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JSDF FY 2022 Independent Assessment

Illustrative
Report

2013 -
2020

JSDF FY 2022 Independent Assessment 2013–2020 — Illustrative Report

Welcome



Mr. Hideaki Imamura

Executive Director for Japan
The World Bank

Emerging from the collaboration between the Government of Japan and the World Bank Group during the Asian Financial Crisis, the Japan Social Development Fund (JSDF) has transformed into a dynamic platform addressing global development challenges and empowering the most vulnerable communities around the world.

JSDF serves as a catalytic mechanism, effectively championing innovation, fostering participation, inclusion, and building capacity to alleviate poverty on a global scale. By providing grants to community-driven development and poverty reduction projects, JSDF not only bolsters the capacity of local communities but also empowers them to play a proactive role in shaping their economic and social development. From its inception in 2000 through June 2023, JSDF has delivered over 830 grants to 97 countries for a value of USD 803 million.

Distinguished by its unique operating model, JSDF provides grants to NGOs, civil society organizations and local governments, setting it apart from typical Bank-financed projects that are executed by the government at the

central level. This collaborative approach with local governments and NGOs/CSOs enhances project design responsiveness to community needs, expedites reaching target groups, and strengthens local implementing capacity. As demonstrated in a recent independent assessment of the JSDF, its steadfast commitment to capacity building is critical in creating foundations for sustainable results. Interventions introduced in JSDF projects are sustained and lessons learned are incorporated into other development work after the project ends.

This report further shows that JSDF has evolved into a global platform that provides critical multisectoral grants to communities that are often beyond the reach of mainstream interventions. It serves as a testing ground for innovative and scalable interventions, influencing government policies.

The Government of Japan is pleased to continue this historic partnership with the World Bank Group and looks forward to further strengthening our collaboration to effectively address the social and economic needs of the world's poorest and most disadvantaged communities.

Foreword



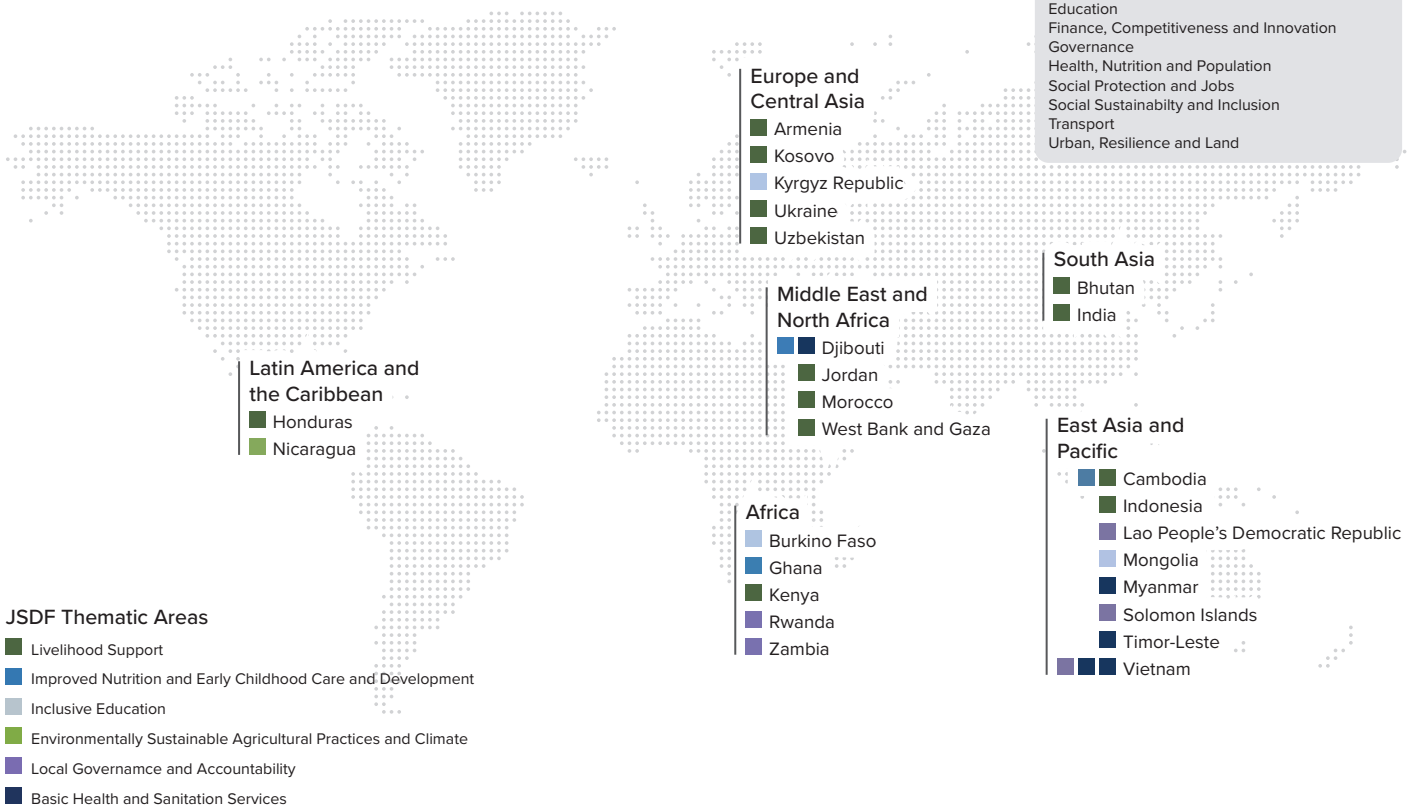
Ms. Maitreyi Bordia Das

Director, Trust Funds and Partnerships
Development Finance

I would like to extend a warm welcome to the partners and supporters of the Japan Social Development Fund (JSDF). Through this illustrative report, we will take you on a journey to learn more about the remarkable accomplishments of the JSDF between 2013 and 2020.

