



Réseau des Organisations Paysannes et des Producteurs Agricoles de l'Afrique de l'Ouest



APPUI AU DÉVELOPPEMENT RURAL EN AFRIQUE DE L'OUEST ET DU CENTRE

La Plate-forme de développement Rural

Agricultural and Rural Development Aid Effectiveness

Viewpoint of the Professional Association of Farmers.

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I. BACKGROUND

Importance of the agricultural sector

The economic structures of West African countries continue to indicate a strong participation of the rural agricultural sector. The agricultural sector accounts for 35% of the regional Gross Domestic Product. The agricultural sector also accounts for the bulk of foreign exchange earnings in those countries through the exports of cotton, animals, coffee, cocoa, fruits and vegetables. The agricultural sector constitutes the main source of employment in the West African region. About 65% of the region's working population, with more than half being women, are found in the agricultural sector, mainly in the area of production and small-scale processing.

Thus, agriculture and rural development constitute major stakes in West Africa in terms of economic weight, employments and sources of income, food security, foreign exchange earnings, town and country planning, natural resource development and regional integration.

Despite the weight of the agricultural and rural sector in the West African economy, it has not received all the necessary attention from Governments and partners in terms of funding and official development assistance.

Financing agriculture and farmers: the underprivileged sector

African subsistence farming needs intensification, modernization and investment into technical and organizational innovation... Their financial service needs relate to assistance to improve the physical, economic, social and legal environments of production, subsidies for easy access to inputs, loans (short term for life in the countryside, grazing, lean season; medium term loan for equipment; long term for heavy equipment, plantations...). They also relate to certain types of adapted savings and insurance services. The characteristics of the request for finance (types of services, amount, rate of payment of loans, type of mobilizable guarantee...) are highly diversified, depending on the agro-ecological zone, the production systems that are more or less diversified and intensive, types of players (men, women, youth who are settling, large-scale farmers, farmers organizations...), extent of integration into the market...

The offer for agricultural financing originates from four sources: the informal sector, the private sector (commercial banks, providers, operators), the micro finance intermediary sector and the public sector,

Commercial banks tend to focus their financing offer on some secured sectors (export crops, irrigated farming ...) and venture into food security only with a lot of caution. In the UEMOA zone, the main beneficiaries of bank support are: trade accounting for 38% of funding; manufacturing industries with 21% and services with 15%. The primary sector which occupies more than two-thirds of the working population receives only 6% of the support. The IMFs which are the most accessible mechanism to the rural folks reach only a small portion of the population. In 2004, the 650 IMF with their 3000 service points affected only 7.5% of the population in the UEMOA zone, with the rural folks accounting for 80%.

For a long time, the bulk of the agricultural financing was sourced from some government assistance. However, with the economic liberalization, the national public financing offer reduced considerably. The State is unable to allocate 10% of its budget resources to the sector which is supposed to be the engine of the economy, despite commitments given by Heads of States in Maputo in 2003. To compensate for this deficiency, Governments increasingly resort to official development assistance.

The Official Development Assistance (ODA) is granted in principle to promote economic and social development, reduce poverty and vulnerability among the people, especially those living in rural areas.

Africa is currently the region that receives more aid in the world. Compared with the population and GDP, government aid to Africa increased from 2.2% between 1965 and 1969 to 5.5% during the 90's before falling to 4.8% between 2000 and 2004. West Africa received about 22,967 million US dollars for the same 2000 to 2004 period.

Since 2001, West African countries have been recording a consistent and regular increase of official development assistance, which is an expression of international commitments by donors (HIPC Initiative initiative, MDGs etc...). In the case of Mali, for example, the ODA increased from 351 million US dollars in 2001 to 691 million US dollars in 2005, representing a 97% increase.

Universally recognized mitigated outcome

However, in spite of the relatively significant resources mobilized under the ODA, poverty continues to persist, and even worsen leaving West Africa far from its economic take off. Out of the 15 ECOWAS countries, 12 are classified among the Least Developed Countries (LDCs) or the poorest on the planet. Out of a population of 220 million, about two persons out of three are poor and one out of five suffers from hunger and malnutrition.

