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Constituency Development Funds (CDFs) as a Tool of Decentralized Development

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Introduction

Parliamentary involvement in grassroots projects and in community development has been growing in a diverse set of countries, including Kenya, Pakistan, India, Uganda, Bhutan, Jamaica and Papua New Guinea. One policy tool for this involvement is Constituency Development Funds (CDFs), which dedicate public money to benefit specific political subdivisions through allocations and/or spending decisions influenced by their representatives in the national parliament. CDFs resemble the venerable U.S. congressional allocations generally called “pork barrel,” “earmarks” or “member items” in national and state-level policy making. Operations of CDFs have sometimes been controversial because they raise fundamental questions about the efficacy of government service delivery, the extent to which such service delivery can be made accountable, the role of legislators in selecting development priorities, and how public participation in policy making can be made more meaningful.

These controversies make it timely to develop a fuller understanding of this evolving policy tool and to devise guidelines for the transparent and ethical use of such funds in a manner that is free of corruption. To this end, the State University of New York Center for International Development (SUNY/CID) recently began a longer-range project that will follow a broadly comparative research and policy agenda. This project will produce academic studies, as well as tool boxes of good practices in norms and procedures that can assist policy makers in strengthening the effectiveness of CDFs as tools of participatory policy making. SUNY/CID’s comparative research is intended neither to disparage nor to endorse CDFs, but rather to reduce the heat-to-light ratio in these discussions and assist in developing effective local development strategies that also strengthen ties between MPs and constituents. This research focuses on three dimensions of activity concerning these funds:

- **Policy making** on CDFs, including goals and size of the funds; the structure of decision making on the use of the funds at all stages of implementation; oversight of CDF operations; and the relative influence of different individuals and groups in making policy;

- **Effectiveness** of CDFs as tools of decentralized development, including pitfalls in implementation; the relationship between operations of CDFs and other local development projects and administration; and reporting, transparency and accountability of CDF-initiated projects; and

- **Sustainability** of CDFs as instruments of development, including the manner in which CDFs inform representative-constituent relations; the electoral effect of CDFs; the viability of CDFs in different types of electoral systems; and the effect of CDFs on relations among civil society, legislatures and executives.

SUNY/CID’s project begins with some central insights from research into parliamentary behavior over the past century: the importance of individual representation and constituency service that is in great demand even in strong party systems, and the ways in which some types of polices – those that are easily divisible – are more susceptible than others to this form of distributive allocation. CDFs are an

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1 This overview employs CDFs as a generic term although such funds are called “electoral development funds” in Papua, New Guinea, for example.

increasingly popular vehicle for politically centred development that seeks to build relationships between local and central stakeholders, and between stakeholders in government institutions and those in civil society.

This overview paper is organized around issues of definition, policy-making, policy implementation, politics and sustainability, and the steps forward to a fuller understanding and the development of a policy-making toolbox on CDFs. It frames questions for further research and development. It has three appendices: a matrix comparing characteristics of selected CDFs; a summary of some common challenges facing CDFs; and illustrative case studies of CDF development in Jamaica, Kenya and Uganda.  

**What are CDFs?**

It is not always clear just what a CDF is. There are four central issues concerning the identification of CDFs as a broader set of policy tools aimed at decentralized development.

A first question asks whether CDFs are primarily a political project or do they represent efforts to spur good, locally based development? It appears that they are politically driven development initiatives. The African Legislatures Project has produced research that demonstrates the importance of constituency-based politics in Africa in both the supply and demand for constituency service. So while it is important to view CDFs against the background of national strategies of development, it is also clear that a key goal of CDFs is to nurture the integration of diverse communities into a common set of political and social values in support of the existing system. Constituency-based initiatives can protect communities from the impersonal administration of inflexible and centralized state organizations that often overlook individual communities in the name of administrative rationality.

Second, how much variation is there in mechanisms of distribution and implementation of CDFs? For example, will a good practice toolbox for Papua New Guinea’s EDFs also apply to the CDF in Kenya, the CDF in Jamaica, the CDG in Bhutan and the MPLADS in India? To what extent do politicians, administrators and constituencies in each of these places accord similar meaning to each of these funding mechanisms? How essential to a CDF is the precise locus of decision-making authority, the entity that controls the administration of the fund, the means of disbursement of funds to MPs, the type of allowable projects, the entities responsible for oversight, to list only a few such questions. In other words, which elements are central and which elements are peripheral to the definition of a CDF?

In this vein, it is not clear whether the “system” of earmarks and pork barrel distribution that is practiced in US national and state government is of a single type with CDFs. It is true that the long history of distributive allocations in the US permits a unique opportunity to explore the evolution of systems of politically determined resource allocation for local development. On the other hand, there may be a fundamental difference between US earmarks, which are often informal mechanisms that are employed on a case-by-case basis and the institutionalization of distributive mechanisms that become part of the annual budget process as appears to be the case with CDFs. Furthermore, a form of US “soft  

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3 In addition to the countries described in these documents, SUNY/CID found insufficient information on the operations of CDFs in an additional 9 governments to include them into the descriptive matrix for the time being. They are: Liberia, Malawi, Malaysia, Mexico, Namibia, Nigeria, Rwanda, Tanzania and Zambia.

4 See http://www.africanlegislaturesproject.org/ for more information on ALP.

5 Electoral Development Funds

6 Constituency Development Grant

7 Member of Parliament Local Area Development Scheme
“core pork” masked as tax legislation and tax exemptions are very hard to trace. A bill might be drafted that exempts companies and other entities from paying certain taxes, which is usually not recognized as pork. An equally interesting issue is the identification of CDFs in economically advanced systems with constituency-based politics, such as in the UK.

Finally, the emergence of CDF-like institutions almost exclusively in Westminster systems with clear constituencies in first-past-the-post plurality/majority electoral systems raises the question of whether CDFs serve as a compensation for the parliament’s inability to amend the budget in these systems. It may also be the case that, unlike the earmarks or pork in presidential systems, CDFs are not subject to internal political wrangling but are institutionalized in the annual budget process and cut across party lines and over the objections of the executive. So if CDFs represent a type of responsive politics and administration, it remains to codify a compelling typology that would allow policy makers and researchers to identify its significant attributes that can be leveraged for equitable and effective policy making.

**Policymaking on CDFs**

Because CDFs make available substantial political resources to be employed in development, the universe of CDF policy makers is potentially quite large. This universe includes executive agencies, offices of prime ministers, parliaments, locally based service providers, local and regional government, constituencies, contractors, financial institutions, civil society organizations (CSOs), non-governmental organizations (NGOs), and national and international donors. SUNY/CID’s project explores the diverse paths these actors take to become stakeholders in the development of CDF policy, in decisions about the kinds of projects in which to invest, the manner in which tenders are awarded, the type of oversight practiced, and the degree of transparency in the policy process. Beyond anecdotes and a handful of case studies, the manner in which policy is made on CDFs remains virgin soil.