JSDF has supported and empowered the poorest and vulnerable groups in some of the most challenging environments around the world for over 20 years. This special collaboration between the Government of Japan and the World Bank has evolved into a global mechanism, providing direct assistance

JAPAN SOCIAL DEVELOPMENT FUND (JSDF) FY23 ACTIVE PROJECTS



to millions of people, including many in remote, marginalized or otherwise underserved communities.

In the current landscape, amid the formalization of the Evolution Roadmap and the World Bank Group's vision and mission update, JSDF's significance is more pronounced than ever. It serves as a unique instrument fostering partnerships with non-traditional actors, contributing directly to poverty eradication, and pioneering innovative solutions for scalable impact.

JSDF has worked directly with non-traditional actors such as nonprofits and local governments, in a joint effort to eradicate poverty on a livable planet. The Fund has a trademark focus on community-driven development and on piloting innovative interventions for scale-up, offering a unique value proposition compared to other World Bank funding opportunities.

A recent independent assessment, conducted in 2022, confirms the transformative impact

of JSDF grants on the livelihoods of those benefiting from the Fund: 92 percent of the projects sampled in the desk analysis reported their development objectives as either moderately satisfactory or satisfactory and 83 percent saw their interventions sustained and brought to scale. Overall, the assessment estimated that JSDF reached 60.4 million individuals across the sampled grants. Additionally, the assessment team found that most grants reviewed were considered highly relevant to a country's development priorities, highlighting the Fund's strong focus on responding directly to the needs of local communities.

On behalf of the World Bank Group and its clients, I would like to extend our gratitude to the Government of Japan for their continued strong support to the JSDF. Our shared commitment to ending extreme poverty and promoting shared prosperity is unwavering. We will continue to support critical community-driven development and poverty reduction projects to create a more inclusive, prosperous, and sustainable world.

Introduction



A beneficiary in Kitui district transformed her kitchen garden into a nursery and plans to sell seedlings to other farmers. She is also testing new growing methods (e.g., growing vegetables in a sack).

The Japan Social Development Fund (JSDF or “the Fund”) is a partnership between the **Government of Japan (GoJ)** and the **World Bank (“the Bank”)**. JSDF’s objective is to provide grants in support of community-driven development and poverty reduction projects

that empower the poorest and most vulnerable groups — those not reached by other programs. The Fund also aims to improve their lives through direct benefits. JSDF grants are made to recipients in eligible countries based on income level classification. Unlike most Bank-financed

projects executed by governments at the central level, JSDF grants are executed by NGOs/ CSOs and local governments and implemented at the community level. The Government of Japan is the sole financier of the JSDF program, having contributed USD 854.3 million in funding between 2000 and 2020.

The World Bank engaged Dalberg Advisors in FY 2022 to independently assess JSDF's activities over the preceding seven years.

The assessment team used a mixed-methods approach to collect and analyze data structured around the Organisation for Economic

Co-operation and Development's Development Assistance Committee (OECD DAC) criteria: relevance, effectiveness, efficiency, and sustainability. The assessment involved key informant interviews, a survey of World Bank Task Team Leaders (TTLs), a desk review of 45 grants, and a deep dive into ten JSDF grants, including field visits across nine countries: Bolivia, Cambodia, Djibouti, Egypt, Ghana, Guatemala, India, Kenya, and Uganda. This report presents a summary of the development impact and livelihood support activities of the JSDF. The results of the full assessment can be found [here](#).



