



Food and Agriculture Organization
of the United Nations



HARNESSING THE ROLE OF RURAL ORGANIZATIONS IN SOCIAL PROTECTION

AN INVENTORY OF PRACTICES

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AUTHORS

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Food and Agriculture Organization of the United Nations
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1. Introduction

Framed within global commitments such as the 2030 Agenda for Sustainable Development,¹ social protection (SP) is recognized by governments and partners as a strategy to fight inequality and injustice, end extreme poverty, and contribute to sustainable development. FAO considers SP as one of the instruments for achieving its mission of eradicating hunger and ending rural poverty, and also as an integral component of resilience building (FAO, 2017). Increasing evidence of the mutually reinforcing links between SP and agricultural interventions (FAO, 2015), and the effectiveness of social assistance linked to livelihood promotion (HLPE, 2012), support the Organization's commitments. SP is now a corporate priority as stipulated by the FAO Council in December 2013 (FAO Council, 2013), and the current FAO's strategic

programme to reduce rural poverty. Moreover, social protection is increasingly being incorporated into FAO regional and country programmes. The Organization's work on social protection focuses on four core pillars: (i) expansion of social protection coverage for the rural poor; (ii) social protection and agriculture linkages; (iii) nutrition-sensitive social protection; and (iv) social protection for resilience building. A core component of the first two pillars is the role of rural organizations. The inventory of practices in this report reviews the role of rural organizations in social assistance and social insurance, and explores a series of complementary social, agricultural and financial services that reinforce the delivery of social protection.

Although social protection is increasingly recognized as an investment and poverty reduction strategy, there are still many challenges that prevent governments from scaling up and progressively moving towards universal coverage. One is the challenge of identifying suitable financing options and fiscal space; another,

¹ The Sustainable Development Goals (SDGs) include the implementation of nationally relevant social protection systems and measures for substantial coverage of the poor and vulnerable by 2030, as part of the overall goal of ending poverty in all its forms, achieving gender equality, and reducing inequality. See *Open Working Group Proposal for Sustainable Development* (available at <https://sustainabledevelopment.un.org/content/documents/1579SDGs%20Proposal.pdf>).

and particularly relevant to the rural sector, is that there exist normative, legal and administrative barriers that prevent non-formal workers, including farmers, from accessing existing social protection schemes. In such circumstances, the guarantee of extensive social protection is far from being achieved, particularly for the rural poor.

In this context, FAO recognizes that rural organizations can play an important role in addressing these challenges and gaps. The development and strengthening of social protection systems therefore requires a strong recognition of existing non-governmental structures (DFID, 2011). International agencies, NGOs, charities and rural organizations are already providing social protection and social services to the rural poor. In certain circumstances, member-based rural organizations can be well-suited to support governments in providing similar services, as these organizations are familiar with the social and cultural dynamics of rural communities and the issues and needs of community members (Krivelyova *et al*, 2013). The move towards decentralization across regions provides an opportunity for new actors to be formally integrated in the provision of SP.

Moreover, development and expansion of sustainable social protection systems require government commitment and leadership, as well as strong partnerships at the subnational level, to expand the scope of programmes and improve their adequacy, accountability and efficiency. The endorsement of ILO Conventions Nos. 102 and 128 upholds this important statement. In this context, FAO holds that *"both duty bearers (governments) and right holders (citizens) within social protection schemes are called to participate in creating the enabling environment for social protection systems to produce their intended outcomes as regards food security and poverty reduction."* (FAO, 2017).

This study presents an inventory of practices highlighting the role rural organizations play in: (i) delivering member-based social assistance and insurance, and other complementary services; and (ii) collaborating with national and international counterparts in the delivery of national and international social protection programmes. The inventory builds on an initial review made by FAO in 2014 (Vinci *et al*, 2016). As a follow-up, in 2015 FAO issued a call for proposals from development agencies and international organizations in order to collect relevant experiences. The results were shared through a webinar held at the end of 2015. The process culminated with this report and a series of case studies (case studies are annexed at the end of this report). This inventory should contribute to enhancing the understanding of development practitioners regarding the strengths, limitations and opportunities associated with a stronger and more systematic role of rural organizations in SP.

This report provides a rationale for considering the participation of rural organizations in social protection systems, followed by a few methodological notes. It then presents cases where rural organizations have been instrumental in delivering social protection and other complementary services to their members, and discusses the extent to which these experiences can be enhanced. This is followed by a review of examples drawn from the experiences of rural organizations who have played a role in the design, delivery and monitoring of governmental and international social protection programmes. The report concludes with some key messages and conclusive remarks emerging from the inventory.

2. Why involve rural organizations in social protection?

Rural organizations (ROs) are formal and informal groups of rural people acting together to achieve shared socio-economic objectives; to improve their access to inputs, services and markets; and to provide a means to make their voices heard (Herbel *et al*, 2012). ROs often represent, among others, poor and vulnerable smallholders or rural workers whose livelihoods mostly depend on productive activities in the agriculture, livestock, fisheries and forestry sectors. While pursuing economic objectives for their members, rural organizations are often established to overcome individual vulnerabilities and promote the social welfare of their members through collective action. In this context, social protection objectives are sometimes entrenched in the mandate of member-based rural organizations.

Social protection programmes are recognized as a critical strategy for poverty reduction. But despite country-level efforts to expand their coverage and impact, many of these programmes still face challenges in terms of effective scope, efficient and effective implementation, and coverage. Rural workers often operate within informal economies and are unlikely to have access to benefits of existing formal social security systems. Rural areas have particularly high percentages of informal employment and low rates of civil registration, making access to national social security systems (e.g. job insurance, pensions, and health care) more difficult. Moreover, although some countries are working toward strengthening information systems and conducting vulnerability assessments to better design social protection programmes, there is recognition that these may not always provide a complete picture

of the population in terms of vulnerability, exclusion and poverty. Consequently, there are also gaps in how to best design and adapt the delivery of a programme for different dimensions of vulnerability and need (ILO, 2014). Finally, in some contexts, governments grapple with the establishment of social accountability and monitoring structures, and with limited capacity of subnational and local structures (HLPE, 2012).

The ILO, the Department for International Development (DFID) and the UN High-Level Panel of Experts on Food Security and Nutrition (HLPE), among other agencies, have encouraged governments to pursue innovative SP governance systems with the participation of relevant stakeholders affected by SP policies and programmes. For instance, the ILO Conventions Nos. 102 and 128 state that relevant stakeholders and representatives of SP beneficiaries should participate in the design, execution and monitoring of SP beyond mere consultation. Broad participation is of utmost importance in making SP services adequate and relevant to the needs of beneficiaries. This participation should be guaranteed in particular to those whose welfare is most affected by the impact of social protection policies and programmes. Some governments are already adopting participatory mechanisms that partner with civil society organizations to define eligibility criteria, methods of delivery, and mechanisms for monitoring social services and the accountability of institutions.

ROs have a role to play in this evolving institutional scenario characterized by decentralization, partnerships and participatory policy-making. We refer to the following roles played by rural organizations in the delivery of SP to the rural poor:

1. *Provision of social assistance, social insurance and other SP complementary services to members of rural organizations.* In many contexts, rural organizations are the first level of response in the event of social, economic or conflict-related crises. Moreover, rural organizations provide social

protection services for their members through the establishment of collective member-based mechanisms. Producers' organizations or farmers' cooperatives, for instance, can run contingency funds as well as savings and loan schemes and risk-sharing schemes (such as grain reserves, warehouse receipt systems and revolving funds). Specialized agencies, such as microinsurance and microfinance institutions, provide compensatory payments in case of emergencies. There is also a wide array of informal arrangements, savings and loan groups, and entities that provide basic social services, such as burial associations.

2. *Participation of rural organizations in national and international social protection programmes.* Rural organizations act as service providers for governments by performing tasks within national SP systems, for instance through participatory mechanisms. ROs can represent the rural poor at higher levels and advocate for their needs. They can also be approached to inform the design of SP policies and programmes and support the implementation of certain tasks such as targeting and registering beneficiaries, distributing benefits, and participating in monitoring and evaluation processes. Moreover, they can play an essential role in terms of social accountability, making sure eligible families are aware of their rights and responsibilities *vis-à-vis* a particular programme, promoting and supporting effective complaint and grievance mechanisms, and overall supporting the effective reach and implementation of programmes.²

ROs have their strengths and weaknesses, which influence their effectiveness as service providers. On the one hand, they can be highly responsive to the needs of their members who are often unable to access formal SP services. They can also be sensitive to cultural dynamics and norms. For example, women's organizations are particularly careful in addressing the specific disadvantages women experience because of

social and religious customs. Similarly, member-based financial institutions are respectful of the Muslim *sharia* rule that prohibits indebtedness. These institutions are also valuable for raising awareness on the importance of risk-coping mechanisms and for promoting the values of mutuality, responsibility and solidarity. The mandate of member-based organizations often builds on and promotes such principles. Indeed, the strength of community-based and member-based organizations lies in the stability of cultural systems to which people always refer during and beyond times of despair, potentially making collective arrangements resilient and affordable. Successful ROs are normally formed through bottom-up initiatives, are highly inclusive and transparent, and have members who are bound to the organization by common interests, values, and some sort of commitment (e.g. subscription fees) (Herbel *et al*, 2012; (Krivelyova *et al*, 2013; Bernier & Meinzen-Dick, 2014).

On the other hand, rural organizations are often localized (unless clustered in higher-level unions and federations), and their medium- and long-term support can be limited in the face of covariant shocks, (i.e. shocks that affect a whole village or farming community). They often lack resources in terms of finances, infrastructure, capabilities and information to cover all urgencies and needs. In some cases, traditional forms of hegemony (local political elites, village leaders, chiefs) and discriminatory practices against weaker groups are also reproduced within rural organizations. Finally, organizations based on contributory participation might exclude the poorest who cannot afford an entry fee (*ibid*).

² See more info at <http://www.unrisd.org>

3. Methodological notes

3.1 Inventory objectives and scope

The main objective of this inventory is to build a knowledge base on the current and potential role of rural organizations in social protection, looking at their strengths, limitations and potential in the implementation of different tasks. The systematization of this evidence will allow for identifying the roles ROs can play in social protection, as well as identifying key elements for designing in-depth country analyses. These assessments will define specific entry points for strengthening the contribution of rural organizations and other service providers (NGOs, charities and social enterprises) to social protection. The inventory attempts to encourage a debate over the promotion and engagement of multiple stakeholders. More specifically, this debate should encourage policy-makers to define the roles of ROs in SP policies, frameworks and programmes. At the same time, it should help define the role of governments in leveraging the services ROs provide, and identify strategies to effectively address potential gaps in terms of representation, scope and capacity.

The inventory focuses on concrete experiences collected through FAO decentralized offices, other international agencies, NGOs, and rural umbrella organizations. It is composed of 22 selected case studies submitted by FAO and its partners.³ The inventory is not meant to cover all existing practices, but rather to provide a snapshot of interesting and relevant examples. The 22 case studies are distributed across Africa (11), Latin America (7) and the Middle East and South Asia (4).

3.2 Types of organizations

The rural organizations considered in this study have essentially two main principles: (i) they are based on the participation of members through collective action, reciprocity or solidarity; and (ii) they are *engaged in purposive activities* (collectively agreed-upon actions in the pursuit of common socio-economic objectives) (North, 1994) and demonstrate some degree of regularity in their procedures.⁴ Examples include producers' organizations and farmers' cooperatives, microinsurance and microfinance institutions, and informal community groups. This inventory also looks at the experience of social committees and civil society organizations that operate in rural areas.

Rural organizations can also be differentiated by the following features:

- **Formal/informal:** Some organizations are recognized by national policies and laws, or registered as formal enterprises; others are not, although they can be informally recognized by formal and informal authorities.
- **Local/clustered:** Some organizations operate exclusively within the boundaries of a community or a village; others are clustered in higher level umbrella organizations (e.g. unions, federations).
- **Spontaneous/externally created:** Some organizations are born purely from the initiative and the common needs of their members; others are externally proposed or created by development agencies or national governments as an instrument to reach agricultural and social objectives.

³ Other contributions did not qualify as case studies for this inventory and were not dedicated an individual annex. However, some of this information is still used as an example in this report.

⁴ This excludes informal safety nets purely based on family, friends or kin relations and operating on an occasional basis.



4. How rural organizations deliver social protection services to members

Some of the case studies include organizations that provide social protection services (in terms of social assistance and insurance-type functions). In these cases we refer to practices strictly addressing situations of risk and vulnerability. In other words, if such practices were not put in place, the members of these organizations would not be able to provide for their basic needs (food, health and shelter, for instance). Member-based collective services of this kind can be more easily associated with and complement national programmes of direct assistance (cash, food and asset transfer programmes) and social security (job insurance, pensions).

In other cases, rural organizations provide other services that *complement and reinforce* the protective, promotive and preventive functions of social protection.⁵ These can be risk management mechanisms, financial inclusion and agricultural services, and various forms of trainings, which contribute to reducing vulnerabilities and making rural families socially and economically stable. In some cases, rural organizations combine social, financial and agricultural measures whose positive impacts are mutually reinforced. These interventions are relevant for the work FAO does in linking social protection to increased agricultural productivity and food security.

⁵ Protection occurs when immediate relief is provided in cases of emergency or protracted deprivation (e.g. cash transfers). Promotion refers to the enhancement of individual capabilities (e.g. school feeding). Prevention is aimed at averting the risk of shocks that would jeopardize vulnerable livelihoods (e.g. social or agricultural insurance). For more info, see Devereux, S. & Sabates-Wheeler, R., 2004. Transformative social protection. Brighton (UK): IDS.

4.1 Social assistance and social insurance

Social assistance

Social assistance measures aid people who live in a protracted situation of poverty, or intervene when other preventive measures have previously failed to reduce and mitigate risks. Generally, these measures refer to the direct provision of cash or in-kind goods (food and assets) to provide for basic needs and sustain subsistence activities. In the context of agriculture, contingency funds can improve the capacity of smallholders to cope with environmental and climate-related shocks. Droughts, floods, locust invasions, pest outbreaks, epizootic diseases, and forest fires are often responsible for sudden drops in production and food crises for poor smallholders.

Contingency or social funds, for example, are established by certain groups as measures of collective assistance. These funds are based on principles of solidarity and mutual protection, and function with very low interest rates and flexible repayment methods. In Honduras, local and member-based Savings and Credit Banks have put in place Mutual Contingency Funds for rural workers in the “dry corridor” of Choluteca, which is particularly vulnerable to drought. Local emergency committees are formed to declare a state of emergency in coordination with the national emergency committee, and release the disbursement of funds.

SAVINGS IN MUTUAL CONTINGENCY FUNDS: AN INSTRUMENT OF RESILIENCE (HONDURAS)

Mutual Contingency Funds (MCFs) are innovative mechanisms of protection and financial risk management, acting as crop and livestock insurance for those who cannot access traditional financial systems. Funds are disbursed by local member-based Savings and Credit Banks (SCBs) at very low interest rates. The beneficiaries are families that have lost their crops due to the recurring dry spells in the “dry corridor” of Choluteca in Honduras. All members of the SCBs have access to the MCF. The fund operates as a loan with very low interest rates (the “solidarity” component), between 3 and 5 percent according to the decisions of the local SCB. In addition, local associations such as producers’ organizations or women’s associations can become members of SCBs and apply for the fund, distributing funds to their own members. In some cases, people who are not part of the SCB may apply for the MCF in case of a specific emergency, although they are offered a slightly higher interest rate. MCFs are instruments of risk mitigation and a local response to emergencies, such as climatic hazards (e.g. cyclical droughts) and occasional floods, hurricanes, earthquakes and other extreme events. Thus, the MCFs constitute an expedite mechanism for the revival of livelihoods in case of shocks, particularly by encouraging, through conditional loans, alternative activities that minimize the risk of default and food insecurity for rural families. By engaging in this process, members of SCBs increase their financial knowledge and their preparedness to respond to crises in a collective fashion.

In other cases, the establishment of a social fund can be a voluntary option depending on a group's available resources. This is the case for the Agropastoralist Field Schools in Kenya and Uganda, and the Village Savings and Loans Associations established in Kenya, which also provide inclusive financial services to poor rural dwellers. In some cases, these groups have adopted social funds as a complementary measure to assist needy members, which encourages and sustains their participation in savings schemes. The *Caisses de Resilience* in Uganda are also experimenting with cash-for-work mechanisms to support the most needy members, who receive payment for work in the construction of collective infrastructure.

"In 2013, I was the victim of a fire that devastated my entire concession, unfortunately including my food stock and all my clothes. I came out with a single loincloth that I wore on me and no food stock. With the support of the union (100 kg of food) and my group (clothing) I was able to feed my children on the same day of the fire, and change clothes."

In the context of emergency response, a community system of humanitarian assistance and disaster risk management was established by the Madda BEN farmers' union (grouping together 69 producers' organizations) in 2008, in response to the inadequate

COMMUNITY SYSTEM OF HUMANITARIAN ASSISTANCE AND DISASTER RISK MANAGEMENT (THE NIGER)

The Community System of Humanitarian Assistance and Disaster Risk Management was established by the Madda BEN farmers' union (grouping together 69 producers' organizations) in 2008. It responds to the inadequate assistance provided by the government, in terms of timely response and type of support needed, to farmers in the remote region of Dosso in the Niger. The country's vast size and very slow administrative procedures do not allow the national system to react in time, or to react at all, to food crises. These crises are caused by frequent environmental disasters and conflicts in rural regions. Support, when delivered, is often incompatible with the needs of local population, who are rarely consulted (for example, some victims may need food, while others may have lost material or equipment for production). The scheme assists farmer families in cases of famine by providing them with cash and food. Benefits are administered both by the union and the local producers' organizations that farmers belong to. Each group or farmers' organization sets up a humanitarian committee at the village level, which is responsible for assessing the consequences of shocks and disasters suffered by members and establishing the type and entity of the assistance. In particular, the social stock and emergency funds (food and cash) are mobilized in case of an epidemic, hospitalization, flood, fire, and accident at work. Only members of the producers' organizations can access this service. However, in the absence of risks and disasters, funds are distributed to the most vulnerable members in the form of interest-free credit that can be reimbursed after harvest. The scheme also includes storage facilities for food relief and for promoting sales during non-harvest seasons.

assistance provided by the government to farmers in the remote region of Dosso in the Niger. The scheme assists farmer families in case of food crises due to environmental shocks and violent conflicts, providing cash and food for immediate relief. The Union facilitates the construction of storage facilities, such as grain and staple food storehouses in target communities, as an indispensable instrument to provide timely and adequate food supplies during food crises.

Social Insurance or microinsurance

Social insurance or microinsurance schemes are essentially preventive measures aimed at avoiding deprivation. Insurance improves people's capability to manage risks by mitigating the direct consequences of various kinds of environmental, economic and social adversities. When faced with difficult access to public social security systems (or their absence), some groups have developed their own member-based insurance

systems. One constraint, however, is that private financial institutions are reluctant to invest in risky clients such as smallholder farmers and herders (due to their effective capability of repayment) and to develop flexible insurance products that can suit their needs.

Microinsurance schemes in agriculture are particularly tailored to addressing environmental risks such as drought, floods or crop pests. The Union of Cotton Producers of Burkina Faso has developed an area-yield indexed insurance for its members, based on a mathematical model that calculates the average loss of crops against a stated reference.

AREA-INDEXED INSURANCE FOR COTTON PRODUCERS (BURKINA FASO)

The National Union of Cotton Producers of Burkina Faso (UNPCB), in partnership with the French NGO Planet Guarantee, has developed an inclusive microinsurance scheme to protect the livelihood of cotton producers and union members against the loss of or drop in cotton production due to droughts or floods. The Union also provides loans in the form of insured inputs. The scheme is based on a mathematical model that triggers compensation when the average yield of cotton in an area drops below a preset value. Farmers cannot subscribe individually, but must subscribe as local Groups of Cotton Producers (GCPs) through the mediation of their leaders. The GCPs are responsible for registration and disbursement of compensation. Thanks to this practice, cotton producers in 28 provinces of Burkina Faso have been able to protect their livelihoods, reinvest in cotton production and increase their professionalization as cotton specialists.

Similarly, microinsurance schemes are developed to protect herders when they lose animals due to extreme environmental conditions, sickness, undernutrition and malnutrition. This is the case for the Soon Valley Development Program in Pakistan, a member-based microfinance institution that has been developing a microinsurance risk-coping mechanism for livestock herders since 2011. Microinsurance can be coupled with complementary measures aimed at reducing risks and

the costs of reimbursement for the issuing organization. For example, Soon Valley provides free vaccination and veterinary services for insured and non-insured animals to avert the spread of animal diseases, thus reducing the number of animal deaths. Microinsurance can also be a complementary, sometimes compulsory, scheme that enables access to other financial services, such as savings and microcredit.

LIVESTOCK MICROINSURANCE IN THE SOON VALLEY (PAKISTAN)

The Soon Valley Development Program (SVDP) is a member-based microfinance NGO that, since 2011, has been developing a microinsurance risk-coping mechanism for livestock herders. Today, 1 400 households are participating members of SVDP. In the Soon Valley of District Khushab (Pakistan), livestock constitutes the main source of income for rural families. Due to local environmental conditions, herders are often faced with the loss of their animals and sudden drops in income. The microinsurance scheme developed by the SVDP was initially coupled with credit to buy livestock and later extended to non-credit holders. It offers indemnity to animal deaths associated with free vaccinations and other veterinary services. SVDP has an unusual methodology of “family lending”, whereby three members of a family are jointly provided a loan that can be three times as large as a traditional microcredit loan, which is on average between US\$150 and US\$500. At least one member of the household borrowers must be a woman. This scheme has significantly reduced the incidence of mortality among animals and mitigated the effects on local livelihoods in case of animal loss. Members of SVDP are also grouped into village organizations (VOs). VOs meet regularly to discuss best practices in animal husbandry and farming. SVDP assists VOs in identifying mechanisms to reduce costs and enhance revenues, such as collective purchases of animals. The VOs do not, however, play a role in implementing or issuing the microcredit or microinsurance schemes.

Microinsurance products for agriculture and livestock can also be part of a more integrated offer of services. In India, the ASSEFA (a national network of self-help groups mostly composed of women) has developed an array of insurance schemes that principally covers three risks that rural families face: loss of crops from agricultural and environmental causes; loss of livestock from animal deaths; and loss of jobs for women, particularly in the last three months of pregnancy. In this case, beneficiaries are not only vulnerable because they are agricultural workers, but also because of the particular circumstances affecting women, who often lack access to indispensable health care infrastructure.

“Now the self-help group is part of the life of a village girl... If a girl who is committed here, is married and settled down in another place, she will find another SHG easily, as such a structure is now widely extended.”

4.2 Complementary services for social protection in agriculture

Risk reduction mechanisms, social services, agricultural training and financial inclusion promote the enhancement of individual opportunities and skills, ultimately boosting the human capital of rural communities. Basic education and trainings in particular are crucial investments in human capital that promote the long-term social and economic empowerment of the poor. These, as reported by the qualitative assessments of the contributors to this inventory, eventually strengthen the employability and entrepreneurship of participants, also giving birth to many start-up activities. These measures are therefore important to stabilize the livelihood of rural families, smooth out consumption and improve food security. For these reasons, they can be considered reinforcing measures of social protection, and possibly integrated or sequenced into broader social protection systems.

THE EXPERIENCE OF THE ASSOCIATION FOR SARVA SEVA FARMS (INDIA)

The Association for Sarva Seva Farms (ASSEFA) is a multistakeholder national organization composed of delegates from the public and private sector, and from the district level in Mutual Benefit Trusts (MBTs), which are further composed of local self-help groups (SHGs). Other delegates represent organizations such as microfinance organizations, schools and milk cooperatives, in which the SHGs also play in most cases a leading role. ASSEFA is active in the social sector (health care, primary education, basic training, temporary employment), financial sector (microcredit and microinsurance) and agricultural sectors (provision of inputs and training). Among other services, ASSEFA provides microinsurance and basic education to its members thanks to its wide network of SHGs across nine Indian states. Microinsurance principally covers three risks faced by rural families: the loss of crops for agricultural and environmental reasons; the loss of livestock from animal deaths; and the loss of labour for women, particularly in the last three months of pregnancy. Agricultural and job insurance are administered by MBTs (clusters of local SHGs), while livestock insurance is run by a federation of dairy cooperatives (also delivered locally through SHGs). Local SHGs, as end service providers, are accompanied by ASSEFA during a long process of human and social development (14 years according to ASSEFA) towards complete self-reliance. Today, 97 percent of the activities carried out by local SHGs are self-financed. ASSEFA uses the remaining 3 percent to extend its services to neighbouring villages.

Risk reduction

Community-based disaster and risk reduction plans and early warning systems are adopted by many rural organizations to reduce and mitigate the consequences of natural disasters. These plans provide technical alternatives, such as irrigation systems, water management techniques, seasonal calendars or crop rotations, making farmers less vulnerable to natural shocks and helping to preserve weak agro-ecosystems. Thanks to the application of disaster and risk reduction plans, members of Agropastoralist Field Schools in Kenya, the *Caisses de Resilience* in Uganda and the Savings and Credit Banks in Honduras, for example, are starting enterprises that are less prone to natural risks and adapting traditional techniques. The preservation

of agricultural ecosystems is also promoted through the transfer of certain benefits contingent upon the application of good environmental practices (as in the cases of the Mutual Contingency Funds in Honduras, Village Savings and Loans Associations in Kenya, and farmer field schools in general). The stewardship of natural resources, biodiversity and seed varieties; the preservation of soils; and the sustainable management of water resources can also be framed in a social protection and risk reduction paradigm, particularly in fragile contexts where these resources are particularly scarce.

SOCIAL FARMING AT INUKA FARM AND COMMUNITY-BASED REHABILITATION CENTER (UNITED REPUBLIC OF TANZANIA)

In 2009, the CESC-Project started the implementation of social farming in the Southern Highlands of the United Republic of Tanzania, capitalizing on its experience in services for persons with disabilities. The project aims to adopt a participatory community approach in the application of social farming for the empowerment of poor women and disabled persons. There are three actors involved: the Inuka Farm, the Inuka Community Rehabilitation Center, and the informal Wanging'ombe Farmers Group. The latter consists mainly of disabled youth and poor mothers of disabled children. The social farming contract was negotiated and signed by the Farm, the Wanging'ombe Farmers Group and a district official (after the establishment of the farmers' association, there will be stable representation of the Farmers Group within the steering committee of the Inuka Farm). The contract currently covers a total of 175 acres of land. Women and physically able youth in the Farmers Group receive a package of services that helps them to initiate agricultural production. Thus the practice of social farming at Inuka Farm promotes economic and occupational opportunities for disadvantaged farmers through contract farming for sunflower oil production, while at the same time providing health and educational services at the Rehabilitation Center to persons with more serious disabilities. Ultimately, this practice has succeeded in encouraging the social reintroduction of marginalized people into their communities.

TARAPACÁ FARM: CURATIVE PEDAGOGY AND SOCIAL THERAPY IN SOCIAL FARMING (COLOMBIA)

The Tarapacá Farm was established in 2009 in Calí, Colombia, with the idea of combining caregiving services with the practice of organic farming for people with disabilities and special needs. It builds on methods of curative pedagogy and social therapy based on the contextual observation of disabilities, and the specific needs of each individual for his/her own age. This practice was born from the private initiative of parents and teachers in response to the lack of public health and educational alternatives for disabled persons in Colombia. Today, these families themselves are members of this small organization. The farm is successful in providing therapeutic and educational services associated with the experience of organic farming, in a safe and joyful space. The farm is implementing a pilot project of curative pedagogy based on farming, cooking, crafting and baking. The entire process of working with soil, animals, and productive and commercial processes facilitates interaction among beneficiaries, creating an environment of sharing, and ultimately contributing to improving the well-being of highly marginalized persons and integrating them into society.

Social services

Social farming is an example of how practicing agriculture can be used as an inclusive strategy to provide health care to persons with disabilities. While receiving adequate and professional health care in rehabilitation centres, disabled persons can engage with agriculture activities, take on active roles in the economic and social life of their communities, and ultimately improve their mental fulfilment and well-being. This also affords the families of these persons, particularly women members, more free time and therefore improved job opportunities.

“Baba (Dad), but if we take our children three times a week to the centre for rehabilitation, in those three days, how do we carry forward the livelihood of our family?”

Basic education is another social service that can be provided by non-public institutions. In India, the ASSEFA network, comprising around 34 000 local self-help groups, coordinates the construction and development of schools depending on the needs and requests from local villages. Most are primary-level schools, but high schools have been built in some regions.

6 For more information see <ftp://ftp.fao.org/sd/sda/sdar/sard/SARD-farmers-orgs%20-%20english.pdf>.

Inclusive finance

Savings can be considered a voluntary measure of social insurance against emergencies, particularly when other forms of social security are absent. Loans can trap borrowers in debt, but can also help them invest in riskier but more rewarding agricultural and

non-agricultural activities, diversify their livelihood strategies, and reduce farming risks, particularly during seasonal shocks.⁶ Inclusive financial schemes adopt principles of solidarity and flexibility, and are offered to poor rural workers, who cannot access alternative forms of finance (due to the low level of guarantees

VILLAGE SAVING AND LOANS ASSOCIATIONS (KENYA)

Village Savings and Loans Associations (VSLAs) are local financial providers that are voluntarily set up and managed by village group members. These groups are supported under the protracted relief and recovery operation (PRRO) programme Cash For Assets (CFA), funded by the World Food Programme (WFP) and the Government of Kenya in partnership with the NGO World Vision Kenya. VSLAs provide a range of financial services aimed at promoting the stability, improvement and diversification of local livelihoods. Services include saving boxes, loans, microinsurance against loss of crops and livestock, and a relief fund for destitute families and members during emergencies (the Social Fund is kept separate from the Loan Fund and is used for grants, not loans). VSLAs establish collective decision-making mechanisms that deliberate, for example, on the need to disburse emergency funds for needy families, or on the capacity of beneficiaries to repay loans. They also offer other services like collective purchases of inputs and storage facilities. VSLAs have proven to be an effective instrument to improve the resilience of livelihoods among village families, as witnessed by the increasing proliferation of the groups, the amount of savings registered, access to other social services, and better linkages of participating farmers to agricultural value chains.

FROM *BOSASELE* TO THE YANONGE SAVINGS AND CREDIT COOPERATIVE (DEMOCRATIC REPUBLIC OF THE CONGO)

The Yanonge Savings and Credit Cooperative was begun in 2014 and modelled after the previously established Dimitra Club, using its principles of equitable participation, gender sensitivity and collective action. The cooperative provides saving and loan schemes to its signatory individuals and organizations. These community-owned financial services have allowed the cooperative's members to break free of the *Bosasele* practice, which involves rural families (and women in particular) accepting loans at unfair interest rates from travelling salesmen in order to buy food and necessary household items. Thanks to the cooperative, members can now access fair credit and avoid increasing indebtedness, and are thus able to afford basic items and to invest in profitable agricultural activities. Members meet regularly to determine who has a right to credit (using a range of criteria), and to collect repayments and evaluate the progress made by the cooperative. Religious bodies, associations, and schools, who are often the main providers of basic social services to vulnerable rural communities, can also borrow money from the cooperative to extend the coverage and inclusion of their services.

that they are able to offer). In this sense, financial inclusion can be used to reinforce national social protection programmes. For instance, the formation of Village Savings and Loans Associations in Kenya was designed as a reinforcing measure to optimize the impact of cash transfers and improve the resilience of rural communities. And in the Democratic Republic of the Congo, the formation of a financial cooperative was a community-based initiative in response to irregularities around informal lenders.

Finally, financial inclusion can also be a powerful instrument to protect farmers from price fluctuations. The Mada BEN farmers' union in the Niger has adopted a sophisticated inventory-credit system, which disburses loans to local producers' organizations against collateral in the form of non-perishable agricultural produce. The system guarantees that

farmers sell at fair prices in non-harvest seasons, while obtaining credit in advance to promote and diversify their livelihoods.

Integrated approaches

Other informal rural organizations are formed in the context of development interventions to leverage the mutual reinforcement of agricultural, social and financial objectives. International agencies like FAO are currently implementing and promoting these approaches, which are increasingly being recognized by certain governments in their policy frameworks. The formation of these groups is the result of many years of tested methodologies, such as farmer field schools (FFS). These schools offer a participatory learning experience focusing on productive, entrepreneurial, financial and life skills. This learning model creates opportunities for school members to diversify their

WARRANTAGE, AN INVENTORY CREDIT PRACTICE ADAPTED TO THE NEEDS OF SMALLHOLDER FARMERS (THE NIGER)

Warrantage is an inventory credit application adapted to the context of rural areas and smallholder farmers in developing countries. It enables a producer organization and its members to obtain a loan from microfinance organizations, against collateral in the form of non-perishable agricultural produce (millet, sorghum, rice, maize, sesame, gumbo, groundnuts, etc.) that is likely to increase in value during non-harvest season. This collateral is pledged by producers' organizations (in this case, the CIGABA and the Alheri Union) in order to request a group loan on behalf of their individual members, normally from a Decentralised Financial System (DFS) composed of local microfinance organizations. The credit enables farmers to invest in the purchase of inputs to ensure enough yields for the next harvesting season as well as other income-generating activities that families undertake. When the crops are harvested and the loans reimbursed, farmers are able to sell the crops at a better price, leaving them with extra money; or, if needed, they can decide to keep the crops for their own consumption. The *warrantage* system responds mainly to the need to protect farmers from negative price fluctuations during harvest season. Smallholders are not compelled to take out loans from traditional financial institutions (banks for example), thus avoiding over-indebtedness due to their high interest rates.

livelihood activities in harmony with the social and ecological context in which they live. The Junior Farmer Field and Life Schools, as in the example of the United Republic of Tanzania, are particularly tailored to the needs and expectations of young rural dwellers in both agricultural and non-agricultural employment;

while the Agropastoralist Field Schools of Kenya are an evolution of FFS methodology tailored to the double occupations of the group members (herding and farming) and to the context of the country's arid pastures.