Questions under investigation about CDF policymaking include: how do legislative institutions organize themselves to address the issue of distributive allocations? How much staff time is dedicated to addressing these issues? How much time do individual MPs spend on CDFs as opposed to other types of constituency-based politics and other types of issues? Why do some issues seem ripe for treatment by CDFs as opposed to a more traditional administrative or policy process? Do CDFs substitute for other forms of ongoing service delivery and administration? A fuller understanding of how policy on CDFs is made will be important to the accumulation of what to avoid (bad practices) and what to do (good practices) in proposing a set of good practices that could be employed in establishing CDFs and in their further operation.

**Administration: Implementation, Oversight and Development**

An understanding of how policy is made leads to questions on the administration of CDFs in practice. It appears that there are no internationally accepted principles, tools and templates of administration and implementation of this quickly evolving phenomenon. For example, it is not known whether or when the direct disbursement of funds for CDFs is a more effective model than the indirect disbursement of funds. When funds are broadly distributed in block grants that win general support, CDFs can become part of the budget cycle. But there remain many unanswered, if simple, questions of who exactly
receives the funds, what type of projects actually get built, are there clearly stated and well-publicized principles for allocative equity and efficiency, or for procurement and accounting.

This also leads to a broader consideration of how the administration of CDFs affects legislative-executive relations and the balance of power between branches of government. There are open questions as to how large a role CDFs should play in development administration. Table 1, below, shows the great national variation in the amount of money allocated to each MP in a CDF.

**Table 1: Amounts allocated per MP in USD**

<table>
<thead>
<tr>
<th>Country</th>
<th>Average Amount Allocated per MP (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Philippines</td>
<td>$4,270,001</td>
</tr>
<tr>
<td>Bhutan</td>
<td>$43,000</td>
</tr>
<tr>
<td>Solomon Islands</td>
<td>$140,000</td>
</tr>
<tr>
<td>Kenya</td>
<td>$794,464</td>
</tr>
<tr>
<td>Malaysia</td>
<td>$577,951</td>
</tr>
<tr>
<td>Jamaica</td>
<td>$456,361</td>
</tr>
<tr>
<td>India</td>
<td>$420,790</td>
</tr>
<tr>
<td>Sudan</td>
<td>$317,543</td>
</tr>
<tr>
<td>Pakistan</td>
<td>$240,000</td>
</tr>
<tr>
<td>Malawi</td>
<td>$21,352</td>
</tr>
<tr>
<td>Tanzania</td>
<td>$13,761</td>
</tr>
<tr>
<td>Uganda</td>
<td>$5,187</td>
</tr>
</tbody>
</table>

This effort must address the claims that “CDFs have a negative impact on accountability and service delivery” in comparison with “other options for strengthening legislatures and improving local project delivery.”

There are important questions concerning the role CDFs should play in development administration or in how the administration of CDFs affects the balance of power among different branches of government. At what point and under which conditions could CDFs damage executive–legislative relations or center-provincial-local relations? How can ministries contribute to the formulation and administration of CDFs? Will CDFs compete with ministries in service delivery? Will CDFs add to the burdens upon ministries through ‘fiscal illusions’? Or will CDFs ease the administrative burdens on ministries with well-placed implementation of projects that reflect the priorities of local communities? Do CDFs play a fundamental, distributive role that is perceived as more equitable than budgetary disbursements under the control of the executive/administration – or how can a balance be struck between central-administrative and political-local means of identifying and implementing development projects?

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8 Ibid. The IBP paper does not indicate for which year the allocation took place – a matter of some importance as each parliament employs a different formula for awarding these funds, but the chart does capture the wide national variation in amounts awarded to CDFs.

Nor can we ignore the issue of corruption in the operations of CDFs. There are simple questions of fact that remain to be fully answered across the national cases of CDFs. In what forms does corruption take place? What actions are taken against individuals and organizations accused of corruption? What type of rules and practices can reduce the potential for corruption and misuse? A compelling case for the development of CDFs must identify a set of tools that enable for the transparent and ethical use of such funds in a manner that is free of corruption.

A number of local puzzles also require solutions. CDFs can represent a quick fix and fiscal illusion, or free money, whose investment can actually increase the burden of long-term expenditure on the central government. On the other hand, it can also reflect the priorities of local communities. It is therefore important to distinguish the articulation of local demand, by which MPs identify CDF projects, from local government administration, which is a separate issue of local government managing the Fund disbursements. The challenge is not for CDFs to replace existing service delivery from local or central government, but to define a relationship with local governments and other agencies that addresses potential overlap, contradiction and redundancy with current service delivery, and that augments the quality of services that are delivered.

This conclusion leads naturally to the identification of principles and rules of CDF accountability that contribute to a constructive framework for procurement of goods and services in CDFs and for oversight of their implementation. It not only concerns which entity will exercise oversight, but asks how that system of oversight will fit into the overall policy making process that is increasingly transparent. The current absence of institutionalized accountability may make CDFs popular with politicians and administrators who view them as opportunities to advance personal interests and agendas. But this absence of accountability also leads CDFs to become unpopular with groups that are cut out of the policy process and/or cut out of the investments that are being made. The International Budget Partnership’s documentary examining MUHURI’s social audit in Mombassa, Kenya demonstrated the problems in the operations of institutions that are charged with accountability and/or transparency in Kenya’s CDFs. Enhanced transparency and oversight through report cards and social audits are increasingly being employed both by government institutions and by those in civil society.

Enhanced transparency appears to require a separation and balance of powers. A CDF that is centrally controlled by the executive and is strictly accountable to the President or Prime Minister may leave little room for transparency in its operations. However, it would seem relatively simple to enhance transparency in CDF operations that would lead to more effective accountability of CDFs – either through legislation expanding freedom of information and/or enhancing the transparency and openness of government administration. SUNY/CID’s research is exploring the relationships between transparency, accountability, CDF size, and complexity of decision-making processes.

**Politics and Sustainability**

The sustainability of CDFs as tools of decentralized and effective development rests both on the efficiency and the effectiveness of its implementation and on its political acceptability to stakeholders.

