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S U P P O R T

PROGRAMME IMPLEMENTATION

EVALUATION PROGRAMME

Evaluation study on United Nations development system-assisted
rural co-operative projects

Report of the Administrator

Summary

This report presents the methodology and results of an evaluation study of a sample of 23 United Nations-assisted rural co-operative development projects executed during 1972-1979. It was carried out by the Committee for the Promotion of Aid to Co-operatives (COPAC) on behalf of UNDP.

The objectives of the study were, first, to examine the impact of rural co-operative development projects on the rural poor and on their participation in the development process; and, second, to formulate guidelines on the design and implementation of rural co-operative development projects for use by UNDP, the specialized agencies and government departments.

The study identifies a number of pre-conditions that need to be met to ensure successful implementation of anti-poverty oriented rural co-operative projects. Its main conclusion is that rural co-operative development projects can be expected to succeed only if they are part of a sound, over-all rural development strategy and that they must be designed to facilitate their integration into strategy. The study provides a number of recommendations for identifying, designing and implementing rural co-operative projects.

I. BACKGROUND

1. In the course of the Second United Nations Development Decade, it became increasingly clear that accelerated socio-economic development requires the participation of as large a segment of the population as possible. Since the majority of the peoples of developing nations live in rural areas, and since the majority of them are poor, people's participation in the development process implies participation by the rural poor. Unless deliberate actions are taken to ensure the participation of disadvantaged groups in rural areas, economic, social, political and cultural factors are likely to militate against their ability to articulate their needs, select their priorities and participate in the implementation of projects and programmes. It is thus necessary to formulate policies, create and/or strengthen institutions and design programmes that will facilitate people's participation. Co-operatives in many developing countries are among the few institutions that have the potential to stimulate people's participation. Governments of many developing countries have thus come to give increasing attention to co-operative development. Resolution 1978/8 of ECOSOC has stressed the role co-operatives can play in the socio-economic development of disadvantaged groups.

2. In view of the important role of co-operatives in rural development, UNDP's support to rural co-operative development was evaluated in 1979-1980. The evaluation was carried out by the Committee for the Promotion of Aid to Co-operatives (COPAC) on behalf of UNDP. A draft report of the study was completed in May 1981.

II. OBJECTIVES

3. There were two objectives of the study:

a) To analyse the impact of United Nations-assisted rural co-operative development projects on rural development. The major focus of the study was on the extent to which such projects have benefited such disadvantaged rural groups as the rural poor, small farmers, rural women and youths, in terms of enhancing their participation in decision-making and in terms of increased income; and

b) To draw out the main implications of the findings for improving the quality of UNDP support to rural co-operative development and to prepare guidelines for improved design and implementation of co-operative development projects for use by UNDP, the specialized agencies and the relevant government departments.

III. METHODOLOGY

4. During the period 1972-1979, as many as 136 UNDP-assisted rural co-operative projects were being carried out. A sample of 12 projects was selected for in-depth examination, of which eight were visited by evaluation missions. These were classified according to geographic distribution and functional attributes of projects. The functional categories comprised assistance to co-operative departments and unions; to co-operative development centres; to co-operative training and educational activities; and to co-operative development components in agricultural and non-agricultural projects.

IV. FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5. The majority of the projects - while their objectives were ostensibly to strengthen the co-operative movement, establish new co-operatives or strengthen existing ones - did not specifically mention rural poverty alleviation or facilitating people's participation as objectives.

6. Only three of the projects reviewed had some direct and discernible impact on the conditions of the "poorest of the poor"; another three had significant impact on poor, small-scale farmers along with others not so poor. Ten had no measurable impact on either group, although in several cases this was a result of changes in factors outside the control of the projects or of the United Nations system. Five projects paid varying degrees of attention to providing assistance to rural women; but since the activities were undertaken late in the period reviewed, no measurable impact was discernible at the time of evaluation. In two cases, agricultural production co-operatives for unemployed youths were initiated, although the extent of United Nations involvement was rather limited. In only two projects was there evidence of direct impact on enhancing member participation and on increased self-management. In four cases, new governmental policies led to a decline in the relative independence of co-operatives. None of the projects seems to have assisted central governments in establishing co-operatives as a way of mobilizing disadvantaged rural groups.