THE JUNIOR FARMER FIELD AND LIFE SCHOOLS (UNITED REPUBLIC OF TANZANIA)

The JFFLS methodology aims to contribute to the socio-economic empowerment of poor and low-skilled rural workers, especially women and youth, through enhanced employability, improvement of working conditions, and access to decent work opportunities in the farm and non-farm rural economy. The approach was implemented in the United Republic of Tanzania by FAO in close collaboration with national authorities. The JFFLS concept helps to reshape young farmers' general attitude towards working in the agricultural sectors and towards collective action, teaching them to practice agriculture as a business and not just a means of survival. Having been granted initial support in the form of trainings and inputs, the farmers then use income generated to reinvest and expand on the investment. Young farmers are teamed up with agricultural-related enterprises and institutions of experts for further training in specific enterprises, such as fish farming, vegetable gardens, rice farming, sunflower farming, livestock keeping and beekeeping. Farmers are also given support in the formation of formal groups such as associations or small enterprises. Finally, they are encouraged to apply good agricultural practices that can better respond to climate variability. Ultimately, JFFLS have proven to be an effective strategy against unemployment challenges and rural–urban migrations.

AGROPASTORALIST FIELD SCHOOLS (KENYA)

Agropastoralist Field Schools (APF/S) are formed by groups of agropastoralists who undertake a participatory, season-long learning experience focusing on their productive, entrepreneurial, financial and life skills. This model, adapted from the well-documented farmer field school approach, creates opportunities for members to diversify their skills and activities in harmony with the social and ecological context in which they live. Recurring drought-related shocks have progressively undermined the agropastoralists' capacity to adapt and recover; in addition, women's low educational level and social status exacerbate their exposure to such vulnerabilities. Thanks to the schools, agropastoralist communities are able to increase their resilience to environmental shocks, particularly droughts, and to improve and stabilize their livelihoods. This approach particularly enhances the opportunities of marginalized group members such as women and youth. Notably, thanks to the life skill component of the schools, rustlers in the Lokirama APFS in Turkana were integrated into the school and now campaign against rustling in other communities.

"It is through the APFS that I reformed as a cattle rustler, and it is through the APFS that I managed to convince ten of my friends to stop cattle rustling."

The *Caisses de Resilience* (CdR) are a comprehensive attempt to systematize the adoption of agricultural, social and financial measures. The CdR in Uganda, for example, are based on existing Agropastoralist Field Schools that engage community members in the preparation of community-based disaster and risk reduction plans and other collective activities, and also support them with agricultural training and financial services such as savings, loans and (optionally) contingency funds. They are adapted to particularly challenging contexts that are subject to severe drought, and with the specific objective of improving the resilience of local communities under these conditions.

4.3 Social inclusion

The provision of social protection through member-based organizations poses a few challenges regarding the inclusion of the poorest and vulnerable. The organizations considered for this study are, by the nature of their mandate, representative of poor or vulnerable smallholders, subsistence farmers, herders, fisherfolk, and other formal and informal agricultural labourers. Some organizations are formed to protect and advance the interests of specific vulnerable or excluded categories: for instance women, as in the case of the Indian SHGs; young people, as in the case of Junior Farmer Field and Life Schools (JFFLS); or persons with disabilities, as in the case of social farming. However, access to rural organizations can be restricted in various

THE CAISSES DE RESILIENCE (UGANDA)

The *Caisses de Resilience* is an integrated approach implemented by FAO that combines social, technical and financial support. In Uganda, the Caisses operate through local groups (Agropastoralist Field Schools) to deliver agricultural training, disaster risk reduction plans and financial services. The approach is aimed at reducing the structural vulnerability of agropastoralist communities through the empowerment of men and women smallholders affected by climate-related shocks and environmental risks. The CdR leverage local capacities to increase and diversify assets, income and access to services, thereby improving the resilience of local livelihoods. The approach promotes the formation of strong community-based groups based on values of social inclusion and solidarity at the community level, which are paramount for mutual social protection. The groups engage in discussions and take action according to their needs, reinforcing households' knowledge on topics such as health, nutrition, literacy, gender equality, adult learning and group legalization. Social inclusion can be strengthened through conditional cash transfers or cash-for-work programmes to include the most vulnerable members in the groups. Access to the collectively managed financial services is contingent on the application of agricultural and natural resource management good practices. The combination of these elements makes members of the *Caisses de Resilience* better able to anticipate, manage and recover from risks and crises that threaten their food security and nutrition, thus contributing to sustainable community development.

ways: by the payment of a membership fee (often excluding the poorest and neediest), or on the grounds of gender, age, land size, crop type, or professional category. Given these restrictions, what mechanisms are put in place by ROs to ensure that weaker categories, also non-members, can also benefit? Under what conditions are these possible without jeopardizing the stability of the organization?

Specific inclusive arrangements and economic instruments can facilitate the access of the poorest to the services provided by the organization. For example, minimum participation quotas for women (as adopted by the Savings and Credit Banks in Honduras) and other vulnerable groups (such as indigenous people and scheduled castes and tribes participating in SHGs in India) can help to guarantee access. Social funds are another example of social inclusion mechanisms: in addition to providing direct assistance, these funds are also useful for sustaining the participation of disadvantaged individuals in collective savings and loan schemes put in place by VSLAs, CdR and other groups. The CdR in Uganda have also established a cash-for-work mechanism to allow the poorest in the community to save sufficient funds to then join the financial schemes of the CdR. At the same time, these beneficiaries contribute to the building of community infrastructure for the benefit of everyone. In Pakistan, the SVDP has established priority lines of credit for the poorest herders, thus facilitating their initial access to the insurance scheme. Other groups, such as the Madda BEN farmers' union in the Niger, have adopted collective collaterals in the inventory credit system to facilitate the participation of the poorest farmers (who are unable to reach minimum individual quantities) in the scheme.

Inclusion strategies are also applied to ensure that decision-making processes are democratic and transparent. For example, the Mooriben federation of producers' organizations (POs) in the Niger have established minimum quotas for women's participation

in leadership positions, both at the local level and in national federations. Furthermore, they have set up a humanitarian committee dedicated to the transparent assessment of emergencies for the timely and adequate disbursement of contingency funds. SHGs in India have established computerized mechanisms allowing more effective and transparent monitoring of administration processes. Transparent processes also presuppose the broad consultation of members and participants when deciding the features of services to be put in place. In India for example, district-level Mutual Benefit Trusts run regular consultations with local SHGs to coordinate their educational and financial services. Finally, the discussions held within local Dimitra Clubs have resulted in the formation of a financial cooperative to overcome *Bosasele*.

4.4 Success factors for rural organizations in social protection

Collective principles and economies of scale

Formal and informal groups often promote values of cohesion, solidarity and reciprocity, ultimately encouraging the strengthening of social bonds among members and, in some cases, the inclusion of the most vulnerable. The inclusion of certain life skills in the curricula of FFS is another example of how certain groups encourage the concept of mutual respect for the wealth of the community. Agropastoralists in Kenya have substantially improved their conflict resolution skills, reducing cases of theft and the loss of lives and livestock. Building on these principles, many ROs have proven to be able to establish democratic elections, by rotating leaders and ensuring good levels of information sharing, communication, and transparency in decision-making (Herbel *et al*, 2012). With this foundation, performing rural organizations are able to optimize their economies of scale, allowing individuals to enjoy the advantages of pooling resources, such as increasing their purchasing power and reducing transaction costs.

Formalization

The ability of certain groups to organize and transform into formal structures often contributes to their economic stability and to enhancing their opportunities. For example, some JFFLS were able to evolve into cooperatives or formal enterprises, allowing them to establish partnerships and contracts, or to benefit from national programmes, including social protection. The informal Dimitra Clubs in the Democratic Republic of the Congo discussed the need for a formal financial institution and then agreed to set up a financial cooperative with POs. This new formal institution now offers support to individuals and organizations for the construction of community infrastructure such as a sanitation system, a market and a social welfare centre. Some groups, such as the informal Wanging'ombe Farmers Group in the United Republic of Tanzania, are focusing on formalization as they see the opportunity to be granted official representation in local steering committees. Formal organizations are more frequently targeted by governments or international organizations for assistance and rural development programmes. However, cases such as the FFS and the VSLAs show that informal groups can also be acknowledged and supported by national policies and programmes.

Clustering

Some cooperatives, producers' organizations and informal groups are able to cluster into district or national unions and federations to broaden their social scope and services. Through these layered structures, they are able to increase and stabilize their social stock/financial resources mainly through membership fees or payments for services. We have already reviewed the examples of the humanitarian assistance mechanism put in place by the Madda BEN farmers' union in the Niger (which now also works to support the national food crisis response system of the Government of the Niger) and the inventory credit system advanced by the CIGABA and the Alheri Union. Other examples include the microinsurance programmes run by the National

Union of Cotton Producers in Burkina Faso and by the Soon Valley Development Program in Pakistan; and the vast network of SHGs in India, gathered in district-level Mutual Benefit Trusts and federated in the national NGO ASSEFA, currently covering around 11 000 villages in nine Indian states.

Enabling environment

The external support of governments, international organizations, NGOs and donors is essential for the formation of some groups (although our contributors often stressed the importance of promoting ownership by participants). For example, the FFS is an FAO methodology that has been tested and adapted over the years; FAO is also piloting the CdR. The VSLA approach was initially developed by the NGO Care and then adopted in Kenya by World Vision. These external agencies provide initial funding, training and follow-up. The success of these initiatives has captured the attention of policy-makers, prompting changes in national policies. The Department of Livestock in Kenya established a working group to learn more about the APF/S approach, and group-based approaches were included in the National Agricultural Sector Extension Policy. The same happened for the Tanzanian Agriculture Policy in 2013 with the inclusion of the JFFLS as a strategy to combat rural unemployment. VSLAs are targeted under the Kenyan Cash For Assets (CFA) programme, the Food Assistance Programme and the Protracted Relief Recovery Operation. These programmes are run by the Kenyan Government in partnership with World Vision and WFP. In support of this, the Government has established a regulatory framework to facilitate the formation and registration of VSLAs.

Endogenous organizations and mechanisms (i.e. those started by the members themselves) can also complement national systems. For instance, the humanitarian assistance mechanism of the Madda Ben farmers' union was initially developed because in times of food crises, public aid was absent, or extremely

late or inadequate (i.e. those who needed money got food or assets, and vice versa). This practice is now integrated into a national system for emergency food crisis response, which coordinates at the national level the services offered by the unions at local levels. Elsewhere, national policies and programmes are very important for supporting endogenous initiatives. For example, the Tanzanian Disability Act establishes measures of employment inclusion for people with disabilities, which has helped social farming at the Inuka Farm receive recognition and support from the local government. The establishment of Savings and Credit Banks in Honduras is effectively guided by norms established by the national agency of the Social Sector in the Economy, while allowing autonomy to set internal rules of decision-making. External support to endogenous initiatives can also come from non-public and non-development interventions. For example, the Tarapacá farm is well connected worldwide to similar initiatives of special care and rehabilitation for disabled children through organic farming. The farm regularly hosts volunteers and professionals from other countries, who contribute to the activities and train local staff.

Learning by doing

The experience of international organizations in piloting and gradually scaling up certain methodologies contributes to the successful adaption and expansion of these methodologies. The FFS model, for instance, was transformed into the APF/S and the JFFLS to respond to the specific need of agropastoralists and young farmers. In India, the complete cycle of autonomization of self-help groups has taken up to 14 years, during which the groups have been regularly supported by “sister” or “mother” organizations. A similar learning-by-doing approach was used by the Dimitra Clubs in the Democratic Republic of the Congo: by building on the informal savings and loan practice of the Tontines, they later developed into a formal financial cooperative. Documenting and reviewing the process and creating easy and flexible guidelines

have been an important step towards their successful application and transformation.

4.5 Limitations of rural organizations in social protection

Financial capacity is one important constraint for small organizations, with member contributions ultimately affecting the organizations’ capacity to target chronic and acute vulnerabilities. Mitigating the impact of natural disasters and food crises is often too great a challenge for the capacities of member-based organizations, particularly when they are not clustered in bigger unions and federations. Services should be carefully designed in proportion to financial resources. Operators of ASSEFA in India warn that despite the success of self-help groups, their network should be careful in expanding coverage to avoid the risk of exhausting their resources.

Management and administration capacities are also a significant hindrance to effective service delivery. This is reflected in the administration of budgets and finances, logistics, human resources, and capacity to inform and influence members. For this reason, the social component (trainings on management, administration and conflict resolution, for example) of integrated approaches such as the FFS and the CdR is increasingly valued.

Ownership and assumption of responsibilities are normally considered the underlying principles for the success of collective action. When ROs are constituted through an exogenous process (i.e. with the intervention of an external agency), initial investments should be made to explore the motivations and common aims of participants and foster the gradual “autonomization” of the group. In the case of some FFS, CdR or VSLAs, our contributors reported non-transparent selection of beneficiaries, monopolization of decisions by certain leaders, or weak turnover in decision-making positions.



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5. Participation of rural organizations in SP policies and programmes

As with member-based services, we will classify programmes into two categories: social protection programmes *per se* and complementary programmes that reinforce social protection objectives. In the first category we have grouped programmes of social assistance such as social safety nets, social insurance, and those guaranteeing access to basic schooling and health care for poor rural people. These programmes target purely vulnerable groups such as children, poor mothers, marginalized castes, or subsistence farmers with chronically vulnerable livelihoods.

The second category includes programmes that have agricultural, financial and social features, but that also display functions of social protection. Examples include the provision of social services, the delivery of technology and training for increased resilience and food security, support for livelihood recovery, access to stable markets, financial inclusion to encourage rural employment, and the protection of land rights. These objectives can be considered complementary and/or sequential in a comprehensive planning of social protection systems.⁷

The inventory summarizes the experiences of rural organizations taking an active role in the implementation of SP and complementary programmes. ROs are involved in the design/formulation of policies and programmes, the execution of certain programme operation tasks (targeting and registering beneficiaries, organizing sales, distributing payments), and in monitoring and evaluation processes, thus guaranteeing beneficiaries a voice regarding the actual fulfilment of benefits and the evolution of the programme.

⁷ The Indonesian Government designed a social protection system consisting of: subsidies, scholarships and health insurance for the poorest (rice); block grants transferred to community associations aimed at development for the poor; and technical support for microenterprises. For more information see <http://www.fao.org/3/a-i5740e.pdf>.

5.1 Social protection programmes *per se*

Community targeting in social assistance programmes

Community targeting uses local community-based committees to improve ownership of targeting processes and to promote accountability of potential beneficiaries and non-beneficiaries. This approach can reduce data collection costs (although it can also increase local administrative transaction costs) and mitigate social conflicts where community structures show adequate democracy levels. Local committees are formed at the community level or across communities and villages in order to manage decision-making processes. They are normally endogenously

created by community representatives, but can also be formed by members of other civil society organizations. Local governments normally provide supervision and further administrative support. Examples of community targeting are found in the Productive Safety Net Programme in Ethiopia, the National Social Support Policy in Malawi, the Vision 2020 Umurenge Program in Rwanda, the Gratuitous Relief programme in Bangladesh, and the Livelihood Empowerment Against Poverty programme in Ghana, among many others. Selection criteria vary across different programmes. They can be nationally defined through certain social and economic indicators (to guide community structures in the selection process), or left up to local deliberations.

COMMUNITY TARGETING THROUGH COMMUNITY CARE COALITIONS UNDER THE PRODUCTIVE SAFETY NET PROGRAMME (ETHIOPIA)

In Tabya Negashi (State of Tigray, Ethiopia), Community Care Coalitions (CCC) are established by volunteer community members with technical support from the NGO World Vision Ethiopia, the district office of social affair, and local farmers', women's and youth associations. Membership is open to all local residents and NGOs. These committees are responsible for selecting the beneficiaries of cash transfers under the Productive Safety Net Programme, part of a broader policy of decentralization promoted by the government. They are consulted with and supervised by district-level authorities of the Ministry of Labour and Social Affairs, to which they refer for the targeting process. Selection processes are especially targeted at the ultra-poor, children, and disabled and elderly persons who find themselves in a chronic situation of poverty. The CCCs exhibit high levels of volunteering, transparent selection processes, and actual transfers of responsibility to community structures as declared by local project operators. CCCs are also highly recognized and valued by local governments, NGOs and civil society organizations.

Delivery of social assistance and social insurance through community-based organizations

In certain contexts, the strength of community-based organizations has been both the objective of and the means for the delivery of social assistance and social insurance schemes. Investing in institutions of the poor can be a powerful instrument for their effective protection and empowerment. Relying on strong social bonds, community-based organizations built on the clustering of local self-help groups in Andhra Pradesh, India have been successful in running autonomous social assistance and social security schemes, and have become an integral reference point for the Government of Andhra Pradesh in the implementation of pro-poor policies and programmes in the state.

Social committees for transparency and social control

Social or local committees can be another instrument to promote local ownership and support positive mechanisms of social control (i.e. mechanisms through which beneficiaries, or their representative institutions, can monitor the transparent and effective operations of institutions). Social committees include the participation of community members and representatives of local organizations with the aim of improving information flows, thus ensuring the accountability of responsible institutions and monitoring operations. The social committees in the Mexican social protection programme PROSPERA, for example, confer to the programme a broad territorial

COMMUNITY-BASED ORGANIZATIONS IN THE ANDHRA PRADESH RURAL POVERTY REDUCTION PROJECT (INDIA)

The Andhra Pradesh Rural Poverty Reduction Project (APRPRP) in Andhra Pradesh, India was funded by the World Bank and implemented by FAO and the Government of Andhra Pradesh (it closed in 2011). Its peculiarity lies in investing in the institutions of the poor, themselves a broad network of community-based organizations (CBOs) based on local self-help groups (SHGs), as the most viable instrument for their protection and empowerment. Through the CBOs, the project transfers funds to rural families to undertake subsistence activities in agriculture and livestock, and delivers social security programmes such as job insurance, life and health insurance, child development services, and contributory pensions. The project has also established Nutrition & Day Care Centres for pregnant and lactating women. Finally, Community Investment Funds (CIFs) are transferred to SHGs to promote agricultural and livestock enterprises through programmes of microfinance directly run by the SHGs. In the APRPRP, multi-tiered CBOs administer a complex service system at the level of SHGs, villages, districts and subdistricts. They are entirely responsible for running social assistance and social security schemes (among other agricultural and financial support services), receiving funds and technical support from the project. At higher levels, CBOs engage in participatory platforms with the government to discuss the project and other state policies, and to negotiate on behalf of the poor. The strong engagement of CBOs has improved the capacity and autonomy of community members, and inspired some systemic change particularly regarding the creation of pro-poor policies, programmes and services.

presence even in remote rural regions, constituting a close and constant reference for actual and potential beneficiaries. The committees are also an instrument for discussing and reducing social conflicts caused by the external selection of beneficiaries (Hevia, 2010).

Sometimes different forms of local- and district-level multistakeholder committees are formed within national programmes. These committees are normally tasked with running monitoring and evaluation procedures and with the reformulation or adjustment of rules, with the participation of civil society. The CBOs in India, for example, are part of state-level executive committees responsible for the supervision

of the APRPRP and other pro-poor projects. Similarly, in Brazil, the participation of civil society is integral to social and agricultural programmes: workers' associations and unions of rural cooperatives are part of local- and national-level evaluation and steering committees⁸. In Kenya, complaints and response mechanisms are run by community help desks and coordinated by the VSLAs. VSLAs also recruit village agents who are then trained to supervise, monitor and report on the progress of their own and other VSLA groups in their area of operation.

SOCIAL COMMITTEES (*COMITÉS*) FOR THE PROMOTION OF RURAL COMMUNITIES UNDER PROSPERA (MEXICO)

In Mexico, PROSPERA is a nationwide social programme that provides a series of coordinated services to the rural and urban population. Services include access to labour, social benefits, health and education, among others. Its subprogramme "Productive Territories" was established with the objective of promoting agriculture, where it has substantial social and economic weight. For the timely and broad dissemination of information under PROSPERA, the government has established community committees to promote local interest and help the operations of the programme. In rural areas, these committees also include representatives of other rural organizations. The committees are particularly useful for informing beneficiaries about the programme's opportunities, deadlines, social and agricultural benefits, changes in operation, and requirements. The committees hold regular internal meetings with the community to discuss problems and needs, and external meetings with local governmental agents to update them on local concerns. This information is also used by the Mexican Government for targeting purposes and possible adjustments to the programme's design, such as removing excessive red tape or changing programme requirements that are difficult for beneficiaries to fulfil. The committees also monitor the delivery of benefits and the transparency of operations. Finally, they function as a platform for linking PROSPERA's beneficiaries with the services offered under other national programmes and their governing institutions, such as the Ministry of Social Development and the Ministry of Health.

⁸ These are the organizations CONTAG, FETRAF, and UNICAFES under the '*Programa de Aquisição de Alimentos*' and '*Programa Nacional de Alimentação Escolar*'.

5.2 Complementary programmes for social protection

Implementation of local procurement through farmers' organizations

Institutional and local procurement mechanisms are aimed at creating a stable demand for vulnerable smallholder farmers while providing, through farmers' organizations and cooperatives, food supplies for other social programmes and recipient entities (public or private) that are themselves responsible for providing social assistance to food-insecure people. On the one hand, local and institutional procurement models can stabilize the livelihood of vulnerable smallholders, thus guaranteeing a certain regularity of demand. On the other hand, they complement social protection programmes that promote humanitarian assistance and food security. In local procurement programmes,

farmers' organizations are in charge of assessing the potential supply from local farmers and turning it into sales proposals. Once the programme is up and running, cooperatives must ensure the continuity of supplies and the diversity of food as agreed per contract with institutional buyers such as national governments, schools or development agencies. Local procurement programmes include complementary services such as the distribution of inputs and collective purchases, trainings, and additional financial services, which are also delivered through the farmers' organizations. This inventory surveys different approaches of local and institutional procurement: the PAA in Brazil, the P4P operated by WFP, and the joint and extended initiative of local procurement (Purchase from Africans for Africa) piloted in Africa by FAO and WFP, designed on the basis of the Brazilian model.

LOCAL PROCUREMENT THROUGH PRODUCERS' ORGANIZATIONS IN THE NATIONAL PROGRAMME FOR FOOD PURCHASES – *PROGRAMA DE AQUISIÇÃO DE ALIMENTOS* (BRAZIL)

In Brazil, the National Programme for Food Purchases (PAA) leverages the collaboration of farmers' organizations and cooperatives to coordinate the production and marketing of food, in order to supply recipient entities (public or private) that provide various measures of social assistance to food-insecure people across Brazil. Producers' organizations and cooperatives, organized in umbrella organizations, also participate at the national and local level in the formulation, evaluation and adjustment of the programme. This occurs through participation in a national advisory committee and in local councils of social control. On the one hand, the programme creates stable conditions for poor smallholders to work and generate revenues, and provides locally produced organic food for national networks of social assistance. On the other hand, it promotes the development of local capacities and the strengthening of family farming organizations. The identification of strong local organizations has been instrumental in maintaining the scale and regularity of food supplies for the programme across the national territory.

PURCHASE FOR PROGRESS (GHANA)

Purchase for Progress (P4P) was designed and implemented by WFP, and combines procurement and capacity development schemes. P4P aims to improve smallholder farmers' access to formal markets by strengthening the capacity of farmers' organizations (FOs). In Ghana, WFP and other institutional buyers purchase staple food directly from FOs, thus creating stable demand and providing fair prices for producers. The food is used by WFP to provide vulnerable populations with food assistance. Farmers' organizations play a crucial role in linking farmers to markets and in providing financial and training services, ensuring that low-income farmers can access fairer prices. At the same time, the participation of FOs in P4P encourages them to form local partnerships with private and public actors (buyers, schools, extension agencies) for accessing local markets and financial and extension services, and for improving market infrastructure and transport.

IDENTIFICATION OF BENEFICIARIES AND PRODUCTIVE SUPPORT IN THE “PURCHASE FROM AFRICANS FOR AFRICA” PROGRAMME (THE NIGER)

The Purchase from Africans for Africa (PAA Africa) programme is a joint initiative led by FAO, WFP and DFID in five African countries, including the Niger. The programme, which is modelled on the Brazilian and P4P models and also supported by the Brazilian Government, uses the food procured from poor smallholders' cooperatives and humanitarian assistance programmes run by WFP. In the pilot phase, WFP bought food supplies directly from the cooperatives, which helped target farmer beneficiaries and recipient schools, and delivered complementary benefits such as the distribution of inputs and credit. The participation of cooperatives helped smooth out local operations and bypass intermediaries, whose prices are often harmful to farmers. It also increased enormously the access of women farmers' cooperatives to food markets. The second phase of the programme is concerned with multiplying the number of participating farmers and cooperatives, and transferring procurement responsibilities to the Ministries of Education and schooling institutions.

Member-based banks for inclusive financial services

Inclusive finance can be a powerful integral component of social assistance programmes, particularly when targeted at vulnerable producers. Inclusive finance can promote productive activities, encourage riskier and more rewarding investments, and provide a safety net for emergencies through savings and soft loans (at very low interest rates). In Honduras, the National Programme for Rural Savings and Credit Banks promotes the formation of inclusive and member-

based Savings and Loans Banks aimed at protecting small and fragile rural economies. The protective function of these banks, through the provision of contingency funds (see box below with case study), is particularly relevant in the extremely dry region of Choluteca.

SAVINGS AND CREDIT BANKS IN THE NATIONAL PROGRAMME OF SUSTAINABLE RURAL AND URBAN DEVELOPMENT (HONDURAS)

As part of the strategy of the National Programme of Sustainable Rural and Urban Development (PRONADERS) started in 2000 in Honduras, Savings and Credit Banks (SCBs) are an instrument of inclusive finance aimed at protecting small and fragile rural economies, and ultimately reducing rural poverty. The SCBs are endogenously constituted and run by poor smallholders and rural workers, following the guidelines of the National Programme for Rural Savings and Credit Banks. The banks have a certain degree of autonomy in establishing internal rules. They are tasked with informing members and the broader community about the importance of financial services, administering internal savings and loan schemes, and channelling conditional grants transferred by the government (thus reducing the public cost of operations). SCBs are also important for increasing their members' knowledge of good agricultural and environmental practices, which cash transfers are sometimes contingent upon. Through the SCBs, PRONADERS has been successful in opening access to financial services to vulnerable groups otherwise excluded by formal financial institutions. Savings schemes have been particularly useful in helping families to respond to emergencies, particularly in dry areas hit by cyclical and increasingly intense droughts.

Civil society organizations promoting pro-poor interventions

Civil society can have a pivotal role in advocating for pro-poor interventions. For instance, the evolution of the programme *Cisternas* in Brazil gives us a comprehensive picture of the various roles that civil society can take on, from the formulation to the implementation and evaluation phases. *Cisternas* aims to fight water scarcity through the delivery of water capture technologies. By strengthening the resilience of rural communities

to increasing droughts in the Northeast of Brazil, the programme protects agricultural livelihoods in challenging settings, providing means of subsistence to farming communities and ultimately alleviating the rural exodus to already congested Brazilian cities. Resilience interventions such as *Cisternas*, coupled with social protection interventions (Zero Hunger) and other agricultural programmes that promote family farming, have contributed to reducing food insecurity and extreme rural poverty in certain regions of Brazil.

PARTNERSHIP BETWEEN CIVIL SOCIETY AND THE BRAZILIAN GOVERNMENT IN THE IMPLEMENTATION OF *CISTERNAS* FOR WATER AND FOOD SECURITY (BRAZIL)

Cisternas (literally “water tanks”) is a national programme in Brazil that enhances resilience to water scarcity in the semiarid Northeast through the provision of water capture and storage technology. The programme was created at the request of civil society organizations and designed through a series of collaborative processes. At the national level, the National Council of Food and Nutrition Security (CONSEA, with representatives from both public institutions and civil society), the subnational Network in the Brazilian Semi-Arid (ASA), and the National Council of Extractivists (CNS, in the Amazon region) were the organs that gathered the concerns of a broad network of civil society organizations and turned them into a programme proposal that was discussed and agreed upon with the government. Originally called the “One Million Tanks” programme, it was turned into a policy in 2003, and then later developed into *Cisternas*. This network comprises micro-regional level organizations (federations of trade unions and rural associations, welfare organizations linked to religious institutions, family farming umbrella organizations and cooperatives, and NGOs for the promotion of agro-ecology and the environment), local-level community associations and workers’ unions, farmers’ and other cooperatives, parishes, and local NGOs. The ASA in the Northeast, and later the CNS in the Amazon region, were also responsible for testing, adapting and proposing technologies for water capture, storage and treatment, to be included in the programme proposal. They are part of a national multistakeholder advisory committee (also including representatives of the Ministry of Social development) in charge of revising and adjusting the programme as circumstances change. Local member-based organizations are responsible for the targeting training of beneficiaries, along with the distribution of building material for water tanks and other technologies. The programme has substantially improved the quantity and quality of available water, thus protecting local livelihoods and reducing urban migration. At the same time, *Cisternas* has advanced mechanisms of social control and the independent rollout of programme activities managed by local organizations. The participation of a broad network of local organizations has ensured the thorough execution of the programme across the whole region.

Women's cooperatives participating in livelihood recovery

In contexts of protracted crisis and vulnerability, interventions of livelihood recovery can be a strong complement to humanitarian interventions. Their role is to restore livelihood activities, safeguard vital assets and generate income for vulnerable groups. Women cooperatives in the West Bank and Gaza Strip were engaged in a similar intervention, which used the transfer of assets for apiculture as the means to foster resilient livelihoods. A key component was the role women's cooperatives played in identifying and contributing to administer apicultural production as a livelihood recovery activity.

Protecting land rights

In agricultural settings, land (and additionally land property) are often indispensable assets for the sustainable livelihoods of rural dwellers. Thus the protection and promotion of poor farmers' access to land and other natural resources can be viewed as an integral component of an SP system that guarantees

stable livelihood opportunities for rural labourers. In Latin America, civil society has been traditionally linked with the fight for the *reforma agraria* and the allocation of land to displaced rural workers. In Mozambique, producers' organizations, with the support of FAO, have participated in the formulation and implementation of the Land Law (1997). The law recognizes customary land rights and sets the rules for community-based delimitations of territorial boundaries and mandatory consultations between external investors and local community institutions. Community agents, called *paralegals*, are trained in legal matters to ensure the fulfilment of communities' rights. Similarly, in Zimbabwe, Ward Grazing Executive Committees are formed at the community level with the participation of Chief Aids, Village Heads, NGOs and government extension stakeholders to ensure that community herders have access to safe water and healthy grass for their livestock.

WOMEN APICULTURAL COOPERATIVES: PROTECTING AND RESTORING LIVELIHOODS THROUGH APICULTURE (WEST BANK & GAZA STRIP, PALESTINE)

In the fragile context of the West Bank and Gaza Strip, women's cooperatives took part in the national programme "Emergency backyard food production activities in vulnerable and marginalized areas of the West Bank and Gaza Strip", with the support of FAO. The programme aimed to build community resilience and restore rural livelihoods in areas of protracted crisis, focusing particularly on vulnerable groups such as women, Bedouins and impoverished smallholder farmers in rural areas. Women's cooperatives were involved in the implementation of apicultural projects: they were protagonists in the consultation process to design the initiative, in hosting the training, and in the distribution of beehives and other inputs. They were also instrumental in providing the government and implementing partners information on delivery mechanisms, targeting of beneficiaries, and how to share revenues within the cooperatives among members and non-members. The participation of women's cooperatives gave women the opportunity to discuss their needs and choose their preferred livelihood options. The cooperatives emerged stronger from the process, and are now running apiculture and other activities independently and sustainably.

5.3 Transformative social protection

In 2004 (Devereux & Sabates-Wheeler), the Institute of Development Studies came up with the concept of transformative SP, which refers to the policies and institutions that should transform power imbalances in society and “enhance the social status and rights of the marginalized”. Some of the successful experiences we have described show how rural organizations, representatives of civil society and social protection beneficiaries can play this transformative role by making sure that the needs of their members are addressed by accountable institutions. Through adequate multistakeholder platforms or participatory mechanisms established under national programmes, rural organizations contribute to the creation, evaluation and improvement of pro-poor policies. Partnerships with civil society are also consistent with a right-based approach to social protection, which implies the actual consultation with and participation of beneficiaries. The example of *Cisternas* shows how advocacy actions led by civil society can be effective in furthering people’s rights when well coordinated and motivated, and supported by the political will of the government.

5.4 Improvements in programme delivery

Territorial coverage

By engaging local institutions, governments are able to strengthen the scope and ensure the adequacy of social protection coverage. Both Brazilian and Mexican government officials have highlighted the capillary network that *Cisternas* and PROSPERA could establish across the country, particularly in remote rural communities, thanks to the devolution of certain tasks to local organizations. The same principle applies to the broad network of SHGs in Andhra Pradesh, which is further clustered in higher-level organizations. According to the project report of the APRPRP (World Bank, 2012), the increased participation of community-

based organizations led to an exponential increase in the number of beneficiaries under the APRPRP and other social programmes in Andhra Pradesh. The highest increase was registered among the poorest. Furthermore, civil society and rural organizations constitute a representative reference point for raising awareness on the social and agricultural objectives that the government is promoting, ultimately conferring stronger political legitimacy to the programme.

Improved communication flows and accountability of responsible institutions

Some rural organizations, particularly those that are federated in higher district and national networks, are instrumental in helping governments transfer information from the national to the local level. With the help of civil society networks, social committees and different types of multi-stakeholder platforms, the exchange of information between civil society and governments can be strongly enhanced. Relying on local information ultimately improves the targeting of beneficiaries, the design of services and benefits, and timely adjustments to the programme. Some cases of community targeting have resulted in improved social cohesion (even between beneficiaries and non-beneficiaries) and better understanding of the government’s selection criteria, eventually generating higher satisfaction regarding the programme (Hevia, 2010). Moreover, beneficiaries are better informed about rules and procedures. In certain cases (APRPRP, PROSPERA), subcommittees are formed to run specific sectoral services (health, pensions, schooling) and address the requests of specific groups (children, mothers, disabled persons, the elderly). Thanks to these participatory bodies, local communities have a permanent focal point for addressing complaints. Beneficiaries can make sure that responsible institutions perform their tasks and that the programme’s services and benefits are delivered according to the rules. This increased awareness is also due to the higher level of information that local committees transmit to the

communities. Civil society and rural organizations are often built on principles of democracy, transparency and social inclusion. Their participation is key to consolidating and promoting these values in other institutional settings.