This implies that the millions of dollars which have been invested into the African economies for almost half a century now have not helped Africans to live better and improve their position in the global economy. Worst of all, the situation seems to have deteriorated. Governments are incapable of take care of their sovereignty expenditure out of their own resources. The people are incapable of getting for themselves medical care. West Africa is incapable of feeding her people. The region regularly resorts to importation to cover its food deficit. This makes her permanently vulnerable in the face of fluctuations of an international market over which she has no control. The 2008 food crisis is a perfect illustration of the region's highly vulnerable situation.

This crisis is also a reminder of the failures of prior policies on agricultural development and poverty reduction. It is also a strong challenge to all players with regard to the objective appreciation that needs to be made of aid, its quality, quantity and effectiveness in stimulating positive and sustainable changes in the West African economies and societies;

Paris Declaration: a new wind?

Certainly, in 2005, donors and governments implicitly acknowledged responsibility by adopting the Paris Declaration as a progressive commitment to do better and give more aid so as to produce measurable impacts in terms of economic and social development in African countries, especially in the achievement of the Millennium Development Goals (MDG).

Three years after the Paris declaration, the entire international community mobilizes to examine its effective implementation and appreciate the positive or negative developments associated with the official development assistance. Accordingly, consultation mechanisms and facilities were put in place by the global platform of donors on rural development for an independent reflection by civil society organizations.

ROPPA, as an independent regional farmers' movement was co-opted to carry out specific consultations in order to document the good practices of effective management of aid and gather the farmers' views on the effectiveness of the current financing mechanisms to stimulate sustainable changes. These consultations were supplemented by reflections on experiences of farmers' association in West Africa, notably in Senegal, Ghana and Burkina Faso.

This paper summarizes the outcome of these consultations and internal reflections of farmers' organizations in West Africa.

II. OBSERVATIONS OF FARMERS ORGANISATIONS:

Farmers' organizations: a distinctive feature within the CSO set-up

For a better understanding of the position of the farmers' organizations, it is important to have a good understanding of their own perception of themselves, who they are, the roles expected of them and the responsibilities they are to assume.

Even if they see themselves as part of the family of Civil Society Organizations (CSOs) and more specifically rural (RCSO), they hold on to their distinctive feature.

The farmers' leaders have constantly reiterated the fact that Farmers Organizations (FOs) or Agricultural Producers' Professional Associations (APPA) are not classical "NGO's".

Two basic aspects distinguish them from the other elements of civil society:

- They are the only ones together with other RCSOs to be structured from the village to the international level. Thus, the farmers' movement has groupings or FOs at the grassroots, unions, national federations, regional or international confederations or network.
- They are the only ones with the role and responsibility of assuming and carrying out economic, social, consular and trade union functions. As such, they are involved in production, marketing, processing of farm products, service provision for their

members, intermediary financing in the implementation of development operations, advocacy and lobbying to influence decision makers.

For this reason, the FOs or FAPOs have their own benchmarks and value systems for appreciating aid effectiveness. It is in this regard that, while remaining in the main line of reflection of civil society at the global level, they cannot gloss over the global issue of financing agriculture and farmers.

General view of FOs on improvement of aid effectiveness

Difficulties encountered by the ODA in meeting its development objectives depend less on its volume than its nature and conditions of its granting.

Contrary to the declarations of the international community who advocated preference for the multilateral form of aid, bilateral aid continues to predominate. The latter accounted for two-thirds of net ODA flow between 2000 and 2005. However, all things being equal, bilateral aid often has the disadvantage of responding to geo political motivations.

Very often the ODA, be it multilateral or bilateral has a high cost which actually reduces the resources available for farm structuring and processing operations. The number of intermediaries through whom the aid passes before getting to the beneficiaries on the field, is a good indicator for measuring the gradual erosion of its effectiveness. The fewer intermediaries there are, the greater the chances that an aid will be efficient, in other words, it will benefit farmers. It is for this reason that farmers' organizations, as projects or programs implementation interface between the source of funding and recipients, have often showed greater effectiveness in ODA management.

