Poor Households in Tamil Nadu Build Institutions to Advocate for Better Services

Synopsis
In the Indian state of Tamil Nadu, the World Bank has been working with local communities and governments to build federations of community groups that can successfully give voice to the poor by advocating for better government services. The project has met with overwhelming success and has been described as a “top 10 percent” project by the World Bank's Quality Assurance Group.

Challenge
Although Tamil Nadu has achieved rapid economic growth in recent years, some 20 percent of the state's households continue to live in poverty. Trapped in a lower socio-economic status perpetuated by limited access to credit, lack of social safety nets, gender inequities, a rigid caste system, and physical disability, these households remain highly marginalized.

Essentially, the state of Tamil Nadu has suffered from a noticeable disconnect between a government that is willing to serve its citizens, but seems to be missing the mark, and an impoverished constituency that is in need of services, but seems unable to access them. Due to this lack of effective communication between service providers and the community, service providers have not received the feedback necessary to design government services so that they match up directly with the needs of the poor.

Approach
In order to generate the feedback necessary to tailor government services to beneficiary needs, the project approach has focused on mobilizing communities to form self-help groups of 10-15 households and that are further organized into federations at the more local level Gram Panchayat. These federations have served as feedback links to service providers and advocated for the improvement of government services among agencies of particular importance to poor citizens including: social welfare, disability welfare, banking, agriculture, animal husbandry, and water and sanitation.

“From the beginning, the project has emphasized intensive community institution building,” says Samik Sundar Das, Senior Rural Development Specialist at the World Bank. “The resulting community-based organizations represent the poorest of the poor and seek to establish effective linkages with elected local government and the private sector.”

In supporting these federations, the project has used a number of participatory mechanisms to amplify the voices of the poor and generate feedback:
• Social audit committees comprised of selected community representatives that hold open meetings to facilitate feedback from the community and provide oversight
• Annual completion of performance scorecards evaluating the performance of both the community-based organization and the project
• Publicizing information on project staff performance, disbursement of funds, and project plans using the World Wide Web and public displays
• Regular learning meetings at the community, district, and state levels to solicit input from beneficiaries on project implementation.
• A vertically integrated grievance redress systems that operates from the community level upward by clearly displaying the mobile phone numbers of key authorities responsible for registering and escalating complaints.
• Providing direct financing to community institutions in order to deepen the sense of ownership that beneficiaries have in prioritizing their needs, designing locally appropriate solutions, and allocating resources to achieve their goals.

Beneficiary Results
The following results have been achieved:
• The project is working with 580,000 households and approximately 23,000 self-help groups comprised of women and disabled citizens across the 16 project districts.
• On average, participating households have seen income increase by 14 percent over the control groups. • The project has supported the creation of 3,500 Common Livelihood Groups which help poor households to diversify their asset base and reduce vulnerability.
• Education and mobilization efforts have yielded improved community participation in local level governance forums. For instance, community meetings known as Gram Sabha have an estimated 75% participation rate.
• An estimated 95 percent of villages have rated the financial transparency and disclosure mechanisms employed by the community-based organizations as satisfactory.
• World Bank's Quality Assurance Group has been particularly impressed by the project's work stating that it “falls into the top 10 percent of Bank projects” and noting that as a result of “consultation and planning, effective facilitation and genuine joint ownership of different constituencies, the project has the promise of becoming the basic structure for rural development in Tamil Nadu and provides an approach which is serving to bring lessons to other Indian states. One could well spin off two or three of these components into separate projects for replication and scaling-up in the future.”

**Bank Contribution**
The World Bank's primary focus has been providing technical assistance, facilitating knowledge sharing, and advising on accountability systems and community mobilization. In addition, the World Bank provided an original US$120 million credit, through the International Development Association (IDA), the World Bank's Fund for the Poorest, which has been further extended with US$154 million in financing through 2014 to support scale up.

**Partners**
Partnering with local, district, and state governments has been key to the project's overwhelming success. Public and private financial institutions, including commercial banks, have been essential in improving access to financial services for the self-help groups. Partnerships with private companies such as Nokia and Ford have enabled the project to generate employment opportunities for rural youth from poor and vulnerable groups. The formation of economic activity groups has facilitated the strengthening of connections between communities and markets for their goods.

**Moving Forward**
Moving forward, the project is planning to build on its cornerstone of developing representative and responsive social institutions that serve the interests of the poor. With an additional US$154 million in World Bank support, the project is due to expand to an additional 380,000 households across 25 districts.

“Building community institutions that embody values of participation and inclusion has been the project’s foremost success,” says Kevin J. Crockford, World Bank Rural Development Specialist. “Estimating that 70 to 80 percent of beneficiaries have internalized these practices into their way of doing things, it is not hard to believe that the community groups this project has helped support will be sustainable and dynamic institutions for years to come.”