Smoothing out operations and reducing costs

Local organizations are sometimes used as vehicles to channel social transfers and other benefits, as in the cases of the local banks in Honduras and the VSLAs in Kenya. Under *Cisternas*, community organizations are successfully taking on the implementation of social technologies, where “social” refers to the collective responsibility of mobilizing members and organizing the work, as well as the use of traditional and local knowledge. In many communities, local organizations have also proven to be better capable of obtaining good prices for materials than governmental institutions. Similarly, in the case of local procurement programmes, strong farmers’ cooperatives are able to monitor production levels, ensure the continuity of supplies, and comply with contracts signed with institutional buyers.

Better linkages with public and private actors

The formal collaboration between civil society and rural organizations can facilitate the establishment of new partnerships. Smallholder organizations, for example, establish stronger linkages with development agencies (e.g. WFP, FAO, World Bank and NGOs) and market actors, particularly in the context of local procurement programmes. Farmers’ organizations in Ghana signed a contract with Premium Foods Limited for the supply of US\$15 000 worth of white maize, beyond their agreement with WFP under P4P. Local procurement programmes also promote partnerships with schools and different types of aid institutions. Members of social committees in Mexico and VSLAs in Kenya, for example, have access through these platforms to other national programmes.

Improvements in the internal governance of rural organizations

When governments are able to successfully promote the devolution of certain tasks to member-based organizations, participants tend to be motivated to assume more responsibilities. This can contribute to empowering beneficiaries and enhancing their contribution to broader processes. By engaging in operations, members and especially leaders of ROs increase their management and financial competencies (for example, by supplying buyers in local procurement schemes). Frequently, complementary trainings are also provided to increase the programme’s chances of success and the sustainability of participating organizations. In India for instance, more than 60 percent of participating village organizations and 100 percent of the SHGs achieved financial sustainability by the end of the APRPRP project. Leaders of rural organizations also improve their advocacy and negotiation skills by engaging in multistakeholder consultations and evaluation platforms. Pro-poor policies in Brazil and Andhra Pradesh, for instance, have been the outcome of a coordinated effort of civil society. In Brazil, the consolidation of regional civil society networks and the participation of family farmers’ organizations in national programmes have also contributed to advance the cause of family farming and become an important reference point for the whole family farming movement nationwide.

5.5 Effective inclusion of the poorest in policy/programme processes

The institutional recognition of member-based organizations in policy processes allows for the formal and systematic participation of poor members, among others. This deserves special attention because of the inclusive goals that SP should also strive to achieve. The formalization of national laws or policies has often played a crucial role in the cases analysed for the systematic implementation of participatory

mechanisms. In Mexico, social committees are designed as a legal and inalienable component of the effective delivery of the programme PROSPERA. The advocacy effort of civil society in Brazil produced a joint proposal with the government, which was turned into a formal policy in 2003. The process also led to the formal certification of civil society organizations by the federal government, allowing them to participate in national programmes. The design of the APRPRP in Andhra Pradesh was favoured by a policy environment where formal consultative platforms were systematically implemented and rural poverty issues were mainstreamed in the policy agenda, thanks to the advocacy of CBOs. In the case of programmes that are externally funded (e.g. P4P), the objective should be to ensure that the programme procedures are then turned into institutional procedures for the continuity of the activities.

While social protection programmes explicitly addresses vulnerability, complementary programmes can also adopt measures favouring the inclusion of the most vulnerable within the larger group of beneficiaries. These measures can include targeting organizations that represent particularly vulnerable groups (such as women, agrarian reform settlers, *quilombolas*, and indigenous people in the PAA programme in Brazil), or adopting participation quotas within organizations (for example, the norms for the formation of SCBs in Honduras set a minimum quota of 30 percent on female membership). The literature on community targeting and other programmes for poverty reduction shows that when given autonomous decision-making power, community groups are not always inclined to favour the poorest community members or activities that further their interests (Voss, 2012).

Some programmes are the result of a gradual learning process. In Mexico and Brazil, participatory mechanisms were carefully piloted and expanded, building on previous experiences and adjustments and using the feedback from partnering rural organizations (for

instance, PROSPERA represents the evolution of the earlier *Progres*a and then *Oportunidades*). A gradual adoption of this participatory methodology was also planned for the expansion phase of PAA Africa. In the pilot phase, WFP was in charge of purchasing food items from smallholders. In the expansion phase, these liabilities are now being gradually transferred to public institutions. Documenting lessons learned and gathering feedback from local organizations is a crucial step in these learning processes.

5.6 Weaknesses of RO involvement in SP-related programmes

The successful collaboration between governments and civil society organizations is inherently related to the capacities of the actors involved. Due to weak literacy and numerical skills, ROs struggle to administer management and financial processes autonomously. And sometimes the leaders of ROs are not able to represent the members of their organizations effectively. For example, APRPRP staff report that asymmetrical negotiations still affect the formulation of pro-poor policies in Andhra Pradesh, despite the improvements and proactive engagement of CBOs. In Honduras, local Savings and Credit Banks are still struggling to link with financial institutions and open lines of credit for their members. Representative leadership positions are not always democratically open to all members. In some Mexican municipalities, for example, many leaders of local organizations are also representatives of social committees, perpetuating certain elite structures and failing to ensure broad representation in the communities. Community-based targeting processes have led, in some cases, to the erosion of social relations when consensus was more problematic, and the appropriation of decision-making power by local elites (Conning & Kevane, 2002; Simons, 2016). This happens especially when communities are broken down into multiple subgroups, or when multiple communities struggle to organize together.

In general, we have noted that ROs that managed to cluster at the district and national level prove to be better equipped to overcome resource and capacity constraints.

Looking at public institutions, local governments are often reported to show a similar lack of capacity, and more investments from central governments are required for the improvement of local human capital. For example, local governments in Honduras are still challenged by the development of risk emergency plans, thus jeopardizing the timely disbursement of contingency funds through local Savings and Credit Banks. Sometimes, as in the case of *Cisternas*, national governments are still unable to support the formation of the necessary local institutions (local advisory committees) in all municipalities targeted by the programme. Weak administration capacities are sometimes exacerbated by excessive requirements and red tape (e.g. price quotes for building material, invoicing meals supplied during collective work). Social evaluation mechanisms can play a strong role in reporting procedural and bureaucratic issues to local and national authorities.

Some of our contributors note that the standardization of rules and procedures for programmes covering large regions can bring consensus and facilitate implementation. However, attention should be paid to the different cultural norms and types of beneficiaries that sometimes require more flexibility in the design of services. Specific evaluations of the challenges and possible improvements in the implementation of participatory processes should be made to build effective institutional structures. Such assessments can investigate further the following three important institutional dimensions: the formalization and applications of participatory rules and procedures; the realization of partnerships between ROs and government; and the linkages from local to national administrations, just to cite a few examples.

6. Key messages

■ The rural poor organize themselves collectively against risks and vulnerabilities, and this contributes to fill gaps of coverage in public services, including social protection

In the absence of timely and relevant SP provided by public institutions, rural people organize themselves in member-based rural organizations to promote and protect their livelihoods. Collective mechanisms of social assistance and insurance, and other complementary services for the protection of agricultural livelihoods, reflect the social mandate of rural organizations based on collective action and principles of solidarity and reciprocity. These services are needed especially in remote rural settings characterized by informal economies in order to manage risks affecting agricultural livelihoods. Member-based organizations that manage to cluster in regional or national umbrella organizations show broader social scope, a stronger financial base and better capacity to liaise with public actors and development agencies.

■ Member-based social protection is often complementary, but subordinated, to agricultural objectives

Consistent with the mandate of many rural organizations, social assistance and risk management are usually integrated with other services aimed at promoting agricultural and economic objectives. Accordingly, social protection is mainly a complementary service with the ultimate purpose of promoting rural livelihoods. The provision of social assistance and insurance is often seen as an auxiliary service and subordinated to the financial stability of the organization and to the economic objectives of contributing members. This evidence supports the need for integrated agricultural and social approaches to address the structural causes of rural poverty, based

on the mutually reinforcing links between agriculture and social protection.

■ **Participation is both a right and an instrument for improved delivery of SP systems**

Certain governments are adopting participatory mechanisms to improve the delivery of SP systems. Multistakeholder consultation and decision-making platforms can be an effective instrument of social inclusion. Civil society organizations can exercise their right to influence policies and laws that affect their members' lives and stimulate structural pro-poor transformations. ROs have proven to be instrumental as mechanisms of social control, information, evaluation and transparency (the experiences of Latin American countries are particularly useful). Special measures are sometimes devised for the actual representation and participation of the poorest and most marginalized. In certain circumstances, ROs can also be instrumental for the effective execution of technical and logistic procedures in rural interventions that incorporate social protection objectives.

■ **Internal constraints limit social inclusion of the poorest and provision of non-contributory assistance: social services should be designed in proportion to available resources**

Social inclusion is, by and large, a fundamental principle of member-based organizations. Some mechanisms are devised to make sure that the weakest community members are included, and internal decision-making processes are often open and democratic. However, rural organizations are affected by internal limitations, generally concerning the lack of financial resources and capacities. The financial sustainability of social funds, insurance and other risk management measures depends on the scale of the organization and its social and financial stock. Oftentimes this potential is not sufficient to grant free or flexible membership, cheaper services, or other incentives to the poorest members of rural communities. At the same time, these constraints limit the potential of rural organizations to address

acute and covariant emergencies, and to adequately and swiftly address demands for non-contributory social assistance. For this reason, member-based mechanisms of social protection should be designed in accordance with the contributory potential of participating members, to avoid jeopardizing the stability of the organization.

■ **Legal, technical and financial enablers enhance provision of social services**

Support from public institutions and international organization can substantially trigger or strengthen the potential of rural organizations. Governments provide the legal instruments for the members of rural organizations to be formally represented in decision-making processes and to play an active part in the provision of social services. Laws and policies aimed at the recognition, formalization, expansion and clustering of member-based organizations are particularly effective in connecting them to public and private partners and in accessing funds and services. In addition, targeted programmes led by governments or development agencies can strengthen the technical and financial capacities of rural organizations, ultimately enhancing their potential to serve the poorest. External support should ultimately aim for the autonomy of the group.

7. Concluding remarks

This inventory provides global evidence of the types of services that ROs can provide to their members and to governments in the most varied contexts. Clearly, each country presents different socio-economic and environmental circumstances as well as different institutional settings at the local and national level. The inventory is available to FAO and other agencies for identifying the necessary entry points to conduct country assessments of non-state SP service providers. In particular, interested agencies should define: what services are available; what institutions are delivering them and what their comparative advantages and disadvantages are, also in the delivery of national programmes; what complementarities exist among multiple local service providers to organize a more coherent offer; what options exist to strengthen the access of the most vulnerable to social assistance and social insurance; and finally, what type of external technical, financial and policy support would improve the contribution of rural organizations. Therefore, more in-depth and context-specific evidence is necessary to fully understand and leverage the role of rural organizations, reinforce these mechanisms, and coordinate coverage for social groups that lack it.

In accordance with the need to enhance the relevance, adequacy and scope of SP programmes, FAO and many international agencies and NGOs, but most importantly rural organizations themselves, can advocate for formal and regular participation of rural people (through their representative organizations) in SP decision-making processes. National governments can draw from the unique expertise of rural organizations to formulate policy options, based on context-specific and in-depth evidence. Governments can explore these options in the design and implementation of social protection and complementary programmes, in accordance with

the capacities and mandates of existing organizations. Governments can also review and possibly adopt the successful methodologies presented by this inventory in order to strengthen the skills of ROs in providing social and agricultural services, and to inform public authorities and negotiate fair and effective SP systems on behalf of their members. This support and methodology can be further tailored to the social protection needs of the members of rural organizations.

The services offered by rural organizations cannot and should not be a substitute for the public provision of social protection. Our evidence demonstrates that member-based solutions are useful for filling existing gaps in terms of access (and adequacy) of public services. They represent an important complement, but not an alternative, to public social protection that remains a prerogative of public institutions. Accordingly, governments could consider different policy options promoting the following objectives: (i) guaranteeing a democratic space for rural people to participate in SP decision-making processes; (ii) leveraging the capacities and social scope of rural organizations for the improved delivery of SP programmes; and (iii) recognizing and supporting collective practices that are integrated into and that complement national systems of SP (and do not substitute for or overlap with them).

The inventory provides some evidence in support of these policy transformations: the importance of giving formal recognition to rural organizations (e.g. national registries, legal acts); the potential to scale up organizations and services to strengthen their financial sustainability and broaden their impact; the need to invest in local capacities, particularly targeted to include the poorest; and the need to strengthen coordination between national and local administrations (where civil society organizations can also play a role) and between formal and informal service providers.

The integration of community-based agricultural and social approaches has been demonstrated, in the

cases analysed, to constitute an effective approach for strengthening vulnerable rural livelihoods. This contributes to the increasing evidence of the mutually reinforcing links between national social protection and agricultural interventions. The FAO studies show that social safety nets are likely to increase the access of the rural poor to social networks (such as rural organizations) (Veras Soares *et al*, 2017). In turn,

members of social networks will benefit from increased access to agricultural and social services provided by member-based organizations. For these reasons, it is advisable to improve the coordination of agricultural and social institutions, both at the national and local level, and with the inclusion of public and private, and formal and informal organizations.

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ANNEX A

HOW RURAL ORGANIZATIONS DELIVER SOCIAL PROTECTION SERVICES TO MEMBERS

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1 Area-indexed insurance for cotton producers



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BURKINA FASO – 28 cotton-producing provinces (the Western provinces, part of the Centre, and the provinces of East and Southeast)

Summary

In 2012, the National Union of Cotton Producers of Burkina Faso (UNPCB), in partnership with the French NGO PlaNet Guarantee (PG), developed an inclusive microinsurance scheme to protect the livelihood of cotton producers against the loss of (or a drop in) cotton production due to droughts or floods. The union also provides loans in the form of insured inputs. The scheme is based on a mathematical model that triggers compensation when the average yield of cotton in an area falls below a preset value. Thanks to this practice, cotton producers in 28 provinces of Burkina Faso are able to protect their livelihoods, reinvest in cotton production and increase their professionalization as cotton specialists.

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Organization

UNPCB is an umbrella organization active in 28 cotton-producing provinces across Burkina Faso. It consists of 277 departmental unions of farmers and more than 9 000 local Groups of Cotton Producers (GPCs). It serves more than 370 000 farms and about 3 million individual members.

Members represent a relatively poor population owning 5 hectares of land on average. Most farmers produce other crops besides cotton for subsistence. Half of the farms are moderately equipped (e.g. with oxen, a plough, hoes, carts), but many lack basic physical assets.

Risks and vulnerability

Environmental – Risks and vulnerabilities are mostly environmental. Alternating floods and droughts diminish or destroy crops, reducing incomes and jeopardizing the livelihood of cotton producers. Unproductive plots also jeopardize the ability of farmers to maintain their own food supply. In addition, farmers' poor knowledge of water management exacerbates the consequences of droughts and floods, impacting on their families' livelihoods and food security.

Benefits and mechanisms

Social protection benefits – crop insurance

Complementary benefits – insured physical assets in the form of loans

In 2012, UNPCB in partnership with PG developed a form of area-yield indexed insurance for cotton producers. The scheme assists subscribing farmers in the event that the average cotton yield in a given area falls below a preset value due to environmental causes. To subscribe, farmers must pay a premium of 90 000 CFA francs/ha. Compensation is triggered through a mathematical model developed by PG in consultation with UNPCB.

In addition to the microinsurance scheme, the union offers inputs and other physical assets in the form of loans, which are also insured against low yields.

Farmers cannot subscribe individually, but must subscribe as a group (i.e. a local GPC), through the mediation of their leaders. The GPCs are responsible for registration and disbursement of compensation.

UNPCB is managed by a board that is chosen by vote in a general meeting, with representatives from local GPCs. This board works with the support of PG technicians to design the most suitable products for UNPCB members.

Social protection functions

Insurance – The scheme offered by UNPCB protects farmers from the impacts of environmental shocks and loss of/drop in yields. Thanks to this scheme, farmers are able to obtain compensation and reinvest in cotton crops for the next season. Farmers also avoid entering into prolonged debt, as compensation enables them to reimburse the loans received from the union.

Impacts

The scheme continues to expand: so far it has reached 1 600 producers in over 28 provinces, and aims to reach the entire cotton producer population in Burkina Faso.

Compensation is normally paid in the early season, allowing farmers to reinvest in cotton production. Farmers are also able to pay back the loans in the form of inputs and thus avoid increasing their debt. Index-based crop insurance has a positive impact on the amount of credit, the fertilizer purchased, the

volume of output and the value added of cotton products. These effects have substantially increased the resilience of UNPCB cotton producers in the face of climate instability/variations and extreme weather events.

According to UNPCB, the scheme has also contributed to the “professionalization” of cotton-producing activities. Thank to the protection the insurance provides, farmers are able to specialize in cotton-producing techniques and increase their expertise.

Finally, UNPCB in partnership with PG has succeeded in raising awareness on the importance of insuring crops to ensure stability in production.

Women represent a very small portion (only 1 percent) of the overall beneficiaries of UNPCB microinsurance. However, among the subgroup of organic farmers who subscribe to the plan, women make up around 45 percent.

Limitations and constraints

Early difficulties arose with farmers’ understanding of the mechanisms. Compensation is based on a mathematical formula that is not easy for them to grasp.

The premium of CFAF90 000 can be very high for some farmers, who therefore might opt not to insure their crops.

UNPCB has also encountered some difficulties in disbursing timely compensation before planting season in order to allow farmers to pay their debts and invest in production. Furthermore, loans in the form of inputs often come late, after the planting season – thus exposing farmers to higher-interest debt.

The scheme covers cotton crops, but not the alternative production that is indispensable to farmers’ subsistence and food security/variety.

According to PG, the management capacity of stakeholders, in particular UNPCB and GPCs, needs to be improved regarding the microinsurance scheme.

Enabling environment

There is no specific policy regulating or facilitating microinsurance for crops and livestock in Burkina Faso. The country’s agriculture is relatively underfunded: due to the comparatively higher financial risk presented by smallholders, banks and microfinance institutions are often reluctant to finance agriculture through small, member-based organizations. This gap certainly encouraged UNPCB to seek a solution to the pressing need of its members.

The action of PG was paramount to developing the scheme in terms of technical support, awareness raising and information, and initial accompaniment in the coordination of GPCs.

Replicability and upscaling

During the inception phase, PG focused on raising awareness and informing farmers about the functioning of the insurance scheme, particularly regarding the area-indexed model. This flexible mathematical model can be adjusted to other environmental and social circumstances. It is important that the appropriate know-how is delivered to the implementing organization (in this case, UNPCB).

PG and UNPCB have developed a strong partnership with the Ministry of Agriculture that has supported

the scaling up of microinsurance in the 28 provinces of Burkina Faso. Expansion to further provinces is under way.

The umbrella structure of UNPCB, and the solid communication between the board and the local GPCs, has allowed the scheme to successfully expand to more and more GPCs and individual members.

Economic opportunities for insured commodities must be kept in consideration. In Burkina Faso, the cotton value chain is quite broad and well structured. Cotton companies meet the short-term financing needs of smallholder farmers, foreseeing their economic gains and at the same time promoting the cotton value chain. Today, this outlook offers a potential of around 200 000 insurable farmers.

Useful tips

- Microinsurance can be delivered by a variety of distribution channels: microfinance institutions, banks, agrodealers and cooperatives. UNPCB is one example that responds to the specific needs of its members. Other institutions with different mandates can respond to different necessities.
- A balanced operating account (the annual difference between compensation and revenues) is paramount for the sustainability of the scheme, and must be constantly monitored to adjust the model when needed.
- UNPCB has held consultations with potential subscribers (GPCs) to agree on the rules and amounts reimbursed. These ensure that needs are met while preserving the financial sustainability of the union.

Resources

<http://www.planetguarantee.com/>

http://www.ifc.org/wps/wcm/connect/industry_ext_content/ifc_external_corporate_site/industries/financial+markets/retail+finance/insurance/planet+guarantee

<http://www.indexinsuranceforum.org/project/planet-guarantee-burkina-faso>

2 Tarapacá Farm: curative pedagogy and social therapy in social farming



©Simone Staiger Rivas

COLOMBIA – Peri-urban area of Calí

Summary

Tarapacá Farm was established in 2009 in Calí, Colombia, with the idea of combining organic farming with caregiving services for people with disabilities and special needs. It builds on the methods of curative pedagogy and social therapy, based on contextual observation of the disabilities and age-specific needs of each individual. This practice came about on the private initiative of parents and teachers in response to the lack of public health and educational alternatives for disabled people in Colombia. The farm's membership is small, with only a dozen families. It has been successful in providing therapeutic and educational services tied to the experience of organic farming, all in a safe and joyful space. The entire process of working with the soil, animals, and productive and commercial processes facilitates interaction among participants. This creates an environment of sharing, and ultimately contributes to improving the well-being of highly marginalized persons as well as their integration into society.

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Organization

Tarapacá Farm is a community-based, private initiative, entirely administered and financed by parents and professionals from various fields, that provides comprehensive care for disabled people with special needs. Currently, the farm consists of 23 participants from 8 to 65 years of age, along with eight staff members (teachers, therapists and practitioners). In the beginning, decisions were made by teachers and parents. Once the project began to grow, the group established a management committee to take on critical issues through monthly meetings.

These families are heterogeneous in terms of livelihood, occupation, social status and education. But they all share the common goal to compensate for the lack of public services in special care, which affects families from all socio-economic backgrounds. The criteria for selecting beneficiaries depends on the ability of teachers to meet their needs, taking into account the degree of disability, clinical history, and economic capacity of each family.

Risks and vulnerability

Health-related – Due to the lack of adequate services and personnel in public schools, the needs of children and young persons with disabilities are not adequately addressed, which in turn affects their school performance and general well-being. People with special disabilities in Colombia don't have many options to live a dignified life. The lack of proactive economic opportunities may isolate them socially, which can weaken their mental and psychological state.

Benefits and mechanisms

Social protection benefits – Health care

Complementary benefits – Basic education/vocational training

Tarapacá Farm was established to guarantee essential social services otherwise absent in formal institutions, such as health care, primary education, basic training and temporary employment.

The practice is based on Waldorf's pedagogy focusing on the specific development required by pupils at different ages. This approach aims to integrate students' intellectual, practical and artistic development. Direct beneficiaries are children, adolescents, adults and elderly people with special needs. They engage in farming activities such as the cultivation of vegetables, herbs, banana, cassava, citrus, fruits and others.

The farm relies on necessary infrastructure to implement the pilot project of curative pedagogy, focusing on farming, cooking, crafting and baking. Adults are already familiar with these activities and can integrate therapeutic work with the aid of a group of social therapists. This group includes local practitioners as well as international volunteers from the Weltwaerts programme in Germany, university students, and national practitioners from colleges who wish to broaden and share their expertise. The farm also offers training courses in biodynamic gardening.

Families of people with special needs are provided with a place where their children or relatives are cared for with joy and dignity, and are given the opportunity to acquire social or working skills that allow them to better integrate into society. This service frees up time for relatives to work, instead of taking care of needy family members at home.

The beneficiaries of the social services at Tarapacá Farm become consumers of healthy, organic food that they have grown themselves. The project promotes a culture of care, not just for individuals but also the environment, soil, water, air and biodiversity. The farm is developing an initiative with its neighbours to recycle garden cuts and cattle manure for composting, which are mostly burned and end up polluting water sources. Participants are also involved in soil recovery and in the production of organic seeds and fertilizers.

Social protection functions

Assistance – The programme provides essential health and education services for people with mental and physical disabilities. It compensates for the inadequacy of the national health system to provide professional care for these individuals, as well as the lack of special services for people with disabilities in public schools.

Impacts

Currently, there are 23 people being treated at the farm, attended by five professional and three regular volunteers (often there is more). The minor group has eight male children and one female. In the adult group, four women and ten men are involved. There has not been a formal impact assessment, but the positive testimonies of parents and the joy of the participants are tangible achievements.

Two students have “graduated” from the school and found external employment; one is training as a social assistant. It is important to keep in mind that many beneficiaries require assistance for life, and graduation is not always feasible. In such cases, the objective is to improve well-being and promote social integration.

At the moment, vegetable production is for own consumption and for direct sale to families. However, organic production represents an economic opportunity to supply local consumers in peri-urban areas.

Another outcome of the project is the mutual support fostered among parents, allowing them to share their professional expertise in different domains: sociology, entrepreneurship, psychology, law and communication. This exchange has allowed the farm to strengthen its fundraising strategies to get support from public health authorities in the form of small grants.

Limitations and constraints

In March 2016 the Latin American Congress for people with special needs was held. The congress worked hard to make the proposals take into account people with disabilities. Participatory mechanisms should be established such that they respect participants’ vocations, interests and capacities. For instance, a person with special needs might not be in the best condition to fully express his/her preferences.

Tarapacá Farm currently relies on its own funds (from member families) and those of volunteers. However, it is also important to receive regular public support and funding from the Colombian Government. These resources would allow the farm to extend its services to more low-income families, and possibly its geographical coverage as well.

Farming practices have many limitations, such as access to good quality seeds and suitable tools and technology. In addition, manual labour to support agricultural practices is often insufficient.

Enabling environment

The Tarapacá practice operates within three sectors – agriculture, health and education – but there is no policy framework in which it fully fits. Health policies are those that might offer conducive opportunities for legal and other types of support. However, so far the project is not connected to any reliable forms of external aid.

The initiative is linked to other international initiatives that have adopted curative pedagogy and social therapy. Several of these also use social farming, which (coupled with therapeutic practices) has produced noticeable results. Thanks to this international network, local teachers receive training from foreign experts, thereby improving their methods and services. Tarapacá Farm has also developed partnerships with nearby universities to share expertise and support young volunteers.

Replicability and upscaling

The lack of reliable public services for people with disabilities in Colombia, and more specifically in the urban and peri-urban areas of Cali, means there is great potential for extending these projects. Curative pedagogy and social therapy through organic farming is a method applied in more than 40 countries, providing a great deal of examples to learn from.

There needs to be broad institutional commitment (even from abroad) as opposed to private and community-based involvement, with all its limitations in terms of coverage and social reach. Access to institutional funding would strengthen financial sustainability and enable the initiative to extend its services to more low-income families, and possibly to expand its territorial coverage as well.

In developing this practice, it is important to link health, education and agriculture. The integration of these three areas of work can strengthen the outcome of each individual process. The beneficiary population clearly requires highly personalized service and personnel.

The practice must be flexible in terms of location and response to actual needs. For example, the project had to change location from a more rural setting to the peri-urban area of Cali. This simplified logistics significantly for the numerous participants from the city, increasing the total number of beneficiaries and contributing family members. But it also required giving up larger areas used for agriculture. The activities were initially designed for people with higher skills, which would allow them to work in more intensive agricultural practices. But the higher degrees of disability of the actual participants led to a reformulation of the social and health services, and also to a slower pace in production.

The project is potentially expandable in connection with the growing agro-ecological movement in Colombia and the problem of refugees and displaced persons due to armed conflict – but still with a focus on people with special needs.

Tarapacá Farm aims to grow 30–50 hectares of land, and also to improve its educational and therapeutic services and its production workshops (horticulture, livestock, small animals, dairy, processed food, carpentry, bakery, crafts, etc.). The farm is also planning to adopt a responsible model of advance payments to promote and guarantee organic production at the farm.

Useful tips

- The practice owes its success to the enthusiasm and sense of responsibility of parents and volunteering professionals. The work environment is structured on daily routines involving participants, their families and the staff. These routines are enriched by moments of singing, music, painting, theatre and games.
- Various parents and volunteers share different professional expertise, amounting to a broad offer of professional services at Tarapacá Farm. The expertise covers educational, medical, social, entrepreneurial and agricultural sectors.
- Developing curative pedagogy and social therapy in the context of organic farming, associated with the production of healthy food and care for the environment, promises dual benefits and a better impact on people's well-being and satisfaction.
- Food production is minimal in peri-urban areas of Cali where monoculture sugar cane predominates. Organic crops attract the interest of people and institutions, who recognize the importance of urban agriculture.

Resources

Web: <https://granjatarapaca.wordpress.com>

Facebook: <https://www.facebook.com/groups/128493893837048/>

3 From Bosasele to the Yanonge Savings and Credit Cooperative



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THE DEMOCRATIC REPUBLIC OF THE CONGO – Yanonge

Summary

The Yanonge Savings and Credit Cooperative was born in 2014 out of the previously established Dimitra Club, ¹ building on its principles of equitable participation, gender sensitivity and collective action. The Cooperative provides savings and loan schemes to its signatory individuals and organizations. These community-owned financial services allow members to break free of the Bosasele practice, by which rural families (and women in particular) are left with no choice but to accept loans at unreasonable interest rates from travelling salesmen in order to buy food and necessary household items. Thanks to the Cooperative, members can now access fair credit without increasing their indebtedness, allowing them to afford basic items and invest in profitable agricultural activities.

1 “The FAO Dimitra Clubs are informal groups of women, men and young people – mixed or not – who decide to organize themselves so as to work together to bring about changes in their communities. They meet regularly to discuss the challenges they face in their daily lives, make decisions and take action to resolve their problems” (see <http://www.fao.org/dimitra/dimitra-clubs/en/>).

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Organization

In Yanonge, a small village of the Democratic Republic of the Congo, women members of the Dimitra Club have joined forces to fight against Bosasele, an economic practice that traps numerous families in a downward spiral of debt. By achieving some significant results, the club attracted the attention of the Yanonge Union of producers, and together they started a savings and credit cooperative. Originally, 40 women members took part in the Yanonge Dimitra Club (created in 2012), meeting once a week to discuss and resolve common problems on a voluntary basis. As the club evolved into the Yanonge Savings and Credit Cooperative, membership was extended to more individuals (both women and men) and organizations, reaching a total of 91 members: 71 individuals (29 women and 42 men) and 20 legal entities (producers' organizations and village associations). Membership is granted through subscription fees: US\$3 for individuals and US\$5 for legal entities. The Yanonge Savings and Credit Cooperative now covers the Isangi Territory (in Orientale Province), where about 80 Dimitra Clubs are active.

Members live in isolated rural communities. Individual members are all small-scale farmers or workers whose livelihoods depend on agriculture and who share common characteristics, such as very low levels of employment and education.

Risks and vulnerability

Economic – The Cooperative was born particularly in response to the risk of excessive indebtedness perpetuated by the Bosasele practice, where items are bought on credit from travelling salesmen at unreasonable interest rates. Predominant agricultural activities are subject to climate variability and price fluctuations that systematically undermine the livelihoods of smallholders.

The village of Yanonge is located in an isolated rural area, where agricultural livelihoods depend on natural resources, and where living conditions are extremely difficult due to the lack of public services, resources, infrastructure, market opportunities and information systems. Women are particularly vulnerable, as they have less access to resources, services and opportunities than their male counterparts.

Benefits and mechanisms

Social protection benefits – N/A

Complementary benefits – gender-sensitive inclusive finance

Thanks to the credit system set up by the Cooperative, the members and the community can now access low-interest loans without incurring serious debts. The Cooperative also offers savings schemes to its members, reinforcing their resilience in case of external economic and environmental shocks.

Like the Dimitra Clubs, the Yanonge Savings and Credit Cooperative belongs to and is managed by its members. Members meet once a month, using a range of criteria to determine who can access credit, to collect repayments, and to evaluate the progress made by the Cooperative. The criteria are simple: the individual or the registered entity must have been a member of the Cooperative for at least one month; the account to be used as collateral must contain at least 10 percent of the amount requested as a loan; the individual or legal entity must sign a written pledge; and finally, the loan must be repaid after two months. Those who fail to do so incur penalties.

These rules evolved from the original tontine established by the Dimitra Club, whereby each member contributed 500 Congolese francs (US\$0.50) to a common fund, used to help needy members or to buy utensils and other materials. Today, individuals pay a membership fee of 2 700 Congolese francs (US\$3). For legal entities (such as religious bodies, associations, schools, etc.), the fee is US\$5 (4 500 Congolese francs).

Social protection functions

Risk management – Loans at affordable interest rates protect members from serious indebtedness.

Religious bodies, associations and schools, who are often the main providers of basic social services to vulnerable rural communities, can also borrow money from the Cooperative to expand coverage for their services.

Impacts

The people of Yanonge, and affiliated producers' organizations and village associations, are now able to break free of the practice of Bosasele. The Cooperative replaces extortion with a simple and attractive savings and credit system, allowing families to purchase indispensable household items (e.g. medicines, cooking tools, mattresses) and agricultural inputs and tools. The credit also encourages them to take risks and invest in more rewarding activities. Families enjoy better food and achieve a higher nutritional level, which is particularly important for children from birth to 5 years of age.

The credit cooperative has its roots in the Dimitra Club (although it now constitutes a separate organization, which the club is a signatory of) and has adopted the club's social dynamics of shared decision-making and collective action. The Dimitra Club approach has led to various community-led initiatives in Yanonge, such as improving the sanitation system, building a market and setting up a social welfare centre, with support from the Congregation of the Daughters of Wisdom. It has also proved to be a powerful catalyst for building the resilience of its signatory organizations and associations. Participating communities exhibit better access to information, natural resources and rural services, which all translate into lower poverty levels.

Interviews with participants reveal that the rejuvenated community spirit has improved participation in decision-making, women's leadership and self-confidence, transparency, social cohesion, ownership of development processes, and enhancement of traditional and innovative social safety nets. The latter still constitute an important source of (informal) social protection (food assistance; gifts; interest-free loans from family, friends and neighbours) where national programmes do not exist or struggle to cover remote rural areas.

The Yanonge Savings and Credit Cooperative is now financially sustainable, with a social capital that grew to US\$14 850 as of 12 December 2014.