7. The study found that an important reason for the failure of many of the projects to have greater impact on alleviating rural poverty and on enhancing people's participation was the fact that some major preconditions had not been met before launching them. Among these are the following:

(a) Strong government commitment to anti-poverty oriented, participatory rural development not only in policy pronouncements but also in concrete action programmes;

(b) Explicit identification of the "target groups" and of the nature and severity of problems facing them;

(c) Recognition of the role rural co-operatives can play in alleviating poverty and in enhancing people's participation and clear delineation of the respective roles of the co-operative sector and the state sector;

(d) Recognition of the requirements for the training of both nationals and internationally recruited staff about the nature and implications of a poverty-oriented, participatory rural development process;

(e) Existence of long-term plans (e.g., 10-15 years) for co-operative development which set out the sequential stages of progression of co-operatives from a lower level of autonomy and of responsibility to a higher one, and of medium-term plans which spell out the type and magnitude of assistance to be provided to co-operatives during the plan period; and

(f) Effective inter-departmental and inter-agency co-ordination mechanisms in support of rural co-operatives at the field and headquarters levels.

8. Given the complexity of problems of the rural poor, the identification and design of co-operative projects aimed at benefiting them should be based on an analysis of the broad socio-economic environment within which they operate. Such an analysis may indicate the need for structural and/or policy reform. These reforms may be relatively short-term (e.g., pricing policy, facilitating access to such services as rural credit, marketing, etc.); or long-term (e.g., agrarian reform). Where needed reforms are not carried out or are in progress, it is necessary to raise the question as to whether a co-operative development project can be successful in benefiting the rural poor.

9. There are no standard models of co-operative development. Thus, new and innovative approaches should be encouraged; planning for the co-operative sector should be flexible and should leave room for learning through doing. Non-governmental organizations offer a great deal of potential for trying out new approaches and for encouraging independent local initiative; their experience should be tapped to a larger extent than in the past.

10. A crucial element in launching and implementing co-operative projects is trained staff in adequate numbers. An important area for technical assistance, therefore, is in the compilation of training material for both national and United Nations staff. Co-operative training should, among other things, combine formal with practical training and should include adequate treatment of the implications of target-focused, poverty-oriented and participatory development strategy. Given the traditional limitations of technical assistance through the provision of expatriate experts, another area that calls for increased attention is the training of nationals who, in turn, could train co-operative members and co-operative leaders.

11. One of the most crucial problems in the implementation of rural co-operative projects is the difficulty of attracting and retaining qualified staff to work in rural areas. The problem is compounded by conditions of service, salary scales and promotion prospects which do not, in general, compare favourably with either the public or the private sector. Working conditions for co-operative personnel in rural areas thus need to be made more attractive than those currently prevailing in most countries.

12. One often-neglected aspect is the need for active participation of co-operative members and of co-operative leaders in project identification and design, in decision making and in monitoring and evaluation. Following are some of the main monitoring and evaluation issues which need to be addressed during project implementation:

- (a) Extent and progress of member participation;
- (b) Extent of movement of co-operative projects towards greater autonomy and decreased financial dependence on the government; and
- (c) Magnitude of benefits, in both absolute and relative terms, accruing to the target group.

13. The authors of the evaluation study suggest that among activities which might receive greater attention for UNDP support are the following:

(a) Co-operative approach in such activities as housing and the provision of basic social services;

(b) Increased support for income-generating activities that can be undertaken co-operatively;

(c) Strengthening of co-operative unions and apex organizations;

(d) Improving the management of co-operatives and providing consultancy capability; and

(e) Providing technical input for the development of co-operatives in conjunction with, or complementary to, food and financial assistance.

14. These findings, conclusions and recommendations are to be taken into account in revising the Technical Advisory Note on Co-operatives issued in 1978.