JSDF Activities: A Snapshot

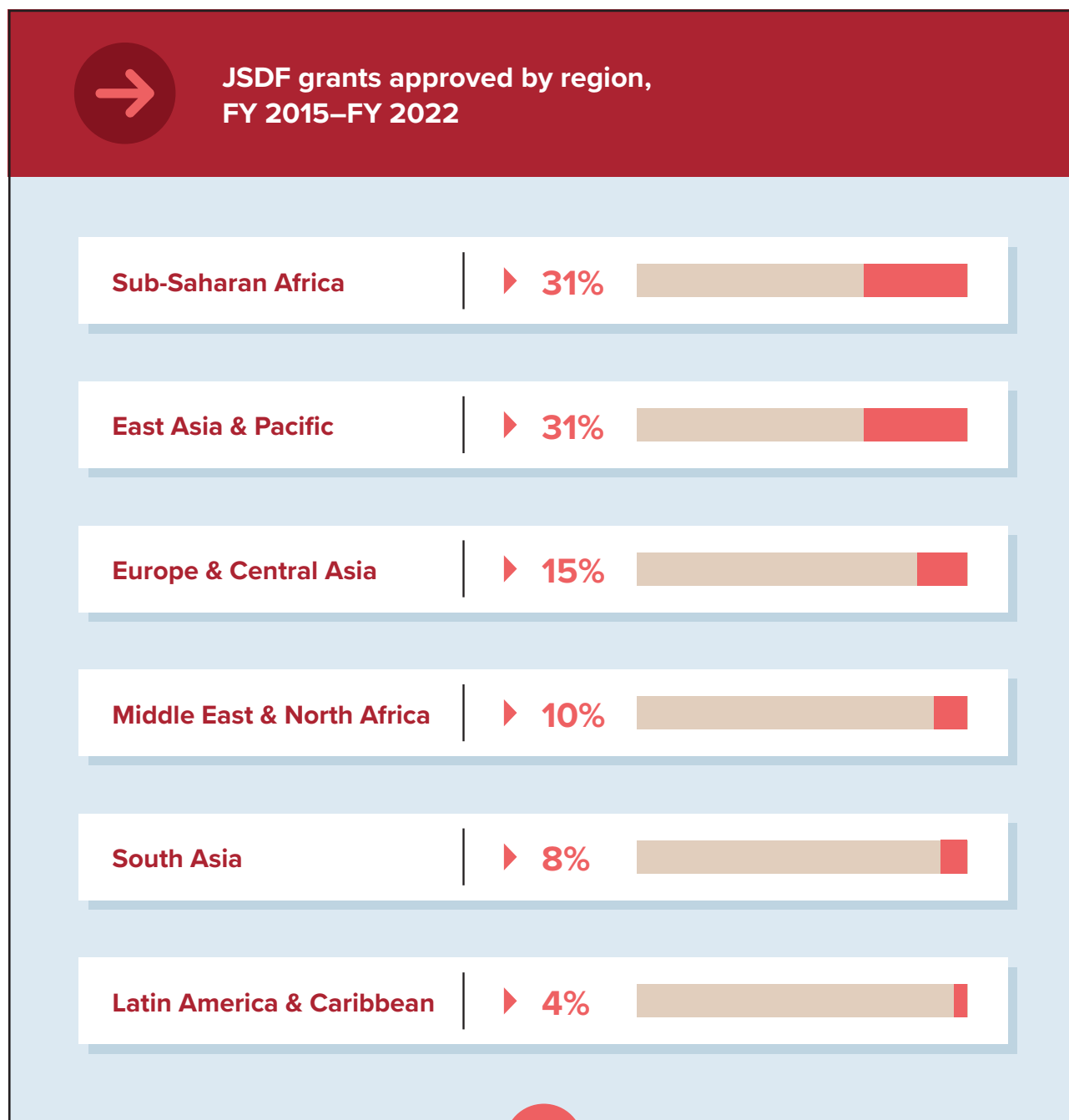


Over the years, JSDF has evolved into a global mechanism for improving the lives of the world's poorest and most vulnerable groups. The Fund is now a multisector grants program that targets poverty reduction to improve human security. JSDF differentiates itself by targeting communities not accessible by other mainstream interventions and piloting innovative and scalable interventions that

inform government policy. All low-income and middle-income countries — as outlined in the yearly World Development Reports (WDR) — eligible for World Bank assistance can be JSDF grant recipients. JSDF has provided grants in nutrition and early childhood care and development, education, governance, health and sanitation, livelihood support, and agriculture, among other sectors.

JSDF grants are largely executed by community-level actors such as NGOs/ CSOs and local governments because they are more likely to understand the needs of target communities and thus deliver relevant interventions. In championing small-scale pilots, JSDF encourages projects to scale or be replicated by the World Bank, other development partners, national and local governments, and other actors that can

reach larger populations and expand program impact. JSDF has provided 797 grants valued at USD 720 million in 85 countries from its inception through June 2020. In 2019–2020 alone, JSDF grants reached 1.2 million direct beneficiaries (60 percent female) and supported 8,000 small and medium enterprises (SMEs). Beneficiaries — both businesses and individuals — reported USD 15 million in revenue due to support received.¹



1. World Bank, “JSDF Annual Report for Fiscal Years 2019–2020,” 2021.

JSDF Impact: An Overview



The assessment team found that the majority of grants reviewed were considered relevant to a country's development priorities. Based on the documentation reviewed, 70 percent of grants sampled were rated “high” for relevance. Beyond the

relevance rating, field visits demonstrated how different grants responded directly to beneficiary needs. The team found that all grants reviewed included a participatory design process, which effectively contributed to project relevance.

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Government strongly supported the project. This project was very important for our policy of inclusive education, especially in poor floating communities. We do not want to see any child left behind.



MOEYS official, Cambodia

The JSDF-funded Guatemala Nutrition project leveraged local insights to pilot nutrition training models that effectively cater to rural indigenous communities.

The project aimed to improve nutrition outcomes for children in rural indigenous communities through education interventions, including training sessions, and distributed materials that explained early stimulation, positive childcare and feeding practices, and the importance of

breastfeeding. The project was based on a program previously implemented in Jamaica but adapted to the local context and translated into local indigenous languages other than Spanish. Indigenous languages allowed the implementing agency, ChildFund International, to build community trust by displaying an understanding of the local context and reaching beneficiaries less proficient in Spanish. This in turn enabled strong community uptake of program

interventions and improved child and maternal nutrition outcomes, reflecting the strong relevance of the project’s design and interventions.





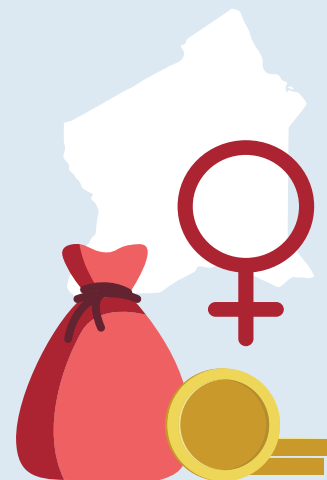
A beneficiary in Molo district received a loan of KES 300,000 and combined it with her own savings to buy a KES 2,700,000 tractor. She also bought a tractor trailer.