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10 See a program on social audit of a Kenyan CDF project at: [http://www.youtube.com/watch?v=z2zKXqkrf2E](http://www.youtube.com/watch?v=z2zKXqkrf2E)

throughout the political system. The current popularity of CDFs appears to rest mainly on the generally held political calculus in which centrally placed politicians bring home development resources to local communities and groups in exchange for political support. The institutionalization of CDFs as a mechanism of resource allocation across party lines can help to nurture a loyal opposition even over the objections of executives. At the same time, many MPs believe that CDFs have contributed to a system of political competition in where candidates are measured, in part, on their effective employment of CDF allocations.

This perception raises the empirical question as to whether the employment of CDFs carries with it an electoral payoff and helps to return incumbents to office. Do CDFs have an impact on turnover within the parliament? How does high legislator turnover or incumbency affect the way a CDF is employed? Do CDFs act as a measure of MP effectiveness by setting voters’ expectations? How do MPs change their behavior on non-CDF issues in response to the perception that their seat is safe? Do CDFs privilege some business or contractors over others? Against this background, it is important to ensure that CSOs be included as part of a political calculus of policy making, especially when they represent vehicles to include constituencies, stakeholders and groups that are often cut out of the policy process.

**Conclusions: Next Steps in SUNY/CID’s Project on CDFs**

At this stage in the project, we can draw a few conclusions. First, CDFs are becoming increasingly significant tools of politicized and decentralized resource allocation in developing countries. They are popular in the face of a donor community that continues to prefer traditional development driven by central governments in a manner that resembles “rationality” in economically advanced nations. But the relationship between CDFs and traditional forms of development are actually rather complex and marked by efforts at cooperation and coordination among different types of programs aimed at decentralization and local development. Their popularity may stem from their performance of a function not otherwise supplied by the existing administrative-political system. As in the case of earmarks in the US, CDFs could fill the holes for things that fall between the cracks. On the other hand, the enormous potential for abuse in the operations of CDFs creates a significant challenge for policy makers and scholars to devise norms, rules and procedures for the effective operation of these increasingly important policy tools.

Second, SUNY/CID’s project on CDFs is taking up the challenge of expanding the base of information on the emergence and evolution of CDFs in order to develop a ‘tool kit’ for policymakers containing suggested norms, rules, procedures and templates that can be studied and adapted to different settings. It is our hope that such a tool kit will contribute to the increasing effectiveness of this politicized and participatory development administration in a manner that can genuinely help strengthen the responsiveness of government to the real needs of individuals and groups in their own communities.

Third, SUNY/CID’s project has commissioned a set of case studies and other research that will systematically explore the development and operations of CDFs internationally. It will identify a set of lessons learned and good practices as early steps in developing the tool box. It has begun cooperating with partners from the CPA, the WBI, NDI and UNDP in study groups and workshops. We are employing

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12 The International Budget Project is also taking up a project that is exploring CDFs from a critical perspective.
a modified version of Field Network Studies to carry out this research.\textsuperscript{13} It relies on selected researchers in each target country who are expected to employ their deep knowledge of local conditions to collect data, and to answer a set of descriptive and analytic questions that are posed in a common survey instrument. These field researchers are expected to employ common concepts that the survey is designed to capture by identifying appropriate indicators and collecting data on them.\textsuperscript{14}

This overview ends at the beginning, with the need for a research and policy project that addresses this emerging tool for parliamentary involvement in grassroots projects. It will help illuminate this policy tool in (a) a rigorous explication of variation among the national versions of CDFs by academics and development professionals; (b) a careful, ground-level analysis, by academics and policy makers, of how the operations of CDFs intersect with the lives of ordinary citizens, constituents and interest groups and CSOs; and (c) a comprehensive set of publications and guidance for diverse audiences that will disseminate basic information on, lessons learned about and good practices in CDFs in manner that is consistent with evolving good international practices of parliamentary operations, administration and governance.

**Note on Appendices**

We attach three appendices to this brief synthesis:

**Appendix 1** consists of a matrix that presents selected information on a number of CDF schemes in a limited set of countries: Bhutan, Ghana, India, Jamaica, Kenya, Pakistan, Papua New Guinea, Philippines, Solomon Islands, Tanzania, Uganda and Zimbabwe. This provisional matrix is meant to provide a comparative snapshot of a several illustrative characteristics of existing CDFs and similar distributive programs. We welcome suggestions of ways to improve the matrix.

**Appendix 2** consists of an elaboration of challenges that have been raised in the published literature on CDFs.

**Appendix 3** consists of three brief desk studies of CDFs in Jamaica, Kenya and Uganda. These studies briefly describe the policy framework, how CDFs operate, and some views on operations of CDFs and set the table for more comprehensive case studies now underway.


\textsuperscript{14}SUNY/CID will use these data to assess comparative legislative performance through an evaluation of the comparative utility of indicators that are favored by the different field researchers. At the upcoming workshops, study groups and conference, SUNY/CID will be in the position to address the effectiveness of CDFs as well as central questions of what makes such decentralized development effective.
# Appendix One: Characteristics of Selected CDFs

