

World Bank Knowledge for Change Program - Full Proposal Template

Basic Data:

Title	Giving community-based organizations (CBOs) a financial stake in local government performance: A field experiment in Burkina Faso		
Linked Project ID	(if available)	Product Line	RA
Applied Amount (\$)	50,000 USD	Est. Project Period	07/01/2018 -06/30/2020
Team Leader(s)	Marcus Holmlund	Managing Unit	DECIE
Contributing unit(s)	World Bank Governance GP and Transport and Digital Development GP		
Funding Window	Service Delivery and Aid Effectiveness		
Regions/Countries	Country/Countries (please specify)	Burkina Faso	

General:

1. What is the Development Objective (or main objective) of this Grant?

The main objective of this project is to test a novel mechanism to increase the accountability of municipal governments for the quality of local public services. In a large-scale policy experiment in Burkina Faso, we will provide well-functioning local community-based organizations (CBOs) with a direct, financial stake in the performance of their municipal government in the form of an annual cash grant that is a function of improvements in their respective municipal government's performance. Our goal is to test if such grants can incentivize CBOs to actively lobby for better municipal service delivery.

In countries where local government capacity is weak, CBOs are often among the highest-functioning and most influential entities at the local level. CBOs include producer associations, home-town associations, rotating savings and credit groups, women's cooperatives, parent-teacher associations, and so forth. In Burkina Faso alone, there are over 6,000 formally registered CBOs outside the capital province, along with countless informal associations. Some of these CBOs have significant social mobilization capacity, as well as local information, connections and influence in their communes. This makes them ideal candidates to demand accountability from municipal governments and to put pressure on local decision makers to address shortfalls in municipal service quality. However, CBOs primarily exist to serve the interests of their members, and often have little incentive to advocate for issues that concern the community as a whole. Our experiment seeks to overcome this incentive problem by selecting one of the highest-functioning CBOs in every treatment municipality and giving them a direct financial stake in their municipal government's performance. If their municipal government improves its performance scores from one year to another, our partner CBOs can earn a cash grant that is proportional to the improvements in the municipality's performance rating.

A proof-of-concept study we carried out in 2015 and 2016 suggests that even a modest financial stake in municipal government performance (with payoffs ranging between zero and about 1,600 USD, depending on year-to-year improvements in the municipal government's performance scores) can motivate CBOs to engage in substantial local activism. Out of six pilot CBOs, five began to participate very actively in municipal governance, trying to work out solutions together with municipal decision makers, mobilize

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public pressure in under-served villages, or gather and disseminate information. Together with our government partners in Burkina Faso, we are now eager to test the intervention at scale, through a nationwide randomized controlled trial (RCT).

Burkina Faso is one of the poorest countries in the world. Access to basic public services, such as primary education, health care, and functioning water infrastructure is highly unequal. Following a decentralization reform in 2006, municipal governments play a key role in the provision of these public services. However, their performance has generally lagged behind their expanding mandate. Simple failures by municipal administrations, e.g. delayed provision of inputs to schools and health centers and stalled administrative processes, create bottlenecks that undermine the overall functioning of local public services. These performance issues have been linked to insufficient accountability of municipal governments towards their local constituents (Yilmaz & Mahieu, 2010). Various approaches have been tried to improve local government performance in Burkina Faso, but the core issues remain. By intervening where previous development interventions have proven insufficient, our study both tests a theoretically interesting approach and responds to a pressing need on the ground.

2. Summary description of Grant financed activities

The proposed KCP grant will close a critical funding gap for a large-scale randomized controlled trial (RCT) of a novel mechanism to increase the accountability of municipal governments: A cash grants scheme that gives well-functioning community-based organizations (CBOs) a direct financial stake in the performance of their municipal government.

The experimental intervention takes an innovative, hands-off approach to increasing civil society participation and bottom-up demand for accountability in local governance. Selected CBOs are offered annual cash grants that are a function of year-to-year changes in their municipal government's performance scores. The cash grants are not conditional on any specific action the CBOs undertake. However, since the cash grants are a function of their municipal government's performance, the CBOs can maximize their payoff by nudging or pressuring municipal decision makers to address shortfalls in municipal service quality – if they find it promising to do so. Thus, the intervention incentivizes CBOs to use their own local knowledge, influence, and mobilization capacity to influence their municipal government's performance. At the same time, it avoids imposing unnecessary burden on CBOs or externally inducing civil society participation in ways that are not sustainable. Finally, the intervention costs are a function of its actual impact. If nothing happens and municipal government performance does not actually increase, the payouts owed to partner CBOs will, on average, be very low.

Through the RCT, we will investigate: (1) If this type of intervention effectively incentivizes CBOs to hold local decision makers accountable for the quality of municipal services; (2) what strategies CBOs adopt to influence the performance of their municipal administration; (3) how local policymakers react, and (4) whether the resulting accountability pressures lead to measurable improvements in the quality of municipal services.

Based on a proof-of-concept study we carried out in 2015 and 2016, we expect that even a modest financial stake in municipal government performance (with payoffs ranging between zero to about 1600 USD, depending on year-to-year improvements in the municipal government's performance scores) can motivate CBOs to engage in substantial local activism. We will now investigate if this result can be replicated at scale and have broader impacts on municipal government performance. As part of the RCT, we will also collect unique data on grassroots-level CBOs in Burkina Faso, their involvement in local governance, and the ideas and strategies they pursue to influence their municipal government's performance.

The proposed RCT will cover 170 treatment and 169 control municipalities, virtually all of Burkina Faso outside the two main urban centers (Ouagadougou and Bobo-Dioulasso). The intervention and most of the data collection costs are funded through the World Bank-assisted *Programme d'Appui aux Collectivités Territoriales* (PACT), a government program to advance decentralization and improve local-level governance in Burkina Faso. The KCP grant will support the direct research and capacity building costs of the study, including field research and supervision, data processing, and analysis and dissemination of results:

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- (1) Research and data analysis (development and programming of data collection instruments; development of CBO screening tools; finalization of analysis plans; ongoing implementation monitoring by a field coordinator; data cleaning, preparation and documentation; data analysis, writing of research reports);
- (2) Dissemination of results to three target audiences: (i) the research community via scholarly publications and conference presentations; (ii) government and civil society stakeholders in Burkina Faso; and (iii) the World Bank's Governance GP and the Burkina Faso country management unit.
- (3) Building capacity for policy innovation and evidence-based policy making: This study is part of REGLAB (*recherche expérimentale sur la gouvernance locale au Burkina Faso*, see www.reglab-burkina.org), a long-term collaboration for research and policy innovation on municipal governance in Burkina Faso. Capacity building is achieved primarily through a learning-by-doing approach where we work closely with the PACT team on the design and implementation of the research including data collection, supervision of the experimental intervention, ongoing sharing of results, and joint dissemination activities.

The idea for this RCT came out of a longer-term research collaboration between the research team and the Ministry of Territorial Administration and Decentralization (MATD) in Burkina Faso. Since 2013, we have been collaborating with the PACT, MATD and several other stakeholders to develop and test innovative approaches to local government accountability and to build capacity for policy innovation and evidence-based policy making in local governance. This project will be the fourth RCT to be implemented under this research collaboration, and it has been designed over the course of several years in close partnership with our counterparts.

3. What are the main risks related to the Grant financed activity? Are there any potential conflicts of interest for the Bank? How will these risks/conflicts be monitored and managed?