In Kenya, interventions by the Accelerating Rural Women’s Access to Agricultural Markets and Trade program increased the production capacity of smallholder women farmers.

The program aimed to improve the livelihoods of 3,400 women by increasing women farmers’ lobbying power, facilitating market linkages, and improving their business and production capacities. As part of the project, women were introduced to formal financial services by being introduced to long-term agricultural loans

managed by Equity Bank. The loans, along with business and production training provided by the implementing agency, GROOTS Kenya, enabled beneficiaries to collectively improve their production and livelihoods as they expanded agricultural operations. The introduction of loans and direct engagement and training of women in how to apply and manage loans were particularly relevant — many women indicated that their husband had led financial decisions for them. Business training and engagement with

Equity Bank expanded women farmers’ awareness of and access to financial resources in the community and contributed to enhancing women’s agency in making decisions.





JSDF grant approval status by region (World Bank), FY 2015–FY 2022



World Bank stakeholders see significant value in the core offering of the JSDF



94% of survey respondents agree that JSDF grants are a critical source of funding for the types of projects they wish to pursue



94% of survey respondents agree that JSDF grants fill a gap and address development issues that other donors or governments have/are not



75% of survey respondents agree that JSDF grants present a strong value proposition to enable them to achieve their individual performance objectives within the Bank



The opportunity that JSDF provides to pilot innovations and work at the community level was frequently noted and valued ...



Pilot approach allows for testing new approaches

- The pilot approach resonates with TTLs as many expressed that it is important to test ideas on a small scale before rolling them out at a national level
- Using pilots, it is easier to persuade national stakeholders to continue/scale up the operation



Working with community actors

- TTLs believe that working with NGOs and local government is an important approach in addressing development issues as these stakeholders have an in-depth understanding of beneficiary needs and can therefore deliver more relevant projects to these stakeholders



... importantly, it was also noted that the JSDF has been used to play important gap filling roles, particularly in LMICs



Provides a mechanism to access funding where lending programs cannot be leveraged

- Enables TTLs to access funding for new projects in cases where the scope of the lending agreement cannot be altered.
- E.g., in Mongolia, the Task Team was able to introduce a JSDF grant that targeted secondary school students as the lending operation was designed to focus on primary school students

JSDF fills a critical gap and offers a unique value proposition that other World Bank funding opportunities do not. A consistent message across interviews, supported by 94 percent of World Bank TTL survey respondents, agreed that JSDF grants fill a gap and address development issues that other donors or governments do not. Specifically: (i) JSDF grants enable TTLs to collaborate with local implementing agencies to reach vulnerable communities and provide tailored and localized support; (ii) JSDF

grants fill a critical funding gap that enables TTLs to collaborate with others to pilot new interventions (the pilot approach and a focus on innovation enables TTLs to test new interventions on a smaller scale before scaling up, increasing the success of larger projects); and (iii) JSDF effectively champions innovation, as evidenced by the plethora of innovative ideas executed across the 45 reviewed grants. Explicitly requiring TTLs to demonstrate during the design stage how a grant is innovative is key to achieving pioneering interventions.

<p>The Voice and Action: The Social Accountability for Improved Service Delivery project in Cambodia tested government decentralization through the commune service delivery model. Volunteers in each commune were trained as Community Accountability Facilitators (CAFs) — citizen liaisons who educated and</p>	<p>informed other citizens about their rights. Additionally, an allocated commune budget enabled CAFs to improve key social services delivery. The project improved local service provision and citizen advocacy in each commune. Regional development partners later scaled it to the second phase of</p>	<p>the Implementation of the Social Accountability Framework (ISAF 2).</p>
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JSDF effectively champions innovation, as evidenced by the plethora of innovative ideas executed across the 45 reviewed grants. For example, the approach taken by the Cambodia Voice and Action project with the ISAF Partnership Steering Committee and its use of locally based Community Accountability Facilitators had not been undertaken in the country. The approach was considered “highly innovative, recognizing the country’s history,”² and has scaled since. Similarly, the Cambodia

Early Childhood Care and Development for Floating Villages project took an innovative approach to construct floating and onshore ECD centers to cater to children in remote areas. Moreover, the Integrated Sanitation and Sewerage Infrastructure project introduced decentralized sanitation technology in Egypt for the first time. In this manner, explicitly requiring TTLs to demonstrate during the design stage how a grant is innovative is fundamental to achieving pioneering interventions.



Feedback from parents who participated in the focus groups clearly shows how much parents (and their children) have benefited from the Early Childhood Care and Capacity Development for Floating Villages project. Before preschools were built, parents thought preschool was simply playing and singing with no real benefits for children. Based on the trainings they received, parents started to send their children to preschool because they realized it was the foundation of a good education.

The majority of grants reviewed achieved their project development objectives. This statistic highlights that most JSDF projects are effective and likely to deliver on the impact targets set during grant design. The desk assessment found that 92 percent of projects sampled reported

their project development objectives (PDOs) as either moderately or fully satisfactory, reflecting the Fund’s high efficacy. Findings around gender effectiveness were more complex. Just 68 percent of grants reviewed included gender indicators and, of those, only 50 percent achieved them.

2 CSO Interview, Cambodia.



This horticulture farmer in Kitui district works the farm with her husband and takes produce to the market herself.