<table>
<thead>
<tr>
<th>Country</th>
<th>Fund Name</th>
<th>Legal Basis</th>
<th>Funding</th>
<th>Process (implementation and oversight)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bhutan</td>
<td>Constituency Development Grant (CDG)</td>
<td>No provisions for direct elections</td>
<td>Nu. 10 million per constituency for 5 yrs to be dispensed Nu. 2m each yr (US$43,000)</td>
<td>Ministry of Finance, National Assembly Budget Committee, provincial govt's, constituency govt's, Royal Audit Authority (audit Ministry of Finance)</td>
</tr>
<tr>
<td>Ghana</td>
<td>District Assemblies Common Fund (DACF)</td>
<td>Plurality/ Majority: First Past the Post</td>
<td>5% annual budget</td>
<td>DACF Administrator, who is appointed by the President with prior approval from Parliament, and the Ministry of Finance</td>
</tr>
<tr>
<td>India</td>
<td>Member of Parliament Local Area Development Scheme (MPLADS)</td>
<td>Plurality/ Majority: First Past the Post</td>
<td>2 million rupees per MP/ constituency per year</td>
<td>District Authority of MPLADS; implementing agencies</td>
</tr>
<tr>
<td>Y-axis: Country and name of Fund</td>
<td>Legal Basis</td>
<td>Funding</td>
<td>Process (implementation and oversight)</td>
<td></td>
</tr>
<tr>
<td>---------------------------------</td>
<td>-------------</td>
<td>---------</td>
<td>----------------------------------------</td>
<td></td>
</tr>
<tr>
<td>X-axis: Descriptive Characteristics</td>
<td>official name</td>
<td>type of electoral parliamentary system (according to IDEA)</td>
<td>year fund created and/or launched</td>
<td>if applicable, name of legislation or directive creating fund</td>
</tr>
<tr>
<td>Jamaica</td>
<td>Constituency Development Fund (CDF)</td>
<td>Plurality/ Majority: First Past the Post</td>
<td>established out of Office of the Prime Minister (OPM)</td>
<td>created 2007, began 2008</td>
</tr>
<tr>
<td>Kenya</td>
<td>Constituency Development Fund (CDF)</td>
<td>Plurality/ Majority: First Past the Post</td>
<td>legislation passed in parliament</td>
<td>created 2003 (amended 2007)</td>
</tr>
<tr>
<td>Pakistan</td>
<td>Mixed:Parallel</td>
<td>1985</td>
<td>Update given under: Five Points Program (not CDF name). CDF funding comes from the regular budget processes of the Public Sector Development Programme</td>
<td>5% of 2009-2010 development budget</td>
</tr>
<tr>
<td><strong>Y-axis:</strong> Country and name of Fund</td>
<td><strong>Legal Basis</strong></td>
<td><strong>Funding</strong></td>
<td><strong>Process (implementation and oversight)</strong></td>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>X-axis:</strong> Descriptive Characteristics</td>
<td>official name</td>
<td>type of electoral parliamentary system (according to IDEA)</td>
<td>method of creation</td>
<td>year fund created and/or launched</td>
</tr>
<tr>
<td><strong>Papua New Guinea</strong></td>
<td>Electoral Development Funds (a.k.a. Rural Development Program)</td>
<td>Plurality/Majority: Alternative Vote</td>
<td>executive order</td>
<td>created 1970s and has undergone several iterations, recently amended in 1995 and 2007</td>
</tr>
<tr>
<td><strong>Philippines</strong></td>
<td>Priority Development Assistance Fund (PDAF) (transformed from the former Countrywide Development Fund (CDF) in 2000)</td>
<td>Mixed:Parallel</td>
<td>n/a</td>
<td>CDF created in 1900 and transformed into PDAF in 2000</td>
</tr>
<tr>
<td>Y-axis: Country and name of Fund</td>
<td>Legal Basis</td>
<td>Funding</td>
<td>Process (implementation and oversight)</td>
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<tr>
<td>X-axis: Descriptive Characteristics</td>
<td>(according to IDEA)</td>
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</tr>
<tr>
<td></td>
<td>official name</td>
<td>type of electoral parliamentary system</td>
<td>method of creation</td>
<td>year fund created and/or launched</td>
</tr>
<tr>
<td>Solomon Islands</td>
<td>Rural Constituency Development Fund (RCDF)</td>
<td>Plurality/ Majority: Alternative Vote</td>
<td>n/a</td>
<td>created 1989</td>
</tr>
<tr>
<td>Tanzania</td>
<td>Constituencies Development Catalyst Fund (CDF)</td>
<td>Plurality/ Majority: First Past the Post</td>
<td>The Constituencies Development Catalyst Fund Act 2009</td>
<td></td>
</tr>
<tr>
<td>Uganda</td>
<td>Constituency Development Fund (CDF)</td>
<td>Plurality/ Majority: First Past the Post</td>
<td>established from talks between Presidency and MPs from 7th Parliament</td>
<td>created 2005-2006 fiscal year</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>Plurality/ Majority: First Past the Post</td>
<td>Constituency Development Fund (CDF)</td>
<td>Law drafting 2010</td>
<td></td>
</tr>
</tbody>
</table>
Appendix Two: Central Challenges Faced by CDFs

A. **Accountability and transparency** deficiencies generally result from the lack of a clear, effective mechanism for oversight or separation of powers delineated in CDF policy, which can lead to:

   a. *Unaccounted for or wasted money* because balance sheets are improperly, dishonestly or rarely reported.

   b. *Corruption* when MPs use funds to buy political favors or votes; when decentralized levels of government, administration and CSOs fail to maintain and submit to central CDF administration detailed records of money used; and/or project designers or implementers are selected on the basis of clientelism or nepotism.

   c. *Disillusioned constituencies* because they were not consulted at any or all stages of project identification, proposal, selection, approval and implementation.

B. **Efficiency** issues arise when there is a misallocation, misuse or underutilization of CDF disbursements as a consequence of:

   a. *Fiscal illusion*, or the inability for local populations to grasp the aggregate cost of all CDF projects for the central government and its impact on the national budget. In this case, because CDF money does not come directly from a constituency’s revenue or tax base, it is treated as “free money”, diminishing the degree of efficient utilization of and effort to monitor such disbursements. Also, the central government incurs long-term cost of these projects, which is a hidden cost.

   b. *Project duplication* with development efforts of national and local government or development efforts funded by the donor community.

   c. *Poorly designed projects* due to the lack of a coherent policy framework within which to propose, devise and implement projects, which ultimately promotes waste.

   d. *Incompetent administration* in local government that may be technically ill equipped to administer project funds due to the technical complexity of management practice.

C. **Equity** dilemmas surface partly because of different approaches to defining three core elements of what is meant by “fair CDF distribution”. To address these three elements, one must define who the deserving recipients are, what the limits are of the project or item for which money is allocated and how you gauge the fairness of the process of distribution? Given an agreed upon definition of equity, issues of fairness include:

   a. The differences in population and need (economic, social, healthcare, etc.) across constituencies if CDF money is allocated evenly per constituency.

   b. Motivating factors leading MPs to prioritize certain geographic areas of their constituency for development as opposed to others. Sometimes, when one area of a constituency is a political party stronghold, MPs will spend more heavily on other areas because there is minimal incentive to spend in an area already backing that legislator.
c. Rewarding projects that are geared towards issues more relevant to males. In addition, women are less likely to be informed about such projects, preventing women from addressing this disparity.

D. The following questions about how CDFs play into representation – a focal role of legislators – highlight what effect CDFs can have on other dimensions of parliament.

a. In advancing the development goals of a particular constituency, there is a contradiction between a legislator’s party and personal constituency.

b. Do CDFs hinder programmatic political parties and their ability to push public policy/goods given that both CDFs and parties may be pursuing the same or similar development objectives?

c. The legislator’s performance in the use of their CDF allocation becomes a measure of effectiveness of that legislator. Do CDFs undermine the legislator’s national policymaking role or focus when high performance requires significant attention paid to one constituency?

d. Is the perception that CDFs are a measure or indicator of legislators’ representational efforts accurate? Do other indicators provide equal or better measures?

e. Are CDFs a legislative incursion on the executive role?
Appendix Three: Three Case Studies

1. Jamaica

2. Kenya

3. Uganda
Case study-Jamaican CDF

“CDF is no political pork barrel. Rather, it is a fine example of democracy in action, people participation in community development and good governance worthy of encouragement and support”-- Ken Jones

“This is to foster local governance, including good environmental stewardship; improve service delivery; bring government and the people closer together; and increase the response capacity of the elected representatives,”-- Moveta Munroe

I. The launching of Jamaica’s CDF

As he sought election in 2007, Prime Minister Bruce Golding campaigned against corruption in the government’s Social and Economic Support Programme (SESP) and promised to create a new vehicle for government-sponsored development: the Constituency Development Fund (CDF). Following his victory, Prime Minister Golding and his Jamaica Labour Party (JLP) initiated a program in February, 2008 to fulfill their commitment to provide Members of Parliamentary (MPs) with a portion of the budget for constituency projects. The program is intended to “promote human and infrastructure development at the community and constituency levels” and to “empower the Members of Parliament to respond to the needs and priorities articulated by their constituents, thereby achieving improved governance at the local level.”