We identify three primary categories of risk:

1. **Implementation risks.** There are two primary implementation risks. First, that the organization recruited to implement the CBO intervention does not respect the implementation protocols and delivers a low-quality or inconsistent intervention. Second, that this same organization does not respect the experimental treatment assignment. To mitigate against these risks, we have worked closely with the PACT to develop the terms of reference for the implementation of the intervention and the primary criteria for evaluating organizations at both the expression of interest and full proposal stages. The terms of reference include several checkpoints to validate implementation activities, and our team – through our field coordinator, principally – will participate actively in the supervision of this activity. Through previous joint supervision with the PACT of six regional NGOs, we have established a solid foundation for this risk mitigation strategy. Furthermore, given the importance of the research for the PACT, as an additional risk mitigation measure they have agreed to contract a separate external monitoring agency that will track and report on the activities of the implementing agency (in addition to producing data for use as part of the research proposed here).
2. **Security risks.** Burkina Faso is increasingly at risk of extremist violence with frequent attacks by militants especially in the northern Sahel region, widespread insecurity along the western, northern, and eastern borders with Mali and Niger, and high-profile terror attacks in the capital in 2016, 2017, and 2018 targeting expatriates and government and military facilities. Our primary mitigation measure for this risk involves working with the PACT, their contractors and networks, and the World Bank security team to monitor and better understand security challenges and to minimize related risks. Thus far, security risks have not significantly impeded project implementation except in isolated cases, and we do not anticipate major disruptions to the activities proposed here. It should be noted that the research proposed here will be implemented in the context of the PACT's additional financing, which expands the project from an initial six regions to cover all of

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Burkina Faso's thirteen regions, and security risks are not expected to pose a major constraint to the broader implementation of the project.

3. **Political risks.** Burkina Faso suffers from chronic political instability, exemplified by the 2014 popular insurrection that led to the ouster of former president Blaise Compaore and subsequent political turmoil, including a coup and countercoup. Following the popular insurrection, in accordance with the constitution elected municipal councils were disbanded and replaced with appointed "special delegations" for about 18 months until municipal elections were again held in May 2016. As our research program in Burkina Faso focuses on the accountability and performance of local governments, this led to significant research implementation delays and could have spelled the end of our research program were it not for the strong relationship we had already developed with the PACT. This maintenance and strengthening of this relationship is our primary mitigation measure against political risks which, while we do not expect a similarly dramatic event to occur, remain present. It should also be noted that local disputes continue to prevent municipal councils from functioning in some municipalities, but these are isolated cases.

We do not identify any conflicts of interest in the design, implementation, or analysis of this research.

1. There is no conflict between the use of project funds to finance the intervention and data collection costs for this study and the Bank's operational goals in supporting the decentralization reform in Burkina Faso, since research and innovation have been explicitly incorporated into the design of the PACT's additional financing. The research output will directly benefit policy and program design decisions by the government of Burkina Faso and at the same time create knowledge that is relevant for Bank operations in other contexts, and original contributions to research.
 2. The relationship between the Bank and our external principal investigator (PI) is structured by a memorandum of understanding (MOU) which contains specific provisions regarding data access, publication, authorship, and human subjects review. The MOU ensures full academic freedom in the analysis and publication of results and mandates compliance with good scientific practice and research ethics and with the Bank's open access policy.
 3. For all parties involved (the World Bank, the government of Burkina Faso and the external PI), the primary interest is to accurately answer the research questions associated with this project. There is no organizational pressure to produce specific results and no financial interest associated with proving or disproving the effectiveness of the experimental intervention. Due to its innovative nature, the experiment has potentially high demonstration value and is expected to attract interest regardless of the ultimate research results.
4. **(Optional question) What can/has been done to find an alternative source of financing, i.e. instead of a Bank administered Grant?**

We have secured funding for the experimental intervention and data collection through the *Programme d'Appui aux Collectivités Territoriales* (PACT), a World Bank-assisted government program to support decentralization in Burkina Faso. This means that the government of Burkina Faso, via IDA grant funding, covers all aspects of implementation, most of data collection, and provides in-country logistical support to the research team. The World Bank supports the costs of the research team and other expenses through core budget sourced from the Burkina Faso Country Management Unit, the Governance Global Practice, and internal trust funds including the i2i trust fund. However, no single source is available to finance the full costs of the research proposed here (\$1,305k over the next three fiscal years, including the costs of implementing the experimental intervention; of this total amount, 46% is for the intervention, 25% is for data collection including process evaluation, and the remaining 29% covers research expenses). The proposed KCP grant will help finance the crucial research, analysis and dissemination costs.

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To close this funding gap, we have previously applied for funding from the Economic Development and Institutions (EDI) Initiative, a research funding initiative that supports clusters of closely related field experiments and primarily selects projects based on their fit with the cluster. Unfortunately, our application was not included in the EDI cluster. We also submitted a funding request to the European Commission in Burkina Faso, for a funding window targeted towards civil society initiatives. However, since our intervention costs are already covered, this application turned out to be a poor fit. We therefore hope that the KCP will help us close the funding shortfall for research, analysis, and dissemination.

KCPIII Specific:

1. How does (do) the objective(s) of this proposal align with the World Bank Group's twin goals? What are the key thematic research questions being addressed in this research?

Research objectives

The purpose of conducting the proposed randomized controlled trial (RCT) is twofold. First, our study tests a promising innovation in local government accountability mechanisms that is conceptually simple and low-cost compared to existing approaches, such as community monitoring interventions or public sector pay-for-performance schemes. Second, the study is part of a longer-term research partnership with the government of Burkina Faso to develop and test new solutions to improve the functioning of sub-national governments (recherche expérimentale sur la gouvernance locale au Burkina Faso (REGLAB), see www.reglab-burkina.org). As part of this initiative, this project also contributes to building capacity for policy innovation and evidence-based program design in Burkina Faso's Ministry of Territorial Administration and Decentralization. We expect that this study will have high demonstration value both within and beyond Burkina Faso and will, independently of its results, encourage further innovation and experimentation on local governance support.

Our specific research objective is to generate evidence on a novel approach to increasing the accountability of local governments. Well-functioning local community-based organizations (CBOs) will be given a direct, financial stake in the performance of their municipal government. For this purpose, an annual cash grant scheme for CBOs is introduced. Under the cash grant scheme, selected partner CBOs are eligible for an annual cash grant that is a function of the year-to-year change in their municipal government's performance scores. This means that the partner CBOs can maximize their payoff by nudging or pressuring municipal decision makers to address shortfalls in municipal service quality. Importantly, the cash grants are not conditional on any specific actions the CBOs undertake – they are simply a function of the annual change in their municipal government's performance scores.

We hypothesize that this intervention will incentivize CBOs to use their own local knowledge, influence, and mobilization capacity to influence their municipal government to fix its biggest performance issues, conditional on CBOs assessing that it is worthwhile to do so.

Our study is designed to answer four questions.

1. If CBOs are given a financial stake in the performance of their municipal administration, will it cause them to actively hold local decision makers accountable for the quality of municipal services?
2. What strategies do the partner CBOs adopt to influence the performance of their municipal government?
3. What accountability pressures do municipal decision makers perceive and how do they react to these pressures?
4. Do increased accountability pressures from local CBOs cause improvements in the quality of municipal services?

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Alignment with the World Bank Group's twin goals

Our study relates to the World Bank Group's twin goals (reducing extreme poverty and boosting shared prosperity) by advancing innovation in local government accountability. In many countries, local governments play a crucial role in securing or obstructing access to basic public services for poor and underserved populations. In Burkina Faso, which is characterized by highly unequal access to basic education, health care, and clean water, municipalities are responsible for crucial inputs to these public services. Small failures on the part of municipal governments – for example, failing to deliver textbooks and supplies to primary schools at the beginning of the school year, failing to supply health centers with gas bottles to refrigerate medicines, or failing to order maintenance repairs for broken water points – become bottlenecks that threaten to undermine the overall functioning of these public services. Yet, existing approaches to local government oversight and citizen participation in local governance have not yet managed to overcome these bottlenecks.

The importance of local government accountability in fighting extreme poverty and expanding access to public services has been widely recognized. In the World Bank's country strategy for Burkina Faso, support for decentralization is one of the central elements, as a means of expanding access to public services in the poorest and most underserved areas. This is mirrored by strong government commitment: The National Development Strategy (PNDES; 2016-2020) prioritizes decentralized service delivery and proposes to increase the share of central government budget transferred to local governments to 15 percent by 2020 (currently this is about 5%). However, the capacity and incentives of local governments must keep up with their growing responsibility in public service delivery. Therefore, new approaches and solutions are needed to hold local governments accountable for the services they are supposed to provide to their citizens (in addition to improving their capacity to provide these services).