For West African FOs, the effectiveness and impact of the official assistance could be greatly improved through:

- Close support to economic and social dynamics of the stakeholders at the grassroots
- The decentralized management of soft funds by local stakeholders of the evolution of the execution of the operations
- The adoption of mechanisms of apprenticeship and capacity building for example through work sites or farms used as schools, action research or the use of the "TEEE" method, i.e. Tests-Error-Exchanges-Evaluation
- Participatory follow up-evaluation based on indicators and landmarks fixed by the beneficiaries themselves
- Recording of technical and financial support in terms of time and constant effort.

Involvement of FOs in the development and management of ODA

The rural civil society in West Africa is made up of various institutions ranging from grassroots associations to youth and women's trade organizations, via traditional and religious authorities.

Due to concentration of the population in rural areas and predominance of agriculture and rural development in the economy, it is normal that the associative movement be dominated by farmers' associations. Thus:

- In Mali today, one can count more than 6,000 farmers' organizations in various forms and with different legal status out of about 12,000 grassroots associations compiled by the Ministry of Local Government of Mali (in 2004).
- In Ghana, the number is well over 6,000. Due to the precariousness of the living conditions and agricultural technology which is labor-intensive, the main objectives of these associations are generally provision for the future, promotion of mutuality and solidarity among members of village communities against the adversity of intra annual and inter annual food shortage.

Professional agricultural associations are becoming increasingly involved and giving responsibilities in the determination of agricultural policies and laws. This has been the case in many countries:

- In Mali, a sincere and effective collaboration has been established between the State and the CSOs involved in agriculture and rural development. This collaboration allowed involvement of the CNOP in the formulation of the country's Agricultural Orientation law, which integrated the concerns of farmers.
- In Ghana, the CSOs have strengthened their relations with the CSOs of the North. Thus two CSOs of the North gave a remarkable support to CSOs in Ghana in their efforts to sensitize the population on the effects of the Economic Partnership Agreements (EPA) between ECOWAS and the European Union. This example of cooperation has also stood the test of time; many CSOs in the country are trying to enter into partnerships with CSOs of the North with a view to forming pressure groups to influence the government to put an end to bad practices in agriculture. An example of this action is the success of the FONG to stop fishing of small species on the coasts of Accra.

Between the 60's and the 80's, the FO's had limited involvement in the strategic choices for development. It is from the 90's, especially following the establishment of the sahelian platform of Farmers' Organizations and the Network of Farmers and Agricultural Producers' Organizations (ROPPAs), that, West African CSO's started to make their voice heard on national, regional, and international level.

The creation of ROPPA came especially with: (i) representation and defense of the interests of their members through recommendation, of strategies/programmes/ policies favorable to agriculture and rural development, among other things; (ii) service provision to members (technical support, training, etc.); (iii) partnership with government and development partners in various strategies/programmes/policies of agricultural and rural development; and (iv) surveillance and control of various interventions in agriculture and rural development. However, in spite of the good performances of some of them in the execution of these tasks,

many CSO's continue to display significant shortfalls in their: (i) legal environment; (ii) institutional, human and financial capabilities; (iii) organizational abilities; and (iv) relationship with partners.

Actual recognition of FAPOs as negotiating partners and interfaces as well as source of recommendations on agricultural development orientations. Recognition of FAPOs currently transcends all levels of their structure for joint management of public resources, implementation of development programmes as well as evaluation of the outcome and impacts of investments made.

However, it is important to note that it will take some time for the role of FAPOs to be fully recognized and their voice to be well heard and well understood by all stakeholder groups. This sluggishness is associated with the actual weakness of the FAPOs and the condescension with which the other stakeholders approach them.

Perverse effects of ODA on farmers' movement

During the national consultations conducted by ROPPA, it came out clearly that the FOs in West Africa were generally not well informed about the Paris Declaration and the on-going consultation process. This ignorance appears not to be limited to the representatives of FOs or CSOs. Even some representatives of technical ministries such as the Ministry of Agriculture, Finance and Economic Planning, do not grasp all the outlines of this Declaration, let alone those of the private sector. The impression gathered from discussions during the consultations is that the Paris Declaration seems to be a mystery through which partners somehow try to rectify their mistakes in aid management by associating CSOs.

