

Constituency development funds (CDFs) are attracting an increasing level of academic attention internationally (see Baskin and Mezey 2014). To date, work done on CDFs in the Pacific, and in Solomon Islands specifically, has lagged behind work done on Africa, South Asia and other regions. This is anomalous given that 2015 has seen CDFs in Solomon Islands rise to historically — indeed globally — high levels. This In Brief outlines the current state of play on CDFs in Solomon Islands, and suggests areas for further research.

## CDFs in Solomon Islands: A World-Beater

The 2015 [budget](#), brought down in April of this year, provides for the largest CDF allocation, in absolute and proportional terms, in Solomon Islands' history. Within the development budget the core CDF, the Constituency Development Program, is budgeted at SBD260 million (USD32m). This is supplemented by Taiwanese grant funding for the same program of SBD70m. In addition, the development budget provides for a Constituency Water and Sanitation Program (SBD21m), a Constituency Renewable Rural Electrification Program (SBD5.16m), and an allocation for 'Constituency Ships' (SBD30m). Taken together these various budget lines amount to some SBD386m (USD47.6m), just over one third of the consolidated development budget.

Additionally, two lines in the recurrent budget provide for MP-controlled funds: the MPs Discretionary Fund Grant (SBD25m) and the MP Scholarship Award Grant (SBD15m). Grossed up, MP allocations from the development and recurrent budgets amount to some SBD426m, equivalent to just over 12 per cent of total budgeted expenditure for 2015, or SBD8.5m (USD1m) per MP.

Moreover, there is reason to believe other budget lines within the development budget are in fact managed through MPs as CDFs, even though they are not identified as such. It is possible the above figures understate CDF allocations for 2015 by about a quarter, or around SBD2.5m per MP, which

would bring CDF allocations to around 45 per cent of the development budget.

These uncertainties aside, the trends are clear: CDFs in Solomon Islands are growing steadily both in dollar terms, and as a proportion of budget outlays. Indeed, the comparative literature (Baskin and Mezey 2014) suggests Solomon Islands may be something of an outlier internationally in terms of the proportion of budget outlays allocated for CDFs, and even in terms of the absolute dollar amount allocated per MP.

Solomon Islands is also an outlier in terms of the relative absence of governance arrangements in place for CDFs (Baskin and Mezey 2014). The 2013 Constituency Development Funds Act remains the first and only legislation specifically covering CDFs. The Act is notably shorter and less detailed than comparable legislation in other parts of the world. Supporting regulations have been drafted but not yet issued. Anecdotal evidence suggests, in the absence of anything other than basic accounting requirements, MPs develop their own systems for managing CDF funds.

## Understanding the Role and Impact of CDFs in Solomon Islands

Public discussion and debate about CDFs in Solomon Islands reflect themes familiar from the experience of CDFs elsewhere around the world: issues around transparency, accountability, corruption and waste, effectiveness, the proper role of MPs, and the extent to which CDFs influence political behaviour — both that of voters at elections and that of MPs in Solomon Islands' fluid parliamentary system (Fraenkel 2011).

A recent World Bank report (World Bank 2014) comprises perhaps the most up-to-date and comprehensive analysis of the performance of CDFs in Solomon Islands (alongside smaller, centrally managed community programs). The report draws on both local expertise and that of individuals involved in implementing and monitoring CDFs in Kenya and Jamaica. In rating the performance of Solomon Islands' CDF the report finds the key measure on which it performs well is the speed at which funds

are disbursed. Against other criteria — efficiency and effectiveness; accountability, transparency and dispute management; and sustainability — the CDF performs poorly.

One of the issues addressed in the academic literature is the question of whether CDFs can play a positive role in linking MPs to their constituents and, by extension, in processes of democratisation and broader state formation. To some extent these questions are reflected in the scant literature on CDFs in Solomon Islands, which dwells on the weakness of the formal state apparatus and the effect that CDFs have had on the effective and stable functioning of the state. Fraenkel (2011) is unequivocal in seeing CDFs as inconsistent with strengthened state capacity. He cautions donors against ‘endorsing the kinds of analyses that depict such schemes as potentially positive instruments for improving the functioning of states’. While noting the corrosive effect of CDFs on the state, Craig and Porter (2013) also ask — albeit tentatively — whether institutionalisation of CDF arrangements may ‘in time provide a stable, effective provisioning system that is gradually folded into mainstream state mechanisms’.

### Good Questions — But Where’s the Evidence?

One of the most distinctive characteristics of Solomon Islands’ CDFs is the enormous gaps in our knowledge about: how CDFs are managed by MPs and their staff on a day-to-day basis; how effective and sustainable CDF expenditure is; public attitudes and expectations; the impact of CDFs on voter behaviour; the attitudes of MPs themselves. The World Bank report makes the point that ‘there is very little information as to how [CDF] funds are used, at all levels of government and society’. There is also widespread ignorance among ordinary Solomon Islanders about the workings of the CDF. One consequence of this is that much commentary on CDFs in Solomon Islands is poorly supported by evidence.

Reflecting this, one newspaper (*Solomon Star* 1/9/2015) recently reported as a ‘staggering revelation’ news — theoretically freely available to all Solomon Islanders — that CDFs totalled SBD334m a year. In fact, the figure is at least SBD100m higher than this: possibly more.

Public awareness is one of the key issues being addressed in a two-year (2015–16) [project](#), the CDF Community Audit, currently being undertaken by Transparency Solomon Islands with funding from the UN Democracy Fund. The project is aimed at raising awareness of CDFs and raising demand for accountability from MPs. The project has not released data to date but will be gathering valuable evidence from communities that may be highly relevant for future research in this field.

Better evidence is important, first and foremost for the citizens of Solomon Islands, on whose behalf CDFs are spent. Better evidence may get us closer to understanding the political impact of CDFs and their effect on state-formation. It may also be a means of changing the nature of the dialogue between Solomon Islands governments and donors on this subject. For many years this has been a dialogue of the deaf: donor opposition to CDFs has gained no traction, while the CDF budget has grown inexorably. At a time when Solomon Islands’ largest donor, Australia, is keen to pilot innovative approaches to development, better evidence about CDFs could assist in designing fresh and more effective approaches to it.

### Author Notes

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### References

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