Our proposed research links directly to this agenda by exploring a new way of leveraging the existing capacity of local civil society to promote bottom-up demand for local government accountability, as a necessary complement to policy reform, top-down oversight by the central government, and efforts to increase local government capacity. In countries like Burkina Faso, which have a strong civil society but weak government institutions, grassroots organizations remain a vast, untapped resource and potential force for change.

2. Describe analytic design & methodology. Elaborate on hypotheses, conceptual framework, data (survey design if applicable).

Research objectives and hypotheses

Our research objective is to generate evidence on a novel approach to increase the accountability of local governments: Well-functioning local community-based organizations (CBOs) will be given a direct, financial stake in the performance of their municipal government. For this purpose, an annual cash grant scheme for CBOs is introduced. Under the cash grant scheme, selected partner CBOs are eligible for an annual cash grant that is a function of the year-to-year change in their municipal government's performance scores. This means that the partner CBOs can maximize their payoff by nudging or pressuring municipal decision makers to address shortfalls in municipal service quality. Importantly, the cash grants are not conditional on any specific actions the CBOs undertake – they are simply a function of the annual change in their municipal government's performance scores. We hypothesize that this intervention will incentivize CBOs to use their own local knowledge, influence, and mobilization capacity to influence their municipal government to fix its biggest performance issues, but only cause them to act conditional on assessing that it is worthwhile to do so.

Our experiment will seek to answer four specific research questions, with the objective of testing the efficacy of the intervention, as well as its underlying causal assumptions.

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- (1) If CBOs are given a financial stake in the performance of their municipal administration, will it cause them to actively hold local decision makers accountable for the quality of municipal services?
- (2) What strategies do the partner CBOs adopt to influence the performance of their municipal government?
- (3) What accountability pressures do municipal decision makers perceive and how do they react to these pressures?
- (4) Do increased accountability pressures from local CBOs cause improvements in the quality of municipal services?

Additionally, we will collect detailed data on fixed and variable implementation costs, including both the cash grants themselves and the costs of carrying out this intervention in realistic field settings, to be able to assess the cost-effectiveness of the approach.

Experimental treatment

The experimental treatment consists of three core elements:

- (1) **Partnership agreements with selected, well-functioning and influential local CBOs:** The cash grant scheme is based on formal partnership agreements between our government partner and the treatment CBOs. The partnership agreements, with an initial duration of about 1.5 years, promise the CBOs an annual cash grant that is a function of the year-to-year change in their municipal government's performance scores. The agreements detail which indicators are used to score municipal government performance and how the amount of the promised cash grant depends on changes in these municipal performance indicators, but do not mandate any specific actions by the CBOs. The performance indicators are calibrated in such a way that the potential payouts for CBOs reflect both the relative importance of the different performance indicators to the national government and the increasing marginal effort associated with improvements on certain indicators. Moreover, the grant formula ensures that the CBOs gain financially not only from overall improvements in municipal services, but also from preventing services from deteriorating further. We expect actual payouts to range from zero to 1,000,000 FCFA (approximately 1,600 USD) per CBO.
- (2) **Municipal performance scores:** To track municipal government performance over time, we rely on Burkina Faso's annual municipal performance monitoring survey (*suivi de la performance municipale*, or SUPERMUN). The SUPERMUN indicators are designed to comprehensively cover key areas of municipal services (primary education, health, water, civil services, administration) and to be comparable across time and location, amenable to independent measurement, and resistant to gaming by local actors (see details below under "Tracking Municipal Government Performance").
- (3) **Training and information provision for CBOs:** For every selected partner CBO, a training and information workshop is organized locally in their municipality. The training is designed to ensure that the partner CBOs understand the responsibilities of municipal governments, the indicators of municipal government performance that are used to calculate the annual cash grants, and how their payoff depends on changes in their municipal government's performance. Next, the partner CBOs are provided with detailed baseline information on the performance of their municipal government. Upon completing the training, a brainstorming session is organized for each partner CBO where they are encouraged to generate their own ideas and strategies to influence the performance of their municipal government. The ideas CBOs come up with, including those that are not pursued further, will be recorded and will generate valuable research data on CBO capacity and potential to influence local government officials.

Study population

The CBOs that are targeted by the experimental intervention will be among the highest-functioning and most influential local CBOs in their respective municipalities. To screen potential partner CBOs, our government partner will organize an open competition among

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local CBOs, which includes a self-administered survey about their membership base, resources, and activities. Simultaneously, we will collect information on municipal decision makers' perceptions of the influence of the different local CBOs. This process will be carried out across the entire country in approximately 339 municipalities, excluding only the two largest cities, Ouagadougou and Bobo-Dioulasso, which have a different local governance structure and a small number (ten, approximately) of municipalities that do not currently have functioning local governments. The screening process will identify the two highest-potential CBOs in each municipality prior to treatment assignment.

Treatment assignment

The experimental treatment will be randomly assigned at two levels:

1. Municipality: treatment assignment will be block randomized by region and urban/rural zone (170 treatment municipalities and 169 control spread across all of the country's thirteen regions). While there are a total of 349 municipalities in Burkina Faso (excluding Ouagadougou and Bobo-Dioulasso), we allow for the fact that a small number do not have functioning local governments and so therefore are not eligible for the intervention).
2. CBO: Within each of the 170 treatment municipalities, one of the two local CBOs that scored highest in an initial screening will be randomly selected for treatment. This provides an internal control group to measure within-municipality CBO treatment spillovers. The two highest-ranking CBOs in each of the 169 control municipalities will serve as a pure control group for CBO-level outcomes.

Tracking municipal government performance

Burkina Faso's annual municipal performance survey (SUPERMUN), which we have developed and implemented since 2013 in collaboration with a wide range of local stakeholders, will be the basis for the calculation of annual cash grant disbursements to CBOs. SUPERMUN grew out of a municipal performance scorecard experiment our team has been implementing in partnership with the government since 2015. As of 2017, SUPERMUN data is collected annually in all of Burkina Faso's municipalities (except for the two largest cities, Ouagadougou and Bobo-Dioulasso).

The SUPERMUN survey gathers data on the most consequential bottlenecks in municipal government performance and institutional capacity. The performance indicators are designed to comprehensively cover key areas of municipal services (primary education, health, water, civil services, administration) and to be maximally comparable across time and location, amenable to independent measurement, and resistant to manipulation by local actors. They focus on key inputs by municipal administrations to local public services that are particularly vulnerable to administrative failure.

The municipal performance scores comprise two sets of indicators, one on institutional capacity of municipal administrations and one on the quality of public services in the municipality.

The institutional capacity indicators relate to the fulfillment of human resource requirements, local fiscal capacity, compliance with democratic processes, and execution of public procurement plans.

The public service quality indicators focus on primary education, primary health care, water, sanitation, and civil registry services. The following service delivery indicators are included:

- Difference to the national average in primary school completion rates;
- Delay in the provision of school supplies at the beginning of the school year (measured in days);
- Proportion of schools with a functioning source of clean water;

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- Proportion of schools with sufficient functioning latrines;
- Proportion of births taking place at a health facility;
- Proportion of children aged 0-11 months receiving a set of recommended vaccines;
- Proportion of primary healthcare facilities receiving a sufficient supply of natural gas each month (for refrigeration);
- Proportion of population with access to a source of clean water (as defined by national standards);
- Proportion of newborns for whom birth certificates are issued.