However, it is worth noting that even though development partners have since understood that civil society involvement is a precondition for the success of programmes/policies, the quality of their relationship with FOs in these countries continues to be influenced by their perceptions of the capabilities of such organizations.

As a matter of fact, they make little effort to consult them during project and program formulation missions. They generally rely on CSOs of the North to channel their support to beneficiary countries (this particularly concerns bilateral aid). In such cases, the NGOs of the North behave as "donors", directly executing the projects/programmes on site or tend to create other CSOs in their 'image', regardless of existing ones.

In most cases, interventions of partners also result in the multiplication of FOs to the extent that the aid may be conditioned by the existence of a particular form of rural organization capable of conducting predefined operations and in the direction intended. This explains the multiplication in West Africa of ad hoc groupings created at the instance of donors for their own visibility, or by target groups through sheer opportunism to capture aid.

The tendency of State administrations and donors to encourage the creation of new rural associations that meet their objectives, instead of supporting the existing structures, leads to waste of resources and time, and gives the impression of perpetual restart.

At this juncture, a clear distinction should be established between discussions on the recognition of FOs, on the one hand, and their involvement and assignment of responsibilities in the management of public finance, on the other hand, towards transformation of the rural environment and development. It would seem that for each government and ODA intervention, questions are being raised about the real legitimacy of FOs, their natural proximity to target groups and ignorance of their own reality. This does not always facilitate relationship between FOs and other stakeholder groups involved in the ODA.

III. RELATIONSHIP AMONG STAKEHOLDERS IN AID MANAGEMENT

Relations between the FAPOs and affected groups at the grassroots:

It is important to note that the relations between the FAPOs at the central level and their grassroots organizations cannot be analyzed as relations within a monolithic structure (such as public administration) which has a central level and decentralized levels. Within the farmers' movement, each structural level enjoys and uses its autonomy of organization and action.

It is for this reason that very often, in Ghana, Senegal, Mali, Burkina Faso, and of course in most West African countries, the relationship between central organizations and their grassroots are perceived as not very strong.

Certainly, the FOs are conscious of the need to strengthen the farmers' movement by smoothening communication and information exchange between the various structural levels and holding regular consultations so as to speak with the same voice on issues of common interest.

Cohesion and coherence in action are strong determinants of the success of the FOs in operations using aid, either as pressure groups, project executing agencies or service provision agencies. It is for this reason that the ROPPA insist on consistency of positions within the farmers' movement in country, each African and sub-region and at the continental level.

This desire of the ROPPA is however met with the current practice of encouragement towards the perpetual reconfiguration of the farmers' movement by national administrations, regional institutions as well as bilateral and multilateral donors, and certain North and South CSOs.

Relationship between the CSOs of the North and FAPOs of the South:

Generally speaking, with the exception few examples, the relationship between the West African and the CSOs of the North has been experiencing uneven development. Sometimes, it takes the form of relations between "the rich" and "the assisted".

In spite of certain shortfalls that have been noticed, one can say that the relations between the CSOs of the North and the West African CSOs have been particularly strengthened with the recognition of the FAPOs as pressure groups. There is a real partnership, alliance or complicity relationship seeking to influence the strategic or political choices made by South and North policymakers at the national and global levels. This is the current situation of the ROPPA which has a network of CSO partners and allies with whom she engages in a common fight for food sovereignty on WTO trade negotiations and Economic Partnership Agreements (EPAs) and issues on global governance of agricultural issues

Relationship between FAPOs and their Governments:

The relationship between the FAPOs and governments has been increasing from year to year. However, this depends on the level where one is located in the administration, recognition of public liberty and democratization of political life.

At the local level, it has been noticed that the relationship has had the consequence of overstressing the relationship between the FAPO and the technical services at the grassroots. The latter, weakened as a result of the withdrawal and weakening of the State, are no more capable and do not have the means to the service needs of farmers. These service needs are covered by ad hoc administrations of projects established according to the circumstances and put under the supervision of a joint Government-Donor steering committee, a CSO of the North or the donor himself/itself.