II. CDF budget history and structure

In contrast to his election campaign promise of setting aside 2.5% of national budget, which would be shared equally among the 60 constituencies (JM$150 million (US$1.73 million).19 per MP), for the newly established CDF, the economic slowdown in Jamaica limited the funding to 0.5% of national budget in 2008 for the Goulding Administration’s first-year CDF program. The next year witnessed a considerable cutback on CDF by half, leaving JM$20 million (US$231,000) for each MP to spend in his or her constituency. For the third-year CDF budget, however, the same level of JM$20 million per constituency has been preserved because “the Government recognizes that the CDF is an important part of our social safety net” and “[t]he CDF enables Members of Parliament to be more responsive to individual and community needs”, as indicated by the Minister of Finance in his presentation to parliament. Table 1 provides the general structure of Jamaica’s CDF allocation since it was established.

Table 1: Allocation structure of CDF

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19 According to the Bank of Jamaica, the exchange rate between USD and JMD in June 2010 was US$1.00=JM$86.63. So JM$150 million equals roughly US$1.73 million, JM$40 million equals US$461,000; JM$20 million equals US$231,000.
In addition, the following 2008-2009 data on implementation of the CDF may be useful: all 60 MPs claimed to have made full use of the JM$40 million allocated to each of them, and, of the total amount disbursed, JM$695 million (29%) went to Human and Social Development projects, JM$189 million (8%) to economic enablement, JM$109.5 million (4.6%) to disaster mitigation and JM$1.4 billion (58%) to physical infrastructure projects. Funded areas included: road repairs, economic enablement, water projects, rural electrification, sports development, education/scholarship grants, assistance in purchasing school books, general upgrading of bridges and other facilities, construction of computer laboratories and homework centers, as well as rehabilitation of community centers.

### III. Process for CDF operations

A CDF Programme Management Unit (CDF Unit) was established in February 2008 with a role of coordinating and monitoring all program activities. It is composed of a Director, one Project Manager Specialist, six Project Managers strategically stationed across the island, and 14 Project Officers, one assigned to each parish. In addition, the Minister of State in the Office of the Prime Minister (OPM) has an overall responsibility for the CDF program (OPM has five programs in total).

In general, the operations of CDF undergo three stages.

**Stage 1:** Initiation of CDF projects

MPs were required to develop a five-year development plan for their constituencies and submit it by September 30, 2008. In doing so, they must hold consultations with their Constituency Project Oversight Committee (CPOC), which is comprised of representatives of community-based organizations, influential individuals and non-governmental agencies, to determine priority projects appropriate for their constituency. This community participation is “essential to the selection of a project” and “therefore,
while the member of Parliament is the lead facilitator, the responsibility for selection and prioritization of project ideas must be that of the constituents and not the MP.”

Stage 2: Selection and approval of CDF projects

Based on the priorities determined by the communities, MPs work with the CDF Unit staff assigned to their area to develop the project document, which, with a minimum of 5 and a maximum of 20 project proposals, are then submitted to the CDF Unit located in OPM for consideration. The CDF Unit analyzes the proposals, initially approves them and then passes them to the bipartisan Parliamentary Committee for final approval. Once the Parliamentary Committee approves a project, funds are allocated by the Finance Officer at the OPM to the implementing agency identified in the proposal. In addition, MPs from the same parish are required to work together to develop one main project for their parish. Most notably, projects must fall within the categories identified: 1) Development, rehabilitation and maintenance of small-scale community projects; 2) Economic enablement; 3) Welfare and emergency (5% of fund allocated for this purpose).

Stage 3: Implementation of CDF projects

All of the money flows to the agencies that are responsible for implementing the projects. Agencies that are allowed to engage in implementation of CDF projects include: the parish councils, National Works Agency (NWA), Rural Electrification Programme (REP), Rural Agricultural Development Authority (RADA), Social Development Commission (SDC) and HEART Trust /NTA.

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28 “The nine-man Committee is chaired by Finance and Public Service Minister, Audley Shaw, and comprises five government MPs, including State Minister in the Office of the Prime Minister with responsibility for the CDF, Shahine Robinson, and four from the Opposition”. See Work Commences On Projects Under CDF. http://www.jamaicalabourparty.com/base/content/work-commences-projects-under-cdf
IV. Transparency, accountability and oversight mechanisms

1. Responsibility of monitoring the projects rests with various bodies, such as the implementing agencies, CDF staff on the ground, CPOCs, Parliamentary Committee and MPs themselves. In addition, CDF Unit Managers and Officers consistently monitor and review the proceedings of the Constituency Project Oversight Committee in their region. The CDF Unit is also in contact with the Parliamentary Committee and the OPM concerning any issues.

2. One of the monitoring methods employed by the CDF Unit is taking photos of projects, before, during and after. In addition, value for money is always ensured in the process of monitoring.

3. No money is allocated to MPs directly.

4. All projects being implemented are subject to the Jamaican Government’s procurement guidelines and the Financial Administration and Audit Act.

5. The Office of the Contractor General has been made a part of the monitoring apparatus.

6. Documents of “CDF Guidelines” and "CDF Operational Procedures" are currently being drafted.

7. Despite concerns and warnings for potential corruption and abuse of CDF fund from observers outside the program, we have not found a reported case of abuse so far.

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30 Ibid.
except one that revealed the authorities carried out an investigation on whether one MP had misused his or her CDF fund.  

V. Examples of good practices

1. A number of buildings and community centers have been set up with CDF funds in strategic locations across the constituency of East Central St Catherine to facilitate the training of unemployed and unskilled individuals in a number of disciplines.  

2. Residents of the coastal community of Little Bay in the constituency of Western Westmoreland felt overjoyed and relieved with the recently upgraded Little Bay main road, which, being rehabilitated through the Constituency Development Fund of Member of Parliament Dr Wykeham McNeill, and was completed in December 2008, is believed to create more economic opportunities.  