Limitations and constraints

The credit scheme does not include a social fund for families facing unexpected shocks or emergencies. Furthermore, the scheme is not yet flexible in the disbursement of loans: it requires an initial investment and establishes fixed percentages for the amount that can be borrowed, as well as fixed repayment periods. This limits the range of investments that families can undertake.

The Dimitra approach does not provide any inputs, equipment or financial support to beneficiaries. It encourages the development of local capacities and new ways of functioning. This approach is not always easy for people to accept in the initial stage. Efficient awareness-raising is crucial to ensuring full understanding, as well as financial and organizational sustainability.

Enabling environment

The policy and legal context neither impedes nor encourages the creation of self-help and producers' organizations or the establishment of local mechanisms to support the poor. Dimitra Clubs are informal in nature and do not require formal recognition. The Cooperative has been set up by the community and for the community, but there are no specific policies that facilitate its formalization or operations. Nevertheless, it has received informal support from the government and local authorities, which recognize its importance for the socio-economic development of the area.

The Cooperative has partnered with various actors for recognition. For instance, it has reached financial agreements with the National Bank of Congo. In addition, the collaboration with the local Union of Agricultural Producers' Organizations (UOPA) has been essential to starting the cooperative and providing initial expertise and resources. Impressed by the initial results of the club and the tontine scheme, UOPA decided to help the club expand the scheme by setting up a formal and permanent savings and credit cooperative.

Replicability and upscaling

All Dimitra Club decisions are context-specific and require flexibility and adaptation. It is a community-driven and participatory process, with the members themselves deciding what issues to discuss and what collective action to take. In the case of Yanonge, the community expressed a need for the creation of the credit cooperative. The Cooperative relies exclusively on the financial resources of its members, with no external support. The replicability of this model of credit for other clubs depends exclusively on the interests and decisions of other communities.

The Yanonge Savings and Credit Cooperative is an outgrowth of the Dimitra approach, building on Dimitra's success in the areas of gender, participatory communication, networking, and recognition of rural women's role in development. The systematic documentation and evaluation of the Dimitra experience are essential to guide its application and help tailor it to different contexts.

Useful tips

- After the Cooperative was started, five producers' organizations, seven Dimitra Clubs, four grassroots community associations (NGOs) and the Yanonge UOPA were the first legal entities to sign up. The Cooperative was strategic in investing time and effort in raising awareness of its services and the importance of savings and other financial services to reducing vulnerability. These sessions were particularly effective, with the Cooperative leveraging the networks of the signatory organizations.
- The formation of the Dimitra Club and the creation of the Cooperative are endogenous processes of capacity development in different areas (analysis, synthesis, listening and expression) and in collective action and networking (e.g. the partnership with the UOPA and the National Bank of Congo). This requires initial support from external facilitators (FAO Dimitra staff), including community facilitators, possibly coordinated in a network to provide efficient support.
- A key element of the Dimitra approach is ownership on the part of its participants. This means that the community gets organized and takes action to meet the needs of its members. Ownership, and a mandate that responds to members' needs, are the foremost requirements for the sustainability of an institution.
- Inside the Cooperative, all members have an equal voice. Participation of all groups, particularly in the case of the most disadvantaged and marginalized people, is both requested and facilitated. This implies that the Cooperative responds to the needs of even the poorest and most vulnerable.
- Gender equality is at the heart of both the Dimitra approach and the Cooperative, where both women and men take part in activities and relevant decision-making. In order to incorporate gender issues into the mandate and services of the Cooperative, and to facilitate the sharing of this approach in successive partnerships (with the public, private actors, civil society, etc.), gender training is necessary at all levels and with the various stakeholders.

Resources

<http://www.fao.org/dimitra/home/en/>

http://www.fao.org/fileadmin/templates/dimitra/pdf/dim_26_e_p6-7.pdf

4 Fedecovera: a cooperative approach to the social welfare of q'eqchí's and pocomchís rural communities



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GUATEMALA – Departments of Alta Verapaz (municipalities of Cobán, San Pedro Carchá, Senahu, Santa Catalina la Tinta, Cahabón, Lanquin, Chisec) and Baja Verapaz (municipality of Purulhá)

Summary

Fedecovera is a federation of forest cooperatives operating in the Mayan communities of the Q'eqchí's and Pocomchís in Guatemala, a country characterized by great social and economic inequalities (with a Gini coefficient of 0.55). The federation promotes the welfare of its members (mainly forest farm producers) through employability programmes, health services, and social funds for accessing formal education. It runs reforestation initiatives to protect the forest asset base that is so indispensable to the livelihoods of forest producers. Fedecovera is also involved in the production of various crops, the commercialization of inputs, and in financial services, thus ensuring its autonomy and economic sustainability. Under the federation, the number of rural people with access to education and health services has increased. The federation has generated thousands of jobs, thanks to its efforts to counteract rural migration through commercial activities, and it plays a major role in the protection of Guatemalan forests and forest livelihoods. It is also engaged in the formulation of policies and programmes at the local and national level, with a focus on the inclusion of indigenous people.

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Organization

Fedecovera is a federation of 38 cooperatives and 12 associations, representing a total population of 25 000 women and men from the native Maya group of the Q'eqchi's and Pocomchís in Alta and Baja Verapaz. These areas are among the poorest in Guatemala. Local-level cooperatives administer the delivery of services to end beneficiaries and around 115 groups of smallholders. Fedecovera is itself one of 11 regional groups united under the National Alliance of Forest Communities (*Alianza*). It carries out economic and financial activities to ensure funding for itself and its social services, thus avoiding the need to charge its cooperatives costly membership fees.

The members of the cooperatives under Fedecovera are mostly smallholder farmers and forest farmers, mainly involved in the production of coffee, cardamom, tea, forest goods and basic grains. Membership is passed down within the same family from one generation to the next; new members are allowed as well. Individual membership fees are so low as to be almost symbolic.

Risks and vulnerability

Fedecovera operates in areas of poverty and extreme poverty. According to the latest available World Bank report, Alta Verapaz is the poorest region in Guatemala, with 43.51 percent of the population living in extreme poverty,¹ indigenous people in particular.

Social – Basic education and health services are often absent or hard to access, resulting in high rates of illiteracy and a low likelihood of receiving appropriate and timely health care.

Health – The scarcity of other important services and infrastructures such as water, sanitation and drainage jeopardize the nutrition security and health of rural communities.

Environmental – Farming and forest populations are subject to frequent natural disasters such as intense storms, hurricanes and floods. Such events are made even more unpredictable by recent climatic changes. The 2016 Global Climate Risk Index ranks Guatemala as the tenth most affected country by extreme climate events in the last 20 years.

Economic – The interests of big, private land grabbers threaten smallholders' land tenancies and reduce access to land of other rural workers. According to the most recent national census, 1.86 percent of landowners own 56.6 percent of land, whereas around 65 percent of smallholders own only 7 percent of the land. Rural producers are also affected by worldwide fluctuations of coffee and cocoa prices.

Benefits and mechanisms

Social protection benefits – school bursaries; health care; cash-for-work

Complementary benefits – basic education/vocational training; financial services; access to markets; restoration/protection of natural assets; legal counselling

As part of its mandate and vision, Fedecovera aims to ensure social protection and dignified lives to its members. It offers 14 lines of services in total. Among these, social services along with other economic, financial and legal services contribute to the social protection of its members.

Health

Community health points (centros de convergencia) have been established to address the health needs of the local population. But as the central government struggles to manage these, Fedecovera has stepped in to take charge of a portion of them. The health points offer preventive health services (medical

1 World Bank. 2009. *Guatemala Poverty Assessment: Good Performance at Low Levels*. Washington, DC (available at <http://documents.worldbank.org/curated/en/2009/03/10792678/guatemala-poverty-assessment-good-performance-low-levels>).

consultations, vaccinations) and dentistry, at prices that are 88 percent cheaper than other private clinics. In the case of dentistry, patients pay for the material plus a token contribution. Fedecovera hosts and runs a higher-level health services centre in the city of Cobán and organizes occasional “medical days”, where the same services are offered for free. It also maintains special funds for helping people who cannot afford medical services, and pays the medical fees of those who need services from specialized clinics.

Education

Fedecovera’s approach to promoting education for rural children has several components. First, the federation runs programmes for raising awareness among rural families on the importance of sending children to school (mostly public schools). Second, it has established a system of scholarships to help needy children and youth from lower socio-economic backgrounds to meet the extra costs (transportation and food, for instance) of going to school. Third, Fedecovera runs its own schools and promotes its members’ access to other private technical courses. One of its programmes is specifically designed to improve the occupational opportunities of 300 young members, with the objective of employing at least 30 percent within the cooperative network. These vocational schools focus on agroforestry business for youth and women, increasing their ability to produce, organize themselves in small enterprises, and take advantage of opportunities to participate in Fedecovera’s value chains. The schools encourage sustainable practices of production and processing as well. Finally, Fedecovera is building its own employment cooperative that will function as a job centre for both members and non-members.

Inclusive financial services

Fedecovera is legally certified as a type A financial mediator in Guatemala. As such, the organization is allowed to grant loans with an interest rate of only 3–6 percent that of the rate it is paying on the credit it has received from other financial institutions. Loans are managed entirely by the individual cooperatives at the local level. They are granted to individuals as well as affiliated producers’ groups, if they respond to the prerequisites established by Fedecovera’s credit regulations. A credit committee evaluates the disbursement of loans. Normally, these are used for productive activities, but also for personal needs such as health, education, funerals and other personal expenses. Fedecovera is also a major shareholder in the country’s most widespread rural development bank, Banrural, from which it gets important annual returns on capital, which are reinvested into social services.

Legal support

Fedecovera has created specialized committees to help members resolve their legal matters. The goal is to ensure that members are able to defend their rights as Guatemalan citizens, in particular their physical security, right to work, access to basic health and education systems, and land rights.

Agricultural work

Fedecovera finances its own production and processing activities along forest and non-forest value chains. For example, the federation cultivates 4 000 ha of coffee, 7 000 ha of cardamom and 10 000 ha of corn. Both members and non-members are regularly contracted for working days or longer periods.

Reforestation

Under the national programmes PINPEP and PINFOR, which provide incentives for forest protection and restoration, Fedecovera runs educational and awareness-raising activities and provides technical services for reforestation activities. These initiatives are partially funded with the federation’s own resources. Fedecovera has a forest nursery for producing seedlings that are then used for reforestation and external sales. It is also an accredited institution for granting various types of certifications of forest products (FSC) and other products like coffee, cardamom, cocoa and myrtle pepper (i.e. KOSHER, JAS, USDA-NOP, BIO-SWIS). These certifications ensure the sustainable management of forests and related value chains.

Fedecovera sees itself as a responsible social enterprise whose economic viability must be ensured through profitable commercial and financial activities. The organization invests around 50 percent of its own resources in providing direct services to member cooperatives, and ultimately to individual members.

Generally, cooperatives are responsible for the delivery of services to their members, while the federation plays a supervisory role. It also provides some subsidized services to the member cooperatives, such as accountability support, product commercialization, and project formulation and management.

Social protection functions

Assistance – The federation maintains funds to subsidize children’s access to school and members’ access to health care, as well as covering the personal expenses of affiliated families in case of emergencies. Fedecovera also runs its own programmes of education, employability and health care services.

Employment – The commercial activities run by the organization (mostly agricultural production and forest services) generate decent employment for members and non-members of the organization. The federation also runs ad hoc capacity building programmes to increase the employability of participants.

Resilience – Through its reforestation programme, Fedecovera contributes to protecting the natural asset base that is indispensable to the livelihoods of many forest producers.

Impacts

In the regions where Fedecovera operates, significant differences emerge between the populations that are organized in cooperatives – with access to services – and those who do not. Direct impacts are observed in terms of the number of educated children and people who have access to health care. Member families also report improved living conditions and more stable access to sufficient and diverse food. Fedecovera holds food security as one of its guiding principles for the design and delivery of its programmes of awareness raising, production and social welfare. For instance, it promotes the use of certain varieties of corn and beans that are more nutritious and suitable for local soils.

Free (or almost free) access of poor members to school and health services has allowed them to stabilize their incomes and invest in income-generating activities. At the same time, Fedecovera’s capacity building programmes have improved participants’ production and employability. The national scope of the organization and its access to markets have also contributed to increasing the profits of member producers.

Thanks to its range of economic and social activities, the federation is able to generate employment for both members and non-members. For example, the reforestation programme and the forest nursery have generated thousands of working days and more than 1.5 million Quetzal in daily salaries, eventually benefitting more than 4 000 women and men. Similarly, Fedecovera employs thousands of rural workers in the production of its own coffee, cardamom, tea, turmeric and basic grains. It is currently the number one producer of organic cardamom both in Guatemala (40 percent of total production) and worldwide (20 percent).

An indirect benefit of Fedecovera’s work can be seen in the much lower migration rates among members of the cooperatives compared with non-members. There is currently an influx of rural dwellers migrating to the Guatemalan capital and, more significantly, to Mexico and the United States of America. Fedecovera members’ migration rates are lower thanks to better access to land, basic services, employment opportunities in the cooperatives, and programmes that enhance self-entrepreneurship and production. If anyone decides to migrate, they generally do so to pursue better educational or job opportunities (attending university, for example).

The reforestation programme is having a massive impact on the asset base of forest producers. Since 1997, more than 4 800 ha belonging to 28 affiliated cooperatives have been reforested. Under PINFOR, Fedecovera’s reforestation services have been extended to more than 30 000 ha of other private users. In this process, more than 36 million different species have been planted nationwide, and around 1 million seedlings are grown in Fedecovera’s forest nursery at any given time. Fedecovera’s certifications ensure that quality is maintained along forest value chains, thus protecting the federation’s brand.

Limitations and constraints

Fedecovera's capacity to effectively deliver social services to its members is dependent on its financial capacity and the profitability of its activities. Other internal limitations include the poor human capital of its local member organizations, due in particular to illiteracy among rural communities. This substantially reduces the likelihood of individuals being contracted for administrative roles within the organization – and thus explains the low availability of professional labour for employment in the organization (which Fedecovera tries to address through its capacity building programmes). Fedecovera also struggles to obtain funding at favourable conditions.

Externally, public and private actors tend to consider member-based organizations as a hindrance or a danger, rather than a partner for economic and social development, in spite of the national constitution's promotion of the cooperative system and its social heritage. Unfortunately, the national education system does not support (and sometimes compromises) collective and member-based initiatives. This culture clearly jeopardizes the opportunities for Fedecovera to obtain external support.

Enabling environment

Despite the above-mentioned limitations, since its establishment in 1976, Fedecovera has occasionally benefitted from investments of governmental bodies and non-profit organizations such as the Swedish Cooperative Centre (now called We-Effect). Important support is delivered through a specific project for the production of cardamom, with funds from the Ministry of Agriculture, Livestock and Nutrition. Similarly, the National Foundation for Coffee Production covers 15 percent of the costs for community health centres. FAO partially supports the school for agroforestry business. Since 1989, Fedecovera has also received support from the Canadian International Development Platform (CIDP) through SOCODEVI, a network of cooperatives and mutual funds. The Project for Forest Development and the Project for the Development of the Federation are among the most prominent outcomes of this collaboration. The Forest and Farm Facility (FFF) programme started in 2013, targeting Fedecovera among other organizations, with financial commitments from Sweden, Finland, Germany, the United States of America, and the European agri-agency AgriCord (itself a federation of forest and farm producers). The FFF programme focuses on strengthening forest and farm producer group businesses, engaging producer groups with multisectoral policy platforms, and making their voices heard at the international level.

In turn, Fedecovera contributes (through *Alianza*) to the design and implementation of national laws. In 2015, the FFF supported *Alianza*'s 400 member organizations in lobbying for the Probosque Law under Decree 2-2015 of the Guatemalan Congress (including four of the six amendments proposed by the alliance). According to this law, for 30 years, 1 percent of revenues in the national budget will be used to finance income-generating activities for forest producers – constituting an estimated US\$20 million per year and US\$667 million over the whole period. The law also ensures a maximum limit on the forest unit size eligible for incentive payments (to avoid elite capture), and introduces priority status for forest restoration in watersheds, which are vital to local communities.

Replicability and upscaling

The replication and extension of the Madda BEN system in the Niger builds on the union's participation in broader networks. Madda BEN is a member of Mooriben, which brings together 30 unions from three regions of the Niger. Mooriben is also a member of a national framework for collaboration and dialogue between rural organizations, which includes the country's five major networks and four large umbrella organizations.

The exchanges and learning within this network facilitate the replication of the practice in different areas of the country and beyond, for example in the Sahelian zone which has similar agroclimatic

characteristics. The most important prerequisite is, without a doubt, the support of local populations in organized structures, and the awareness of both authorities and agricultural producers.

The union and its surrounding structure stand on their own feet. The Madda BEN system was initiated by rural organizations themselves, and the funds are raised by PO members. This ensures both ownership and financial sustainability. The contribution of smaller organizations to higher unions and federations increases the network's overall social capital, making the structure financially sustainable and expanding its social coverage. Finally, the availability of internal technical resources, storage facilities and other infrastructure further contribute to the technical feasibility and autonomy of this system.

Useful tips

- Fedecovera believes that economic, social and environmental objectives are inseparable. It is founded on the principle that cooperatives and their federation should be responsible social enterprises, made autonomous through marketable and profitable activities. This has created the conditions for an economically viable organization.
- Fedecovera has successfully diversified its commercial activities: agricultural production, commercialization of inputs, financial services, equity participation, sale of agroforestry plants, and delivery of forest services. This makes the organization financially stable and economically resilient. It is always on the lookout for new economic opportunities to fund and improve its social services, mainly health and education.
- Fedecovera considers social inclusion and equality a priority for the success of its mandate. The organization has traditionally worked with the indigenous Q'eqchi's and Pocomchis ethnic groups. Women play an important role in the organization, although still representing a minority: there are more than 1 000 women members, among whom 27 have taken on leadership positions and 3 have been president of individual cooperatives. It is very important that new members adhere to the social and ethical code of the organization.

Resources

www.fedecovera.com

www.fao.org/partnerships/forest-farm-facility

5 Savings in mutual contingency funds: an instrument of resilience



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HONDURAS – 28 communities in the four municipalities of San José, San Isidro, San Antonio de Flores and Pespire, in the Department of Choluteca

Summary

Begun in 2014, Mutual Contingency Funds (MCFs) are innovative mechanisms of protection and financial risk management for those who cannot access traditional crop and livestock insurance. The beneficiaries are families that have lost their crops due to recurring droughts in the “dry corridor” of Choluteca in Honduras. Funds are disbursed by local member-based Savings and Credit Banks (SCBs) at very low interest rates. The MCFs constitute an expediting mechanism to re-establish livelihoods in case of shocks, particularly by encouraging (through conditional loans) alternative activities that minimize the risk of default and food insecurity for rural families. In this way, SCB members increase their financial knowledge and their preparedness to collectively respond to crises.

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Organization

MCFs are operated by community-owned SCBs, which are local member-based community banks formed on the initiative of smallholders and rural workers. They provide inclusive financial services to protect the savings of rural families and encourage microinvestment in agriculture. The SCBs are organized according to common norms established by the national agency of the Social Sector in the Economy, although they are given autonomy in setting up their internal rules. Members have the right to vote for the management board in the general assembly. The board runs the internal administration and financial operations of the SCBs, including the MCFs.

Groups consist of a minimum of ten members, with a minimum of 30 percent women in accordance with the Law on Equal Opportunities for Honduran Women (2000). SCB membership requires payment of an initial fee. Today, 1 794 small-scale farming families are members of 28 SCBs recognized by national legislation. These families live in poverty, produce mainly basic grains, and have low educational levels. As they are located in the dry corridor of Choluteca, their smallholdings and crops are highly vulnerable to cyclical droughts.

Risks and vulnerability

Environmental – Honduras is one of the world’s most exposed and vulnerable countries in terms of climate hazards. The dry corridor, with its increasingly erratic rainfall patterns, occupies most of the country’s territory. Other periodic hazards include hurricanes and earthquakes. On average, for every five harvest cycles, three cycles suffer significant losses, and the harvest is hardly sufficient to meet the food needs of rural families (as the majority of the local population lives on the production of basic grains).

Benefits and mechanisms

Social protection benefits – N/A

Complementary benefits – financial inclusion

Mutual Contingency Funds aim to safeguard the livelihoods of local populations in emergency circumstances. MCF beneficiaries are typically local families in a state of social and economic vulnerability. A smallholder or rural worker can be a member of an SCB if he/she chooses so, or can simply buy the services offered by the SCB as an external client. Eligible beneficiaries with a high risk of crop loss (or who have already lost their crops) receive cash for inputs, seeds and technology. According to internal rules agreed by SCB members, funding can be made conditional on the adoption of good agricultural and environmental practices.

All SCB members have access to an MCF. The fund operates as a loan with a low interest rate (the “solidarity” component) – between 3–5 percent according to each local SCB. In addition, local associations, such as producers’ organizations or women’s associations, can become SCB members and apply for the fund (for use with their own members). In some cases, people who are not part of a given SCB may apply for the MCF in case of a specific emergency (although at a slightly higher interest rate).

MCFs are activated when Local Emergency Committees (CODEL) in local governments declare a state of emergency, based on information from an early warning system. This system monitors the availability, access and consumption of food whenever there is a (normally) climate-related calamity. The CODEL informs the Municipal Emergency Committee (CODEM), which in turn informs the Permanent Contingency Committee (COPECO) at the national level. The COPECO is the only institution authorized by law to ratify emergencies.

Social protection functions

Risk management – MCFs are per se instruments of risk mitigation. They represent a local response to emergencies such as cyclical droughts as well as periodic floods, hurricanes, earthquakes and other extreme events. Along with various other financial products offered by SCBs, MCFs aim to include vulnerable categories in financial operations in order to help them climb out of rural poverty.

Impacts

MCFs have increased the resilience of farming families in the high-risk areas of four municipalities in the dry corridor of Choluteca. These families' savings help subsidize the MCFs and ensure the recovery of livelihoods during emergencies. The same applies for local producers' organizations that have started using the funds.

Farming families have improved their preparedness and responsiveness to calamities thanks to their participation in the collective analysis of threats and vulnerabilities. The use of participatory risk plans have helped them take preventive action to reduce risks, based on scenarios specifically identified for the communities.

The use of good agricultural practices and the diversification of production (part of the conditional funding policy of the SCBs) have contributed to improving the quality and quantity of food available. The MCFs, along with other SCB financial products associated with better economic literacy, have contributed to the protection and development of other income-generating activities that do not depend on weather patterns. This has increased savings and optimization of resources, ultimately promoting SCBs as centres of recovery and rehabilitation.

Women play an important role in the roll-out and sustainability of the practice. They represent 71 percent of participating members and are particularly active in ensuring compliance with savings payments, reimbursements and, more generally, the financial sustainability of local funds. In some cases, after the loss of crops that were under the responsibility of men, women have used the MCFs to engage in alternative activities (e.g. raising poultry), thus providing an alternative income for the family.

Limitations and constraints

The SCBs have some administrative limitations, such as the management of MCFs – which have the additional complication of depending on the external ratification of states of emergency. There is also a risk that beneficiaries may fail to repay their loans.

Other constraints concern the overall process and external actors. The municipalities are still ineffective in developing risk management plans, or are reluctant to extensively adopt MCFs and the early warning system as an instrument of emergency response. This is due to lack of understanding of the methodology and its impacts, as well as a lack of technical and financial resources.

Finally, the limited capacity of local governments to monitor and strengthen the organizations might be one of the greatest challenges for the institutionalization of MCFs. Often, communities and organizations require technical assistance, and therefore some resources should be allocated for capacity building of local staff and organizational development of SCBs.

Enabling environment

The formation of SCBs is regulated by national policy and executed through the National Programme on Savings and Credit Banks. The programme does not, however, cover the establishment of MCFs, which have arisen as a response to the specific needs of communities hit by droughts.

MCFs were initially established in 2014, with FAO support and with funding from the Belgian Development Agency, as a pilot activity under the “Integral Community Preparation and Resilience” project for producer associations in high-risk areas. External funds complemented the existing SCB financial resources. After the pilot’s success, MCFs were promoted for application in other vulnerable areas.

MCFs are administered in four municipalities that support SCBs as an instrument to achieve the following objectives (as explicitly stated in their municipal strategies): i) promote small-scale agriculture and good agricultural practices; and ii) protect basic grain production. In practice, local governments have been instrumental in establishing conducive regulations for the SCBs; providing technical support for the establishment of funds; supervising the correct application of state-of-emergency procedures; and providing access to external credit for the SCBs. This institutional and concrete commitment from the local authorities has ensured the smooth functioning of the SCBs, particularly during their inception phase.

Replicability and upscaling

The recognition of the SCBs and the MCFs by key actors, in particular local governments, is crucial to replicating this practice. Local governments play a pivotal role in terms of promoting SCBs and providing technical support.

Extending the practice is contingent on the engagement of men and women and their representative organizations in partnership with local authorities. MCFs should be established in a participatory manner. They might be initially triggered by the local government, but they should ultimately reflect the interests of the community and its representative organizations, and be based on the collective establishment of common regulations. The engagement of members through a (small) monetary contribution to the fund helps ensure the assumption of responsibility by all. The formation of MCFs should not prompt the establishment of new institutions, but rather build on existing SCBs.

Five technical elements are required to achieve the proper functioning of an MCF: 1) making loans conditional on the application of good agricultural practices, as a strategy for the optimal utilization of natural resources; 2) binding funds to the investment in income-generating activities to capitalize on the MCF; 3) conducting risk analysis through the adoption of early warning systems; 4) developing community plans for improving the collective capacity to respond to adverse climate events; and 5) ensuring the proper management of the fund and the reimbursement of loans to guarantee financial sustainability.

Useful tips

Preparatory steps

- Preliminary assessment of the organizational, administrative and sustainability capacities of SCBs, followed by training on organizational and financial skills;
- Diagnosis of the preparedness of SCBs to respond to emergencies;
- Training activities at the community level on proper use of water, soil and forest resources, in accordance with good agricultural practices;
- Economic literacy training to develop a better understanding of cash flows in the communities;
- Training on developing strategies for redirecting internal resources for livelihood recovery activities in case of emergencies.

Tips for implementation

- It is critical to begin capitalizing on the MCFs, using the limited (but important) contributions of all members to accumulate financial stock and ensure ownership by participants. Each SCB should consider different risk scenarios and focus on priority threats (drought in particular). The inclusion of young men and women in the process helps ensure generational continuity.
- User-friendly analysis tools and community-based risk planning provide relevant information to the government on possible early response solutions.
- Some SCBs have been built on existing producers' organizations, or have leveraged their participation as members, thus expanding upon their collective experience.

Resources

Technical notes, newsletter, and audiovisual material:

<http://www.fao.org/honduras/es/>

6 The experience of the association for Sarva Seva farms and self-help groups



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INDIA – States of Tamil Nadu, Pondicherry, Karnataka, Andhra Pradesh, Maharashtra, Bihar, Jharkhand, Rajasthan and Madhya Pradesh

Summary

The Association for Sarva Seva Farms (ASSEFA) is a multistakeholder national organization comprised of delegates from the public and private sector as well as district-level Mutual Benefit Trusts (MBTs), which are further composed of local self-help groups (SHGs). Other delegates represent organizations such as microfinance organizations, schools and milk cooperatives, in which SHGs also play in most cases a leading role. Among other services, ASSEFA provides microinsurance and basic education to its members thanks to its wide network of SHGs across nine Indian states. Microinsurance mainly covers three risks faced by rural families: the loss of crops due to a series of agricultural and environmental reasons; the loss of livestock due to animal deaths; and the loss of employment for women, particularly during the last three months of pregnancy. ASSEFA accompanies SHGs during a long process of human and social development (14 years) towards complete self-reliance. Today, 97 percent of the activities carried out by local SHGs are self-financed. ASSEFA uses the remaining 3 percent to extend its services to neighbouring villages.

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Organization

Self-help groups (SHGs) are village associations composed mostly of women. In India, since 1968, the apex organization Association for Sarva Seva Farms (ASSEFA) supports the development of SHGs in around 11 000 rural villages.

An SHG has a maximum of 20 members. There are on average five to seven SHGs in each village. In regions where SHGs add up to 200–250 units, they establish a Mutual Benefit Trust (MBT). In 2014, there were 34 000 SHGs organized into 113 MBTs. The MBTs elect their members to the ASSEFA board of directors.

Local families are mainly involved in agriculture and livestock for milk production, and are also organized into dairy cooperatives through the SHGs.

Risks and vulnerability

Economic – Farmers run the risk of losing crops, livestock and labour, particularly in the case of women at the time of pregnancy. Poor farmers and families are often landless and victims of land grabbing. This is partially compensated through the practice of Gramdhan, whereby land entitlements are transferred from village landowners to a village assembly. The land is then used for collective activities, and the revenues for community infrastructure.

Social – The general poverty levels in India are linked to other structural vulnerabilities, such as food and labour insecurity and scarce access to basic social services. Rural families in remote areas often cannot access basic education for their children; institutions for higher education are generally absent..

Benefits and mechanisms

Social protection benefits – crop/livestock/wage insurance

Complementary benefits – basic/higher education

ASSEFA is active in the social sector (health care, primary education, basic training, temporary employment), the financial sector (microcredit and microinsurance) and in the agricultural sectors (provision of inputs and training). Some benefits provided at the village level are more strictly related to social protection. In particular, ASSEFA focuses on microinsurance and access to basic education.

Microinsurance

Crop Loss Compensation – This scheme is managed by MBTs and activated when farmers' yields fall lower than an established threshold. To reduce the risk of crop loss, farmers are trained and provided with agricultural inputs. Crop growth is monitored regularly and supported by the MBT. A nominal fee is collected from registered farmers, which helps increase the financial stock of the MBT.

Cattle Protection Scheme – This scheme, run by the Federation of Dairy Cooperatives, provides farmers with credit to replace lost livestock. The farmers only pay a nominal fee (4 percent of the credit amount), which also pays for insurance on the animal.

Wage Loss Compensation – This scheme is also run by the MBTs and provides compensation for women who continue working during the last three months of pregnancy. MBTs organize regular fundraising campaigns every year between September and October on the occasion of the birthdays of Vinoba ji and Gandhi ji. These funds are used to subsidize the scheme. An average of 2 500 women per year benefit from Wage Loss Compensation, which includes reimbursements for travel to public health clinics, as well as maternity kits and training in child care for newborns.

Education

Since 1979, ASSEFA has set up schools in villages in coordination with local assemblies and SHGs, depending on their needs and requests. Most are primary-level schools, but high schools have also been built in some regions. Community members contribute through labour and land sharing (*Gramdhan*), with ASSEFA raising the remaining funds to build the schools.

Area-Level School Committees are established at the village level with the participation of parents, village leaders and teachers. They are responsible for school management, including quality assurance and fundraising. They also negotiate benefit transfers and the school curricula with local governmental departments. An Education Trust is set up at the regional level for resource mobilization, fund management, teacher training and partnerships. In recent years, the Trust has agreed on a college-level certification for ASSEFA schools in collaboration with the Indira Gandhi National Open University (IGNOU).

Social protection functions

Insurance – SHGs run insurance schemes that mitigate the risk of losing crops, livestock and jobs. Complementary training is provided to farmers to increase resilience to agricultural shocks.

Employment – A comprehensive education system allows children of remote rural areas in nine Indian States to access basic education (and in some cases high school), thus substantially increasing their future job opportunities.

Impacts

The core of ASSEFA's mission is to improve the condition of poor women. The services described above contribute to this objective, although the patriarchal customs of Indian society are still widely prevalent, and full equality has yet to be achieved. Wage compensation before and after childbirth, antenatal care services, and child-rearing advice have considerably improved the health of mothers and their children.

Similarly, crop insurance has helped farmers to sustain production without resorting to detrimental coping strategies, such as selling assets or withdrawing children from school. Other complementary services, such as training farmers to improve their land and transition to organic farming, also contribute to this end.

ASSEFA considers the SHG's self-reliance one of its most important achievements. SHGs have rapidly become self-sufficient in most cases. Today, 97 percent of the activities under ASSEFA are self-financed. For instance, after a community receives support for building a school, it raises the funds to maintain the school through the local SHGs. The microinsurance schemes are totally self-sustaining through subscription fees. The remaining 3 percent are externally funded, and used to extend the SHG model and its services to other villages.

ASSEFA has been able to set up a capillary structure and mentality to reach a broad geographical area and different cultural mindsets. Women can now find a stable network of support wherever they are. As the president of an SHG in Vatakkampatti, Soubarani explains: "Now the self-help group is part of the life of a village girl ... If a girl who is committed here is married and settled down in another place, she will find another SHG easily, as such a structure is now widely extended."

Limitations and constraints

A major challenge is to fulfil the growing and overwhelming demand from so many villages without overstretching human and financial resources.

Another barrier is extending the SHG model to men in villages, which may be difficult due to cultural prejudices and the stronger economic positions of men in their communities.

In both the microinsurance and basic education systems, there are no systematic evaluation procedures for adjusting the programmes. Challenges are well met, however, thanks to the large distribution of SHGs in the Indian territory and the effective coordination between local SHGs and the higher-level MBTs and ASSEFA.

Enabling environment

In the Indian context, small farmers in rural regions generally live below the poverty line. Government services have proved so far incapable of reaching millions of rural villagers, particularly in remote areas. This explains why most initiatives, such as schools and different types of maternity insurance or crop insurance, are independent.

The broad presence, reputation and capacity of ASSEFA in India allows for partnering with governmental agencies under Indian social protection, in particular the Mahatma Gandhi National Rural Employment Guarantee Act (information, targeting of beneficiaries, implementation of savings schemes).

Replicability and upscaling

The first ASSEFA village was set up in 1968, and the organization has undergone many challenges and changes since then, adapting its activities to varying multicultural contexts in India. Such community-based development takes time. In the experience of ASSEFA, the development cycle in the villages takes about 15 years, from the initial stage to total autonomy of the village. Although the “small is beautiful” principle forms the core of each SHG’s success, the ambition to create larger communities is essential to bringing about significant impacts. For example, mutual maternity insurance has been successfully piloted and then expanded to include around 100 000 women subscribers.

