeguard Screening report and site-specific Environmental Management Plans had not been implemented. As a result, the safeguard rating was downgraded to Moderately Unsatisfactory. By November 2017, the issues were addressed appropriately, and the rating was increased to Moderately Satisfactory.

According to the World Bank team (September 25, 2025) the project was designed to include only small-scale social and economic investments, with a limited allocation specifically envisaged for minor rehabilitation and refurbishment works in water supply and irrigation. The project did not involve any new construction of water supply or irrigation systems that could have affected international waterways. By restricting activities to small-scale improvements and avoiding new infrastructure, the project minimized potential impacts on international waterways and thereby effectively mitigated concerns under OP 7.50.

When the project closed, the overall safeguard rating was Satisfactory.

b. Fiduciary Compliance

Financial Management:

According to the ICR (para. 68), while the project's Financial Management performance was Satisfactory or Moderately Satisfactory throughout implementation, it faced issues due to a high turnover of staff at ARIS and the resigning of the Head of Finance and the Chief Procurement Specialist in 2018.

The ICR (para. 52) stated that the World Bank conducted post and prior reviews between May 2017 and January 2018 which found that local governments did not follow procedures and ARIS awarded sub-grants without the approval of local evaluation committees resulting in non-compliance with the World Bank's anti-corruption procedures. Therefore, the World Bank decided to run Cycle 2 again and issued a notice that there was a risk of suspending the disbursements of all World Bank projects implemented by ARIS if these issues were not solved immediately. The World Bank supported ARIS in putting in place a remedial action plan to restaff the entity, overhaul the VIP3 systems, and strengthen internal controls. These actions were found adequate by the World Bank and no project suspension was necessary. The ICR did not state if the external auditor's opinions were timely and unqualified.

When the project closed, Financial Management was rated Moderately Satisfactory.

Procurement:

According to the ICR (para. 70) the project complied with the World Bank's legal covenants except when the World Bank team reported (in November 2018) that the project did not comply with the legal covenants related to "Execution of the Subsidiary Agreement". The issue was addressed quickly, and the project fully complied with the legal covenants by May 2019. According to the ICR (para. 69) the project applied community procurement procedures for activities under US$20,000 and were in accordance with state law. As stated above, the project faced challenges when the World Bank team found that local governments did not follow procedures when awarding sub-grants.

When the project closed, Procurement was rated Moderately Satisfactory.

c. Unintended impacts (Positive or Negative)

NA

d. Other

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11. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Satisfactory	Satisfactory	
Bank Performance	Satisfactory	Satisfactory	
Quality of M&E	Substantial	Substantial	
Quality of ICR	---	Substantial	

12. Lessons

The ICR (para. 77-81) included several lessons learned:

- **CDD projects can go beyond basic service delivery to strengthen livelihoods and local development.** While CDD projects have traditionally emphasized community engagement and small-scale infrastructure, the CDC's Livelihoods Support Program extends this by promoting economic empowerment through skills training and market access, aligning community priorities with market opportunities.

- **CDD projects can empower women when designed with sensitivity to social norms and time constraints.** This project highlighted the importance of a holistic, gender-sensitive approach—such as flexible meeting times, targeted outreach, and care provision—to address underlying barriers and enable women's meaningful participation.
- **Proactive implementation support can enable projects to adapt quickly to operational challenges.** This project underscored the importance of World Bank teams being candid about governance issues, maintaining strong safeguards against elite capture, and acting decisively to both resolve problems and strengthen core systems.

13. Assessment Recommended?

No

14. Comments on Quality of ICR

The ICR provided an adequate overview of project preparation and implementation and included an appropriate economic analysis given the limited data available. The ICR was concise and sufficiently outcome driven and its lessons learned were useful and can be applied to future CDD projects. Overall, the quality of the ICR was Substantial.

a. Quality of ICR Rating
Substantial