VI. Selected Commentary on CDFs

<table>
<thead>
<tr>
<th>Name</th>
<th>Affiliation</th>
<th>Remark</th>
</tr>
</thead>
</table>
| Hon. Shahine Robinson       | Minister of State in OPM           | Over the past year, the CDF has demonstrated what effective representation ought to be.  


Public Sector Master Rationalisation Plan
Called for CDF fund to be merged with the Jamaica Social Investment Fund (JSIF) and to cease the operation of CDF Unit.40

Martin Henry
communications consultant
Called for the scrapping of the CDF. The money will be used to ‘buy votes’. It is not the job of the MP. It is bound to have a corrupting influence on the political system.41

Dr Herbert Gayle
anthropologist of social violence
“We must remove all monies that members of parliament receive from the State, which I assure you are used in mobilisation and negotiations.”42

EDITORIAL
Jamaica Gleaner
Facilitating political pork means that other projects receive less (e.g., public defender, the contractor general and e-Learning project).43

VII. Areas for further exploration

In the absence of much literature on Jamaica’s new CDF program, our research was primarily based on media reports and government information. It would be very useful to explore the following questions:

1. What type of projects has been supported by the CDFs? Are they effective in promoting community development?
2. To what extent do NGOs and CSOs participate in the determination of and monitoring of CDF projects?
3. What is the relationship between the CDF operations and local governments in local-level development schemes?
4. Do CDFs strengthen the relationship between MPs and their constituencies? Are CDFs associated with corruption? Do members of the governing party and opposition equally employ funds for CDFs?
5. What type of institutional evolution and legislation will be undertaken to strengthen its capacity of CDFs to contribute to improved constituency relations and community development?


42 Ibid.

List of acronyms:

(CDF) Constituency Development Fund
(CDF Unit) CDF Programme Management Unit
(CPOC) Constituency Project Oversight Committee
(HEART) The Human Employment and Resource Training Trust/National Training Agency (HEART Trust /NTA)
(JLP) Jamaica Labour Party
(MPs) Members of Parliamentary
(NWA) National Works Agency
(OPM) Office of the Prime Minister
(REP) Rural Electrification Programme
(RADA) Rural Agricultural Development Authority
(SDC) Social Development Commission
(SESP) Social and Economic Support Programme
I. Background

Interest in Kenya’s Constituency Development Funds (CDFs) is especially great. A good deal of independent research on the Kenyan CDF has been completed and the CDF has served as a model of discretionary parliamentary spending in local and decentralized development for many constituency funds that are emerging internationally. CDFs are only one type of local, devolved or decentralized funding currently being utilized in Kenya, but they are the ones that also build relationships between national representatives in parliament and local development. The initial intent of the Constituency Development Fund Act in 2003 was to fund projects with immediate social and economic impact in order to uplift the lives of the people, to alleviate poverty and for purposes of development, especially in the fight against poverty at the constituency level. In fact, the CDF Act of 2003 specifically states, “the provisions of this Act shall…ensure that a specific portion of the national annual budget is devoted to the constituencies for purposes of development and in particular in the fight against poverty at the constituency level.” The Act was further amended in October 2007. Tables 1 and 2 below describe the formal system of CDF operations.

II. Legal Framework

The 2003 CDF Act and the subsequent amendments establish the various entities and components of the CDF program that are crucial to the operation and employment of the local development funds. It defines the role and constitution of each entity, promulgates rules and regulations governing the process by which projects are to be proposed and selected, and determines the manner in which funding shall be awarded and implemented. Tables 1 and 2 below highlight the five statutorily established entities and the distribution of funds identified by the Act, respectively.

Other highlights:
1. The Act establishes a reporting mechanism by which all disbursements made for projects to every constituency shall be kept and updated and tabled (presented) by the Minister to the floor of the Assembly.
2. Projects funded by a CDF must be community based development projects that may include the acquisition of land and buildings. Funds are not allowed to support political bodies and activities or religious bodies and activities.
3. District government plays an important role in the implementation of CDF projects: “(t)he departmental head of the relevant Ministry in each district shall oversee projects under his docket and shall keep and maintain records of the disbursements of funds and progress of the projects funded under this Act”.

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Table 1: CDF entities and their functions

<table>
<thead>
<tr>
<th>Entity (in the hierarchical order)</th>
<th>Composition</th>
<th>Function</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constituency Fund Committee (CFC)</td>
<td>Not more than 11 MP’s, one of which serves as the Chairman</td>
<td>Determines the allocation and distribution of funding to each constituency, reports to Parliament with recommendations, and oversees the implementation of the act</td>
</tr>
<tr>
<td>Constituencies Development Fund Board (CDFB)</td>
<td>17 members, including the Permanent Secretary of the Ministry, the Clerk of the National Assembly, the Attorney General, twelve appointments made by the Minister, and a Chief Executive Officer (CEO)</td>
<td>Operates nationally to ensure fund disbursements and management of the CDF fund, maintain record keeping, receive and address complaints to Ministry of Planning and National Development and Vision 2030, and to consider projects from constituencies and approve funding to constituencies.</td>
</tr>
<tr>
<td>District Projects Committee (DPC)</td>
<td>MPs, Mayors and other local authorities in the district, a District Commissioner, District Development Officer, District Accountant and the chairpersons of the Constituencies Development Fund Committees;</td>
<td>Coordinates the implementation of projects financed through the constituency development fund.</td>
</tr>
<tr>
<td>Constituency Development Fund Committees (CDFC)</td>
<td>Established within each constituency with an MP who serves as the Chairman and 14 additional members appointed by the MP</td>
<td>The CDFCs reviews and approves project proposals and requests for funding, and, determines appropriate allocation of funds.</td>
</tr>
<tr>
<td>Project Management Committee (PMC)</td>
<td>Members of the public who manage and oversee each individual CDF project</td>
<td>One Project Management Committee is created for every CDF project to monitor ongoing projects.</td>
</tr>
</tbody>
</table>

Table 2: Distribution of funds

<table>
<thead>
<tr>
<th>General guidelines by law</th>
<th>Year</th>
<th>Total amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Not less than 2.5 % of all “Government ordinary revenue” shall be paid into the fund every financial year. Recent proposals called to increase the allocation to 7.5%.</td>
<td>2007-08</td>
<td>US$132 million</td>
</tr>
<tr>
<td>2. 75 % is set aside and distributed equally among the 210 constituencies (or per MP) The remaining 25% is allocated to constituencies per poverty levels determined pursuant to a poverty index formula.</td>
<td>2008-09</td>
<td>US$154 million</td>
</tr>
<tr>
<td></td>
<td>2009-10</td>
<td>US$174 million</td>
</tr>
</tbody>
</table>

49 Ibid
III. Procedures for CDF operation

CDF legislation identifies the framework and process by which projects shall be identified, selected and carried out.