In the case of both microinsurance and the schools, ASSEFA coordinates a large consultation process through its MBTs and SHGs. The future beneficiaries discuss the need for such schemes and agree on service procedures, which ensures broad acceptance and buy-in.

ASSEFA has identified five stages (from the 2011 Annual report) for the development of SHGs in the villages:

1. Planning microrealization – involves building relations, conducting surveys, and planning and searching for resource support;
2. Pilot project implementation – organizing mutuality groups to demonstrate future action in their area, and preparing detailed plans for securing financial resources;
3. Advanced implementation – implementing various programmes and building up linkages with various institutions that have similar objectives for collaborative support;
4. Shedding off – enabling communities to stabilize and consolidate their activities and take up management of programmes by themselves;
5. Spiral growth – launching similar programmes in nearby areas where communities are prepared and eager to accept ASSEFA’s assistance; withdrawal of ASSEFA from earlier projects.

Useful tips

- ASSEFA has always acted as a support partner for local SHGs and promoted the concept of self-reliance. The underlying principle is that the only path to development and true empowerment is one based on individuals and their own choices. ASSEFA supports a system whereby villagers learn to work together and develop a sense of community. Women are at the heart of this development process, through the women's SHG.
- Decisions and leadership are always established through bottom-up elections (from SHGs up to MBTs and ASSEFA). This empowering structure and the voluntary membership of all ensure that high levels of trust are maintained throughout the organization.
- MBT and ASSEFA leaders and staff are always chosen from the villages. Leadership is the outcome of an empowering process focusing on the development of local skills and the assumption of more responsibilities for the organization.

Resources

<http://www.assefawr.org/>

<http://www.actionvillageindia.org.uk/site/aaak/templates/general.aspx?pageid=33&cc=gb>

<http://base.d-p-h.info/en/fiches/dph/fiche-dph-7191.html>

ASSEFA published *The silent march of the invisible force* in 2008 on the occasion of the 40th anniversary of the association. The publication is available in print only from ASSEFA (assefa@md2.vsnl.net.in).

7 Village savings and loans associations



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KENYA – Taita Taveta, Kilifi and Makueni Counties

Summary

Village Savings and Loans Associations (VSLAs) are local financial providers voluntarily set up and managed by village group members. These groups have been supported since 2013 under the cash for assets (CFA) programme of the protracted relief and rehabilitation operation (PRRO), funded by the World Food Programme (WFP) and the Government of Kenya in partnership with the NGO World Vision Kenya. They are part of a broader development strategy of the Kenyan Government encompassing social assistance mechanisms, such as cash and food transfers. VSLAs provide a range of financial services aimed at promoting the stability, improvement and diversification of local livelihoods. Services include saving boxes, loans, microinsurance against loss of crops and livestock, and relief funds for destitute families and members dealing with emergencies. VSLAs also offer side services like collective purchases of inputs and storage facilities. They have proved to be an effective instrument for raising the resilience of livelihoods among village families, as witnessed by their increased proliferation, the amount of savings registered, and the increased access of members to other social services.

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Organization

VSLAs are community-based providers of financial services. World Vision Kenya staff inform communities about the associations with the help of village agents. People from the same village with common interests gather voluntarily to form a group of 12–25 members, based on World Vision's VSLA guidelines and standards. Members then draft a constitution that covers membership registration, elections, general conduct of members, meeting procedures, finances, dissolution of the group, and other relevant clauses. Everyone has the same rights and obligations in decision-making, and the right to monitor accounts and transactions (e.g. savings, lending, social funds, loan repayments) to ensure transparency. Leaders are rotated, and the rules ensure that the proportion of women in leadership is at least 75 percent.

There are 39 groups with a total of 757 members: 636 (84 percent) are women and 121 (16 percent) are men. The groups require a small membership registration fee and are self-selecting, with members coming from a variety of ethnic and educational backgrounds. Members elect a chairperson and secretary from within the group and meet regularly. The groups engage in mixed farming, subsistence farming and small-scale livestock production for food and income generation.

The formation of VSLAs is facilitated by the CFA and other World Vision Kenya livelihood programmes. VSLAs are registered with the government's Department of Social Services.

Risks and vulnerability

Environmental – Families in the counties of Taita Taveta, Kilifi and Makueni live predominantly off of farming, livestock and small businesses. Village members often suffer environmental shocks, such as droughts, resulting in the loss of crops. Other common emergencies include fires and livestock deaths. In these areas, access to social and financial services is generally low.

Health – At the family level, the groups' social fund has helped families whose breadwinner has died, providing support to other family members to pay for medical costs and other emergencies.

Benefits and mechanisms

Social protection benefits – social funds; microinsurance

Complementary benefits – savings and loans; collective or community activities

Access to social (relief) funds in cases of destitution and extreme poverty (conditions agreed upon by the internal management committee) help families to invest in agriculture in order to become self-sufficient. A social fund is created only if the groups deem there are sufficient financial resources; the groups then decide the percentage that should be allocated for this purpose. The fund is used only for grants, and is kept separate from the loan fund. Grants help families in case of hospital bills, funerals, fires, household damages and loss of livestock.

Access to microinsurance schemes protects agricultural crops against adverse weather events or pests, and also insures breeders against livestock deaths.

Members benefit from savings and loan schemes with low service charges and flexible repayment conditions. Members do not take out loans that they cannot easily repay, and the amount borrowed by members cannot be more than three times their savings. Savings are recorded as "shares" in members' passbooks. Loans are advanced to members after they undergo a group vetting process to establish their ability to repay. The members repay the loans during group meetings together with a service charge, yielding group profits that are shared at the end of the cycle. Timely repayment allows members to borrow subsequent loans; late repayment is discouraged with a penalty.

VSLAs manage collective purchases of inputs, food and assets (e.g. seed and livestock) at more favourable conditions than individual purchases. They also provide access to communal infrastructure such as storage facilities and warehouse receipt systems; these protect members against post-harvest losses, in turn allowing them to improve their returns by selling during low season.

Together, the groups also undertake collective activities on a commercial basis, such as rabbit breeding, beekeeping, water vending, poultry raising, adoption of appropriate rainwater harvesting technologies for crop production, and tree nursery establishment, among others. Farm produce is sold, and the cash put into savings by the VSLA groups.

The groups benefit from trainings and capacity-building initiatives led by World Vision Kenya staff, which facilitate the process of market and financial linkages. For sustainability, village agents are also trained to facilitate group formation, both before and after the development partner's exit.

Social protection functions

Assistance – Many VSLAs support vulnerable families through a limited but functioning security fund. In some cases, they also provide in-kind support for food security (food transfers) and protect agricultural activities in cases of shocks (inputs and assets).

Insurance – The microinsurance scheme ensures that families do not lose their assets and income in case of shocks that affect their crops.

Other risk-management functions – Similarly, storage facilities and warehouse receipt systems protect associated farmers against the risk of market price fluctuations. Group loans help families undertake more risky and rewarding investments in agriculture and other business ventures.

Impacts

The VSLAs promote a savings culture with immediate effects on the livelihood security of rural families. Collective schemes allow more flexible disbursement and repayment schedules, and yield cumulative returns (from the interest on loans and penalties) that are shared within the group. The loan and security fund, despite its limited size, has helped many families to overcome their occasional lack of work and food. These mechanisms reinforce a sense of solidarity in the communities.

The access of rural families to advantageous loans has led them to invest more substantially in agricultural activities, particularly those involving higher risks and returns. Loans have also encouraged families to invest in complementary agricultural and non-agricultural enterprises, thus diversifying their livelihoods and improving their diet. The above is particularly true for women, who constitute most of the members of VSLAs (approximately 84 percent, with 85 percent of existing groups having women in key leadership positions). The flexibility on loan size allows women to invest in their preferred activities (mainly rearing of small animals). Thanks to this, women have experienced a substantial increase in economic empowerment and involvement in the family and the community.

The establishment of the VSLA model and the public institutional support it began receiving in 2013 prompted the revival of previously dormant groups, with the group portfolio growing to KSh1.2 million in total savings in 2015. According to the SAVIX MIS report of May 2015, Taita Taveta and Kilifi CFA programmes had 39 groups with 756 members (15.9 percent male and 84.1 percent female), a 84.5 percent attendance rate, and a growth rate of 5 percent. The value of savings currently stands at KSh1 074 418 (US\$12 072).

Eventually, these improvements in income security and welfare in the VLSA communities resulted in more frequent access of participants to essential social services. Examples include the payment of school fees for children, health care, basic training, temporary employment programmes, and other non-agricultural livelihood opportunities.

Thanks to the participation of the broader CFA programme, VSLA members are better linked to local value chains and markets for their products. Similarly, members have improved access to the services provided by the government and other agencies. They are also better able to voice their concerns and take part in the adjustment of the programme. For example, some VSLA members participate as community help desk representatives and are responsible for collecting and handling complaints/feedback on a range of projects that operate under the broader CFA programme.

Limitations and constraints

In the initial phases of the cash transfer programme (meant to stimulate investments in VSLAs, among other things), delays in external cash transfers resulted in lower savings deposits and poor loan repayment by group members. This endangered the social cohesion within some groups. Lately, the cash transfer system has been improved to ensure beneficiaries receive their transfers on time.

The community generally has a negative perception of savings and loan schemes, which has slowed the rate of adoption and replication of the VSLA model. There has been regular capacity building to combat this, as well as site visits to raise awareness, share experiences and establish linkages with other VSLAs.

The prevailing economic situation in Kenya as a whole has a negative impact on the dependability of rural family incomes. For this reason, many members have decided to withdraw from the groups. Groups have resolved to establish joint projects and risk mitigation measures, such as social funds, to give members a cushion and reduce dropouts.

Enabling environment

In January 2013, VSLAs were born as a part of World Vision's CFA programme. This new approach was first piloted in Taita Taveta CFA and later rolled out in Kilifi CFA and Makeni. The goal was to help vulnerable, food-insecure households achieve food security through the creation of productive assets, diversified livelihoods and income sources, as well as establishing savings groups at the village level.

The VSLA model is coordinated with the Government of Kenya's Social Protection Policy (2011), which focuses on the provision of social assistance mechanisms such as cash and food transfers, child protection services, and responses to life-threatening emergencies. Accordingly, the Kenyan Government has established a regulatory framework to facilitate the formation and registration of self-help groups containing VSLAs.

The formation and registration of VSLAs under the Department of Social Services (under the Social Services Act) allows the government to channel certain agricultural and social services to highly vulnerable rural populations, for example through cash transfers from county governments, the Agricultural Sector Development Support Programme (ASDSP), and the Kenya Coastal Development Project (KCDP). Furthermore, the participation of VSLA members in national cash transfer programmes has enabled them to participate more consistently in group savings and financial activities.

The Government of Kenya, in collaboration with World Vision, facilitates group formation and registration, capacity building, linkages to value chains, dissemination of information, and funding of viable group projects. According to World Vision's Programme Accountability Framework (PAF) assessment report, beneficiaries are provided with regular and timely information, and are consulted and allowed to participate fully in every step of the programme. Complaint and response mechanisms are also in place through community help desks.

World Vision also support VSLAs in recruiting village agents who are then trained to recruit, supervise and report on the progress of their own and other VSLA groups in their area of operation, in order to enhance their long-term sustainability.

Replicability and upscaling

The environment in which the groups operate must be conducive in terms of adequate security, political good will, mutual trust among members, shared vision and goals, and ethnical compatibility, among others. Groups should be formed at the village level, as the members are already familiar with each other and are more likely to exercise mutual social control in a positive and constructive way.

Legal structures need to be established to facilitate the smooth registration and operation of VSLA groups. The constitution and registration certificate safeguard members' interests against any form of manipulation, leading to greater trust, transparency and accountability.

Strong partnership between public and private actors needs to be promoted in order to strengthen group operations and promote pooling of resources and capacity-building initiatives. Linking VSLAs to markets and value chains is critical to promoting economic growth, establishing viable local enterprises and building household resilience. This must be accompanied by strong networking between groups and key stakeholders.

World Vision Kenya was strategic in establishing stable and systematic local offices to support the process at the Area Development Programme (ADP) level. Thanks to this, the number of beneficiaries has significantly increased, with groups reporting increased rates of business establishment.

Useful tips

- Linking the VSLA approach with the CFA programme has ensured a mutual reinforcement of both humanitarian and social protection objectives. The integration of financial services eases the transition of many communities from food relief dependency to self-reliance.
- The approach encourages fair, transparent and public participation. Members can save every week, but they can only borrow once every four weeks. This keeps record-keeping simple (distributing loans in every meeting makes record-keeping very complicated, owing to the fact that many members are illiterate). The maximum loan duration is three months, encouraging prompt repayment and ensuring liquidity turnover for other members to borrow. The service charge is set at a rate (normally between 5 and 10 percent) that discourages members from taking out loans that are too large for them.
- Village agents are trained to smooth out operations at the local level, further reducing costs while supporting local ownership and replication of knowledge with other community members.
- It is useful to monitor both the achievement of individual objectives of existing members and the collective accumulation of dividends. This encourages members to pool more resources to strengthen the financial sustainability of the group.

Resources

<https://vimeo.com/album/1588767>

https://www.dropbox.com/s/7vdfqsi3m8rs1sh/DSC_0393.JPG?dl=0

8 Agropastoralist field schools for resilient rural jobs



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KENYA – Turkana and Pokot Counties

Summary

Agropastoralist Field Schools (APFS) are groups of agropastoralists who embark on a participatory, season-long learning experience to improve their productive, entrepreneurial, financial and life skills. This model, adapted from the well-proven farmer field school approach, creates opportunities for members to diversify their skills and activities in harmony with the social and ecological context in which they live. Ultimately, agropastoralist communities are able to increase their resilience to environmental shocks, particularly droughts, and improve and stabilize their livelihoods. This approach particularly enhances the opportunities of marginalized groups, such as women and youth.

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Organization

APFS are mixed groups of vulnerable smallholders and livestock keepers, representing the poorest and middle-poor segments of their communities. Their objectives are to increase the resilience and income generation of their members by combining entrepreneurial and life skills with better farming and livestock-keeping techniques. The FFS were introduced in Kenya in 1995 and adapted in 2001 to the dry environment of the agropastoralists.

FAO along with local partners identifies the target communities for APFS actions on the basis of governmental priority localities (recipients of external emergency or development aid) and criteria such as livelihood systems, vulnerability to shocks and threats, and level of destitution. Members are normally illiterate or have minimal formal education. APFS participation is voluntary, once the approach is thoroughly introduced through community mobilization and sensitization meetings. A gender quota is normally applied with the aim to have at least 50 percent female participation.

Risks and vulnerability

Environmental – Recurring drought-related shocks have progressively undermined the agropastoralists' capacity to adapt and recover due to the loss of their crops and livestock assets (Turkana and Pokot in Northern Kenya are substantially drier than other Kenyan counties).

Social/political – Women's low education levels and social marginalization exacerbate their exposure to environmental vulnerabilities. More broadly, chronic vulnerability in the Horn of Africa is the result of complex and multidimensional political and social processes. In particular, land exploitation and continuous conflict restrict the agropastoralists' mobility and their access to natural resources, which in turn jeopardize their capacity to manage livestock in a profitable and sustainable manner.

Benefits and mechanisms

Social protection benefits – asset transfers

Complementary benefits – financial services; technical training; disaster risk reduction

The approach recognizes the importance of enhanced productive capacity combined with life skills¹ (sensitization to HIV, gender issues, health and nutrition). For instance, agropastoralists learn to protect their ecosystems while also discussing the effects of stress, violence and abuse on their own health.

Direct benefits to APFS groups are articulated in three categories:

- Inputs – Groups receive, for learning purposes, farming and livestock inputs (e.g. seeds, irrigation material, salt licks, de-worming drugs and local animal feed supplies, such as acacia pods) as well as learning materials and stationery.
- Savings and loans – Cash or in-kind goods are deposited in Village Community Banks (VICOBA) to be used for starting income-generating activities. The banks also include a social fund that contributes to the social protection of members. A chairperson, a secretary and a treasurer are principally responsible for the savings scheme, but the group is consulted for the disbursement of funds to needy members. The dividends accruing from the savings are paid to the members once a year, based on the number of individual shares.

¹ Life skills are abilities for adaptive and positive behaviour that enable people to deal effectively with the demands and challenges of everyday life – in other words, psychosocial competency. Some examples include autonomous and critical thinking and decision-making; self-awareness and assertiveness; awareness of own rights and of available services (particularly related to health, education and employability); interpersonal relationships / communication; coping with stress; and civic sense and collective attitudes.

- Education – Members receive training in basic farming techniques (e.g. vegetable or crop farming, animal husbandry, pasture management), off-farm entrepreneurial activities, financial administration, community-managed disaster risk reduction, and life skills. There are approximately 40 half-day learning sessions. Normally one facilitator leads 30 community members, but it is advisable to have two facilitators per group in case one is absent.

During the inception stage, both the APFS groups and the FAO technical teams share responsibility for the distribution of benefits. Some initial benefits are handed out by FAO, and groups subsequently acquire the necessary competencies to manage them collectively. After a cycle of external accompaniment by the FAO facilitators lasting 18 months, the groups are normally able to operate on their own and collaborate to establish new APFS.

Social protection functions

Assistance – The VICOBA provide critical loans or funds in times of crises. Members normally use the social fund to pay school fees and medical bills and to purchase food. Funds are also used to start activities that generate a minimum income.

Resilience – Educational curricula include elaboration of community-managed disaster risk reduction plans. These are used by the APFS to inform productive activities and identify focal enterprises that are more resilient to hazards and disasters.

Life skills (i.e. physical safety, health, primary education) ensure that agropastoralists, particularly women and youth, recognize and defend their own basic rights in the household and the community. Peacekeeping and conflict resolution skills reduce loss of life and livestock, and ultimately stabilize local livelihoods.

Impacts

An impact assessment carried out by FAO in 2013 reported the following positive impacts of APFS.

Agropastoralist communities exhibited improved capacity to respond to hazards and disasters thanks to diversified livelihood options and the application of community-managed disaster risk reduction. For example, in Amethek Lotulia APFS (Turkana), members of the APFS identified deforestation and rainfall variability as causes of their food insecurity and hunger. They now use seasonal calendars as early information systems: rainfall patterns are compared to aspects such as pasture conditions, water availability, livestock conditions and deaths, milk supply, and grain prices. Pastoralists also apply adaptive techniques of natural resource management in response to droughts, such as the bulking of fodder, reseedling and rotational grazing.

“After the APFS, we started preparing ourselves in pre-drought time with making a grass enclosure for our livestock during drought time. The enclosure is kept during summer time and harvested in wintertime.”

Agropastoralists have also increased their incomes inter alia through animal fattening, fodder production and vegetable sales. New income-generating activities (e.g. production, sale of livestock or crop enterprises) flourished after the accumulation of individual and collective savings combined with educational activities. Savings also allowed for the purchase of more food and household items, thus improving nutrition and quality of life. The VICOBA social fund in particular has been shown to enhance resilience, particularly among vulnerable women members.

APFS have strengthened social cohesion and mutual assistance in pastoralist communities. For example, members of APFS in Oropoi (Turkana) have established a collective enterprise for growing Aloe vera and processing it into soap. Communities have also reduced conflicts over resources and livestock rustling. For instance, some rustlers who participated in the Lokirima APFS in Turkana are now campaigning

against rustling in other communities. They tout the APFS as the only option to reform rustlers and bring about structural transformation in the grazing areas – ultimately restoring a climate of peace and community development.

“It is through the APFS that I reformed as a cattle rustler, and it is through the APFS that I managed to convince ten of my friends to stop cattle rustling.”

The creation of farmer networks and community associations underscores how collective action is truly community-driven. APFS in Turkana and Mandera have planted pasture for livestock and made some considerable sales to county governments as well as to other deserving pastoralists.

Households and communities are becoming more sensitive to equitable gender relations. For example, women of the Pokot society, who are normally expected not to sit or speak among men, are increasingly participating in APFS activities in their communities. The APFS are teaching communities about the detrimental effects of negative practices, such as female genital mutilation, on the health of women. Women and youth are now encouraged to join APFS. Practical and field-based trainings attract more women than men, as well as poorer community members.

Groups are now better aware of the importance of protecting natural resources (grazing land, water points, trees and other livestock fodder species), and are associating their health with that of ecosystems.

Limitations and constraints

The initial setup, in terms of training of Master Trainers and facilitators, is time- and resource-intensive – the total cost is on average approximately US\$1 000 per group and US\$33 per participating community member. However, this phase is crucial for ensuring adequate mentoring for APFS facilitators and front-line field staff. The nomadic nature of agropastoralists presents a challenge to providing continued training support for facilitators and staff.

Agriculture, livestock, human health and social affairs are normally dealt with by different departments under varying funding streams. This requires strong coordination efforts to formulate multisectoral policies and programmes in support of APFS and to ensure support to infrastructure and services in remote places in the pastoral areas.

Enabling environment

In the Horn of Africa, agropastoralism is normally assigned lower political priority. Government extension systems in agropastoral areas, when they exist, are generally highly underfunded and understaffed. However, after an APFS policy event in November 2014, the State Department of Livestock in Kenya established a working group to learn more about the APFS approach and to integrate it in existing extension policies. Further, the National Agricultural Sector Extension Policy (NASEP) endorses participatory approaches favouring the provision of community-led extension services and the application of the APFS methodology.

Initial support from FAO was fundamental to implementing initial activities and helping agropastoralists cater to basic needs and trigger group dynamics. This was possible thanks to funding from the European Commission and the Swiss Agency for Development and Cooperation. The APFS approach builds on the initial consultation with members, promoting ownership and assumption of responsibilities.

Replicability and upscaling

Replicability and upscaling as demonstrated by the case of APFS in Kenya are enhanced by a conducive policy environment that promotes participatory, group-based approaches and community-led extension systems. Since 2011, other governments (e.g. Ethiopia) in the Horn of Africa have also begun adopting APFS as an instrument to provide agricultural extension.

The approach is implemented in a manner that facilitates capacity development in the country, for both line departments and local NGOs, in order to ensure future sustainability and institutionalization of the approach. Good guidance on APFS functionality has helped the Kenyan Government and county officials to embed APFS in the NASEP. The practice is now well established and documented through reader-friendly guidelines.

Technical interventions need to go hand in hand with human development in order to change behaviour that is culturally structured and that contributes to the perpetuation of poverty. The APFS focus on life skills and collective action serves this purpose (as witnessed by the example on cattle rustlers).

Conditions for successful upscaling include thorough investment in initial capacity development and fostering of APFS training expertise at national as well as local levels. Training community members as facilitators allows for an efficient extension service, even in contexts where public extension services are weak or non-existent.

Useful tips

- The success of APFS builds on the adoption of previous successful methodologies. The International Livestock Research Institute, with support from the Animal Health Programme of DFID and FAO, developed the approach on the basis of livestock farmer schools and tailored it to the needs of agropastoralists.
- External support should act as an initial trigger so that the field schools continue after external support terminates; experienced members should then be used to start the next generation of APFS. External support should also commit to participatory and client-oriented services, where beneficiaries are considered active agents as opposed to merely recipients of aid.
- Entrepreneurial training and productive capacities are enhanced when combined with risk-reduction strategies and other complementary measures, such as financial services, thus reinforcing the groups' internal management.
- Agronomic or land-use practices should involve locally available and low-cost mechanisms for improved production systems. Applied technologies are cheap and do not require significant external input. The training programme uses practical and visual exercises, so literacy and schooling of either participants or facilitators is not an excluding factor.
- APFS is an excellent platform for addressing multisectoral issues such as WATSAN, HIV/AIDS, conflict mitigation, nutrition, and One Health issues. As such, collaboration between the different sectors is essential to the use of APFS in addressing multisectoral issues.

Resources

Links to documents, web sites, videos and pictures to learn more about the practice:

- APFS resilience Uganda document: <http://www.fao.org/docrep/019/i3512e/i3512e.pdf>
- APFS practice video "Schools Without Walls": https://www.youtube.com/watch?v=9rqZUEVF_kA
- Photo galleries available on the FAO photo portal

9 Madda Ben Union runs community system of humanitarian assistance and disaster risk management



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THE NIGER – Dosso region (Falwel district in Loga department)

Summary

The Community System of Humanitarian Assistance and Disaster Risk Management was established by the Madda BEN farmers' union in 2008. It seeks to compensate for the inadequate assistance provided by local governments to farmers in the remote region of Dosso in the Niger. The scheme provides cash and food to farmer families during food crises resulting from environmental shocks and violent conflicts. Benefits are administered both by the union and by the local producers' organizations that farmers belong to. The scheme also includes various types of low- or no-interest loans (cash or in-kind) and storing facilities to help farmers sustain production and protect their incomes against price fluctuations.

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Organization

Madda BEN is a union of 69 producers' organizations (POs) whose general objective is to promote better living and working conditions for its members. Its services include humanitarian assistance, risk and disaster management, access to inputs, extension, information, and processing and commercialization of products. Madda BEN is a member of the Federation of Unions of Farmers' Groups of the Niger (Mooriben).

Today, Madda BEN's 69 member POs (14 women-only, 11 male-only and 44 mixed) total 3 167 individuals (1 692 women and 1 475 men) in 48 villages around the rural local council of Falwel. Certain fees (such as 10 percent of the interest on loans) are required for POs to become members in the union. For farmers to become members of local POs, they must pay membership fees and make in-kind contributions (5 kg of cereals after harvest), and also accept the union's statute and regulations.

Members are all agricultural producers with similar, but varying, socio-economic status and vulnerabilities.

Risks and vulnerability

Environmental – Rural populations in the Niger face frequent environmental shocks such as droughts, floods, locust invasions, pest outbreaks, epizootic diseases and forest fires, which are exacerbated by recurring conflicts between farmers and herders. This can often cause drops in agro-forestry-pastoral production; increased degradation of natural resources; and general impoverishment, undernourishment and malnutrition, particularly among rural women and children.

Social – Women-headed households are generally more vulnerable, as they often lack sufficient land and resources to attain the same production levels as men. Their situation is strongly affected by climate variability and change, as well as access to food, which is becoming increasingly difficult (both locally and nationwide).

Owing to the size of the country and its very slow administrative procedures, the national system is not able to react in time (or at all) to alleviate food crises resulting from environmental disasters and conflicts in rural regions. Support, when delivered, is often inappropriate for the needs of local populations, who are rarely consulted (for example, some victims need food, while others must recuperate assets for production).

Benefits and mechanisms

Social protection benefits – contingency funds

Complementary benefits – agricultural services; financial services; legal counselling

Liquidity and in-kind food and assets

Through its fees, commercial activities, member contributions and credit system, the union has dedicated an emergency fund for its members. Each group or farmers' organization at the village level sets up a humanitarian committee to assess the damages suffered by members and to establish the type and entity of the assistance. In particular, social stock and emergency funds (food and cash) are mobilized in case of epidemics, epizootic diseases, hospitalization, flood, fire, or accidents at work. Only PO members can access this service. In addition, those affected may receive assistance from Madda BEN, or even from the federation, once the humanitarian committee report has been submitted. However, in the absence of risks and disasters, funds are distributed to the most vulnerable members in the form of interest-free credit that can be reimbursed after harvest.

Storage

Madda BEN provides member POs with grain storehouses (or grain banks) and has a central store that supplies the village stores when needed. Storehouses are necessary to provide timely food assistance to members and to insure farmers against price drops at harvest time (by allowing staple supplies to be sold later when prices are higher). The union provides POs with inputs that are not available locally, as well as skilled labour for collective work. POs provide locally available materials and unskilled labour. These services are funded entirely by membership fees. In some cases, the services implemented by member POs are funded entirely by the union.

Collective purchases

The union buys cheaper bulk inputs and agricultural equipment and gives them to the poorest members on request without interest. Terms of payment are negotiated depending on what the beneficiaries can afford.

Legal support and solidarity with neighbouring local councils

The union provides legal services for members, as well as support (when feasible) for neighbouring communities in cases of natural disasters and disease outbreaks.

Social protection functions

Assistance – Madda BEN provides early, proportional assistance, in the form of food and cash, to victims during emergencies.

Insurance – Storehouses insure farmers against annual price fluctuations between harvest season and lean season. Other financial schemes, such as collective purchases or interest-free provision of skilled labour and inputs, protect farmers from high prices.

Legal – The union offers protection for farmers facing legal disputes who are normally unequipped to defend themselves. It also extends its support to neighbouring local councils, promoting a culture of assistance.

Impacts

Local farmers and their families enjoy improved food security and nutrition thanks to the union's proportional safety net in case of shocks, as well as the provision of local infrastructure, inputs and labour to sustain production during frequent food crises.

Communities at large have become more economically resilient to environmental and social shocks as a result of collective assistance (food and cash) provided by the union; better economic conditions through collective sales; and protection from price fluctuations.

According to the annual ICRISAT assessment, union members show increased production compared with non-members of a similar socio-economic status. This result is possible thanks to collective asset purchasing systems for members.

Women and men receive gender-sensitive support based on local consultations. Men seek credit for agricultural inputs and equipment, while women mainly request financial assistance for the establishment of alternative income-generating activities.

Finally, the practice links humanitarian actions to development support. Humanitarian assistance is accompanied by financial schemes and supporting infrastructure and resources. Agricultural inputs, like seeds, that are externally provided to vulnerable producers through the FAO CoOPequity programme are reimbursed at harvest and feed into the social stock of POs and the union, thus reinforcing the collective action aspect.

One woman's testimony

"My name is Fati Alfari, member of Dour II group, which is itself a member of the Madda BEN union. In 2013, I was the victim of a fire that devastated my entire concession, including my food stock and all my clothes. I got out with a single loincloth that I wore on me and no food stock. With the support of the union (100 kg of food) and my group (clothing) I was able to feed my children the same day of the fire, and change clothes as well. So the system is very important because it provides support quickly, before outside intervention which usually takes time. I really saw the importance of this support and I thank all the men and women who started it."

Limitations and constraints

In general, rural organizations in the Niger are greatly limited by their lack of resources (i.e. food stock and cash). In the case of Madda BEN, the needs of the victims of disasters are very great, and often disproportionate to the support capacity of the union. This situation makes it imperative to provide detailed and accurate descriptions of losses and damages suffered by the victims (sent by POs to the union and to Mooriben) in order to optimize the use of available resources.

The practice is designed for members of POs and the union. In many cases, very vulnerable and destitute families cannot afford membership fees and are excluded from social networks.

Enabling environment

Since 1989 and with the assistance of development partners, the Government of the Niger has set up a permanent food situation monitoring system. Originally called the National Early Warning System, it has evolved into the current National Device for the Prevention and Management of Food Crisis (DNP-GCA) to coordinate different stakeholders in delivering food assistance to vulnerable populations. The device was made possible thanks to coordination with international programmes such as CoOPequity.

Madda BEN, and in particular Mooriben, both collaborate within this broader national framework of assistance. The DNP-GCA includes an innovative component of prevention/mitigation, consisting of short-term microprojects (grain sales at moderate prices, free food distribution, distribution of seeds and livestock feed during emergencies) and a medium-/long-term strategy to fight food insecurity. The Madda BEN system complements and reinforces the DNP-GCA. Within this framework, the DNP-GCA generally intervenes in case of disasters of greater magnitude, while Madda BEN steps in for emergencies that affect a community or a member PO. Members of the Madda BEN committee are also members of the local and municipal DNP-GCA committees, and receive technical trainings organized by the government.

Madda BEN's humanitarian assistance has proved to be flexible and timely, and has been extended to sister organizations, in the process eliciting the interest and support of other rural organizations and local authorities (administrative, customary and locally elected representatives). This support for the assessment of emergencies and identification of victims is also a success factor, allowing for the evolution and strengthening of Madda BEN's humanitarian committees.

Replicability and upscaling

The replication and extension of the Madda BEN system in the Niger builds on the union's participation in broader networks. Madda BEN is a member of Mooriben, which brings together 30 unions from three regions of the Niger. Mooriben is also a member of a national framework for collaboration and dialogue between rural organizations, which includes the country's five major networks and four large umbrella organizations.

The exchanges and learning within this network facilitate the replication of the practice in different areas of the country and beyond, for example in the Sahelian zone which has similar agroclimatic characteristics. The most important prerequisite is, without a doubt, the support of local populations in organized structures, and the awareness of both authorities and agricultural producers.

The union and its surrounding structure stand on their own feet. The Madda BEN system was initiated by rural organizations themselves, and the funds are raised by PO members. This ensures both ownership and financial sustainability. The contribution of smaller organizations to higher unions and federations increases the network's overall social capital, making the structure financially sustainable and expanding its social coverage. Finally, the availability of internal technical resources, storage facilities and other infrastructure further contribute to the technical feasibility and autonomy of this system.

Useful tips

- Before the Community System of Humanitarian Assistance and Disaster Risk Management was born, Mooriben called a general meeting of all member unions to consider and propose assistance mechanisms for local people. This way, the system was able to incorporate all needs and perspectives.
- The union has established an annual bonus award system to motivate its member organizations. Annual awards are given to the PO that has mobilized the most amount of grain or money from its members.
- The union encourages POs to help members understand the close links between their livelihoods and the use of natural resources. In the Niger, natural resources are a source of revenue for producers, especially the most vulnerable. Wood, straw, and certain leaves are used for production or sold in urban centres. This policy helps protect livelihoods and reduces the pressure on agro-ecosystems.
- Madda BEN conducts its activities based on principles of equitable participation and transparent administration. The union encompasses a variety of groups (male, female and mixed), and representatives of all these groups are equally involved in mobilizing (and accessing) humanitarian food stocks and emergency funds. Women represent 25 percent to 30 percent of boards in the union's committees at all levels. Humanitarian committees at various levels have five members, with the condition that at least one member be a woman. In the Niger, this represents a great step towards gender equality. The humanitarian committee is elected at the general assembly, and all members can run for election. The practice of assigning funds in proportion to the scale of the damage suffered (subject to the submission of a detailed proposal) is also an element of justice and sustainability.