Rehabilitation of the public administration of agriculture and review of the system of supervision, aid and technical assistance to farmers will be absolutely necessary to strengthen and improve the relationship between the CSOs and their governments.

However, extra efforts need to be made within the agricultural administrations to accept or share, everywhere, recognition of the FAPOs as major players in the definition of agricultural strategies and implementation of rural development operations at the grassroots.

Relationship between FAPOs and development partners:

The relationship between FAPOs, donors and development partners have taken a particular turn following the withdrawal of the direct budget assistance and establishment of ad hoc project management administrations. The FAPOs have often had the opportunity to be part of joint steering committees or project execution committees and to come into direct contact with partners.

The following examples can be quoted for illustration purposes:

1. *the case of the relationship between FAPOs, the Government of Senegal and the World Bank* which also involves the State and allowed the FAPOs to manage public funds. The birth of these triangular relationship and its consolidation resulting from long negotiations were made possible by several factors:

- Government's political will to establish a permanent dialogue with peasant organizations.
 - Donor's willingness to change approach
 - Notice of an agricultural sector undergoing crisis and ineffective interventions by development partners ;
 - Agricultural producers are becoming better organized at national and local levels (especially with CNCR as consultation platform):
 - An enhanced decentralization to promote empowerment and local ownership of development issues.
2. Various partners have directly supported FO initiatives, especially in the area of advocacy to influence agricultural policies. It is in this light that the ROPPA and many other African FO networks received direct financial support from the bilateral cooperation, multilateral aid from NGOs, governments and regional integration institutions to mobilize and sensitize farmers on the agricultural aspect of NEPAD or the APE trade negotiations. This is particularly the case of IFAD which has assigned itself the mission of assisting small-scale farmers and supported a farmers' consultation process from the national level to the continental level. IFAD has even developed a specific dialogue space with the FOs at the global level with the farmers' forum which is held biannually as an addition to the meeting of the governors of the institution.

The examples that have just been enumerated well translate the development in the idea that donors have a role of the FOs as well as the relationship that they can maintain with them. However, in most cases, it has to do with relationship between the national or regional umbrella organizations. This leaves them a responsibility vacuum towards their members at the grassroots.

The relations between donors and the FAPOs, and even the CSOs, are generally going to take another particular turn with the return of an agricultural financing mechanism based on budget assistance. **The major risk is the marginalization of these relations in the choice of investment priorities, transparency check and fairness in management as well as the process of evaluating the effects and impacts of aid.**

It is for this reason that the ROPPA considers that budget assistance should not be an exclusive system of the ODA, at least until all guarantees have been provided to ensure equal access to national public resources for all groups of players, particularly the FOs, to support their economic or environmental activities as well as their role as a pressure group.

As a matter of fact, in all countries, donors and CSOs should create a space for dialogue and interaction on the budget assistance issue for rural development so that it produces only advantages, and no more negative effects, for the FOs and other rural players.

IV. LESSONS DRAWN AND RECOMMENDATIONS

There are many examples of encouraging and interesting practices leaving some amount of responsibilities to the FOs and contributing towards the effectiveness of the development

funding, from donors, national investment funds or the private financial sector. Significant effects have been produced in terms of transformation of rural farms at all levels of the farmers' movement structure, beginning from the local level to the sub regional or international level and in all types of roles that can be played by a service or representation organization. These include raising concerns of the grassroots, project execution, intermediary financing by way of technical assistance or funding to producers, provision of economic services, pressure and political dialogue to influence direction towards development.

Participants in various consultations held in West Africa indicate that the FAPOs have been and are important and credible players to be considered for implementation of the Paris Declaration. They are in a position to: (i) join the process of negotiation of strategies/policies/programs and projects; (ii) provide weight for the proposal of development policies (agricultural and rural); and (iii) be better known at the national, sub-regional and international levels.