Following are the processes of project selection and fund disbursement.

1. Project selection project begins at the grassroots level with community groups identifying potential projects, prioritizing them and presenting final recommendations to the Constituency Development Fund Committee (CDFC). The CDFC prioritizes the final list of projects, places them in a 2nd and 3rd schedule, and specifies the name of the constituency, year of funding and an identification number for each project, (similar projects may be lumped together). The 3rd schedule serves as a more detailed snapshot of the project list than the one appearing in the 2nd schedule. The 3rd schedule also provides a status report that is crucial when assessing disbursement rates and amounts. The local community works in consultation with the CDFC, which provides guidelines for applying for funding and assistance in assessing project costs and particulars.

2. The CDFC submits the finalized list of projects to the District Project Committee (DPC), which should meet at annually to ensure that there is no duplication of projects.

3. The CDFC then submits the list of projects to the Constituency Development Fund Board along with the 2nd and 3rd schedule and any other pertinent information, which includes minutes from the community level project selection committee.

4. The Constituency Development Fund Board compiles a complete list of all proposed projects from the 210 constituencies, and then makes final recommendations from this list. Any disputes over potential projects are referred to the Constituency Fund Committee, which makes a final determination over disputed projects.

5. Lastly, the Electoral Commission of Kenya provides the Constituency Development Fund Board with constituency codes through which all projects can be identified. The Board then disburses money to constituent accounts. Ministers approve disbursements from the constituency bank accounts to specific projects. Each disbursement is recorded in minutes and is subject to the approval of three signatories.
IV. **Implementation and Oversight**

Although we have not found a comprehensive list of projects that have been implemented via the CDF funding mechanisms, Kenyan institutes have completed empirical assessments of CDF projects in: dispensaries and health centers, secondary schools, road projects, primary schools, water projects, rural electrification, agricultural projects, stadiums, cattle dips, livestock re-stocking, social halls, environment conservation and others. The projects fall into four broad sectors: education (32%), health (26%), water (19%), physical infrastructure (8%), and agriculture, security, social services and wildlife (15%).

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It remains to develop the reporting and oversight mechanisms in Kenya's CDF program more fully. Although the CDF Act mandates that the Controller and Attorney General shall audit the accounts of the board in full, there are many reports among civil society organizations that such formal oversight has not been assiduously practiced. Reporting from the Institute of Economic Analysis and the Kenya Institute for Public Policy Research and Analysis joins that of MUHURI (Muslims for Human Rights) to provide an external check on the development of CDFs. This research has shown that: some ministries work more effectively than others with CDFs, there are difficulties in coordinating CDF projects with other constituency initiatives, community participation in project development could be stronger, gender imbalances in committee representation could be corrected, and management of projects could be improved.\textsuperscript{52}

V. Good and Bad Practices, Supporters and Critics

The implementations of Kenyan CDFs run the full gamut of experience. There are many examples of assistance to primary schools, in which the local community identified priorities, local project committees submitted proposals to the CDC, town hall meetings served as effective forums of decision making and information for communities, and which evolved into genuinely self-sustaining projects that improved the quality of education.\textsuperscript{53} On the other hand, there is no shortage of examples of bad planning, ineffective project implementation and possible corruption.\textsuperscript{54} There are instances where equipment necessary for the project was left out of initial planning, where CDFs were not in the position to hire staff for dispensary projects, where the CDFs were not in the position to meet recurrent expenses, and where community views were ignored in power projects.\textsuperscript{55} In short, there is much to build on and much to learn.

On one hand, there is ample evidence of broad national support for CDFs. For example, the Honorable Ethuro Ekwee: “We really want, all of us, all the stakeholders, all the actors in this business, to realize that, one, CDF is a good idea. We want to make it work. Our country is a poor country, section three of the act, expressly says the fund is to fight poverty.”\textsuperscript{56} This reflects the high level of optimism in surveys from IEA in which constituents praise job opportunities for community members, the improved standard of living, and the opportunity to participate in development initiatives.\textsuperscript{57} There are also a good many civil society groups that have begun efforts to work in communities and with parliament on improving the way in which projects are created and implemented and in which services are delivered.\textsuperscript{58}

\textsuperscript{52} Ibid., pp. 42-43.
\textsuperscript{56} Constituency Development Fund Act 2003, pp. 39-41.
VI. **Challenges Facing CDF**

The Kenyan program for CDFs faces challenges to fully achieve the program’s intended goals. First, it must ensure sufficient resources to complete the necessary internal and external oversight and audits that are in the CDF legislation. Second, there is no guarantee that ordinary constituents will be fully knowledgeable and able to act effectively in developing plans for CDF projects. Third, the CDF program is subject to a cumbersome process of allocation and implementation that involves a high number of stakeholders, which can lead to problems of coordination with other government agencies, fraud and corruption. This is especially significant against broader efforts at decentralization. Fourth, it will be necessary to develop procedures for effective cost planning in support of project implementation. Finally, it will be necessary to address the politicized nature of these funds, so that projects begun in one mandate will be completed regardless of electoral result.
Case Study-Ugandan CDF

I. The background of Constituency Development Fund (CDF) in Uganda

The major impetus for establishing a CDF in Uganda is to address poverty at the grassroots level, where other government poverty reduction policies have not been able to succeed more fully.59 The history of allocating funds to Ugandan MPs for development purposes in their constituencies can be dated back to the 1960s.60 Discussion on reintroducing a similar fund started in mid 1990s and finally, as a result of many meetings between President Museveni and Members of the 7th Parliament (2001-2006), a presidential pledge concerning the establishment of a Constituency Development Fund (CDF) was then made in an attempt to relieve MPs of the pressures put by their constituents asking for financial support for development projects.

In July 2004, the Ugandan government sent a mission to Kenya to study how the CDF worked there. After approving a cabinet paper from the visit, President Museveni formally announced the introduction of CDF during his 2005 State of the Nation Address to the Parliament. Subsequently, the Parliamentary Commission included the CDF in their budget proposal for financial year 2005/2006. During the plenary session of Parliament on September 9, 2005, Parliament adopted the proposal and recommended the expeditious release of the fund. In November, a total of 2.9 billion Uganda Shillings (USD1, 657,000) was transferred from Ministry of Finance, Planning and Economic Development (MFPED) to the Parliamentary Commission, with each constituency equally sharing 10 million Uganda Shillings (USD 5,714 in 2005, USD4534 in 2010 due to change in exchange rate (according to www.xe.com)) on an annual basis.61

The amount of annual CDF money (Ushs 10m), which is channeled directly to the MPs' personal accounts, remains unchanged at present regardless of the growth in the number of MPs (332 in the current 8th Parliament compared to 305 MPs in the previous one).