Resources

<http://www.mooriben-niger.org/> http://www.fao.org/fileadmin/templates/dimitra/pdf/dim_23_e_p12-13.pdf

10 *Warrantage*, an inventory credit practice adapted to the needs of smallholder farmers



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THE NIGER – Dosso Region

Summary

Warrantage is an application of inventory credit adapted to the context of rural areas and smallholder farmers in developing countries. It enables a producers' organization and its members to obtain a loan from microfinance organizations against collateral in the form of non-perishable agricultural produce (millet, sorghum, rice, maize, sesame, gumbo, groundnuts, etc.) that is likely to increase in value during non-harvest season. The collateral allows the producers' organization to request a group loan on behalf of its individual members; in this case, the CIGABA Union and the Alheri Union negotiate as a group. The loan enables families and smallholder farmers to invest in agricultural inputs for the next farming season as well as other income-generating activities that families undertake.

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Organization

The CIGABA Union from Konkorindo (department of Dogondoutchi) and the Alheri Union from Goberi (department of Boboye) are among the organizations in the Niger that have put inventory credit into practice. There are two different levels of farmers' organizations involved: umbrella farmers' organizations (unions and federations) and grassroots producers' organizations (POs). Members of the latter are homogenous, being all smallholder farmers and small-scale producers. Membership is granted through a subscription fee, but the POs also allow non-members to participate in the *warrantage* process.

Members come from different social and economic categories (well-off, poor, poorest) and cultivate a variety of products: millet, cowpeas, voandzou, groundnuts, sorrel, etc.

Risks and vulnerability

Environmental – Smallholders in the Niger are often victims of natural shocks (drought and unevenly distributed rainfall), resulting in poor yields that generate low agricultural revenues and limit the availability of surplus required to participate in the *warrantage* system.

Economic – Small-scale farmers are also exposed to price fluctuations, which penalize them after harvest when supplies abound and prices are low.

Other structural vulnerabilities include the use of underperforming traditional techniques and inadequate information on emerging agricultural techniques and markets. Women are particularly vulnerable, as the yields of family-owned fields are controlled by male heads of household. Women farmers only have control over products grown on their own plots, which are generally small in size, unsecured, and far from villages. Furthermore, they have a weak productive capacity due to their being overburdened with domestic chores, coupled with their poor access to land (despite legal recognition of various sources of access).

Benefits and mechanisms

Social protection benefits – N/A

Complementary benefits – financial inclusion; infrastructure

Credit is disbursed by local Decentralised Financial Systems (DFS, composed of microfinance organizations that grant loans) against collateral pledged by local POs in the form of non-perishable agricultural produce. After the POs and the DFS have reached a loan agreement, the PO secretary receives the funds in the presence of the men and women farmers, and under the supervision of the inventory credit committee. The inventory committee can then distribute loans to the producers on a pro rata basis, in relation to the quantity and nature of the products stored.

The loan is generally equivalent to 80–90 percent of the lowest stock evaluation. The credit enables farmers to purchase inputs to ensure adequate yields in the next harvesting season. Once the crops are harvested and the loans reimbursed, farmers are able to sell the crops at a better price during the most favourable period (using storage warehouses provided by the POs), leaving them with extra money; or, when needed, they can decide to keep the crops for their own consumption.

Social protection functions

Insurance/risk management – The *warrantage* system mainly addresses the need to protect farmers from negative price fluctuations during harvest season. It provides smallholders an alternative to traditional financial institutions (banks, for example) or moneylenders with high interest rates.

By granting credit and creating surplus revenue, the practice also promotes reinvestment in agricultural and non-agricultural income-generating activities, thus stabilizing the livelihood of farmers.

Impacts

The members of the CIGABA Union of Konkorindo, men and women farmers recognize the important benefits of inventory credit. The number of villages receiving credit grew from 1 village in 2002 to 13 in 2011. In nearly ten years, the volume of credit circulating in the area through inventory credit has multiplied by 700, rising from CFAF600 000 to CFAF425 million. In Goberi, which started inventory credit in 2000 in one village with just two POs (one for women and the other for men), there are now more than 75 POs (28 for men, 35 for women and 12 mixed). The volume of credit has grown from CFAF187 000 to at least 100 times that figure. Spill-over effects can be summarized at the economic and social level.

Impact on livelihoods:

- Higher revenues from crops being sold later at better prices, enabling farmers to invest in seeds and inputs for the next season and strengthening household food security;
- Strengthened opportunities for other income-generating activities during the entire storage period, including horticulture and the activities of farmer field schools;
- Professionalization of PO members by specializing in specific crops and improving their financial expertise;
- Growing interest from the financial sector to grant loans to smallholders.

Social impact:

- Strengthened associations through literacy courses and negotiation meetings within POs to address the concerns of all groups, including women;
- Improved visibility of women's POs by highlighting their concerns, such as access to various production resources (especially land);
- Increased involvement of women in inventory credit, also affecting their role in the household.

Limitations and constraints

Poor harvests as in 2011, resulting from inadequate rainfall and unstable local input supply chains, inevitably hamper farmers' ability to access substantial loans.

The weak resources of the DFS have forced them to impose excessively demanding criteria for small-scale producers seeking credit. As a result, these producers regularly fall back on the traditional informal credit system, with repayment in kind for loans made by traders. The terms of these loans are unfavourable to farmers, which leads to rural households becoming over-indebted. The absence of any national policy or other state-led measure in support of the DFS limits the consolidation and expansion of the *warrantage* system.

Union staff sometimes fail to effectively manage procedures for setting up credit files and negotiations with the DFS. For its part, the DFS have limited ability to access appropriate credit lines to service the demand for *warrantage* services, particularly in good agricultural seasons.

The unions' storage infrastructure is often inadequate, making it difficult to provide credit to all, especially the poorest men and women farmers. These farmers have less stock to put in storage (sometimes not even enough to fill a bag), or lack the means to get to the storage facility in time. POs should develop strategies to self-finance new warehouses.

High levels of illiteracy among PO members, both men and women, hamper the acquisition of written information and knowledge and, by extension, the autonomous management of inventory credit.

The *warrantage* system allows women farmers to be involved in loan distributions. However, women are still subject to bigger constraints compared with men: their productive capacity is more limited, their role in the household is secondary, and their level of literacy is lower. Women are rarely among the active organizers of the *warrantage* operations.

Enabling environment

The unstable conditions of smallholder farmers are a significant obstacle to engage formal financial institutions in creating dedicated financial services for smallholders. To alleviate these problems, the government has developed institutions that use DFS to operate local financial services. These DFS are indispensable partners for the functioning of inventory credit.

The inventory credit system evolved thanks to the careful implementation and evaluation work conducted by FAO over the years. A number of producers' organizations in the Niger discovered inventory credit through the FAO Project for the Promotion of the Use of Agricultural Inputs by Producer Organizations (1999–2008), and began adopting the practice in the early 2000s. The "Inputs Project" (as it was known) focused on agricultural input supplies (fertilizers, phytosanitary products, seeds, etc.), with special emphasis on financing through inventory credit, group purchases of inputs, and distribution through local input shops.

The evolution of this practice was possible thanks to the funding of the Belgian Development Cooperation. In 2009, it evolved further into two other distinct projects: the Capitalization of Good Practices in Support of Agricultural Production and Food Security project, which was international in scope; and Intensifying Agriculture by Strengthening Cooperative Input Shops (IARBIC), a national project for the Niger. These projects also began exploring the problem of input management (supply, distribution, use), while being careful to ensure that gender equality was mainstreamed in their approach and in the services they offered.

Replicability and upscaling

The *warrantage* practice has been carefully monitored and improved through experience capitalization processes, and also expanded to more and more producers' organizations. The inventory credit initiatives in CIGABA and Alheri are some of the first to have been launched in the Niger. They have served as an example to other POs in the country and subregion (Benin, Burkina Faso, Mali and Senegal), which have adapted the system to their own local conditions. This rollout offers proof not only of the willingness of the region's rural communities to invest in the practice of inventory credit, but also of the strong potential for scaling up the practice. However, scaling up inventory credit will be gradual, and will require certain minimum requirements in rural areas where the practice may be adopted:

- a greater availability of better-quality storage infrastructure;
- proficiency in storage techniques on the part of POs;
- the presence of well-structured POs and viable DFS.

The practice generally revolves around an operational framework encompassing the following key stages: 1) information and awareness raising of inventory credit; 2) setting prices for agricultural products, and timetables for storage and settlement; 3) warehouse preparation; 4) depositing stock; 5) registering the depositors, classifying sacks and building stocks; 6) PO-DFS loan agreement; 7) granting and distribution of loans.

Useful tips

- It is advisable not to overlook the factual differences between men and women farmers and their organizations, in terms of capacity or position/status in their particular setting. It is crucial to support different types of beneficiaries, especially the poorest ones, by combining inventory credit with a permanent process of “credit learning”.
- It is important to invest in the good governance and professionalism of mixed, women-only and men-only POs (i.e. management and financial skills, production activities, marketing, and literacy programmes – particularly for vulnerable women). The unions were successful in adopting well-developed and clear rules, establishing a management committee, and setting the terms of repayment. POs were able to effectively organize stocks (with sacks carefully checked in terms of weight and quality) and keep stock records (name of owner, sex, quantity, product, etc.).
- Unions have demonstrated to the DFS that i) the costs that they must bear are lower with an inventory credit operation than with traditional loans; and ii) the financial risks are low given that the value of the stock pledged as collateral has consistently increased during the agricultural cycle in the past decade. The stock is divisible (hence easy to liquidate) and can be mobilized at any time.
- Unions have shown that monitoring costs are very low due to the concentration of loans, which are recovered once in every cycle, and the fact that a larger share of the work (monitoring stock, managing keys) is handled by Pos.
- The guarantee advanced by the union on behalf of all members exempts them from having to make any additional personal deposit. This system allows the poorest smallholders without the ability to offer a personal guarantee to take part in the inventory credit practice. Additional measures should be developed in order to offer small-scale men and women farmers, with small quantities of products, the chance to join together and take part in inventory credit.
- An annual analysis of the results of the inventory credit season, and the constant adaptation of the methodology to the needs of beneficiaries, are powerful tools to help better prepare for the following year. A review meeting now takes place each year before the start of a new season, along with sessions for exchanging experiences and studying lessons learned.

Resources

Capitalization of good practices: <http://www.fao.org/docrep/017/ap784e/ap784e.pdf>

Good practice fact sheet in English: <http://www.fao.org/3/a-ap790e.pdf>

Good practice fact sheet in French: www.fao.org/docrep/019/aq227f/aq227f.pdf

Experience fact sheet CIGABA in French: <http://www.fao.org/docrep/017/ap794f/ap794f.pdf>

Experience fact sheet Alheri in French: <http://www.fao.org/docrep/018/aq224f/aq224f.pdf>

Related websites:

<http://www.fao.org/in-action/iarbic/ressources/documents/warrantage/fr/>

<http://www.fao.org/news/story/en/item/40281/icode/>

11 Livestock microinsurance in the Soon Valley



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PAKISTAN – Areas of the Soon Valley, Noorpur Thal and Katha in Khushab District

Summary

The Soon Valley Development Program (SVDP) is a member-based microfinance institution that, since 2011, has developed a microinsurance risk-coping mechanism for livestock herders. In the Soon Valley in Khushab District (Pakistan), livestock constitutes the main source of income for rural families. Due to local environmental conditions, herders often experience loss of livestock and sudden drops in income. The microinsurance scheme developed by SVDP was initially coupled with credit to buy livestock and later extended to non-credit holders. It offers compensation for animal deaths as well as complementary vaccinations and other veterinary services, which have significantly reduced the incidence of mortality among animals.

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Organization

SVDP was established in 1996 as a community-based NGO to provide microcredit to the Soon Valley's small livestock farmers. Since then, its scope has grown to include mobilization of rural communities in infrastructure projects (including water supply schemes such as pipe irrigation, small dams, and harnessing of solar energy for irrigation), as well as projects that improve local cropping patterns and agricultural yields. Since 2011, SVDP has offered livestock microinsurance to low-income farmers.

Today, 1 400 households are participating members of SVDP. Their livelihoods mainly depend on farming and livestock. Generally, both men and women are involved in raising livestock, although they engage in different tasks. Some households live on irrigated land, while others living on rainfed land are much more dependent on livestock. Beginning in 2015, membership has been extended from SVDP's microcredit clients to non-clients as well.

Risks and vulnerability

Environmental – Farming in the Soon Valley is weather-dependent because much of the land is barani (rainfed). Most households complement agricultural income by raising livestock. Livestock mortality is high in the region, due to low winter temperatures that facilitate the spread of disease (particularly pneumonia) among animals. Given the remoteness of the region, veterinary services are patchy or completely lacking. It is expensive to take sick animals to private veterinary clinics, and the rugged terrain makes it logistically difficult as well. Moreover, public veterinarians seldom travel to farms to tend to sick animals. The death of an animal constitutes a major shock for poor farming households. In most cases, the animal is not immediately replaceable due to the limited or non-existent savings of rural families, causing a sudden drop in the family's income and assets.

Benefits and mechanisms

Social protection benefits – livestock insurance

Complementary benefits – financial inclusion/veterinary services

Microinsurance is provided to all microcredit borrowers who obtain a loan for livestock from SVDP. The programme lends to both potential and existing livestock herders. It has an unusual methodology of "family lending", whereby three members of a family are jointly provided a loan that can be three times as large as a traditional microcredit loan (between US\$150 to US\$500 on average). At least one member of the household borrowers must be a woman.

All insured animals are vaccinated twice a year free of charge by SVDP veterinary assistants. Members are also provided 24-hour veterinary services free of charge in case an insured animal gets sick. Any required medication is also provided for free. Since the beginning of 2015, the vaccination service has been extended also to non-insured animals (owned by members who had other insured animals) in order to prevent the spread of disease among the herd.

The insurance premium for each animal is around 4.5 percent of its value and is deducted from the proceeds of the microcredit loan disbursed to members at the beginning of each loan cycle. All microcredit clients are asked to purchase microinsurance for their livestock. In case of animal death, the organization compensates the member according to the animal's weight and its estimated market value at the time of death.

SVDP members are also grouped into village organizations. These organizations meet regularly to discuss best practices in animal husbandry and farming. SVDP assists them in identifying mechanisms for reducing costs and enhancing revenues, such as collective purchases of animals. The village organizations do not, however, play a role in implementing microinsurance schemes.

Social protection functions

Insurance – The SVDP insurance scheme mitigates the impacts of the loss of livestock on herder's livelihoods and their asset base.

Other risk-management functions – The complimentary vaccinations and veterinary services reduce the spread of disease among insured and non-insured animals.

Impacts

The authors conducted a survey of 125 clients and an equal number of non-clients (the control group) in five randomly selected union councils in the Soon Valley. The survey showed that livestock insurance holders lost 27 insured animals in the past year (281 were reported to have fallen ill in the same period), as opposed to 70 animal deaths for non-insurance holders (306 fallen ill). Moreover, none of the insurance holders lost more than two animals in the last year, whereas many non-insured livestock farmers lost up to six animals.

Microinsurance, especially when coupled with regular immunizations and round-the-clock veterinary services, substantially reduces the risk of income and asset loss. This is beneficial for farmers that are unable to afford vaccinations or who have not had their animals vaccinated in a timely manner.

Microinsurance enables herders to add more animals to their herd. It increases their productivity and protects their income base, as raising livestock is a major source of income in the area, with positive spill-over effects on food security and access to education and health.

Nearly all clients report being satisfied with the service. Some describe how the veterinarians respond to their calls even during night-time, and how their claims receive satisfactory responses. Clients say that now, when an insured animal dies, they do not have to alter their consumption patterns or sell off other assets to maintain the size of the herd.

Limitations and constraints

The biggest challenge faced by SDVP is in raising awareness on the importance of microinsurance and in convincing people to subscribe to it. The positive results of the first round of subscriptions have helped to convince other herders of the benefit of insuring their animals.

Herders were initially resistant to the idea that vaccinations mitigate the risk of disease, and preferred instead to rely on traditional practices. They also did not trust SVDP veterinarians at first due to a previous negative experience with other veterinarians who had prescribed adulterated medicine, causing several animal deaths. Over time, as the stock and quality of livestock gradually improved, the SVDP veterinarians were able to build trust in the communities.

Women in rural Pakistan are not likely to engage in financial transactions. SVDP's loan procedure stipulates that a female member's name must be on the loan contract. However, this has not significantly increased women's actual participation in financial transactions (unless the household is female-headed), even though they are actively involved in the raising of livestock. This is due to traditional norms of gender segregation. Thus it is important for microfinance institutions to hire female officers if they are to promote women's participation in financial transactions. Increasing female financial literacy is also important, and SVDP has recently conducted financial literacy workshops for both male and female members.

Enabling environment

The government has instituted a new Livestock Insurance Scheme for all farmers that buy livestock on credit from commercial banks. However, commercial banks do not lend to poor farmers, which leaves these farmers without access to either credit or insurance, thus exacerbating rural inequalities. Furthermore, public veterinary services rarely reach certain marginalized regions of the country, leaving many herders without coverage.

Replicability and upscaling

Microinsurance was first piloted in the Soon Valley for microcredit borrowers. When the benefits of the programme became apparent, SVDP decided to extend the service to the rest of the communities. Investing in a first cycle of soft loans and awareness campaigns can be an instrument for increasing demand. For the first cycle, the Pakistan Poverty Alleviation Fund paid the insurance premium for all members in the Soon Valley (totalling around US\$140 594). In subsequent insurance cycles, the subsidy was removed as members realized the benefits from the scheme and expressed willingness to pay for the premium themselves. The scheme increased in popularity and more people began purchasing it, helping to gradually reduce insurance premium rates each year. As these benefits became apparent to insurance subscribers, it became possible to extend the programme to non-borrowers and dairy farmers as well. In addition, vaccinations were offered free of charge to uninsured animals of farmers who had some insured livestock, in order to prevent the spread of disease.

An essential condition for the adoption of this microinsurance scheme is demand. In the Soon Valley, the demand for microinsurance arose from the high incidence of livestock disease and mortality. SVDP's expansion to other regions in the same district, such as Katha and Noorpur Thal, was not as successful due to the considerably fewer requests for risk-mitigation or risk-coping mechanisms. But the programme was replicated in Tharparkar District, which is characterized by low rainfall, sparse vegetation and a high incidence of animal diseases. These factors contributed to a very high demand for microinsurance, and the practice has been running successfully there for the last two years.

In the application of insurance, it is very important that the scheme be designed to keep moral hazards at a minimum. Decentralized offices with local staff are an important means of keeping insurance fraud at bay. Mandatory immunization is both a means to keep mortality low and reduce indemnity costs, and also a way to discourage fraud as well. In this perspective, SVDP is a local organization with close ties and a good reputation in the farming community, thanks to the many projects undertaken in the past few decades. The staff is also primarily local. These factors help to avoid moral hazards and improve awareness raising among community members.

Veterinary Assistants (VAs) lie at the heart of this programme. Each VA is responsible for multiple functions, including marketing of the insurance scheme, orienting new members to scheme features, vaccinating each member's animals, providing the animals with timely medical care, recovering the loan at the end of each cycle, and ascertaining the true value of the dead animal. The VAs represent the first point of contact for all clients, and so they need to build trust in the community quickly. Training effective VAs is essential for the dissemination and expansion of this practice.

Useful tips

- Institutions that offer a holistic package of services are much more likely to establish trust than those focusing on microfinance alone. In this case, SVDP has gained considerable reputation in the community also through the development of other programmes that improve irrigation systems and farming practices.
- The organization hires local officers and trained VAs that not only help care for members' livestock, but also promote the insurance scheme among the community, allowing them to build trust over time.
- It is important to adjust and simplify procedures through a continuous evaluation process. For example, the insurance claim mechanism was previously based on a flawed "live weight model" that often calculated payouts that were greater than the market value of the animal (i.e. different breeds gain weight at different rates). The mechanisms have now been changed and are based on the actual weight of the dead animal. Another example is tagging animals (photographs, unbreakable number tags) to identify insured animals and to protect the organization against fraud.
- In order to promote insurance for most vulnerable herders, SDVP grants subscriptions taking into consideration various socio-economic indicators. For example, the household head must not have borrowed from any other organization.

Resources

The SVDP website is currently under construction. The scheme was developed with the assistance of the Pakistan Poverty Alleviation Fund (PPAF); some basic information on this can be found at:
http://www.ppaf.org.pk/news_detail.aspx?newsid=130

12 *Caisses de Resilience*: an integrated approach to resilience



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UGANDA – Karamoja region (districts of Kaabong, Kotido, Moroto, Amudat, Napak, Abim and Nakapiririt)

Summary

The *Caisses de Resilience* (CdR) is an integrated approach implemented by FAO that combines social, technical and financial support. In Uganda, since 2008, the CdR operates through local groups (Agropastoralist Field Schools – APFS) to deliver agricultural training, disaster risk reduction plans and financial services. The approach aims at reducing the structural vulnerability of agropastoralist communities through the empowerment of men and women smallholders affected particularly by climate-related shocks and environmental risks. It leverages local capacities to increase and diversify assets, income and access to services, thereby improving the resilience of local livelihoods. The approach strengthens social dynamics within the community, with conditional access to collectively managed financial services subject to the application of agricultural and natural resource management good practices. The combination of these elements enables members of the CdR to better anticipate, manage and recover from risks and crises that threaten their food security and nutrition, thus contributing to sustainable community development.

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Organization

The CdR in Uganda operates through local APFS consisting of vulnerable smallholders or livestock herders. APFS normally have 25–35 who volunteer for the schools. There are 883 APFS in the Karamoja region, totalling around 26 500 participants. Each group goes through a process of formalization of rules, wherein members agree on a constitution, by-laws and a rotating management committee for daily tasks.

Women are considered a priority and generally represent more than 50 percent of membership. Particular attention in the delivery of benefits is also given to households vulnerable to climate related-hazards. These families are identified in a participatory fashion.

Risks and vulnerability

Environmental – The Karamoja region in Uganda is one of the most vulnerable to climate risks and variability in Uganda. Since 2001 there has been an increase in extreme weather patterns in the region, resulting in extended dry spells every two to three years. Data from 2014 show poor harvests for 77 percent of households, owing to dry spells in the previous three months, with 41 percent reporting dry spells as the primary shock suffered. Climate variability and change in Karamoja is projected to continue, manifesting in extreme weather conditions (such as flooding and droughts) which will affect livestock, pasture and crop productivity; cause further ecosystem degradation; and possibly escalate to epidemics of pests and diseases for humans, livestock and crops. The cumulative effects of successive shocks have led to low productivity, subjecting the communities to severe asset stripping and diminished coping capacities.

Social – Some categories of participants face greater challenges in overcoming climate-related shocks in Karamoja: families who have lost their productive assets; farmers who are relatively new to agriculture; those who have lower access to services, support and information (depending on their location and socio-economic status); and women. Because of traditional gender roles and different levels of access (to services, productive assets, information, etc.), disasters and shocks in Northern Uganda affect women and girls differently than men and boys. Women are often excluded from decision-making structures, as well as political power, and have less access to productive assets such as livestock, land, etc.

Benefits and mechanisms

Social protection benefits – social funds; conditional cash transfers; cash-for-work

Complementary benefits – financial services; technical training; disaster risk reduction

Generally, a CdR group initially undergoes a cycle of technical agricultural training and disaster risk reduction strategies. Once participants are familiar with the other members and social bonds are established, the group is guided by FAO facilitators in the formation of a Village Savings and Loans Association (VSLA) for the delivery of financial services. The integrated CdR support is articulated around three main lines of services/activities.

1. Technical capacity – Members of APFS participate in a community-based disaster risk reduction process, identifying the risks that affect production and livelihoods, and defining local priorities in a community action plan. Based on these action plans, training modules on agricultural and environmental practices for disaster risk reduction, climate change adaptation and natural resource management are developed. The curriculum of these trainings is developed in a participatory fashion and in line with local priorities and context. The topics can include: post-harvest good practices; small-scale water harvesting; tree planting; agroforestry; quality seed selection; vegetable gardening; integrated pest management; livestock health and nutrition practices; organic pesticide production; and energy-saving stoves, to name a few examples.

2. Financial services (savings and loans) – During the cycle of trainings, awareness is raised on the importance of saving and responsible investments; members are encouraged to save money in a box that is kept in a safe place. This preparation is necessary to build a sustainable community-based savings and loan scheme (i.e. VLSA) where members pool their money (i.e. own contributions, savings, project grants) into a common fund. Members can then gain access to or benefit from this fund in accordance with the rules established by the group constitution (in some cases this is conditional on the application of commonly agreed good agricultural or social practices: no cutting of trees, nutrition surveillance, school enrolment, etc.). Members deposit minimum amounts of savings into the group fund and can then request loans, to be reimbursed within a certain time frame and with an interest rate of about 10 percent. The VLSA activities run in cycles of about one year, after which the accumulated savings and loan profits are shared proportionally among participants. In order to stay in the savings and loan schemes, each member must purchase 1–5 shares each meeting. The share value is decided by each group at the start of the cycle. All members have the right to borrow up to a maximum of three times the value of their shares. As part of the financial support, some groups have decided to develop contingency/emergency funds to provide interest-free loans in case of emergencies (e.g. sickness, harvest loss, drought). Normally, these funds are established once the group feels there is a certain level of trust and bonding among members, as they are funded in part by the group's savings.
3. Social inclusion/solidarity – Community-based groups enhance social inclusion and solidarity at the community level, which are paramount for social protection. The groups engage in discussions and actions according to their needs, reinforcing household awareness of topics such as health, nutrition, literacy, gender equality, adult learning and group formalization. Social inclusion can be strengthened through conditional cash transfers or cash-for-work programmes to include the most vulnerable members of the groups. These programmes can have different functions: (i) construction/rehabilitation of productive/social infrastructure and works for land and ecosystem management (e.g. tree nurseries, irrigation systems, fish ponds, storage facilities); (ii) covering the poorest households' basic needs after a shock (e.g. women-headed households); and (iii) facilitating the poorest members' access to savings schemes, thus increasing the total capital of the savings and loan schemes – as well as the loan amounts.

Each APFS agrees on a constitution and by-laws to ensure good internal organization, and to identify conditions for membership and access to benefits. The process is sensitive to each family's needs and interests, while keeping in mind the responsible investment of the mutual fund.

Social protection functions

Assistance – Contingency funds and cash-for-work schemes allow the poorest of the community to earn an income and gradually start a savings scheme, while contributing to community infrastructure.

Resilience – The savings and loan schemes and the contingency fund provide relief for families undergoing unexpected shocks, helping them cover basic needs (such as food and medicine), pay for school expenses, and avoid selling off agricultural assets. Disaster risk reduction plans ensure that agropastoralist communities are better prepared to overcome environmental shocks and disasters, particularly droughts and heavy rains. Member-based savings and loans are inclusive instruments enabling poor smallholders to invest in good agricultural practices, thus achieving income security and resilient livelihoods. Loans can be contingent on the application of effective and sustainable rural practices. This ensures the economic stability of investments and the stewardship of common environmental resources.

Impacts

Members' improved technical skills, and their liquidity to invest in good, environmentally sound agricultural practices, have helped them increase their agricultural production. This has been done within a framework of disaster risk reduction, climate change adaptation and improved natural resource management.

Members are more resilient to shocks and risks thanks to the accumulation of assets (cash, in-kind, knowledge, human resources within the groups, etc.) as well as diversification of livelihood activities. For instance, many have been able to diversify their mainly livestock-herding and crop-based livelihoods by engaging in petty trade, livestock trade, selling vegetables, brewing, starting retail shops, producing mineral licks for selling, trading produce, producing soap, and selling energy-saving stoves.

Thanks to targeted trainings and greater availability of crops, food and health skills, families are more prepared to cope with food and nutrition issues.

Communities experience better social relations and solidarity as a result of participatory processes such as establishing the APFS group and VSLA, as well as developing community works.

The high participation of women has enabled them to build resilience on their own terms by increasing their capacity to handle finances, improving their access to knowledge, and diversifying their livelihoods. Women's participation often leads to changing cultural mindsets regarding their socio-economic role and the division of labour in the household and the community. Furthermore, it produces positive spillover effects on the nutrition, health and education of children.

Communities are better prepared to respond to adversity and to steer their economic development through their organizations, which are strengthened in governance, leadership, and inclusive decision-making processes.

Limitations and constraints

Despite the progress shown in many areas of community development as described above, some processes still exhibit occasional weaknesses.

Savings and loan schemes still lack some transparency in the management of mutual funds and the identification of beneficiaries and disbursements.

Certain groups exhibit poor leadership skills, low turnover of leaders, or the absence of women leaders.

A small number of members do not attend regularly group meetings, thus jeopardizing the process of social bonding and ownership.

In isolated cases, agropastoralists do not earn sufficient income to make regular savings contributions and loan payments.

Enabling environment

The government and its relevant ministries as well as the decentralized authorities at the district and community level have contributed through technical backstopping, coordination, and monitoring and evaluation. So far, the programme has been formulated and implemented without specific links to national policies and programmes.

FAO programme teams play a key role in triggering APFS groups and developing existing ones, by delivering training and supporting their consolidation. This initial investment is necessary to ensure the continuity of the process.

The FAO national team has built a network of 15 NGOs that are responsible for the implementation of day-to-day APFS activities. They have trained five Master Trainers from the district local government's production departments in the regions. These partners provide the monitoring and technical backstopping of the implementing partners and facilitators. Key partners are: Community Managed Watershed Development Organization (COMWO), Adventist Development and Relief Agency (ADRA), ZOA Uganda, and GOAL Uganda for the facilitation and implementation of the CdR.

Replicability and upscaling

CdR groups are built on existing successful experiences (e.g. VSLAs, FFS, women's or farmer's associations, *warrantage*, etc.), adding subsequent integral components that make the methodology more effective. The CdR in Uganda evolved from the original farmer field school approach, which mainly provided technical support and has been implemented in Uganda for 15 years.

The training curriculum and the financial schemes respond to priorities that are collectively established, thus making the approach flexible and adaptable to different agro-ecosystems and socio-economic circumstances. Its replication should build on ongoing initiatives and priorities, and always be articulated around social, financial and technical dimensions to increase the resilience of livelihoods to threats and crises.

Governments or development agencies that wish to implement CdR must make sure the relevant expertise is available. This might include the following elements: project coordination; FFS experts that are able to train new facilitators; experts in VSLAs or similar financial systems; expertise on local value chains and production; and expertise on local social issues. Capacity building of facilitators is crucial to ensure smooth group functioning and transparency in collective processes. Good facilitators are also the means to sustain and replicate the practice once external support ceases.

The CdR approach has been implemented by FAO since 2008 in Uganda and in Honduras and Guatemala since 2013. The approach has been put into practice in a wide variety of contexts: initially in post-conflict restoration in Uganda; in disaster-prone contexts such as in Central America (Guatemala and Honduras); in Malawi, focusing on climate change adaptation; and in protracted emergency contexts in the Central African Republic. Other African governments are currently implementing CdR-based projects combining social, technical and financial dimensions: Mali, Malawi, Liberia, the Central African Republic and Chad, for example. The approach provides a method for starting activities in emergency contexts, and gradually transitioning towards development objectives.

Useful tips

- The combination of the social, technical and financial components is what makes the approach successful. Many cases show that programmes fail when they focus only on the financial component through VSLAs, or only on the technical component through FFS – or when there is not enough social cohesion and trust within the group. The three components complement and reinforce each other. For instance, loans allow farmers to invest and apply newly learned good practices. Better practices, in turn, produce new income and increase families' savings. Participatory processes improve social bonds, making groups more capable of organizing collective activities, resolving conflicts and creating forms of solidarity.

- Members should commit to implementing good practices and contributing to collective funds. They should also be willing to contribute to income-generating activities in order to establish and maintain the funds. Broad engagement is initially encouraged through the realization of a community-based disaster risk reduction plan. A strong sense of commitment and solidarity is conducive to the successful implementation of social funds.
- Group activities and trainings need to be planned taking into account members' duties and responsibilities. In particular, activities should not impede women's participation by conflicting with household tasks, nor should they overload women's work burden.

Resources

<http://www.fao.org/publications/card/en/c/2067d815-364f-4ef1-b179-95d4ea438116/>

13 Junior Farmer Field and Life Schools (JFFLS)



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THE UNITED REPUBLIC OF TANZANIA – Five regions of Zanzibar and 20 regions of Tanzania Mainland

Summary

The JFFLS methodology aims to contribute to the socio-economic empowerment of poor and low-skilled rural workers, especially women and youth, through enhanced employability, improvement of working conditions and/or access to decent work opportunities in the farm and non-farm rural economy. It was launched in the United Republic of Tanzania in 2006 by FAO in close collaboration with national authorities. The JFFLS concept helps to reshape young farmers' general approach to the agricultural sector, so that they practice agriculture as a business and not just as a means of survival. The methodology encourages the application of good agricultural practices that can better respond to climate variability. After initial support given in the form of trainings and inputs, the income generated is used to build on the investment. Ultimately, field reports have shown that JFFLS can be an effective strategy against the challenges of unemployment and rural–urban migration.

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Organization

JFFLS consist of groups of usually 15–20 members aged between 18 to 30 years. There are currently eight JFFLS in the United Republic of Tanzania, with a membership that is 78 percent male and 22 percent female. The groups engage in agricultural activities and, based on the location, production and marketing are done collectively to different extents. Groups are initially unregistered, but gradually undergo a process of registration in the appropriate legal entity (cooperative, association or small company), as agreed by members.

Members are young men and women whose main economic activity is agriculture, often characterized by low, subsistence-level productivity and incomes. JFFLS target particularly small-scale subsistence farmers, informal rural workers and rural migrant workers, with particular focus on women, young producers and child labourers. The majority of members have only a primary school level of education.

Risks and vulnerability

Environmental – Climate change, such as drought and heavy rain, affects crop production cycles and productivity, particularly jeopardizing the livelihood of young farmers with limited agricultural knowledge.

Economic – The lack of employment options in agriculture is recognized in national agricultural strategies as one of the foremost causes of rural poverty. The lack of capital prevents youth from engaging productively in agriculture, expanding agricultural investments or developing other commercial agricultural-related services. Lack of reliable agricultural inputs, such as most of the seeds, fertilizers and pesticides (which are sometimes counterfeit – something that young farmers are less prepared to recognize), causes failures in productivity as well. Furthermore, rarely do young farmers officially own the land they cultivate. Market dynamics, such as supply and demand swings, also pose a threat to small rural enterprises led by young farmers whose resources do not allow for medium and long term investments (e.g. they might decide to cease producing crops whose prices have fallen this season, but might lose money as prices go back up the subsequent season).