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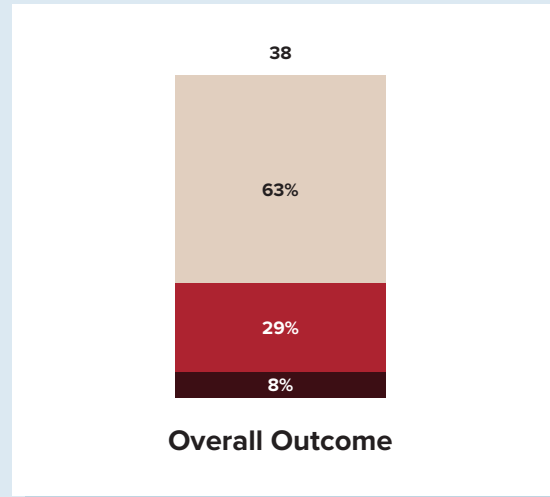
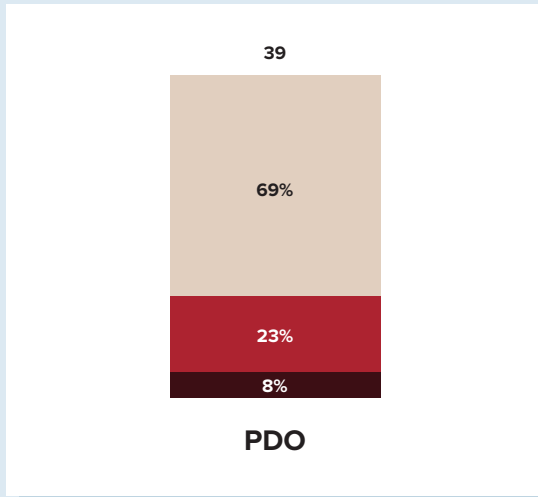
At the beginning [before the project] I was planting maize, potatoes, and beans all in one plot without a clear plan. I was getting just enough to sustain my family and a little to share with my neighbors. The project taught us many things, including how to properly place potato seeds on the ground for proper germination. Now I am producing enough potatoes to feed my family, and enough is left to take to the market.



Beneficiary, Molo district, Kenya



Effectiveness rating based on PDOs and overall outcome, no. projects



Satisfactory

Moderately Satisfactory

Unsatisfactory

Bolivia focused on implementing the Early Childhood Care and Development project in the poorest and most vulnerable urban districts of La Paz and El Alto.

The project aimed to support young mothers and improve early childhood development by creating a standardized model of integral care for all childcare centers in target municipalities and providing renovations

to two centers in each municipality. The care model yielded improvements in early childhood development, socioeconomic conditions, and beneficiary mental health. Many young parents reported increased labor force participation and, in several cases, increased accessibility to complete their schooling. Program impact has proven sustainable; the model now serves as a basis for

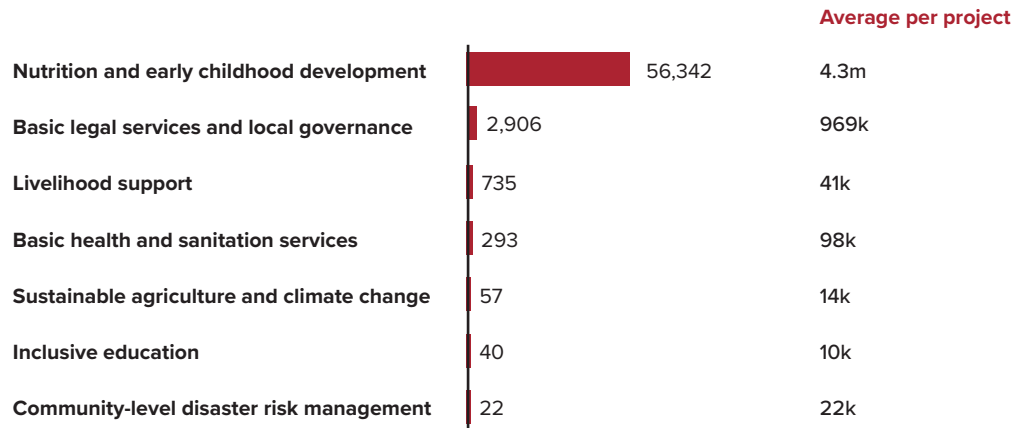
standardized care, with new enrollees sharing similar benefits to those of longer-term beneficiaries.



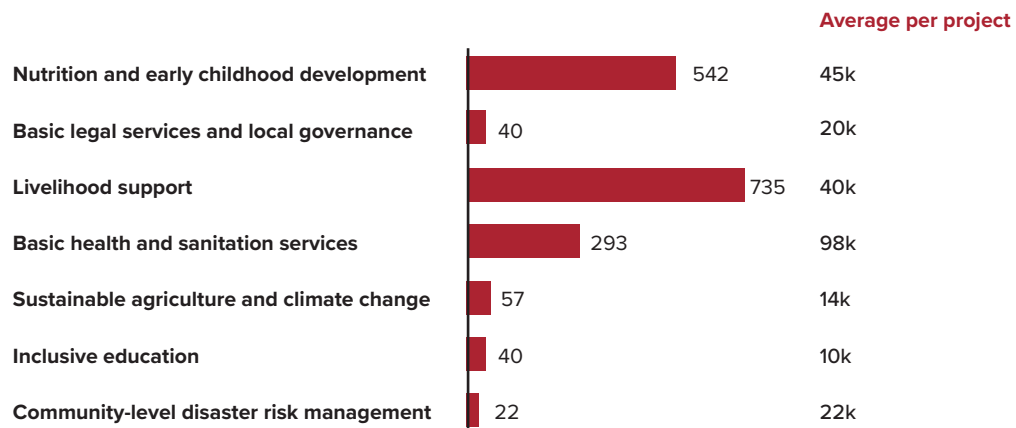


Number of beneficiaries by theme

Number of beneficiaries by thematic area (including outliers), unit: 1,000 people