II. Policy and legal framework for CDF

To date, there appears to be no laws or regulations governing the management of CDF in Uganda. After the Parliament approved the CDF in September, 2005, the Parliament Commission immediately appointed a committee on October 5, 2005, which comprised seven MPs and the Accounting Officer

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(Clerk to Parliament), to formulate the interim guideline/procedures\(^{62}\) for the management of CDF for 2005/2006.\(^{63}\) However, these interim guidelines were never approved by the plenary.\(^{64}\)

According to UDN, the main points in the guidelines include:

1. For the purpose of handling this money, each MP shall establish a committee of five people and serve as the committee chair.

2. Money would be released to the individual MP and MPs shall be responsible to account for expenditures of CDF funds to the Clerk to Parliament.

3. Funds would only be used on income and productive activities; on interventions that can trigger rural transformation and economic development; and on agro-processing and marketing of produce in constituencies.

4. Money would not be used develop infrastructure projects already under the Local Government initiatives or Central Government programs or projects; nor on political and/or religious activities.

In addition, the proposed managerial structure of the CDF is as follow:\(^{65}\)

1. **Constituency Development Committee (CDC)**, chaired by elected MP, shall be established in every constituency to design and submit the project to the District Project Committee (DPC) for their consideration.

2. **District Project Committee (DPC)**, headed by the District Community Development Officer, shall be established in every district. Its main function is to receive and consider projects submitted by the CDC, and to coordinate and monitor the implementation of the project.

3. **The National Committee on Rural Development (NCORD)** is charged with responsibility of approving projects submitted from constituencies.

III. **Process of operating CDF**

Although the guidelines are in place, it appears that they are not strictly followed by many MPs. This could result from the lack of precise specification of penalties for those who abuse or misuse funds and from ambiguity about who will be responsible for investigating and prosecuting those who misuse the CDF, among other things. Figure 1 below shows the process of CDF operation in practice.

\(^{62}\) While the full text of guidelines are not available officially, we found them in the AFLI's study report entitled *DEVELOPMENT OR POLITICS OF PATRONAGE? A study report of the Constituency Parliamentary Debates on the Constituency Development Fund and the Parliamentary Score Card as piloted in Nyabushozi, Makindye, Arua and Bukeea Constituencies in Uganda produced in May 2007*, pp. 9-10.


IV. Selected Perspectives of stakeholders

Constituents have been reported to make the following claims:

1. MPs, however vocal he or she may be in Parliament, will be judged by what development projects he or she introduces to his constituency. If an MP fails to contribute to certain events, i.e. weddings, construction of classrooms and churches as well as giving out salt, sugar, beans and soap to residents, etc, then he or she is not worth voting for.  

2. CDF can be an effective tool of poverty alleviation; is need for enhancing poverty eradication efforts; could be used to provide relief to vulnerable groups; and could help enhance a positive relationship between the MP and the citizens through regular consultations and interactions.

3. “If the regulations are made stronger, CDF is a good thing” - Pauline Apolot of UDN.

4. “How can such MPs be trusted with Shs70 million even when some of them allegedly failed to account for a paltry Shs10 million?”, “This is our money that the MPs are abusing with impunity” - Cissy Kagaba, Executive director, Anti-Corruption Coalition Uganda.

Parliamentary and government officials have been more critical of the CDF:

1. The problem of lack of accountability would continue as long as funds were paid directly to the members and if there was no law to regulate the management of the fund.

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2. “Some MPs have failed to account for the CDF money and in some instances those who have accounted didn’t even follow the guidelines.”

3. “The current Shs10 million for each constituency is not worth its name”, “the money is too little to bring any meaningful development in an area and that it should either be increased or scrapped.”

4. “Very appropriate because it allows MPs to work with their constituencies as partners in development rather than as charity providers.”

MPs have been more supportive of the CDF:

1. “The guidelines were not friendly at all”; “the funding of MPs should continue but the amount of Shs10 million be increased.”

2. “I got the money and appreciated although it came at a wrong time of campaigns”; “Although the money is very little, it gave MPs opportunity to address urgent problems that cannot be tackled by government immediately.”

V. Problems identified in implementation

There have been claims to CDF mismanagement since its inception among citizens and MPs. Among the criticisms against the CDF are:

1. Funds should not be channeled directly to MPs personal accounts.

2. The CDF guidelines are slack and circumvented by MPs.

3. No law or regulations guarding the management of CDF.

4. Oversight mechanisms are absent.

5. The awareness of and participation in CDF by citizens is low.

6. Accountability of MPs is very poor.

7. The money should not be released at a time when MPs are campaigning for re-election.


72 Ibid


75 Ibid


79 Ibid


VI. Good Practices

Case 1: One citizen, who benefited from the boda-boda (motorcycle taxis) scheme funded under the Constituency Development Fund (CDF), proudly mentioned that the CDF project served as a turning point in his life, where he had disposable income and no worries about disease as well as education for his children. He also saw the project had achieved the purpose of poverty alleviation for himself and others as well.83

Case 2: Margaret Baba Diri, woman MP of Koboko, says (in 2008) she “bought and installed the solar system for Koboko Parents Girls SSS at sh3m, distributed simsim seeds worth sh3m, roofed a two-classroom block for Kuluba Millenium community SS at sh2.5m and bought school furniture for Kochi SS at sh2.5m.”84

VII. Areas for further exploration

1. Research into the implementing, monitoring and evaluation mechanisms.
2. Developing templates for management and model S,O,P.s for CDF operation.
3. Exploration of relationship between CDFs and other government funds for local development
4. (Strengthening NGOs’ role and capacity in monitoring the management of CDFs).
5. (New investigation shall be done to see how effectively CDF is currently being used in grassroots’ development projects).
6. (Look into ways that could enhance MPs’ accountability, i.e. enactment of law or regulations, if possible, in response to MP’s advocacy on the increase of the fund).

List of acronyms:

(AFLI) Africa Leadership Institute
(CDC) Constituency Development Committee
(DPC) District Project Committee
(IBP) International Budget Partnership
(MFPED) Ministry of Finance, Planning and Economic Development
(NCORD) The National Committee on Rural Development
(UDN) Uganda Debt Network

82 Uganda Debt Network (UDN). http://www.udn.or.ug/CDF.htm