Social – Women are at risk of gender-based violence, particularly when they are economically dependent. This worsens their condition, already precarious because of other social constraints, such as low literacy levels and employability.

Benefits and mechanisms

Social protection benefits – asset transfers

Complementary benefits – financial services; vocational training

JFFLS are informal groups facilitated by FAO working in consultation with national authorities, in particular the Ministries of Agriculture, Livestock and Fisheries. The Tanzania Federation of Cooperatives (TFC) and the Cooperative Union Of Zanzibar have greatly facilitated the targeting of youth groups thanks to their local networks.

Through JFFLS, members undergo an educational process consisting of the following services:

- a training package including different agricultural techniques and good practices;
- introduction to agricultural-related enterprises and expert institutions for further training on their specific enterprise of interest, such as fish farming, vegetable gardens, rice farming, sunflower farming, and bee- and livestock keeping;
- access to starter kits, including inputs such as seeds, sprayers, water canes, gumboots and overalls, to name a few examples;

- guidance in the formation and establishment of groups and the implementation of collective action in production, processing and marketing;
- training in life skills: namely, developing future skills and aspirations as adults, and dealing with social and health issues affecting their communities.

A JFFLS group is normally mobilized through other JFFLS-trained graduates. Young farmers voluntarily agree to form a group and choose the economic activity to specialize in; they may also diversify activities during off-season periods. Each group agrees on its rules and a constitution. In most successful cases and after the educational cycle, some groups formalize into cooperatives, associations or small companies.

Social protection functions

Assistance – Young farmers are given access to basic agricultural assets to start subsistence activities. Because of their comparatively higher vulnerability, young girls are given targeting priority. The practice also considers other vulnerable groups, such as people with albinism.

Food security/resilience/employment – Food security is addressed as part of the training curricula and also during the setting-up phase, helping young farmers to build healthy and diversified diets for their families. Improved agricultural techniques adapted to local risks help in dealing with climate instability, which often causes crop losses or decreases in productivity. By learning and applying good agricultural practices, young farmers are able to diversify their livelihoods and become self-employed entrepreneurs, both as individuals and as a group.

Impacts

Currently, in the 25 regions covered by the practice, a total of 176 youth farmers have graduated after initial JFFLS training. A total of 15 active groups have participated in the JFFLS Training of Trainers. These young leaders are then involved in training others through JFFLS, with a replication rate of 1:20.

Improved risk management

Young farmers learn various agricultural techniques designed to reduce the risks associated with climate variability. The System of Rice Intensification (SRI) in rice production, for instance, reduces the water needed for irrigation activities. Other examples include irrigation techniques; drought-resistant seed varieties; a crop calendar for coping with changing rain patterns; intercropping and mulching to cover the land; and conducting trials to test the resistance of seed varieties to drought.

Income and employment generation

By means of self-employment, improved agricultural productivity (e.g. fish farming, vegetable gardens, livestock keeping, and paddy rice and maize production) and access to market institutions, young farmers are more likely to increase their livelihood opportunities and better cope with the challenges of rural employment.

Access to land

The recognition by district or regional authorities of the value added by JFFLS groups has facilitated young farmers' access to land. Some farmers report that they were able to acquire up to 300 acres and reinvest the income generated to increase the profitability and size of their farms.

Formalization and social recognition

The most successful groups have managed to formally register after the education cycle. Most of them have so far opted to register as cooperative societies. Formal registration has many advantages, principally in gaining access to certain service providers, such as financial institutions, governmental services (extension, technical support) and other development partners. Young farmers also enjoy higher social recognition within their communities, thus increasing their confidence.

Gender equality

Women in particular have increased their confidence as farmers, and also as proactive members of their groups and communities, where they have taken on leadership roles. In some communities, young girls are beginning to resist the traditional idea that they need to be married in order to make a living.

Promotion of youth in agriculture

Young people in farming communities are gradually showing interest to work in the agricultural sector, provided they have the necessary productive resources, services and market outlets. At least ten farmers have graduated as extension providers, thus contributing to the agricultural development of local communities.

Limitations and constraints

The main limitation in the inception phase of JFFLS is the lack of capital for young farmers to invest in agricultural activities. Without support from external projects, JFFLS members remain trapped in this dilemma. Access to adequate financial services, which consider the specific circumstances of young farmers, remains paramount.

JFFLS are still unable to broadly disseminate proper agronomic knowledge, for example on pest and disease control measures, and to guarantee access to land for all participating members.

Finally, despite employing a gender-sensitive approach, young women still lack confidence to engage in the groups and to mobilize others.

Enabling environment

The use of JFFLS is highly encouraged by the policy context in the United Republic of Tanzania as an effective approach to fight against unemployment and underemployment. The country's review of its agriculture policy of 2013 included a component on decent youth employment and JFFLS. Subsequently, the Ministry of Agriculture and Food Security promoted the incorporation of life skills in the existing farmer field school curriculum. The National Employment Promotion Strategy under the Ministry of Labour considers agriculture as one of the main sectors in which to boost employment, and the Ministry of Agriculture has endorsed a National Strategy for Youth Involvement in the Agriculture Sector for 2015–2020 that incorporates JFFLS interventions.

Thanks to the broad recognition of JFFLS as a tool for promoting fair employment, all the country's regional commissioners signed a declaration to facilitate youth access to productive resources and land. Now, village leaders approached by JFFLS are willing to allocate land for youth – in some cases youth have gained access to as much as 300 acres. In many other cases, well-functioning groups have been able to use extension services provided by the government, other development partners or the private sector, receiving support for community infrastructures, improved agriculture-based industry, and agricultural marketing.

The initial funding, knowledge and advocacy power of FAO and the Swedish International Development Cooperation Agency (the main donor for the initiative) were essential to initiating the practice. FAO was able to mobilize broad partnerships among governmental ministries and local cooperatives. Furthermore, it provided capacity building to partnering institutions, such as the Ministry of Agriculture, raising awareness of the technical details of JFFLS and the importance of its objectives.

Formal registration and procedures vary, depending on what kind of legal entity members of JFFLS consider the most suitable (association, cooperative, company, etc.). Most groups have chosen the cooperative form, this having been given broad recognition nationwide by the Cooperative Society Act (2003), which facilitated registration and other bureaucratic procedures.

Replicability and upscaling

The involvement of key national institutions, from the central to the decentralized level, is crucial for effective follow-up and uptake of the initiative. The advocacy work of FAO and its partners has led the government to upscale the practice in other parts of the country. Young farmers should be closely linked with the lower levels of government to formulate appropriate rural services. In addition, the central government should incorporate JFFLS in its policies and strategies.

Close links between JFFLS and other institutions (e.g. the private sector, fair trade associations and other employment-related initiatives) can facilitate the provision of an adequate array of services for the schools' members, in response to all institutional and technical contexts. The close collaboration between young farmer groups and cooperative departments at the local and district level facilitates the groups' access to rural services and constitutes a major success factor for JFFLS.

The practice must consider local circumstances such as access to reproductive resources, land, and availability of capital and technical know-how. Particular attention should be paid to the perpetual absence or inadequacy of extension services. In some cases the concept needs to be modified to suit ethnic, religious or cultural norms. For instance, in some parts of Pemba Island in Zanzibar, young women and men are not allowed to work together until they are married.

Useful tips

- The donor's resources were mainly focused on awareness raising and policy review/recommendation in order to build a solid foundation for upcoming youth employment initiatives. Accordingly, the initiative was successful in drawing attention from government, development partners and beneficiaries on the importance of boosting employment in agriculture through local JFFLS.
- Young farmers are trained in mobilizing new groups, establishing partnerships with other actors, managing an organization, and undertaking entrepreneurial activities – as well as in how to become good trainers themselves. This holistic vision of individual and group formation ensures the continuity and success of the schools. The engagement of proactive individuals, particularly in the case of women, has produced the most effective results in terms of group management and promotion.
- In some cases, the district extension staff were invited to contribute to the trainings, sharing with the group updated knowledge on the best agricultural practices, and enhancing the overall quality of the technical support for young farmers.
- The practice promotes gender equality, both as a social and an economic objective. Young girls are encouraged to participate, become economically active, and take on leadership roles in the groups.

Resources

JFFLS training manual for facilitators, produced in English and Swahili:

http://www.fao-ilo.org/fileadmin/user_upload/fao_ilo/pdf/ICA_MLW_and_TZ/JFFLS_facilitators__training_manual_Tanzania_Sida.pdf

http://www.fao-ilo.org/fileadmin/user_upload/fao_ilo/pdf/ICA_MLW_and_TZ/Kiongozi_cha_Mwezeshaji_JFFLS_Facilitator_manual_Kiswahili.pdf

Specific manual for curriculum development:

http://www.fao-ilo.org/fileadmin/user_upload/fao_ilo/pdf/ICA_MLW_and_TZ/JFFLS_curriculum_development_manual_Malawi_Tanzania_Zanzibar.pdf

14 Social farming at the Inuka Farm and Community-based Rehabilitation Center



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THE UNITED REPUBLIC OF TANZANIA – Wanging'ombe District, southern region of Njombe

Summary

In 2009, CESC Project (an Italian non-profit organization established in 2000) began the implementation of social farming in the Southern Highlands of the United Republic of Tanzania, capitalizing on its experience in providing services for persons with disabilities. The aim of the project is to adopt a community participatory approach in the application of social farming for the empowerment of poor women and disabled people. There are three actors involved: the Inuka Farm, the Inuka Community-Based Rehabilitation (CBR) Center, and the informal Wanging'ombe Farmers' Group. The latter consists mainly of disabled youth and poor mothers of disabled children. The practice of social farming at the Inuka Farm promotes economic and occupational opportunities for disadvantaged farmers through contract farming for sunflower oil production, while assisting disabled persons at the Rehabilitation Center. Ultimately, this practice succeeds also in encouraging the social reintroduction of marginalized people in their communities.

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Organization

The Wanging'ombe Farmers' Group is an informal organization involved in the implementation of social farming at the Inuka Farm. Equality is one of the group's principles (i.e. the opinions and ideas of women, youth and men have equal weight), with access to leadership extended to all 150 current members.

Inuka Farm representatives, local authorities and village farmers hold meetings to choose beneficiaries from among the most vulnerable in the community, with particular attention to disabled people and single mothers with disabled children. Some men and village chiefs are also members of the group.

The Wanging'ombe Farmers' Group is undergoing a process of formalization to establish a farmers' association in order to increase the number of beneficiaries and become an official part of the decision-making body at the Farm. The leaders of the association will represent the farmers within the steering committee of the Inuka Farm.

Risks and vulnerability

Health-related – This social farming practice addresses the needs of families of disabled children, who live in conditions of extreme food insecurity. Noticeably, there are no professional structures to attend to the needs of disabled persons. Of the children assisted by Inuka CBR, 30–35 percent have been abandoned by their fathers. Their mothers are compelled to spend a lot of time caring for their children, and do not have sufficient time to engage in income-generating activities.

“But Baba, if we take our children to the Rehabilitation Center three times a week, how do we keep the livelihoods of our family going during those three days?”

Environmental – In the southern region of Njombe, specifically in Wanging'ombe District, people living with disabilities have little or no access to school, work and social activities. In a society strongly based on agriculture, harvests are jeopardized by periodic droughts, thus diminishing the economic resources necessary to meet the food demand of rural families.

Benefits and mechanisms

Social protection benefits – primary health care and education/input transfers

Complementary benefits – financial inclusion/training

The staff of the Inuka Farm, 30 percent of whom are people living with disabilities, are in charge of the project's management, with support and advice from local authorities of the four villages involved: Wanging'ombe, Utiga, Mayale and Itandula. The social farming contract was negotiated and signed by the Farm, the Wanging'ombe Farmers' Group, and a district official. Once the farmers' association is established, the Farmers' Group is represented within the steering committee of the Inuka Farm. The contract currently covers a total of 175 acres of land. Women and physically able youth in the Farmers' Group receive a package of services that helps them to initiate agricultural production, consisting of the following:

- a. Cash, loans and microcredit to invest in agricultural assets, to be repaid once there is revenue.
- b. Inputs, such as high-quality seeds and fertilizer for their fields. The Farm provides 4 kg of sunflower seeds and 100 kg of natural fertilizer for each acre of land. The cost of the seeds and fertilizer are deducted from the amount paid to farmers for the harvest. At the end of the production cycle, the Inuka Farm reimburses the farmers 650 Tanzanian shillings for every kg produced.
- c. Training on the use of products and preparation of the fields, provided by Mamre Agricultural College.

- d. Storage facilities to protect agricultural inputs and harvests from natural elements.
- e. Primary health and educational services to complement economic activities:
 - The Inuka Referral Rehabilitation Center offers rehabilitation services to almost 700 children living with disabilities and to other patients with rehabilitation needs (stroke, post-trauma, rheumatism, muscle diseases, etc.).
 - The Community-Based Rehabilitation Centers provide home-based assistance for people with disabilities “at their doorstep”, in cities and villages of Njombe and Mbeya regions.
 - The school inclusion programme at the Inuka Farm helps children with disabilities to participate fully in public school programmes.

Volunteer members of the group also run some activities collectively. For instance, disabled youth participate in the rearing of pigs and chickens, while mothers engage in the production of handcraft items. The revenues contribute to the livelihood of the families and the social stock of the group.

Social protection functions

Social assistance – The Rehabilitation Center offers professional care for physically and mentally disabled children, compensating for the chronic absence of health care services in remote rural areas. This service also frees up time for mothers to engage in income-generating activities.

Employment – Social farming is an effective vehicle for creating stable employment and income for disabled children and poor mothers. It creates the conditions to ensure minimum livelihoods are maintained, allowing farmers to invest in basic health and educational social services and in improving their diets.

Social farming provides a safe environment for disabled youth to gain knowledge and skills, and become economically active in the agricultural sector.

Impacts

By putting disadvantaged people at the core of their development and empowering their economic and social status, the Inuka system has achieved better care and greater reduction of poverty. Until a few years ago, disabled people were abandoned or left to the care of their grandparents or brothers and sisters, who did not have the abilities or skills to care for them. Now, disabled children and youth receive professional support. Physically able members of the Farmers’ Group acquire agricultural skills and get involved in the economic activities of their families. The practice of social farming normally guarantees enough income for families to access basic health services and consistent care for the disabled. For example, Agnes, a mother, is a member of the Farmers’ Group; thanks to social farming, her income has increased enough to provide health care for her daughter, Tula. Lupyana (28 years) and Gloria (39 years) work at the sunflower oil mill, while Agrey (20 years), a boy with severe mental retardation, works in the livestock department. In some cases, earning an income has allowed poor mothers to loan cash to family members.

Employment opportunities for disabled people send a strong signal to the entire community, strengthening the concept that every person can make a personal contribution to society. Furthermore, employment enables people with disabilities to earn their own income, become independent and improve their confidence.

Contract farming has contributed to increasing the incomes of participating families, allowing them to fulfil their necessities in terms of food purchases. Since 2013, project funds have made it possible to cultivate almost 50 acres of sunflower fields. The harvest has been used for production in the Farm’s oil mill, helping to increase the production of edible oil in the United Republic of Tanzania.

The central involvement of women in cultivating the land is helping to change their traditional classification as the “Mami”, whose duties are to do housework, cultivate the fields and care for the children, with no participation in the decision-making processes in their communities. Now women, as well as people living with disabilities, contribute to the social and economic development of their communities, thus revolutionizing the traditional role of these vulnerable groups.

Limitations and constraints

The foremost constraint to the rapid development of social farming is the lack of basic agricultural skills, particularly for women and disabled persons who have been systematically excluded from agricultural production. In the inception phase of the practice, participants were often reluctant to adopt new technologies and diversify crops due to the possible risks and costs.

Farmers still struggle to access quality inputs, in particular seeds and fertilizers. The shortages of liquidity, coupled with the unfair conditions in non-protected markets, so far have limited farmers’ activities within the boundaries of the protected contract at the Inuka Farm.

The Farmers’ Group must still achieve legal status in order to be formally recognized by local authorities and represented in the Inuka Farm steering committees. In the initial phase, the group has to develop the needed administrative and financial capacity to run the organization.

Enabling environment

There are two national policies that directly link and facilitate the implementation of social farming in the United Republic of Tanzania. The National Agricultural Policy recognizes contract farming as an important element in “spearheading the process of agricultural transformation and modernization”; its goal is to strengthen linkages between research, training, extension and farmers. The 2010 Disability Act establishes measures of employment inclusion for people with disabilities. Taking advantage of the national policy context, the project enlisted the support of local District of Wanging’ombe authorities, who then agreed to cover part of the project costs, provide legal support and act as guarantor for the practice. The district provided personnel for meetings and for monitoring of the fields. The project also collaborated with MAMRE Agricultural College, and established connections with other local NGOs to broaden the economic opportunities on offer (e.g. watermelon cultivation).

The practice would not have been implemented without the efforts of CESC Project and funding from the provinces of Trento and Bolzano, as well as the foundations Comunità Solidali nel Mondo and Hakuna Matata. In 2009, CESC Project started implementing the Inuka (“Get up” in Swahili) project, a CBR programme in the southern region of Njombe. CBR is internationally recommended by the World Health Organization as an instrument for enhancing the inclusion of disabled people in their communities. The project also encourages national and local institutions to promote the full application of the 2010 Disability Act and the 2006 UN Convention on the Rights of Persons with Disabilities.

Replicability and upscaling

CESC considers the project to be replicable at the regional, national and international level. The following conditions are necessary:

- A social and geographical structure linked to rural settings, where beneficiaries are already familiar with the rural economy and agricultural practices.
- A solid relationship with local communities, key to designing and implementing the strategy for the development of the practice. The centrality of local communities, and the underlying “Social and Cultural Pact”, is indispensable to their assumption of responsibility and for expansion to other communities.

- Strategic partnerships among multiple actors (CESC, Inuka CBR, the government, farmers). Inuka's Community-Based Rehabilitation Center and Farm are known in the area because of their quality rehabilitation services for patients. Both farmers and the government trust the quality of Inuka's contract farming practice.
- A leading role played by the public sector in the technological and institutional development of the practice. Local governments can support regular training for the Farmers' Group and awareness campaigns to promote the practice.
- A market for the cultivated product.

Useful tips

- The success of the practice comes from the value added of developing ideas expressed directly by the farmers, as well as their direct cooperation with local authorities in building common strategies.
- The social activities organized by the district have increased awareness of the importance of health care and socio-economic inclusion for disabled persons and women.
- The decision-making process was developed through formal partnership agreements established among public and private institutions, NGOs, local authorities and local communities, thus increasing the level of legal guarantee.
- Financial sustainability is ensured by the growing demand for edible oil in the United Republic of Tanzania, which is very high. Technical feasibility is guaranteed by the application of cultivation and production practices, as well as maintenance of the machinery.

Resources

Links to documents, websites, videos and pictures to learn more about the practice:

CESC Project: www.cescproject.org

<https://youtu.be/zCQCLdyztuM>

ANNEX B

PARTICIPATION OF RURAL ORGANIZATIONS IN SOCIAL PROTECTION POLICIES AND PROGRAMMES

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1 *Cisternas* – Enhancing resilience in semi-arid regions through partnerships between civil society and government



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BRAZIL – States of Alagoas, Bahia, Ceará, Pernambuco, Minas Gerais, Paraíba, Rio Grande do Norte, Piauí and Sergipe (1 134 municipalities); recently, the programme was expanded to the Amazon region

Summary

Cisternas (literally “water tanks”) is a national programme aimed at enhancing resilience of vulnerable smallholders to water scarcity in the semi-arid Northeast of Brazil. It is one of the programmes under the national strategy to eradicate extreme poverty. The programme was born directly by request from civil society organizations and designed through a series of collaborative processes. Nationally, umbrella organizations of civil society are involved in the design, monitoring and evaluation of the programme. Local member-based organizations are responsible for targeting and training beneficiaries, as well as the distribution of building material for water tanks and other technologies. The programme has substantially improved the quantity and quality of available water, thus protecting local livelihoods and reducing migration to cities. *Cisternas* has fostered mechanisms of social control and the independent roll-out of the programme activities, under the management of local organizations across the whole region.

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Organization

More than three thousand diverse organizations participate in the execution of the programme. About two hundred agencies operate at the microregional level: federations of trade unions and rural associations, charity organizations linked to religious institutions, umbrella family farming organizations and cooperatives, and Non-governmental Organizations (NGOs) that promote agro-ecology and the environment. Others operate only at the local level: community associations and workers' unions, farmers' and other cooperatives, parishes, local NGOs, etc.

The profile of members depends on the nature of the organizations they belong to. The programme's beneficiaries are mostly rural and indigenous dwellers who mainly practice subsistence agriculture.

Social protection programme – *Cisternas*

Social protection benefits – asset transfers

Complementary benefits – technical trainings

The semi-arid sub-region of Brazil covers 1 134 municipalities in nine states, in an area of approximately 969 000 square kilometres. It represents about 20 percent of municipalities and 11 percent of Brazilian territory. According to census data from 2010, more than 22.5 million people are located in this region, with 8.5 million in the countryside (75 percent live on less than US\$3 a day, according to the World Bank). Rural poverty in this region is generally associated with unequal distribution of natural resources (land and water), resulting in low productive capacity and intergenerational reproduction of rural poverty.

During the United Nations Convention to Combat Desertification (COP3) in Recife (State of Pernambuco) in 1999, civil society organizations gathered together and founded the Network in the Brazilian Semi-Arid (ASA), which included the participation of rural organizations such as NGOs, trade unions, cooperatives, associations and religious charities. This partnership gave impulse to the collaborative design of the Programme One million Tanks (P1MC) with the Brazilian Government. The programme aimed at building one million water tanks with a total capacity of 16 000 litres for human consumption and agricultural production, to be run in close collaboration with civil society organizations.

The programme began with a pilot project in 2001 and became public policy in 2003, with large financial contributions and the involvement of subnational governments beginning in 2004. Since 2007 the policy has supported the construction of tanks, small dams and other technologies related to food production. It was institutionalized in 2013 through Act No. 12 873, establishing the National Programme for the Support to Rainwater Capture and Other Social Technologies for the Access to Water (Programme *Cisternas*), with flexible rules for the involvement of civil society organizations. The act institutionalized the participation of rural organizations in the implementation of public policy, and brought the concept of "social technology" into the Brazilian legal framework. This concept emphasizes the "interaction between local and technical knowledge, appropriated and implemented through community participation". Since 2011, *Cisternas* has integrated the "Water for All" and "Brazil Without Poverty" programmes, which aim to eradicate extreme poverty in the country.

The Ministry of Social Development (MDS), the governmental agency that oversees the implementation of the programme, can act in partnership with subnational governments or directly with a representative organization of the network (organizations are certified by the federal government as Civil Society Organizations of Public Interest, or OSCIPs). Subnational governments, in turn, contract and coordinate the action of microregional organizations accredited by the MDS, currently the *Articulação no Semiárido Brasileiro* (ASA) and the *Conselho Nacional das Populações Extrativistas* (CNS) in the Amazon region.

In this institutional arrangement, it is worth highlighting the partnership of the MDS with the ASA through the OSCIP Programme Association 1 million Tanks (AP1MC), which accounts for about 60 percent of all the results of the programme. The coordination between the government and civil society organizations

(also involving subnational governments) facilitated the institutionalization of the programme and its expansion to other regions.

By providing families with structures for capturing and storing rainwater in areas of water scarcity, the programme promotes the conditions for diversified food production and the subsistence of local populations. Access to water for human consumption and production enables rural families to lead a dignified life in the fields.

Social protection functions

Resilience – *Cisternas* enhances the resilience to water scarcity of ultra-poor populations in adverse, semi-arid climates.

Food security – The programme sustains subsistence farming and promotes food security in areas that are characterized by increasing rates of rural exodus.

Participatory mechanism

The institutional arrangement for the implementation of *Cisternas* is regulated by Law No. 12,873/2013, and includes a strong focus on the participation of civil society. Participation is enacted at various levels in order to achieve the capillarity needed to reach scattered rural populations. The National Council of Food and Nutrition Security (CONSEA), with representatives from the government and civil society, deserves a special mention here. It was responsible for approving the programme proposal, supporting the partnership with civil society in national and state councils, and coordinating the consultations with civil society organizations under the “Brazil Without Poverty” programme.

At the local level, all activities of social mobilization, selection of beneficiaries, and monitoring and evaluation are run in partnership with local organizations. These can be organized into municipal committees, municipal councils, and local and/or community committees. These local bodies, mainly or exclusively composed of leaders of civil society, are responsible for identifying and selecting beneficiary families. These are selected according to their poverty level and vulnerability to climatic stress, using the Unified Registry of Social Programmes of the Federal Government (CadÚnico) for reference. They are also responsible for identifying farmers to be trained for the construction of tanks, as well as mobilizing families for training. The construction of water technologies is deeply rooted at the local level: farmers themselves are trained to build the technologies; building materials are purchased locally, generating income in the municipalities; and community leaders are involved in training families in water management. The entire community is thus mobilized, and families are encouraged to take water management issues into account.

Cisternas is overseen by an evaluation committee composed of two representatives of MDS, one of CONSEA and one from the OSCIPs (AP1MC or CNS). This committee discusses and authorizes changes to operational aspects identified by the OSCIPs, such as rules and funding amounts involved in the execution. Each representative OSCIP of the network in turn has its own mechanisms for exchange, planning and monitoring. The ASA for example is organized into state bodies, which elect delegates to the National Executive Board. Accordingly, the main issues related to project implementation can be assessed and systematized in a participatory way before being discussed with the federal government, either in the evaluation committee, CONSEA, or directly in the MDS. Thank to this structure, the decisions are easily transferred at different levels.

The role of civil society is equally important in the conception and design of policies. CONSEA played a major role in the formulation of *Cisternas*. The National Council of Extractivists was responsible for testing, adapting and proposing technology for water capture, storage and treatment in the Amazon region (which, despite the abundance, suffers from issues of water quality). The technology was subsequently priced and adopted by the MDS. The same occurred with the water tank plates in the semi-arid region proposed by the ASA network.

Impacts

Cisternas is a result of the proactive engagement of civil society, as the programme arose directly by request from civil society organizations. Its creation would not have been possible without the assistance of the OSCIPs, for example in providing information on beneficiaries' needs; targeting; distribution of water technologies; training; and programme monitoring, evaluation and adjustments. Effective information and communication is also achieved through forums, held both at the national level (CONSEA) and at state and local levels, which deal with the theme of family farming.

The close relationship with rural organizations facilitates the identification and attendance of beneficiaries and also the management of registration documents in the CadÚnico, which allow the recipients of the programme to benefit from other policies.

The participatory process ensures greater autonomy for families and their representative organizations, helping them move away from local political dependencies and encouraging active citizenship.

By promoting decentralized structures with broad social participation, the practice contributes to the democratization of access to water for consumption and food production. Through this practice, water quality is improved, and there are reductions in the frequency of illness in adults and children. This primarily promotes health, food and nutrition security, as well as protecting the incomes of poor families. Finally, the resources invested through *Cisternas* (3 billion Brazilian real so far) have had a multiplier effect on the local economy through the purchase of building materials and contracting of local workers and technicians (about 70 percent of the total 3 billion).

"The entire wealth of the people is due to the appearance of the water tanks. Water here is gold. Without tanks, we would have already left this place."

Limitations and constraints

Formation and strengthening of SHGs has promoted increased coverage of the rural poor. However, ultra-poor individuals and migrants still encounter difficulties when accessing or organizing SHGs. Similarly, the project struggles to provide targeted funds to recognized castes and tribes, particularly when they are members of SHGs consisting of different social categories.

The project has been successful in raising the profile of the rural poor in public institutions and policies thanks to the proactive participation of CBOs. Nonetheless, project operators report that civil society groups still need better skills to negotiate with governmental authorities and overcome information asymmetries.

The flexibility of certain models (for example the rules of insurance or credit systems) ensures that the services offered by CBOs meet the contextual needs of their members. However, scaling up to 22 districts requires some sort of standardization of procedures. Finding this balance continues to be a challenge.

Other constraints concern the internal capacity of SHGs. In some cases, there is low or no rotation of leaders alternating in SHGs. Furthermore, the low levels of literacy and financial literacy among women (who constitute almost the entirety of CBO memberships) hamper their full and effective engagement as leaders or managers of community-based practices.

Replicability and upscaling

An important condition for replicating the practice is placing the programme's objectives (which include the empowerment of civil society through a strong focus on its participation) on the country's political agenda, so that these priorities are reflected in the national budget for smooth, continuous development.

The practice has been applied where the rural population faces great difficulties in accessing water in sufficient quantity and quality. Accordingly, there is strong potential for it to be replicated in similar conditions elsewhere, by adapting technologies to the specific rainfall and soil characteristics of each location.

In addition to climatic and geological conditions, it is important to acknowledge the central aspect of social mobilization, participation and training of beneficiaries, which are aspects of social technologies that guarantee their sustainability.

The practice involves wide decentralization of the implementation process, considering the specificity of the target beneficiaries. Beyond ensuring coordination at national and subnational levels, the participation of local organizations is essential for a smooth roll-out of the activities. Umbrella organizations or those with higher capacity should be encouraged to exchange experiences with smaller organizations to foster networking and capillarity of action.

Useful tips

- Close cooperation and coordination at various levels among a wide range of institutions, along with a sharing of responsibilities, made the implementation of *Cisternas* possible. It is crucial to support institutional dialogue with local organizations and encourage their networking.
- Local organizations can demand higher quality of supplies and obtain lower prices than those usually obtained directly by the government. For example, polyethylene tanks offered by private companies to government agencies cost twice the price than those negotiated by local organizations. This is thanks to their proximity and relationship with local providers.
- Women and youth can play a strong role in the processes of mobilization, capacity building, and water tank construction. Young people are also encouraged to participate, for example, in the manufacturing of manual pumps, or to train as field technicians. They may eventually become local leaders thanks to the experience acquired.

Resources

<http://www.mds.gov.br/segurancaalimentar/programa-cisternas>

<http://www.asabrazil.org.br>

2 Farmers' organizations as local food suppliers in the national programme for food purchases



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BRAZIL – All federal states

Summary

In Brazil, the National Programme for Food Purchases (*Programa de Aquisição de Alimentos*, PAA) aims to open up market access for vulnerable smallholders by establishing systems of local procurement. Farmers' organizations and cooperatives coordinate food production and marketing to procuring entities (public or private), which are responsible for providing social assistance to food-insecure people. Producers' organizations and cooperatives, organized under umbrella organizations, also participate at the national and local level in the formulation, evaluation and adjustment of the programme. This is done by the national Advisory Committee and in local social control councils. The programme creates a stable market and favourable conditions for poor smallholders to work and generate revenue, while providing a regular supply of locally produced organic food for national networks of social assistance. In addition, it promotes the development of local capacities and the strengthening of a body of rural organizations. The involvement of strong local organizations has been instrumental to maintaining the scale and regularity of food supplies for the programme nationwide.

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Organization

In Brazil, there are over 3 000 family farming organizations, including cooperatives and associations, pursuant to Law 11,326/2006. Among these, 1 077 cooperatives take part in the PAA, which currently involves around 50 800 family farmers in local food production. This means that an average of 47 farmers per cooperative are currently participating in the programme.

Participants fall into different categories: family farmers, agrarian reform settlers, riverbank dwellers, fisherfolk, hunter-gatherers, *quilombolas*¹ and indigenous people. They inhabit all Brazilian biomes,² and thus are heterogeneous in terms of size of land owned, farming areas, and variety of food produced. They generally depend on agriculture or the extractive sector, with activities ranging from the production of raw materials to the marketing of agricultural products. Some of these organizations are clustered in higher-level unions and, in addition to agricultural production, operate in food processing and agribusiness.

Social protection programme – Programa de Aquisição de Alimentos

Social protection benefits – food transfers to social assistance programmes

Complementary benefits – stable procurement

The PAA's objective is to facilitate access to institutional markets for smallholders through the local procurement of food from farmers' cooperatives or producers' organizations. The PAA buys food from the cooperatives (whose members operate in agriculture, livestock, fisheries and extraction) and delivers it to people in situations of food and nutrition insecurity, to those who rely on public social assistance programmes, and to public institutions in general. Thanks to this system the programme generates short marketing circuits, thereby valorizing local organic production and biodiversity and reducing transaction costs (e.g. transportation and logistics).

The PAA's management unit has a steering group composed of different ministries and an Advisory Committee, both regulated by Decree 7775 (2012). The management unit is composed of government representatives and is responsible for determining operating rules and supervising the implementation of the programme. The Advisory Committee's members are public authorities and civil society organizations, including representatives of the family farming sector, cooperatives, entities that receive food from the programme, and universities (among others). Social control and participation, therefore, occurs through periodic consultations and discussions within the Advisory Committee.

Local councils, such as the Municipal Council of Food and Nutrition Security (COMSEA), the Municipal Councils for Sustainable Rural Development (CMDRS), or the Municipal Councils of Social Assistance (CMAS) are tasked with ensuring an adequate level of transparency and accountability in the implementation of PAA procedures. All these councils have representation from government and civil society.

Social protection functions

Assistance and food security – The food procured through producers' organizations is used to supply public and non-public networks of social assistance for food-insecure people.

Employment – Local procurement encourages a stable labour market for smallholders by guaranteeing stable demand and fair prices.

1 Community dwellers from former slave settlements.

2 In Brazil, the Ministry of the Environment identifies seven biomes: Amazon, Cerrado, Caatinga, Pantanal, Atlantic Forest, Pampa (or Southern Fields) and Coastal.

Participatory mechanism

Family farming organizations participate in the PAA Advisory Committee at the national level through their representative bodies, such as CONTAG, FETRAF and UNICAFES,³ among others, where they are consulted on the programme's formulation as well as on the evaluation and modification of programme rules.