The primary way in which a CBO can influence these municipal performance indicators is by helping municipal decision makers and service providers to identify performance shortfalls and nudging them to perform better. To improve their performance scores, municipalities must resolve impediments to their administrative or service delivery performance. By design of the indicators, it is virtually impossible that CBOs would simply do their municipal government's job to increase their cash grant payoff, and it would not be economical for a CBOs to do so. Thus, the CBOs only have an incentive to act and demand accountability from municipal decision makers if they believe that they can make a difference and have an impact on their municipal government's performance. This is an important built-in safeguard: The intervention will not pressure CBOs to do anything they are not genuinely convinced of.

Outcomes and data

We will investigate three primary outcome families:

- CBO activism in municipal affairs: A group-based endline survey will be administered to the CBO leadership and active members. Information will be collected on the frequency of different forms of activism, including direct interaction with municipal decision makers, activities geared towards public pressure or awareness (e.g. radio appearances, coalitions with other groups, protests, etc.), interactions with service providers/facilities, and internal coordination (membership meetings, etc.). Additionally, municipal decision makers will be surveyed about their knowledge of and their interactions with the sampled CBOs.
- Perceived accountability pressures by municipal decision makers: Key local bureaucrats and a sample of local councilors will be surveyed about different forms of internal scrutiny, external scrutiny, public pressure, and proactive support from constituents they have experienced over the past year (including but not limited to citizen inquiries, complaints, direct interactions with CBOs, etc.). Additionally, they will be asked to describe the likely public reactions to hypothetical performance issues. Finally, they will be asked to rate the influence of the sampled (treatment or control) CBOs in their municipality on specific aspects of municipal governance.
- Municipal government performance: Changes in municipal government performance will be measured through Burkina Faso's annual municipal performance tracking survey (SUPERMUN) at baseline and after the intervention. SUPERMUN indicators reflect national standards for (i) local government service delivery in primary health, education, water and sanitation, and civil registry services; and (ii) local government administrative capacity. The indicators were selected to highlight areas which are most consequential for citizen welfare, relevant across the county's ecologically and socially diverse regions, and which are within the domain of control of local governments. Additionally, municipal budgets and procurement plans will be collected to estimate the proportion of resources that have been allocated to fixing those performance issues that are relevant for the cash grant calculation.

Additionally, we will collect cost data on (i) implementing the intervention including advertising the scheme, identifying and training partner CBOs, and administering cash grants including the cash grants themselves; and (ii) Burkina Faso's annual municipal performance tracking survey (SUPERMUN), even though this is administered independently of the research proposed here.

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Finally, depending on funding we would like to include a structured qualitative component to provide rich contextual insight with which to better interpret the quantitative findings and to gain greater depth and nuance in the analysis of CBO strategies and how these are perceived and reacted to by local administrators and policymakers. For this component, we aim to partner with a research collaborator from Burkina Faso.

Power calculations for the primary outcomes of interest

We analyze outcomes at three levels: municipal governments, municipal decision makers, and CBOs. Since power is most limited at the level of municipal governments, we decided to carry out the RCT in the largest possible number of municipalities (170 treatment, 169 control). The estimated minimum detectable effect sizes (MDES) for each level of analysis are reported below.

CBOs: We plan to report omnibus tests for three families of indicators, each related to a specific outcome: (1) CBO activism in general; (2) CBO involvement in municipal affairs; (3) Perceived influence of CBOs. Outcomes (1) and (2) are measured through a group-based CBO survey, i.e. for each indicator there is one observation per CBO. Outcome (3) is measured through a survey of municipal decision makers and is therefore clustered by CBO. We calculate with a medium intracluster correlation of 0.4, because all respondents in a cluster are asked about the same CBO, but not all are equally likely to have interacted with it. With 170 treated, 170 spillover, and 338 pure control CBOs, our MDES with power 0.8 (and conservatively assuming Bonferroni correction for three comparisons to attain an overall false positives rate below 0.05) is 0.35 SD for outcomes (1) and (2), and 0.24 SD for outcome (3).

Municipal officials: At the level of municipal decision makers we compare (1) perceived accountability pressures (omnibus test) and (2) the frequency municipal decision makers' interactions with CBOs (omnibus test). Both are measured via a survey of municipal officials and are thus clustered at the municipal level. If we survey 15 decision makers per municipality and assume an intra-cluster correlation of 0.4, our MDES with power 0.8 is 0.24 SD (adjusted for three comparisons).

Municipal government: We analyze three outcomes at the level of municipal governments: (1) Municipal performance scores; (2) Proportion of municipal budget directly allocated to the SUPERMUN performance indicators; (3) Proportion of municipal procurement volume related to the performance indicators. With 170 treatment and 169 control municipalities, our MDES at power 0.8 is 0.35 SD, assuming correction for three comparisons.

Overcoming threats to internal validity

Imperfect randomization: To ensure true random assignment of treatment and control conditions, the randomization will be carried out by the Principal Investigator. A list of only the treatment municipalities and treatment CBOs will be forwarded to the implementing partner. This has been agreed to with our government partner.

Non-compliance: At the level of our implementing partner, the risk of non-compliance with the treatment assignment is minimal, given that the PACT has successfully carried out RCTs in the past and our close working relationship. At the level of partner CBOs, we consider refusals of the treatment unlikely, because the potential rewards should be very attractive to CBOs and the partnership agreement will only be offered to CBOs who have revealed their interest and demonstrated a relatively high level of capacity through applying (treatment will be randomly assigned, but to become eligible CBOs will need to apply and to be identified as one of the two highest performing CBOs in their municipality).

Attrition and unit nonresponse: Little attrition is expected among CBOs, because the intervention targets established, well-functioning CBOs that are unlikely to dissolve. In the endline survey, nonresponse by individual CBO members is not an issue, because the survey is group-based. In the survey of municipal decision-makers we expect high response rates, due to the political weight of our implementation partner (PACT). To maximize respondents' availability, we will try to coordinate the endline survey with the annual

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municipal performance survey. If necessary, we will test for differential response rates by treatment status and make the appropriate adjustments.

Spillover effects: We minimize spillover effects between municipalities by restricting treatment eligibility to CBOs that only operate in a single municipality. Within municipalities, externalities on the activism of other CBOs (e.g. coordination or substitution effects) will be estimated directly, by comparing control CBOs in treatment municipalities to pure control CBOs.

Measurement error: To prevent endogenous measurement error, data collection procedures are identical across treatment and control groups. An equal number of CBOs will be surveyed in treatment and control municipalities. Data collection teams will be regionally based, and each team will cover treatment and control municipalities.

Hawthorne effects: To prevent results from being confounded by Hawthorne effects, we ensure that treatment and control CBOs (as well as municipal administrations) are (a) equally aware of the program and their potential future eligibility, and (b) are subjected to the same data collection procedures. The screening of CBOs and the endline survey follow the same processes in treatment and control municipalities (screening occurs prior to random assignment). Ex ante, applicant CBOs will know that there is a 50 percent chance that the program will be implemented in their municipality in the current phase.

Overcoming threats to causal attribution

Information externalities: To rule out that treatment effects are driven by information spillovers from the partner CBO to municipal decision makers, municipal administrations in both the treatment and control municipalities will be presented with the same information that is also shared with the partner CBOs. This information will be presented in the form of a municipal performance scorecard. This scorecard will also be posted publicly in the town hall, accessible to all municipal workers.

Research transparency: Our design will be pre-registered at the AEA social science registry. A detailed analysis plan will be added prior to the research team's access to endline data. Moreover, to ensure that our choice of estimation strategies, analyses, and data cleaning procedures is not affected by the results of the experiment, we plan to conduct at least one first pass of data analysis in a results-blind manner. For this purpose, our data collection firm will provide a data set with permuted treatment identifiers, while withholding the true treatment identifiers until we request them.