Total number of beneficiaries reached by thematic area (excluding outliers), unit: 1,000 people



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The World Bank and participating municipalities successfully institutionalized the integrated care model as the required model for all childcare centers. This allowed teams from new incoming administrations to continue the work of previous administrations despite changes in political parties. Both Secretariats in charge of the programs in El Alto and La Paz believe the model to be the driver of impact and has therefore enabled the centers to sustain their impact.



Implementer Interview with El Alto and La Paz Municipal Leadership; 2022, Bolivia

Djibouti implemented the Enhancing Income Opportunities project (Projet de Promotion de l'Emploi des Jeunes et de l'Artisanat, aka PROPEJA).

PROPEJA's goal was to help address the human capital and credit constraints that poor, vulnerable, and low-skilled youth and women face. The project was extremely effective, with 1,335 young people receiving direct cash transfers to implement their projects. The cash transfers increased most participants' incomes by

100 percent to an average of USD 90 per month. A full 90 percent of projects were operational 9–12 months later and 70 percent operational 1–2 years later. Women's groups increased

capacity within handcraft value chains to achieve sales of USD 17,000. They are working to build more online opportunities to tap into export markets for their products.



Egypt was the sole selected field visit project to receive an unsatisfactory rating for PDO objectives, overall outcome, and gender

indicators. The team’s indicators assessment matched site visit feedback as well. A project description follows.

The concept of the **Integrated Sanitation and Sewerage Infrastructure project** (ISSIP 1) in **Egypt** was to help develop sustainable improvements in sanitation and environmental conditions for resident communities. The project also aimed to improve water quality in select drainage basins in the areas served. ISSIP 1, however, was not a success. The project lacked clear definitions of responsibility between collaborating institutions. A void in leadership alignment led to slow, cumbersome decision making. Its novel and complex project design was challenging to implement and a lack of

technical capacity made it difficult to adopt to the local context. The result was poor execution, and resulting unsatisfactory ratings.

It is important to note, however, that lessons learned contributed to the successful implementation of **Sustainable Rural Sanitation Services Programme for Results** (SRSSP), which had similar PDOs to ISSIP 1. SRSSP has currently raised over USD 1.5 billion and constructed several central and decentralized sanitation plants. During the team’s field visits, SRSSP officials indicated that they had achieved better results by applying lessons

learned from ISSIP 1. These included clear demarcation of roles between central and local organizations that lead to faster implementation and upfront buy-in on innovative technologies from various government agencies. With additional training, capacity, and awareness about necessary processes and technologies, staff involved in ISSIP 1 were better able to implement SRSSP.





A project in Cambodia included activities such as constructing floating and onshore centers that provide enabling environments for better learning outcomes for children.

The assessment suggests that by collaborating with local governments and NGOs/CSOs, JSDF is better able to design projects to respond to beneficiary needs, more efficiently reach intended beneficiaries, and strengthen local implementing capacity. JSDF supports implementing agency capacity building through subject matter expertise, technical and monitoring and evaluation (M&E) training, data collection support, and procurement and financial management guidance. JSDF's commitment to capacity building is critical in creating foundations for sustainable results. For instance, one local NGO said it "learned a lot about how to capture results more scientifically by using

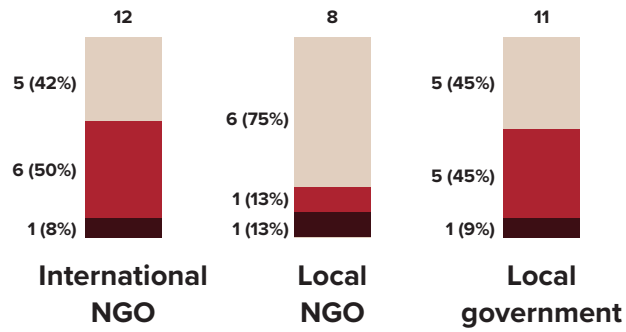
simple tools." By training implementing agencies and supporting the development of essential facilities such as a vegetable tissue culture lab in Uganda or energy-dense food (EDF) factories in India, projects build the institutional memory and infrastructure necessary to continue results beyond grant duration. Implementing with NGOs/CSOs and local governments allows Fund grants to respond to community-specific challenges that central governments may not have the visibility to examine. Since NGOs/CSOs and local government agencies operate at the community level, they are better placed to identify distinct poverty drivers and provide support in identifying novel solutions.