Factors limiting the role of FOs in improving aid effectiveness

However, effective participation of the FAPOs in aid management can be met with ineffectiveness of the legal or regulatory framework governing them or which regulates the use of public resources. It can also be hindered by their weak organizational, institutional, human and financial capacity.

Under these circumstances, the only way to derive maximum benefit from the involvement of FAPOs as well as the management of aid to improve its effectiveness is to find an urgent solution to these shortcomings. The FAPOs must themselves endeavor to mobilize greater resources of their own so as to reduce their dependence on external funding.

They must also make efforts to enhance their credibility through the improvement of internal governance, establishment of principles of imputability and transparency in resource management. The establishment of a system of internal communication and information as well as with the other components of civil society is also a concern that needs to be addressed in the short run.

Recourse to budget assistance certainly implies:

- Capacity building for the FOs in terms of formulation, implementation, monitoring/evaluation and financial management.
- Better coordination/consultation and harmonization of stakeholders on the field, especially the CSOs. Complementarity and synergy should be the rule.

Recommendations

In the light of the foregoing, specific recommendations to the RCSOs and the various partners can be formulated as follows:

The FAPOs and RCSO should commit themselves to:

- Strengthening/intensifying their actions of advocacy and lobbying with governments and PTFs to ensure consideration and implementation of the above recommendations made to them;
- Request for higher involvement in the development of reference frameworks as well as government budget to ensure better control over the mechanisms for determining funds allocated to development in the various sectors of the economy;
- Enhance their independence and credibility through : (i) efforts towards financial independence through internal resource mobilization ; (ii) strengthening of internal governance, especially the promotion of new leadership and organization of democratic elections for change in management; (iii) improvement of imputability and transparency in the management of resources that are mobilized; (iv) development and establishment of an efficient internal information and communication system and with the beneficiaries of their interventions as well as their partners and the other CSOs ;
- Improve and strengthen the process of coordination, consultation and harmonization of their field interventions.

Mobilise to empower producers with the resources at their disposal so as to strengthen their relationship with their base as well as their capacity of reflection and analysis in order to bring them to a position where they can promote institutional reforms to agricultural services and the ministries

CSOs of the North must:

- Consider FAPOs as real development partners;
- Avoid substituting themselves for FOs in terms of representation, social mobilization and services to farms
- Give priority to funding of programs/projects running over several years and covered by framework documents developed by partner FAPOs and RCSOs with whom they shared the content;
- Participate in capacity building programs of FAPOs and RCSOs especially towards a better representation at the regional, national and international level.

Governments at all their structural levels must:

- Bring back agriculture and rural development at the centre of economic and social policies

- Recognize the importance of APOs and CSOs in their social mobilization capacity on account of their proximity to the people and national cover of their membership, combined with knowledge of the concerns of the most underprivileged social classes.
- Create the environment for policy dialogue in order to draw up development policies and strategies at all stages at the national and decentralized local levels. This includes:
 - Urgent participatory and active definition of a partnership strategy with the FAPOs and CSOs,
 - Establishment of a permanent dialogue framework with the FAPOs and CSOs
 - Improvement of the legal and regulatory framework of FAPOs and CSOs to enable them improve the performance of their roles and responsibilities in economic and social development
- Enhance their ODA coordination efforts as representatives of CSOs under their jurisdiction as a government concern.
- Strive for capacity building of FAPOs and CSOs

Technical and financial partners must undertake to:

- Make Agriculture and farmers, a central priority of their cooperation and development support system
- Strengthen dialogue between CSOs and government.
- Establish a code of good conduct in order to avoid redundancies, perpetual restarts, cacophony in approaches and perverse effects of aid.
- Avoid taking advantage of the current weakness of governments so that ODA does not become a means of payment of various conditionalities some of which are capable of annihilating any development efforts.
- Promote capacity building of FAPOs.
- Accompany and support local dynamics of players rather than seeking to impose ready-made solutions, without considering the experiences of players and the local economic, social and cultural realities.
- Maintain their commitments and support for agricultural development over a sufficient duration to ensure sustainable positive impact in the farm structure system.

Done in Accra on 30th September 2008