Examining sustainability and long-term externalities

Sustainability: Conditional of finding evidence of positive outcomes based on the research described in this proposal, we plan to work with our government partners on a second phase of the experiment in which the financial incentive is randomly removed in half of the treatment municipalities and randomly introduced in half of the control municipalities. The subsequent analysis will inform our understanding of the longer-term outcome trajectory following repeated exposure to the intervention and of the effect of removing the monetary incentive. This second phase will also allow us to repeat the experiment in subset of municipalities to improve external validity. With respect to financial sustainability, even if we conclude that the cash grant is a critical element of the intervention, it is possible that the cost-effectiveness of the intervention will compare favorably with direct interventions in primary healthcare, education, and water and sanitation, depending on the extent of improvement observed in our performance indicators.

Long-term externalities: The proposed second phase of the experiment would also allow us to measure potential externalities of the intervention, for example, an overall weakening of existing democratic channels. Our data collection strategy will allow us to measure this and other potential unintended consequences relating to CBO activism, perceive accountability pressures by municipal decision makers, and municipal government performance directly. With regards to the weakening of existing democratic channels, mechanisms for holding local governments accountable are already weak (this, indeed, is an important justification for the experimental intervention), hence we believe that in this case a net negative outcome vis-à-vis the baseline situation is unlikely.

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Indeed, this and other externalities could equally be positive. In either case, a second phase would allow us to better assess these and thus improve the strength of the evidence generated through the research proposed here.

3. Provide a literature review & explain study's intellectual merit.

Our experiment is motivated by the goal of finding a low-cost and potentially superior alternative to existing community monitoring interventions that rely on externally induced citizen participation. While effective in some cases (e.g. Bjorkman and Svensson, 2009; Barr et al., 2012), community monitoring and other "participatory" interventions in local governance tend to be costly and vulnerable to well-known sustainability problems (Mansuri and Rao, 2012), including elite capture (Platteau and Gaspart, 2003; Ensminger, 2012) and excessive demands on citizens (Khwaja, 2004). If external facilitation and funding flows are removed, "induced" participation typically does not continue on its own (Mansuri and Rao, 2013), which is a particular challenge in the context of community monitoring programs (ibid.).

The solution we are proposing to test promises to circumvent these challenges by following three main design principles:

1. **Partnering with existing CBOs:** In countries with limited state capacity, community-based organizations are often among the highest functioning entities at the local level. There are over 6,000 registered CBOs in Burkina Faso, outside the capital province, and a substantial number of informal community organizations. Examples of community-based organizations include producer cooperatives, savings or credit groups, parent-teacher organizations, women's associations, hometown associations, and other membership-based groups. In many municipalities, CBOs are the most effective community mobilizers, and many CBOs have significant organizational and financial management capacity, even in comparison with municipal governments. However, they primarily exist to serve the interests of their member base. Our intervention therefore seeks to leverage the existing organizational and collective action capacity of CBOs for the community as a whole, by incentivizing CBOs to actively lobby for better municipal services.
2. **Using local knowledge and ideas:** Rather than prescribing specific actions to the partner CBOs, we believe that the CBOs themselves are best placed to determine what actions they could take to increase their municipal government's performance. Since their cash grants are tied to the changes in the performance score of their municipal government, these incentivize CBOs to use their specific and highly localized local knowledge, influence, and mobilization capacity to exert influence over municipal government performance.
3. **Built-in cost-effectiveness:** Since the cash grants to CBOs are solely a function of changes in municipal government performance, the overall costs of the approach relate to its effectiveness. If the financial incentives are ineffective and CBOs fail to have a positive impact on municipal government performance, little or no cash reward is owed to them. Even if the CBOs themselves have no impact but municipal government performance improves for exogenous reasons, project funds would benefit carefully selected, high-functioning CBOs and thus plausibly contribute to building Burkina Faso's civil society.

The CBO incentive scheme thus eliminates the most controversial aspect of community monitoring approaches: the costly creation of new local institutions or collective action structures through extensive external facilitation or injection of funds. Instead, we leverage the existing collective action capacity and social influence of local existing CBOs. Unlike community monitoring programs, which require large up-front investments (Banerjee et al., 2010), our cash grants incentivize existing, well-functioning CBOs (CBOs are invited to apply for the scheme and are competitively selected) and are proportional to their actual impact on municipal government performance. This implies potentially superior value for money.

Our intervention also has the potential to avoid the adverse consequences of direct financial incentives to public servants. While pay-for-performance can improve service delivery (Banerjee et al., 2008; Basinga et al., 2011), it can also adversely affect the intrinsic motivation of service providers (Deci et al., 1999; Fang and Gerhart, 2012), their image motivation (Ariely et al., 2009; Belle and

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Cantarelli, 2015), and peer pressure to perform (Fuster and Meier, 2010). Our intervention, rather than providing financial incentives to municipal administrations, incentivizes a third party (the CBOs) to hold the municipal administration accountable. Payments for CBOs, in turn, are not tied to specific actions. Instead, CBOs are given a stake in their municipal government's performance.

In contrast to most other public sector financial incentive schemes, activities of the CBOs targeted by our experiment continue to be the product of voluntary collective action. This distinguishes our intervention from the contracting of civil society organizations to deliver specific activities at the local level, as it is frequently practiced by development programs. Rather than being instructed with "best practices" or paid to perform specific actions, the partner CBOs are encouraged to develop their own strategies of influence, using their local knowledge and the resources available to them. By collecting data on the strategies that CBOs pursue out of their own motivation, our project also sheds light on mechanisms of informal accountability and civil society influence in local governance and on the underlying social and political norms.

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4. Describe Implementation arrangements. Identify timeline, key team members and their roles. If the partnership is involved, describe the partnership arrangements, and the respective responsibility of Bank units and partners.

The experimental intervention will be carried out between February 2019 and September 2021 (please see the detailed timeline below). The intervention will consist of the following steps:

1. A census/stocktaking of CBOs is conducted each municipality;
2. An information workshop explaining the program is organized in every municipality and a call for applications is launched for local CBOs;
3. Eligible potential partner CBOs are selected, based on submitted applications;
4. Municipalities and eligible CBOs are randomly assigned into treatment and control groups;
5. Treatment CBOs receive a brief training about municipal performance scores and the cash grant scheme and are asked to hold a meeting to brainstorm about potential actions they could take;
6. CBOs will have a minimum of one full calendar year to implement their self-directed strategies. Depending on the timing of steps one through five, which depends on government procurement processes and potential implementation bottlenecks, they may have additional implementation months (e.g. if CBO training is carried out in August of 2019 as currently planned, CBOs will have the remainder of 2019 and all of 2020 to implement their strategies).
7. Cash grants are disbursed in September of the year following each year of implementation, after the next iteration of Burkina Faso's annual municipal performance survey (SUPERMUN) which takes place in July each year. If CBO training is carried out in August of 2019 as currently planned, two rounds of cash grants will be disbursed: September 2020, corresponding to improvements in performance over calendar year 2019; and September 2021, for improvements in performance in 2020.

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Timeline

Our implementation timeline, including data collection activities, is described in the following table.

<i>Activity</i>	<i>Timing (quarter / calendar year)</i>	<i>Status & Funding</i>
SUPERMUN municipal performance data collection for 2017	Q3 / 2018	Fully funded; data collection ongoing
CBO census	Q1 / 2019	Fully funded; contracting of implementing partner in progress. KCP co-funding requested for field supervision and data processing.
Information workshops at municipal level and call for applications from CBOs	Q1&2 / 2019	Fully funded; contracting of implementing partner in progress. KCP co-funding requested for field supervision and data processing.
Selection of two potential partner CBOs in each municipality	Q2 / 2019	KCP co-funding requested for data processing and researcher time.
Random assignment into treatment and control of (i) municipalities and (ii) CBOs	Q2 / 2019	KCP co-funding requested for data processing and researcher time.
CBO training and brainstorming meeting, including detailed data collection of ideas and discussions during the brainstorming meeting	Q2 & Q3 / 2019	Fully funded; contracting of implementing partner in progress. KCP co-funding requested for field supervision, development of instruments for process data collection, and review and quality control of process data.
SUPERMUN municipal performance data collection for 2018	Q3 / 2019	Fully funded
SUPERMUN municipal performance data collection for 2019	Q3 / 2020	Fully funded
1 st disbursement of cash grants to eligible CBOs	Q3 / 2020	Fully funded
Endline data collection	Q4 / 2020	Fully funded by the government, but funding to be re-confirmed in CY 2020 budget cycle.
SUPERMUN municipal performance data collection for 2020	Q3 / 2021	Fully funded
2 nd disbursement of cash grants to eligible CBOs	Q3 / 2021	Fully funded
Analysis and writing	Ongoing	Seeking KCP co-funding for this activity, which is led by the research team
Policy dialogue and dissemination	Ongoing	Seeking KCP co-funding for this activity, which is led by the research team

Team members

The team possesses a variety of skills and capacities, including experience in experimental field research in Burkina Faso. We have established a strong partnership with the government through ongoing policy innovations and randomized controlled trials and a collaboration on the development and institutionalization of Burkina Faso's annual municipal performance survey. Our field

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coordinator, based in Ouagadougou, maintains a constant dialogue and daily collaboration with the implementing team within the Burkinabe government, maximizing the likelihood that this work will translate into real-world policy change affecting millions.