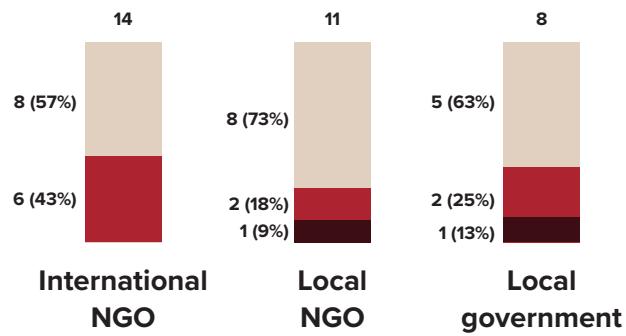
Implementer performance



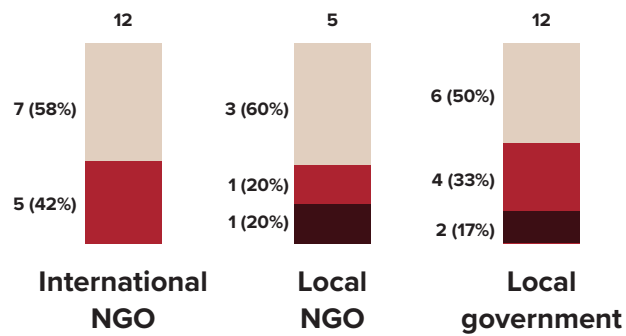
Ease of implementing agency using WB processes



Overall implementer performance rating



Reported efficiency of the overall project



Satisfactory



Moderately Satisfactory

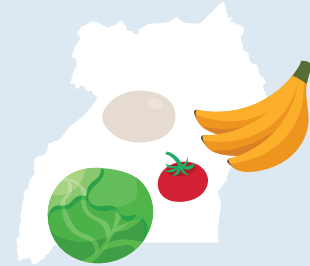


Unsatisfactory

The **Uganda Multisector Nutrition project's implementing agency, BRAC Uganda**, improved its capabilities through in-depth training from the World Bank. BRAC staff were extensively trained for the project in M&E methods, nutrition, and agronomy. The agronomy

training was particularly impactful, with the team leveraging knowledge to develop an orange-fleshed sweet potato tissue culture lab that is still maintained. The agronomy and nutrition trainings expanded BRAC's sectoral expertise beyond financial literacy and access programs, helping

the organization to develop tangible agricultural expertise and capacity through the lab.



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Since the project concluded, beneficiaries have continued to practice the hygiene regimes and also have continued sharing the knowledge gained within the community. Additionally, the VNVs are still occasionally contacted to share their knowledge on nutrition and health. Beneficiaries in each focus group highlighted that the periodic training sessions and the post-training fun activities were the best part of the program. They have also noticed significant changes in their health, and mental focus, and are empowered to tackle other social concerns within the community.



Karnataka Multisectoral Nutrition Pilot Project

Among field visit grants, all projects achieved sustainability through one of the following four channels: sustainability of results, World Bank adoption and scaling, development partner adoption and scaling, or government adoption and scaling. Sustainability of results was often achieved through the continued application of skills, the continued use of infrastructure, or the continued provision of grant-enabled services. For example, based on the training and grants provided, Ghana beneficiaries could set up a business and

continue generating income from it after the program concluded. Additionally, development partner and government adoption and scaling were common sustainability channels, with this occurring in 50 percent of field visit grants. In Guatemala, for instance, ChildFund was able to secure funding from Lego Foundation and expand the JSDF program. Finally, 83 percent of grants that were part of the desk review reported that project interventions were continued or lessons incorporated into other development work.

 Project sustainability channels		
Channel	Description	Example
1 Sustainability of results	Project results extend beyond the lifetime of the project; e.g., improved infrastructure enables continued access to better services	Mozambique's Maputo Peri-Urban Sanitation Project improved long-term sanitation in the city through a private sector approach
2 World Bank adoption and scaling	Project frameworks and approaches adopted and scaled by later World Bank in-country programming	Approaches were tested in Uganda's Integrated Approach to Enhance Smallholder Nutrition and integrated into the much larger World Bank Multi-Sectoral Nutrition Project
3 Development partner adoption and scaling	Project frameworks and approaches adopted and scaled by later Development Partner programming — often by NGOs seeking to scale JSDF pilots	The Justice Center for Legal Aid (JCLA) implemented the Enhancing Community-Driven Legal Aid Services to the Poor project — supporting legal empowerment of the poor. JCLA expanded the network of pro-bono lawyers and developed a segmented pricing to insure sustainability
4 Government adoption and scaling	Project frameworks and approaches adopted and scaled by later government policy and programming	The Gambia Emergency Agricultural Production Support Project , which focused on improving access to better agri. Inputs was adopted and scaled by local government.

Indonesia’s Sustaining Women Leadership project is a key example of sustainable skills application.

The project focused on training women on leadership development, organizing women into community groups, and supporting community widow groups via grants. Skills acquired in leadership workshops

gave women a better understanding of their legal rights, which they could use to protect themselves and other community members. Women also gained critical knowledge about formal finance programs and were able to assist other women’s groups to secure further community-based business investment loans.



In Jordan, the Justice Center for Legal Aid (JCLA) launched Enhancing Community-Driven Legal Aid Services to the Poor.

The project aimed to legally empower poor people and other vulnerable individuals by improving access to justice sector services based on demand-side priorities of poor communities and supported by community-driven implementation. JCLA ensured project sustainability by transferring skills to other local NGOs/

CSOs by placing their lawyers within them, expanding the pro bono lawyer network through partnership with other law firms, and ensuring that each beneficiary made payments commensurate with their income. JCLA also partnered with government to develop a national legal aid strategy to support increased access to justice across the country. A key risk NGOs/CSOs encounter when driving sustainability is scaling a project’s dependence on

government cooperation, a process that is not guaranteed and may take time.