Research team

- Malte Lierl – Principal Investigator. The principal investigator (PI) is responsible for the conception, design, and analysis of the experiment, methodology, quality control, and coordination of publications and scholarly outputs. Malte is an expert on local-level governance in developing countries, policy innovation and experimentation, and field-based behavioral research. He is a political scientist and development economist, holds a Ph.D. from Yale University, and is currently a Research Fellow at the German Institute of Global and Area Studies (GIGA)
- Marcus Holmlund – Co-Principal Investigator. The Co-PI contributes to research design, analysis, and writing and is responsible for the supervision of field activities relating to intervention implementation and data collection. He manages the collaboration within the World Bank (with the Governance and Transport & Digital Development GPs), with the Burkinabe government, and with development partners. Additionally, Marcus is responsible for outreach to stakeholders, global and local dissemination of findings for policy audiences, and grant management. Marcus is an Economist at the World Bank's Development Impact Evaluation Unit (DIME/DECIE).
- Felipe Dunsch – Research Implementation Specialist. Felipe's responsibilities include the management of field activities (such as survey programming, enumerator training), coordination with PACT, and the production and dissemination of knowledge products, including policy reports and data sets. He is a consultant at the World Bank's Impact Evaluation Unit (DECIE) and a specialist in implementing large scale randomized-controlled trials (RCTs) in the fields of health and governance. Felipe is a doctoral student at the University of Hamburg.
- Sidiki Soubeiga – Implementation Advisor. Sidiki is a Burkinabe doctoral student in development economics at the University of Passau, Germany. He holds a Master's degree in Economics from the University of Ouagadougou and works as a consultant for the World Bank. Prior to taking up his Ph.D. studies, he served as the field coordinator for our local governance research program in Burkina Faso and continues to support this project by serving as an advisor on project design, implementation, and municipal performance measurement.
- Sékou Koné – Field Coordinator. Based at the World Bank's country office in Ouagadougou, Sékou has been working as the project's field coordinator since 2017. He works closely with government partners to facilitate the implementation of experimental interventions and data collection activities, and is the primary in-country liaison with the PACT and with other Burkina-based partners.
- Lars Nordgreen – Research Assistant. Lars recently graduated with an MA in econometrics from the Toulouse School of Economics. He contributes to the collection, management, and analysis of data and to dissemination products, and has been working with our team since 2017.

Broader World Bank team

- Gabriel Dedu – Governance Specialist. Gabriel Dedu is the task team leader for the PACT project (*Programme d'Appui aux Collectivités Territoriales*) and is closely involved in those aspects of the research proposed here which affect project design and implementation.
- Axel Rifon Perez – ICT Policy Specialist. Axel is the task team leader for the eBurkina project which, among other things, contributes to the annual SUPERMUN municipal performance survey.

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Primary government counterparts

- Oulla André Ouattara is the Director of Monitoring and Evaluation at PACT and de facto deputy project lead. He has been spearheading policy innovation and evidence-based program design at the PACT for the past five years.
- Benjamin Sawadogo is the PACT focal point for innovation in project design. He has been coordinating the implementation of various experimental interventions since 2014, cooperating with a wide range of government and civil society stakeholders.

Implementing sub-contractors

- CBO cash grant intervention implementation. An NGO will be recruited by PACT to implement the intervention, based on detailed guidelines developed by the PACT and the research team and under our joint supervision. This recruitment process is ongoing.
- External monitoring, quality control, and process data collection. A second organization will be contracted by PACT to conduct external monitoring and quality control of the activities of the implementing NGO, in order to verify treatment fidelity and contribute data (including on initial CBO brainstorming sessions) for the research proposed here. This recruitment process is ongoing.
- Endline data collection. A specialized data collection firm will be recruited to conduct endline data collection.

5. Outline the expected outputs (working paper, publication, computational/analytical tools, datasets, etc.) and specify the expected date of delivery for each output.

The KCP-funded research will allow us to understand if direct financial stakes in local government performance can motivate CBOs to proactively fight for better municipal services. It will also tell us how they attempt to do so, whether this effectively increases accountability pressures on municipal decision makers, and ultimately if it improves the quality of municipal services. These insights, along with cost effectiveness calculations, will be published for scholarly and policy audiences and used by expert communities within and outside the Bank in designing the next generation of social accountability interventions. Furthermore, the results of the RCT will directly inform the government of Burkina Faso's choice of whether to continue the intervention. If continued, we will advocate for further experimentation, especially with the selective removal of financial rewards to better understand the sustainability and long-term consequences of the approach, prior to advising on the scaling up of the intervention.

1. Scholarly publications and working papers

- Experimental results: Results of the experiment will be reported in a self-standing publication, targeted at a high-impact Political Science or Economics journal. A working paper will be completed ten months after endline data collection (by October 2021, given the current timeline).
- CBOs' strategies of influence: A second scholarly publication will focus on describing the CBO landscape in Burkina Faso and analyzing the strategies of influence CBOs in the treatment group adopt to impact their municipal government's service delivery performance. The paper will seek to explain why some strategies of influence are adopted over others and what can be learned from this about effective ways of nudging municipal governments to improve their performance. A working paper will be completed 10 months after endline data collection (by October 2021, given the current timeline).

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2. Datasets

- **Census of CBOs:** The census of CBOs will cover all municipalities of Burkina Faso outside the two large urban centers (Ouagadougou and Bobo-Dioulasso). It will provide valuable information on the spatial distribution of CBOs in Burkina Faso and the prevalence of different types of CBOs and organizational forms, and will include both formally registered associations and informal collective action groups. The census will be conducted in the first quarter of 2019.
- **Endline survey of treatment and control CBOs:** We will survey treatment and control CBOs on both their internal functioning and their external involvement in municipal governance, via structured focus groups with CBO leaders and members. To our knowledge, no similarly comprehensive survey of local CBOs has been done before on a nationwide scale. Beyond the outcome measures for our experiment, the data will open avenues for ancillary and additional research. The endline survey will be carried out in the fourth quarter of 2020.
- **Strategies of influence:** We will collect detailed data on the initial ideas and strategies of the treatment CBOs by observing the initial brainstorming sessions the treatment CBOs are asked to hold. This data will tell us how the treatment CBOs initially respond to the financial incentive, how they think about their own ability to influence municipal governance, and shed light on the pros and cons of different potential strategies of influence, from the CBOs' perspective. This data will be collected in the second and third quarters of 2019.
- **Survey of municipal decision makers:** In addition to the survey on CBO activism, we will survey municipal councilors and executive decision makers on their interaction with CBOs and their perception of accountability pressures from civil society and the public. This is part of the endline survey and will take place in the fourth quarter of 2020.
- **Intervention costs:** We will collect cost information on all aspects of the intervention, including one-time and continuation costs, as well as potential scale advantages. This data will be obtained directly from the PACT during implementation.

Dissemination activities are described in the next section.

6. Describe the beneficiary of the research, the relevance for policy in developing (or transition) countries and for WBG Operations. Outline dissemination plans, including plans to reach policy makers.

Direct policy impact of the proposed research

The CBO cash grants experiment is directly relevant to the government's objectives of improving the institutional capacity and accountability of municipal governments and expanding access to public services for under-served populations, as reflected in its National Economic and Social Development Plan (PNDES). By targeting civil society actors and focusing on informal accountability mechanisms, it complements other accountability interventions implemented by the government and various development partners, which primarily target problems of formal institutional and political oversight.

Based on the results of the proposed experiment, the government is committed to scale up, down, or otherwise modify the CBO incentive scheme in the future. Prior to advocating for a scaling up and continuation of the cash grant intervention, we plan to carry out a second, cross-cutting experimental phase, in which the financial rewards to CBOs will be discontinued in half of the treatment group and introduced in half of the control group. This serves to evaluate the sustainability of the approach and its longer-term impact on CBO activities. Along with qualitative insights into the intervention's effects on local CBOs and municipal decision makers, this additional experimental phase will be an important safeguard against potential negative externalities or unintended consequences. This second phase is, however, beyond the scope of the present proposal.

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The nationwide coverage of the experiment ensures that the results are externally valid for all of Burkina Faso. The scale of the study will allow for subgroup comparisons across urban and rural areas, and across different types of CBOs. Knowledge of heterogeneous effects can inform analysts' beliefs about the potential impacts of the intervention in other contexts.

Broader policy relevance

By testing a novel and potentially highly cost-effective strategy in the otherwise crowded community engagement intervention space, the relevance of this study extends beyond its immediate policy impact in Burkina Faso. Relative to other community engagement and “social accountability” interventions, the potential advantages of the experimental intervention are that it does not require large injections of external resources into local communities, refrains from “institutional engineering” at the local level, and avoids prescriptions of specific actions or intervention blueprints for CBOs. Instead, the intervention aims to leverage the existing social influence and local knowledge of CBOs, by incentivizing them to develop their own ways and means of lobbying for better municipal governance.

With respect to value for money, the CBO incentive scheme entails much lower intervention and monitoring costs than more “hands-on” approaches to promoting community engagement. If the program causes measurable improvements in the municipal government performance indicators, its cost-effectiveness will compare very favorably to direct interventions to improve the underlying performance indicators (e.g. skilled birth attendance, infant vaccination rates, the availability of school latrines, or the monitoring of the timely delivery of school supplies). This is especially true since the costs of rewarding CBOs increase with the effectiveness of the approach: if the intervention has no actual impact on municipal government performance, the amount of cash grants to CBOs is inherently limited. Moreover, the grant formula ensures that the CBOs gain financially not only from overall improvements in municipal services, but also from preventing services from deteriorating further. We expect actual payouts to range from zero to 1,000,000 FCFA (approx. 1600 USD) per CBO.

The conceptual and operational simplicity of the intervention contributes to its reproducibility in other contexts. The intervention consists of three main elements that can be reproduced in a variety of settings: (1) Financial rewards that depend on the performance of a third party (in our case the municipal government); (2) externally generated information about the third party's performance (and performance deficits); and (3) a modest amount of initial training and information dissemination to the cash grant recipients, along with encouragement to generate ideas and strategies of influence. We thus avoid the problem of high-dimensional, bundled, or highly context-specific treatments.

Relationship to World Bank support for decentralization and local governance in Burkina Faso

Burkina Faso has undertaken various steps towards administrative and political decentralization since the early 1990s. The 1991 Constitution organized the local government system into territorial units (*collectivités territoriales*). The 2004 *Code General des Collectivités Territoriales* consolidated the role of regions and municipalities as the two levels of decentralized local government and shifted certain responsibilities for basic public service provision (for example in health, education and water) to the municipal level. The transition of legal responsibilities and decision authority for local service provision from the central government to local jurisdictions was not, however, accompanied by measures that sufficiently addressed important implementation constraints, including insufficient capacity and decision autonomy of municipal governments and a lack of timely availability of funds. At the same time, accountability structures for municipal governments continued to rely primarily on top-down oversight (*tutelage*), a legacy of French colonial administration. Despite the existence of elected municipal councils since 2006, the direct accountability of municipal administrations towards their communities remains weak or inexistent, and citizen involvement in municipal governance processes is still lacking.

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The World Bank is supporting the decentralization process in Burkina Faso by addressing several of these challenges. The Bank-assisted Community-Based Rural Development Project (*Programme National de Gestion de Terroirs*; PNGT), first approved in 2000 and currently in its third phase, aims to enhance the capacity of rural communities and decentralized institutions for the implementation of local development plans. In 2005, the Administrative Capacity Building Project (*Programme de Renforcement des Capacités Administratives*) was introduced to strengthen the central government's capacity in the planning, organization, and monitoring of the decentralization process. The Burkina Faso Local Government Support Project (*Programme d'Appui aux Collectivités Territoriales*; PACT) was approved in 2011 with the objective of strengthening the central government's capacity for administrative and fiscal decentralization and the institutional capacities of municipalities, and to improve accountability linkages between local policy makers and citizens. Additional financing for the PACT was approved in 2017.

The research proposed here has been conceived and will be implemented in conjunction with the PACT team and is embedded in the project's additional financing. This arrangement unites operational, subject matter, and research expertise. As such, it guarantees the direct relevance of the research for ongoing project implementation and policy dialogue, while ensuring that the work produced is of a high-standard of quality able to stand up to external scrutiny. In other words, the collaboration provides the research team with access to relevant programmatic and policy knowledge and capacity to implement an experiment at national scale, while providing the project/government team with the analytical resources needed to leverage implementation to produce high-quality, policy relevant research. The relevance of the work we are producing through this partnership is evidenced in its longevity (we first began working together in 2013; details of our partnership and the work conducted is at www.reglab-burkina.org) and in co-funding that our team receives from the World Bank's Burkina Faso Country Management Unit each year.

One of several outcomes of this research collaboration has been the establishment of a municipal performance monitoring survey (SUPERMUN). From 2018 onwards, SUPERMUN is jointly implemented by the PACT and the National Agency for the Promotion of ICT (ANPTIC; ANPTIC also implements the Bank-assisted eBurkina Project), with participation of the Association of Municipalities of Burkina Faso (AMBF) and several line ministries (Economy and Finance, Health, Primary Education and Literacy, and Water and Sanitation). Originally developed for an RCT of municipal performance scorecards intervention, SUPERMUN now annually tracks a set of indicators of public service quality and institutional capacity at the municipal level. SUPERMUN data will be used in a variety of ways by government agencies and research institutes in Burkina Faso. Our proposed experimental intervention – the cash grant scheme for CBOs – will directly be utilizing SUPERMUN data. This illustrates the strong stakeholder engagement and the links between our work and government priorities, strong ties to Bank operations, as well as the study's potential for dissemination and policy influence within the Burkinabe government.

Dissemination activities

Insights gained from this research will be made accessible to policy makers in Burkina Faso via four platforms:

- i. Ongoing dissemination of results (including descriptive analyses from each of the datasets, and final research outputs as described in section 5 above) to PACT and other direct stakeholders through presentations, briefs, reports, and regular communications;
- ii. A policy workshop as part of REGLAB (*Recherche expérimentale sur la gouvernance locale au Burkina Faso*/Experimental research on local governance in Burkina Faso; www.reglab-burkina.org), which will be held after a full set of analytical results are available following endline data collection.
- iii. Through the steering committee and the scientific advisory boards of SUPERMUN, Burkina Faso's municipal performance monitoring initiative, which includes multiple government, academic, and civil society stakeholders intervening in the field of municipal governance. Both the steering committee and scientific advisory boards meet annually, providing a recurring channel through which to directly engage a broad set of stakeholders.

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- iv. Media outlets in Burkina Faso. The research team has prior experience gaining media coverage for study results in Burkina Faso and other West African countries.