Challenges



The assessment identified a series of challenges that impacted the use of the JSDF. Alongside broader macro-challenges such as internal World Bank reforms, and the impact of the Covid-19 pandemic, these included:

Awareness:

JSDF's visibility within the Bank is limited and existing misperceptions abound about the Fund's thematic scope among stakeholders familiar with it.

Rejection rates:

High numbers of JSDF applications are rejected, sending negative signals to the market and suggesting that applicants are not fully aligned on expectations.

Approval process timeline and burden:

Timelines associated with the JSDF application process are long and require extensive effort by the lead applicant.

Limited flexibility in reallocating expenditures:

Another challenge TTLs highlighted is the inability to reallocate costs across various project cost components during project implementation, which often results in restructuring.

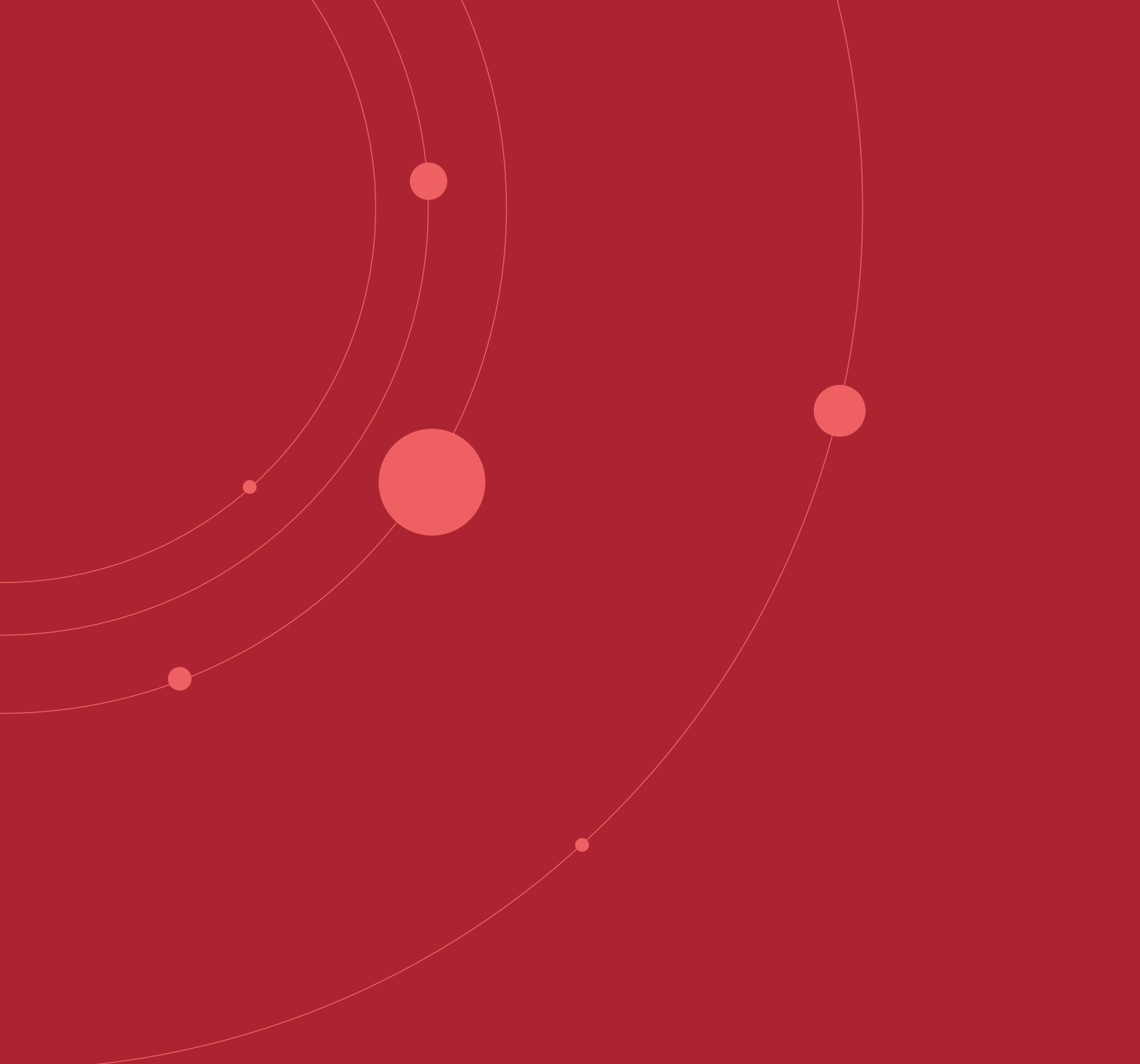
Conclusion



With support from community accountability facilitators, citizens in rural Cambodia express their preferences and priorities through community scorecards.

Overall, the assessment's findings show that JSDF grants play a powerful role in enabling localized impact and innovation with clear pathways to sustainability. The pilot approach allows for testing new approaches and that working with NGOs/CSOs and local governments is critical to addressing development issues that meet beneficiary needs. In addition, the mechanism provides TTLs access to funding where lending programs cannot be leveraged. The Fund's impact

is further highlighted by the fact that most grants assessed were rated extremely effective and carried clear pathways to sustainability. The assessment also identified a selection of operational and strategic challenges for review to ensure the Fund's continued success. Recommendations can be found in the full report and anchor on three complementary strategic shifts: increased collaboration and visibility, enhanced relevance, and more flexible and efficient processes.



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