Further dissemination activities will target:

- v. Academic audiences: We plan to present results of this project in at least three academic conferences.
- vi. World Bank Group: Results will be presented at internal seminars and dissemination events. We will also directly engage with GP staff leading decentralization policy dialogue and operations.
- vii. Broader development community: Blogs, briefs, articles, and reports highlighting both final study results and intermediate research outputs produced from each of the datasets will be disseminated primarily online.

7. Describe the capacity building components, including the collaboration with local partners, researchers from developing countries.

The research proposed here is part of a long-standing research partnership with the government of Burkina Faso. Since 2013, our team has worked with Burkina's Ministry of Territorial Administration and Decentralization (MATD, which houses the PACT project) to develop an ambitious program of policy innovation and experimentation in local governance support. Our shared goal is to develop and test innovative solutions to problems of municipal governance that could become the basis for future government programs. This has grown into a research and capacity building initiative known as REGLAB (*Recherche expérimentale sur la gouvernance locale au Burkina Faso*/Experimental research on local governance in Burkina Faso; see www.reglab-burkina.org). As part of this research partnership, we have already implemented two large-scale RCTs, several ancillary research studies, and generated a wealth of data on municipal governance in Burkina Faso.

Through the REGLAB initiative, policy innovation and experimentation have been explicitly integrated as elements of PACT's additional financing, which became effective in 2018. This is an important demonstration of the capacity-building potential of our work, in that this led to the adoption of a new way of thinking about policy design and implementation by Burkina Faso's premier decentralization program targeting results at the municipal level. This has been achieved through a concerted and sustained effort by our team over a period of several years, matched by our partners' good will, motivation, openness, and capacity to innovate, experiment, and learn on the one hand; and to teach and engage us in the specifics of their policy and implementation contexts on the other. Among other things, this two way learning process has included an initial workshop on evidence-based policy design and the participation of the PACT in an international workshop on policy research in government, led by the World Bank's Development Impact Evaluation (DIME) team (February and June 2013, respectively); ongoing engagement by the research team with direct weekly interaction by our field coordinator, in place since June 2013; period progress assessments and presentations of results (e.g., in January 2016, May 2017, October 2017, May 2018); and most recently through the inaugural meeting of the SUPERMUN municipal performance monitoring steering committee (June 2018) and the upcoming inaugural meeting of the initiative's scientific advisory committee (these committees will meet annually, providing a recurring venue for engaging with a broader set of Burkinabe stakeholders from government, civil society, and academia).

In addition to our PACT project partners, our research team includes two Burkinabe nationals: Sidiki Soubeiga, currently a doctoral student in development economics and our former field coordinator, who continues to serve as an advisor on project design and implementation and with whom we are exploring add-on research opportunities related to the work described in this proposal; and Sekou Kone, Sidiki's replacement who has been working with us since March 2017 and acts as the primary in-country liaison with PACT and with other Burkina-based partners.

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8. Document evidence of the consultation process with relevant research and operations units. E.g. consultation conducted, comments received, & how comments were addressed. TTLs should also describe plans to maintain operational and research consultation.

The research described in this proposal builds on a long-standing collaboration between DIME/DECIE (and its research partner, the German Institute of Global and Area Studies), the Governance Global Practice (GP), the Transport and Digital Development GP, and the Government of Burkina Faso. Furthermore, the CMU is highly engaged in this work, as evidence by regular WPA allocations for our program of research on local government accountability in Burkina Faso (\$65k in FY18). The work described here is built into two Bank-financed projects: The Local Government Support Project (supervised by the Governance GP) and the Burkina eGovernment Project (also known as eBurkina, supervised by the Transport and Digital Development GP). The research team worked with the GPs on the eBurkina project appraisal document and on the PACT additional financing appraisal document and related discussions with the Government, and the strong DEC/GP collaboration is maintained through regular communications, joint missions, and joint knowledge dissemination. Through the collaboration with the Government and GPs, the intervention described in this proposal and the SUPERMUN municipal performance monitoring system are fully funded. PACT also provides data collection funding for the research proposed here.

The concept for this experiment was first developed with PACT in 2013 at a workshop involving several government agencies. This was further elaborated, in consultation with Burkinabe stakeholders and World Bank colleagues, over the next 1.5 years until a formal concept note review meeting, chaired by the Bank's Country Manager, was held in November 2015 (in the interim, the team dedicated much effort to the development and initial data collection of the SUPERMUN municipal performance indicators). The concept note review focused particularly on the operational linkages and policy relevance of the proposed research, and these aspects were subsequently strengthened prior to formal approval to move ahead with the work. The period of political uncertainty and transition after the October 2014 popular insurrection, which ousted then-president Blaise Compaore, put the proposed research on hold indefinitely, until elected municipal councils were reinstated following local elections in May 2016. Given this implementation delay, the research team worked with the PACT and the governance GP to integrate the research described in this proposal into the planning for a second phase of the PACT, and our work is now formally incorporated in the project's additional financing which was approved in FY18.

A pilot test of the experimental intervention was carried out in six municipalities in 2015 and 2016, starting immediately after the reinstatement of elected municipal councils through local elections in May 2016. This proof-of-concept pilot allowed us to verify, qualitatively, the functionality and potential of the intervention and to develop and test implementation processes including the screening, selection, and training of CBOs. This experience is now serving as a basis for the preparation of the large-scale implementation of the intervention as part of the research proposed here.

Throughout the process thus far and moving forward, the government provides contextual knowledge and implementation capacity, in addition to funding the intervention and data collection. A field coordinator, based in Ouagadougou, provides a critical link between the government's PACT team and the research team, and supports the government on operational and administrative aspects related to this work. This facilitates the pass through of information and knowledge between the research and project teams, supports capacity building for the government by engaging them also in the research implementation process using a learning-by-doing approach, and promotes their core role in the [REGLAB](#) research initiative to test innovative solutions to problems of municipal governance.

9. If this is an impact evaluation study, please answer the following:

- a. Why is this project a research project and not an impact evaluation project?
- b. Is the project linked to the Bank lending project? If so, provide the project number.
- c. Will this project produce new knowledge or fill the gap of current literatures?

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- (a) Why is this a research project and not an impact evaluation project? The primary objective of our research is not to evaluate a program, but to generate knowledge that is relevant more generally and beyond a project-specific context. With the CBO incentive scheme, we are testing a conceptually simple but completely novel approach. While the majority of implementation and data collection costs are financed by our project partner, the knowledge generated from this experiment is primarily a public good, because the type of approach that is being tested is innovative and potentially adaptable to other contexts or other types of development programs. We therefore seek research funding to cover the additional time and resources required to realize the full knowledge-generating potential of this experiment.
- (b) Is the project linked to a Bank lending project? Yes. This research is embedded in the Local Government Support Project's Additional Financing (P120517), from which the intervention and most of the data collection are financed. Additionally, it links to the eBurkina Project (P155645) which supports the continued development of and data collection on municipal government performance indicators. This study is part of a long-term research collaboration with government partners in Burkina Faso (*recherche expérimentale sur la gouvernance locale au Burkina Faso*, or REGLAB) with the objective of integrating research and policy innovation into local governance support operations.
- (c) Will this project produce new knowledge or fill the gap of current literatures? Yes. This research will allow us to understand if direct financial stakes in local government performance can motivate CBOs to proactively fight for better municipal services. It will also tell us how they attempt to do so, whether this effectively increases accountability pressures on municipal decision makers, and ultimately if it improves the quality of municipal services. These questions have thus far not been addressed in either the literature on community monitoring-type interventions, or in the literature on public sector pay-for-performance schemes. The insights gained from testing this approach, along with cost effectiveness calculations, will be published for scholarly and policy audiences and used by expert communities within and outside the Bank in designing the next generation of social accountability interventions.

Disbursement Projection

From Date	To Date	Amount
07/01/2018	06/30/2019	30,000
07/01/2019	06/30/2020	20,000