At the local level, civil society organizations participate in the evaluation procedures exercised by COMSEA, CMDRS, or by the Municipal Councils of Social Assistance (CMAS). These bodies are in charge of validating the procurement proposals and deciding on recipient institutions. This mechanism requires good organizational capacity of rural organizations and their coordination with local decision-makers.

Farmers' cooperatives and producers' organizations participate directly and actively in the preparation of proposals for the sale and distribution of food in the programme, indicating the most suitable entities of social assistance and public facilities that might benefit from the food supplied. The organizations of family farmers exercise a role of planning and coordination which involves: mobilizing farmers; mapping the supply capacity of members in terms of quantity, diversity and quality of products; and mapping the demand of recipients at the local and regional level. In addition, they coordinate payment schedules, the distribution of food, and relations with other entities involved in the network of public assistance, as well as other public facilities that are recipients of local food supplies.

Impacts

The PAA, complemented by policies of technical assistance, agricultural extension and agricultural credit under the National Programme for the Strengthening of Family Farming (PRONAF), opened a major public market for family farming products. Between 2003 and 2014, it provided for more than 380 000 family farmers and more than 20 000 recipients, procuring more than 3 000 varieties and more than 4 400 tonnes of food. The programme invests around 600 million Brazilian real every year (around US\$152 million).

The management of local procurement through the family farmer organizations was instrumental in maintaining the scale and regularity of food supplies for the programme. Producers' organizations are able to offer a good variety of foods by sourcing from a broad range of producers. This has resulted in an increased supply of processed food such as juice and pulp, dairy products, meat and baked goods (among others), as well as fresh fruits, vegetables, nuts, etc. The regular supply of this food has improved the quality of recipient entities' diets, and would not have been possible by sourcing exclusively through individual farmers.

The positive impacts of rural organizations on the PAA can also be noticed in relation to the participation of the Advisory Committee for social control and the coordination of operations. The committee has inspired positive changes in the national legal framework by raising awareness on specific local contingencies, and by encouraging a higher sense of engagement on the part of state and local authorities.

The PAA has had an impact on the coordination and management capacities of the rural organizations that it collaborates with. The programme requires a high degree of responsibility and certain management standards from participating organizations. Accordingly, it was designed to support their training and development, ultimately assisting in the development of their agricultural production, their agricultural investments, and in the capitalization of their business. The impact on participating organizations was also a function of their capacity to respond to the typical demands of a national policy. In the more developed regions of Brazil, where rural organizations already had a history and an established learning process, results were obtained more quickly. Other areas required stronger investment in technical assistance and rural extension to improve the management capacity of these organizations. The programme also

3 Confederação Nacional dos Trabalhadores na Agricultura (CONTAG); Federação Nacional Dos Trabalhadores E Trabalhadoras Na Agricultura Familiar (FETRAF); União Nacional das Cooperativas de Agricultura Familiar e Economia Solidária (UNICAFES).

valorized the participation of women through the establishment of minimum percentages of women's contribution in sales, which has now reached 40 percent.

Producers' organizations have a leadership role at the local, state and national level for the promotion of family farming in Brazil. In some cases, participating farmers have learned to expand their production in response to programme requirements, thereby potentially widening their market options.

Limitations and constraints

The PAA was present in more than 3 000 municipalities in the country between 2003 and 2014, marked by heterogeneous experiences in each geographic area. At the national level, the main challenges have been related to the difficulties in standardizing the diverse environments found throughout the country. The efforts to overcome this challenge focus on the constant evaluation of the procedures of social control as well as expanding the membership and representativeness of the Advisory Committee.

The main challenges observed in participatory mechanisms at the local level are: the lack and/or disorganization of the councils established in the municipalities (COMSEA, CMDRS, CMAS); the limited enforcement of social control due to financial shortages or disinterest; and non-execution of the programme in some municipalities.

Other constraints are related to the planning and management capacity of states and municipalities. The same applies for rural organizations, which must ensure the quality of food and the regularity of supplies required by recipient entities.

Replicability and upscaling

The predisposition of the federal government to expand and evaluate spaces for dialogue and debate with civil society is a strengthening factor for participatory processes. Since 2003, this has been important for the improvement of participatory mechanisms in the PAA and other national programmes in Brazil.

The replication of the PAA requires a preliminary assessment of the supply potential and the demand for different food items of institutions in the region under consideration. It is paramount to evaluate the compatibility between local supply and demand, the organizational dynamics, and any logistics-related issues, as well as the social control and governance structures. This diagnosis should valorize the centrality of local circuits of production and consumption.

It is important to remember that family farmer organizations will require a minimum learning period before they can start supplying food in sufficient quantity and quality within the deadlines set by the programme. It will be necessary to invest beforehand in a capacity development process for these organizations, particularly in terms of their management and marketing skills. The action of local organizations can be particularly effective if these can count on representation in national bodies (e.g. CONTAG, FETRAF, MST, UNICAFES). The programme can also facilitate the increased participation of women or the establishment of women-only institutions for the achievement of gender-sensitive activities.

The PAA relies on the broad availability of data provided by different organs of the federal government, such as the Ministry of Social Development, the Ministry of Rural Development, and the Ministry of Agriculture, Livestock and Procurement, among others. It also relies on the information available in agricultural and rural development agencies in the states and municipalities. Information about the programme is disseminated thanks to local partner organizations and a broad network of rural technicians.

In terms of execution, the programme can be implemented directly by federal agencies as well as through states and municipalities, according to the availability of resources and expertise.

Useful tips

- The main success factors were: the wide availability of family farmers, with more than five million farms producing around 70 percent of the food consumed internally (production is already oriented to local internal markets); the culture of collective action in family farming, particularly in certain regions of Brazil; and a series of policies targeting family farming in the last few years (technical assistance, rural extension, access to credit, insurance on production, and institutional procurement).
- Within the programme, the presence of existing infrastructure and of organizations with years of experience in servicing farmers eased the operational process. Among cooperatives and producers' organizations, many had some previous marketing experience. At the same time, recipient entities were able to absorb production for the benefit of socially disadvantaged groups. Finally, food varieties were carefully chosen in relation to the agro-ecological characteristics of each region.
- Various legal instruments of the programme helped prioritize vulnerable groups (women, agrarian reform settlers, *quilombolas*, indigenous people⁴), such as the establishment of minimum thresholds for sales. PAA implementation modalities give access to institutional markets via membership to organizations and cooperatives. Organizations founded on strong principles of equitable decision-making are more prone to favouring the participation of the weakest members. Associating institutional procurement with family farming and organic production allows other complementary objectives to be achieved, such as better use of natural resources; stewardship and enrichment of biodiversity in local agro-ecosystems (reforestation, minimizing erosion processes, protection and regeneration of water springs); and improvements in local diets and health indicators.

Resources

<http://mds.gov.br/assuntos/seguranca-alimentar/programa-de-aquisicao-de-alimentos-paa>

<http://www.conab.gov.br/conteudos.php?a=1125>

<http://www.mda.gov.br/sitemda/secretaria/saf-paa/sobre-o-programa>

4 Act n° 7.775/2012 establishes minimum percentages of sales reserved for women; PAA resolution n° 44/2011 establishes a minimum number of participating women; PAA resolution n° 59/2012 establishes priorities for vulnerable groups.

3 Farmers' organizations as local food suppliers in purchase for progress (P4P)



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GHANA – Ashanti and Northern regions

Summary

Purchase for Progress (P4P) is a programme designed and implemented by the World Food Programme (WFP), which combines procurement and capacity development. P4P aims to improve smallholder farmers' access to formal markets by strengthening the capacity of farmers' organizations (FOs). In Ghana, WFP and other institutional buyers purchase staple food directly from FOs, thus creating stable demand for producers, providing fair prices, and guaranteeing a minimum income. WFP uses this food to provide vulnerable populations with food assistance. Farmers' organizations play a crucial role in linking farmers to markets and in providing financial and training services, ensuring that low-income farmers can access fairer prices. At the same time, the participation of FOs in P4P encourages them to form local partnerships with private and public actors (buyers, schools, extension agencies) in order to access local markets, financial and extension services, and to improve market infrastructure and transport.

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Organization

P4P in Ghana focuses on smallholder FOs that have received production support through a project by the Millennium Development Authority (MiDA) and that show potential to produce surplus commodities. In order to maximize the impact of the programme, the strategy is to select “not yet fully matured FOs” whose members have sold produce individually rather than as a group, or “potentially growing FOs” with the capacity to deliver required quantities. As women farmers face particular constraints in accessing the resources to increase production and income, the programme makes a special effort to engage women through working with women-only/dominant FOs and encouraging gender equity in participating FOs.

Twenty-six FOs, with around 1 524 members (48 percent women), participate in the programme in Ghana. Sixteen are located in Sekyedumase district (Ashanti region), and ten in Tamale (Sagnarigu, Tolon and Kumbungu districts, Northern region). Most members are smallholder farmers who produce low-quality staple crops for household consumption, with limited sale of surplus. Many lack access to adequate transport and storage facilities, losing large portions of their harvest to rot and mould.

Social protection programme – Purchase for progress

Social protection benefits – food transfers to social assistance programmes

Complementary benefits – stable procurement; financial and extension services

WFP launched the global P4P pilot in 2008. In Ghana, P4P started in 2010, with funding from the Government of Canada through the Department of Foreign Affairs, Trade and Development (DFATD, formerly known as CIDA). The P4P initiative in Ghana builds on significant investments by the Government of Ghana in the agricultural sector, targeting smallholder productivity and marketing enhancement. In 2008, Ghana became a signatory to the Comprehensive Africa Agriculture Development Programme (CAADP). CAADP promotes, inter alia, better market access for smallholder farmers through improved rural infrastructure and other trade-related interventions. The Ghana Shared Growth Development Agenda (GSGDA) envisages an energized rural economy, where poverty and deprivation are reduced through improved linkages between producers and the industry and services sectors.

P4P in Ghana revolves around two key constraints to the engagement of smallholder farmers in formal markets. (1) Inadequate market infrastructure (physical and informational) affects market opportunities, storage, and the availability and price of agricultural inputs. Farmers are forced to sell their produce right after harvest at unfavourable prices, thereby jeopardizing their livelihoods, particularly in non-harvest seasons. (2) Smallholder farmers have low productivity levels and frequently purchase more food than they sell. Such conditions perpetuate smallholders’ vulnerability to price and yield volatility, as well as their inability to generate stable incomes.

P4P creates and expands direct procurement mechanisms enabling smallholder farmers to participate in formal staple food markets that can provide better prices for their crops. The programme invests in strengthening the capacities of FOs to enhance their potential to supply food collectively.

These local systems rely substantially on the participation of various actors including national and local governments, schools, private buyers and traders, civil society, and FOs. The latter play the unique role of linking smallholder farmers to the services of programmes and partners.

Social protection functions

Assistance – The food procured through producers’ organizations is used for humanitarian assistance to food-insecure people.

Employment – Local procurement encourages a stable labour market for smallholders by guaranteeing stable demand and fair prices.

Ensuring minimum incomes for smallholders facilitates their access to basic social services, such as health and education.

Participatory mechanism

FOs collaborate with WFP and other partners in the implementation of P4P's three key pillars: (1) FOs organize aggregation, payment and value addition for smallholder farmers, ensuring that the increasing demand introduced by WFP's direct procurement (i.e. the demand-side pull) is fully met. (2) FOs update WFP and the government on the improvement of the overall market systems in which smallholder farmers and the FOs themselves operate. (3) FOs raise awareness about the programme among smallholder farmers and facilitate WFP support in terms of transfer of skills, capacities and knowledge, which is required to respond to the introduction of pro-smallholder farmer demand (i.e. supply-side push). Delivering the appropriate information to smallholder farmers is important for improving their knowledge and the application of productivity-enhancing technologies and practices; improving access to agricultural inputs and credit; and building capacity in post-harvest handling, quality control and storage.

P4P works in collaboration with all local partners to improve market infrastructure, build storage facilities, and enhance access to market information. Local partners include:

- Ministry of Food and Agriculture (MoFA), which provides agricultural extension;
- The Adventist Development and Relief Agency (ADRA), which implements a joint project on maize and cowpea production;
- Farm Radio International, which implements joint projects on post-harvest handling, marketing and contracting skills through a radio broadcasting programme;
- the USAID Feed the Future Project, which provides training and technical assistance, and also promote linkages between P4P-supported FOs and their members;
- TechnoServe, which implements a joint project on cowpea production;
- GIZ/MoFA/Market Oriented Agriculture Programme (MOAP), which provides dryers and technical support for the construction of solar panels.

Impacts

By organizing their production and sales collectively, smallholder households have increased their sales. For instance, 13 P4P-supported FOs in the Ashanti region sold close to US\$2 million worth of maize (4 504 tonnes) to WFP, and five P4P-supported FOs in the Northern region sold US\$81 000 worth of maize (263 tonnes). Preliminary evidence based on household surveys shows that P4P-supported smallholder farmers had lower levels of yield volatility than other farmers, with men showing lower levels of yield volatility than women farmers.

P4P has facilitated powerful and novel partnerships in staple food supply chains. Indeed, a potent indicator of the impact of capacity development efforts under P4P is the extent to which P4P-supported FOs have been able to sell food to buyers beyond WFP. In one year, smallholders were able to sell around 156 000 tonnes of maize, out of which WFP purchased around 3 percent. For example, one P4P-supported FO in the Ashanti region sold US\$15 000 worth of white maize (50 tonnes) to Premium Foods Limited, one of the biggest private processing companies in Ghana. The company was satisfied with the quality of produce and a viable business relationship was established for long-term partnership.

Smallholder farmers are now better able to access, through their FOs, vital agricultural equipment and services. FOs have purchased weighing scales, tarpaulin sheets, moisture content meters, rice reapers, threshers and sewing machines, all in a cost-sharing manner. The scales have helped farmers to receive more accurate payments for their produce based on weight rather than volume when selling to WFP.

In the past, volume-based pricing often resulted in farmers being underpaid for their crops, with most traders and other key market leaders buying commodities according to “bush weight”, which refers to selling heaped bags of between 130 kg and 150 kg of maize for the value of a 100 kg bag. FOs were able to mobilize public authorities and all the stakeholders of the Ejura Sekyedumase District to adopt “cocoa jute standard bags”, which can contain about 110 kg (as opposed to selling 150 kg bags for the price of 100 kg).

Fairer and more stable payments allow farming families to pay for food, school fees and medical services both in the harvest and the lean seasons.

P4P was found to generate a wide range of anticipated and unanticipated impacts at the FO level: improved governance and leadership skills; stronger bonds between participating farmers; more transparent and equitable decision-making processes; and better financial management. P4P also increased gender equity in the FOs by targeting certain services to specific women’s needs.

Limitations and constraints

The foremost challenge for direct procurement systems is to ensure continuity from both supply and demand sides, and that suppliers meet quality standards. In some cases, smallholder farmers are not able to supply the amount of crops requested (as production levels are particularly low in the Northern region). Additionally, buyers sometimes prefer to purchase crops at low prices and then add value themselves.

A lack of transportation and infrastructure (such as storage facilities) remains a limiting factor for smallholders to access markets, particularly outside the main rural market centres. In particular, these weaknesses affect smallholder farmers’ ability to purchase quality inputs, produce quality crops and meet processing quality standards, ultimately undermining the capacity of FOs to respond to the demand *pull* introduced by WFP. Smallholder farmers often lack information about market events and prices, as well as the skills necessary to negotiate profitably.

Access to credit with affordable interest rates has sometimes been limited, making it difficult for FOs to purchase agricultural inputs when they are needed most. P4P continues to support organizations with training in financial literacy, and encourages banks to provide them with opportunities to access credit at lower interest rates.

Trading-per-bag (“volume-based”) pricing is still common, despite substantial improvements in the way maize is weighed and sold (i.e. the “cocoa jute standard bags”). This traditional weighing practice favours the buyer, as commodities are measured per bag to the detriment of farmers. FO efforts to lobby the government for fairer weighing methods have proven challenging, and are still ongoing.

Replicability and upscaling

P4P was piloted in 20 countries worldwide, with great success and a warm reception from host governments and participants. Today, the approach is being implemented in 35 countries. One of the crucial elements of P4P is its “not-one-size-fits-all” approach. Each country has utilized diverse modalities tailored carefully to meet its context and needs, while still relying on WFP’s buying power to consistently link smallholder farmers to formal markets.

P4P presented governments with an innovative approach for supporting smallholder farmers and engaging smallholder FOs as proactive and rational partners. It showed that linking smallholder farmers to formal markets is a viable investment in countries that have enabling policies and regulations. If smallholder farmers are provided with appropriate support, they will seize market opportunities and respond swiftly to quality demands. Thanks to this, elements of P4P are being incorporated into national programmes for poverty reduction. Increasingly, WFP is encouraging national governments to use institutional procurement through schools, hospitals or local public offices to support smallholder farmers in their

countries. Also, the private sector has responded positively, providing smallholder farmers with vital services and beginning to buy from FOs more directly. However, upscaling can be particularly challenging without the necessary resources for assisting smallholder farmers to increase their productivity, storage capacity and access to credit.

Management agrees that most P4P work should take place in stable environments. This should not preclude working in less stable contexts where governments request assistance with P4P-type programming. Thorough country assessments should be carried out to determine the feasibility of this kind of intervention.

Useful tips

- Stable demand is key for sustainability. In the case of P4P, the demand was largely met by WFP, but it is paramount to ensure that other private and public-sector buyers are engaged to guarantee sustainable support.
- Adequate supply-side support and up-front investment in FO capacities are required. This can also be achieved through strong partnerships. P4P links FOs to the technical expertise of a wide range of public and private service providers. This collaboration provides smallholders with the skills and knowledge to improve their agricultural production and meet contract requirements.
- P4P can be adapted to different contexts and production levels. For instance, in the Northern region, surplus levels were limited and it appeared difficult for WFP to procure significant volumes. As a result, WFP facilitated linkages between FOs and schools to carry out decentralized procurement within the national school feeding programme.
- The P4P approach is complex, contextual, time-consuming, and operationally challenging. Careful up-front planning and patient but opportunistic execution are critical, along with careful risk management, and rigorous and pragmatic monitoring and evaluation of progress and impacts.
- Ensuring inclusivity of FOs is key. One of the key criteria used in selecting FOs for participation was the percentage of women members. Three FOs are women-only groups or constituted primarily by women. Gender sensitization works to build women's confidence to act as leaders in their organizations, and encourages other farmers to enable them to enter leadership positions. Furthermore, P4P activities were designed taking into account women's specific needs. Women improved their literacy levels and learned to more effectively balance their time between productive and reproductive pursuits. P4P's activities also focused on improving women's access to technologies and services limited by cultural norms and customary land ownership laws.
- Most FOs are community-based, facilitating higher assumptions of responsibility by members and leaders. Members elect democratically their executive committees or leaders.

Resources

[Purchase for Progress: Reflections on the Pilot](#)

[The P4P Story: Connecting Farmers to Markets](#)

[P4P Ghana fact sheet](#)

[The importance of weighing scales](#)

[P4P Ghana: Bringing Smallholders' Produce to Students' Plates](#)

4 Communities set up local banks under the national programme for rural savings and credit banks



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HONDURAS – All 18 departments nationwide

Summary

As part of the strategy of the National Programme of Sustainable Rural and Urban Development (PRONADERS, 2000) in Honduras, Savings and Credit Banks (SCBs) are instruments of inclusive finance that aim to reduce rural poverty by protecting small and fragile rural livelihoods. SCBs are autonomously run by poor smallholders and rural workers, following the guidelines of the National Programme for Rural Savings and Credit Banks. Through these SCBs, PRONADERS has been successful in opening up access to financial services for vulnerable groups otherwise excluded by formal financial institutions. Savings schemes have been particularly useful in helping families respond to emergencies. The SCBs have also prompted a large amount of microinvestment in agriculture, as well as the protection and promotion of small-scale and fragile agricultural economies at the community level.

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Organization

Savings and Credit Banks (SCBs) are local member-based banks or community funds created on the initiative of smallholders and rural workers. Their formation follows the guidelines established by the national agency of the Social Sector in the Economy. Nonetheless, SCBs are autonomous in setting up certain internal rules and procedures. The banks' function is to deliver inclusive financial services, promote savings among rural families, and foster microinvestment in agriculture. At present, there are over 5 000 SCBs functioning throughout the country.

Groups consist of a minimum of ten members, with a minimum of 30 percent women members (ultimately striving for parity at 50 percent), ¹ in accordance with the Law on Equal Opportunities for Honduran Women (2000). Most of the SCB members and their families live in poverty; work in subsistence farming, livestock or fisheries; and have low educational levels. Many members – 47 percent of men and 58 percent of women – do not own land. To become members of an SCB, participants must pay an initial fee. They have the right to elect members of the management board in the general assembly; this board runs the internal administration and financial operations of the banks.

The SCBs are organized at several administrative levels, as follows: grassroots-level SCBs; a second-degree organization, with administration limited to a city or region; and an umbrella federation of SCBs at the national level.

Social protection programme – National Programme for Rural Savings and Credit Banks

Social protection benefits – N/A

Complementary benefits – financial inclusion; technical training; legal counselling

Since 1992 with the approval of the Law for Modernization and Development of the Agricultural Sector, the government has promoted the organization of 69 SCBs in support of nearly 800 rural women members. On 5 May 2000, the government created the National Programme of Sustainable Rural and Urban Development (PRONADERS), under the Ministry of Agriculture. That same year, the National Programme for Rural Savings and Credit Banks was created by Legislative Decree 12-2000. The programme aligns with the objectives of the national strategy for the Eradication of Rural Poverty (ERP, 2005), which was designed through a comprehensive process with the participation of Honduran civil society.

The National Programme for Rural Savings and Credit Banks promotes the creation of SCBs as instruments of inclusive finance for poor smallholders (considered among the most vulnerable groups, and hardly eligible for traditional financial mechanisms because of the risks they present), ultimately aiming to reduce rural poverty and improve food security for rural areas in Honduras. Access to finance constitutes an important means of protecting the livelihoods of smallholders, increasing agricultural production, promoting investments in agricultural income-generating activities, and generating rural employment. Access to finance can increase smallholders' competitiveness, thereby reducing the poverty gap and moving towards a more equitable society. The programme also encourages diversification of production and sustainable natural resource management and agricultural practices, through the design of various financial instruments. The autonomous administration of the SCBs by members promotes a culture of responsibility and solidarity.

The National Programme for Rural Savings and Credit Banks, implemented within PRONADERS, is regulated by the state, which oversees the legal and operational aspects of the programme. The Ministry of Industry and Commerce is responsible for designing the rules and procedures of the programme, while the National Organization for Micro, Small and Medium Enterprises (regulated by the Law of the Social Sector of the Economy, 1997) supports the legal constitution and training of the SCBs. A National Technical Committee for SCBs has also been formed to evaluate and improve technical operations.

¹ According to the last report in the beginning of 2016, the current percentage of women members is 42 percent.

Social protection functions

Employment – Inclusive SCBs are instruments for promoting and stabilizing entrepreneurial agricultural activities, ultimately protecting small and fragile rural livelihoods of vulnerable rural workers.

Resilience – The programme aims at improving resilience to environmental emergencies like droughts, particularly in the “dry corridor” of the country.

Participatory mechanism

SCBs are one of the main tools promoted by the central and local governments for fostering rural development. The strategic planning, implementation and evaluation of SCBs is shared among local leaders, local government representatives, Non-governmental Organizations (NGOs), and other institutions through regular meetings.

At the local level, SCBs provide financial services for their members’ managing operations. They promote domestic savings and the application of good agricultural and environmental practices (sometimes as a condition to accessing credit), and outsource certain services when necessary to reduce costs.

SCBs receive support from local governments for their formation and consolidation, for capacity building, and for the transfer of financial resources and expertise. This way, the Honduran Government leverages the SCBs as vehicles to facilitate the distribution of conditional grants for the promotion of agricultural investment and development.

SCBs are technically private organizations and therefore have autonomous decision-making power, limited by the operational rules established by law. They are internally managed through administrative and financial regulation. Members establish a management board and decide on general rules and procedures, such as the productive activity of interest, the rate of active and passive interest, the maximum term and the maximum credit ceiling, and the procedure for the distribution of profits.

Impacts

The coordination of various sectors and ministries nationwide (agricultural, financial, health, environmental) favoured the implementation of the National Programme for Rural Savings and Credit Banks.

Under this initiative, vulnerable groups became aware of the legal, organizational and administrative policy frameworks regulating their organizations. Information on national policies was disseminated in areas of the country with higher SCB presence, and also by consultation with the National Technical Committee for SCBs and other stakeholders (CARE Honduras, World Vision, USAID and FAO) for the design and implementation of PRONADERS.

SCBs are one of the most widespread, well-accepted organizations at the level of rural and urban communities in both the public and private sector. In particular, they are highly valued as partners by local and central governmental institutions that guide and support them.

The SCB system has created one of the largest networks of rural associations in the country, one that promotes a cooperative culture. There are currently over 5 000 SCBs operating nationwide with full administrative and financial autonomy. Collective action facilitates production processes, marketing, and access to inputs and agricultural technology. It also reduces transaction costs and increases farmers’ negotiation power.

The direct involvement of beneficiaries in SCB management has fostered their capacity development, in particular their administration and financial expertise. Furthermore, it has promoted a culture of proactive self-help and social responsibility, rather than one that relies exclusively on government aid.

In trying to improve the living conditions of their members and the community, SCBs have strengthened principles of solidarity and mutuality. Decisions are made in the common interest of members with similar socio-economic objectives, free from external interference. It must be kept in mind, though, that SCBs are financial institutions that must preserve their financial stability; thus the granting of credit and related decisions are determined with this in mind.

Thanks to the implementation of the SCBs, PRONADERS has been able to funnel funds into communities to promote investments in local agriculture. These community grants, combined with regular and fair access to rural finance, have allowed smallholders to strengthen their family livelihoods, protect their food security, access modern technology, increase production, and generate employment. Furthermore, SCBs have proven to be a vehicle for the inclusion of women and youth in entrepreneurial activities.

Limitations and constraints

SCBs face high financial risks, as they grant credit mainly to support small-scale agriculture, with limited production capacity and low technological levels. Furthermore, they have limited capacity in terms of the amount of credit they can grant (credit ceilings are in the range of US\$50 to US\$250 per person), as their financial stock consists mainly of the limited savings of their own members.

SCBs are mostly composed of smallholders practicing subsistence farming, and thus are exposed to agriculture-related risks such as climate variations and hazards as well as poor access to quality inputs and markets. These constraints jeopardize their ability to make use of financial services or to repay loans.

SCBs have limited access to external financing due to the lack of stable guarantees that they can offer to bigger financial institutions. The lack of a stable and sound legal framework to regulate the banks' access to financial institutions reinforces this barrier.

In some cases, SCBs require high interest rates to guarantee their financial sustainability. In the most extreme cases, annual rates can be as high as 36 percent – i.e. 2–3 times higher than rates offered by traditional banks.

SCBs may have internal shortcomings, such as poor administration and management capacity and limited capacity to identify local business opportunities. The low literacy level of members also constitutes a barrier for capacity development in the banks.

It is necessary to implement a monitoring mechanism, operated by government agencies, private institutions and NGOs, in order to make sure that set objectives are achieved or that the strategy is modified to improve implementation. The national policy should be reviewed periodically by a commission to make adjustments to ensure the SCBs are functioning correctly. This commission should consist of governmental agencies involved in formulating the policy, as well members of the National Technical Committee for SCBs.

Replicability and upscaling

A legal and policy framework is fundamental to creating the institutional base for the programme to build upon. The SCB programme fits within a broader national strategy for the eradication of poverty and other national rural and financial policies. Such strategies prioritize inclusive access to rural finance as one of their key objectives in support of small rural livelihoods, and stress the importance of sustainable community development as a strategy to achieve this main objective. It is also widely recognized that stability-oriented macroeconomic policy is a necessary condition for the development of communities, especially in rural areas. However, there is less agreement about the focus, intensity and sequencing of these stability-oriented policies.

Local governments have committed economic resources to trigger the organization and financing of SCBs in communities. This has generated a solid base and ensured continuity in the inception phase.

National and local governments have developed user-friendly manuals and methodological guides that have facilitated the process of organizing and strengthening the SCBs.

SCBs as microfinancial systems are adaptable to the circumstances of each community, region or country. Depending on the focus and scope of the policy or programme, SCBs can be scaled up greatly as a nationwide system.

Useful tips

- SCBs fill a market niche, offering financial products to clients who normally do not qualify for traditional financial services. Savings and credit services meet the demands of SCB members engaged in agricultural activities and livestock production, rural services (sale of inputs, consumer stores), and processing and marketing of agricultural and non-agricultural products.
- Interest rates for credit must be affordable in order to ensure the financial sustainability and independence of SCBs. It is fundamental to broaden membership and reduce transaction costs in order to lower interest rates and make financial products more attractive.
- Making access to financial products conditional on investing in good agricultural and environmental practices and other social services can help the achievement of certain objectives, such as food security for men, women, children, youth, disabled persons, and the elderly; the protection of basic needs, such as good nutrition, health and education; and the promotion of good environmental and natural resource management.

Resources

- National Policy of Savings and Credit
- Manual of Ethics and Values for SCBs
- Organization Manual for SCBs
- Administration and Accounting Manual for SCBs
- Sustainability Manual for SCBs

<http://www.sag.gob.hn/>

<http://seduca.sag.gob.hn/>

5 Community-based organizations put the Andhra Pradesh rural poverty reduction project into action



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INDIA – Andhra Pradesh (22 districts)

Summary

The Andhra Pradesh Rural Poverty Reduction Project (APRPRP) was a comprehensive social inclusion project funded by the World Bank and implemented by the Government of Andhra Pradesh between 2006 and 2011. The project delivers a series of social protection, agricultural and financial benefits to the rural poor in Andhra Pradesh. The programme strongly invests in supporting the institutions of the poor (i.e. community-based organizations, or CBOs). It consists of local self-help groups clustered at different levels, and focuses attention on the social and financial inclusion of the poorest of the poor. Through their federal structure, CBOs are responsible for delivering health and insurance schemes as well as financial and agricultural services. At higher levels, CBOs engage in participatory platforms with the government to discuss the project and other state policies, and negotiate on behalf of the poor. The strong engagement of CBOs has improved the capacity and autonomy of community members, and encouraged systemic change particularly regarding the creation of pro-poor policies, programmes and services.

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Organization

Local self-help groups (SHGs) represent the core units of the institutions of the poor, which APRPRP invests in and relies on for the development of its various components. Under APRPRP, around 1 million SHGs operating at the neighbourhood level are clustered in 38 646 Village Organizations (VOs) at the village level. These are further organized into 1 098 Mandal Samakhya¹ at the Mandal level, and 22 Zilla Samakhya² for each of the 22 districts in Andhra Pradesh. These multitiered organizations form what APRPRP refers to as the CBOs of the poor.

More than 11 million rural beneficiaries (mostly women) are members of SHGs. These women come from the poorest and most vulnerable communities. Some of them are landless, daily wage labourers; bonded labourers; unskilled marginal farmers; or belong to marginalized groups like recognized castes and tribes – particularly vulnerable tribal groups, disabled persons and migrants. Other special categories targeted by the project are out-of-school children (especially girls), widows and female-headed households.

While SHGs operate as informal organizations, higher tier groups were able to gain formal status under the Andhra Pradesh Mutually Aided Cooperatives Societies Act (1995). More than 35 901 VOs (93 percent) are registered as primary cooperatives; 1 092 Mandal Samakhya are registered as secondary-level cooperatives; and all 22 Zilla Samakhya are registered as a confederation, as mandated by the above-mentioned act.

Social protection programme – Andhra Pradesh Rural Poverty Reduction Project

Social protection benefits – social and health insurance; food vouchers and housing

Complementary benefits – financial services and literacy; health care; legal counselling

The Andhra Pradesh Rural Poverty Reduction Project (APRPRP) was a comprehensive social inclusion project funded by the World Bank and implemented by the Government of Andhra Pradesh between 2006 and 2011, as a response to rural poverty in the State. The programme built on previous initiatives promoted by the World Bank and the Andhra Pradesh District Poverty Initiatives Project, which was implemented between 2000 and 2006. This new cycle focused on building and/or strengthening multitiered institutions for the poor as a viable tool for their social and economic empowerment; on assisting the poorest of the poor; and on the convergence of the programme's benefits with national government schemes. The elements and lessons have been adopted in the new National Rural Livelihoods Mission (NRLM) programme for nationwide expansion. The APRPRP components are described below.

The "Poorest of the Poor" (PoP) is a central component of the programme. It brings all eligible families (i.e. the poorest) under SHG coverage, while reviving dormant groups of the poorest families wherever possible. It raises awareness among the poorest on their eligibility for the entitlements of other programmes (ration cards, employment cards, wages, housing, insurance, pensions, etc.) and supports their access to these. The programme disburses specific PoP funds to VOs and then SHGs for the implementation of agricultural and livestock activities in support of the poorest families.

The APRPRP social security programme includes various insurance schemes (employment, crop, livestock) as well as a co-contributory pension scheme. The scheme has developed a web-based application for the delivery of insurance products and established call centres to address the needs of SHGs. Multitiered CBOs are also in charge of the administration of collective life and health insurance funds, as well as the delivery of integrated services for child health and nutrition development. For instance, Fixed Nutrition Health Days are dedicated to providing prenatal and postnatal care and immunization. Nutrition & Day Care Centres were established to offer daily meals to pregnant and lactating women and children under two years old. Community-based rehabilitation centres ensure that persons with disabilities receive proper care and access to social security benefits.

1 Community-based coordination unit between village and district levels.

2 Community-based coordination unit at the district level.

The APRPRP conducts training on financial literacy through community focal persons, and uses Community Investment Funds (CIFs) as rotating loans for the realization of microcredit programmes. These loans are used by members to invest in agricultural and livestock initiatives. In addition, APRPRP promotes the practice of debt swapping from moneylenders and other financial institutions to local banks that offer lower interest rates, thus reducing levels of indebtedness. The APRPRP also strives for the financial inclusion of tribal groups by supporting the formation of dedicated SHGs and CIFs, and by promoting their links with local banks and financial services.

Finally, APRPRP protects the rural poor's right to land, through community-driven land purchases (that are then administered and distributed to members through the SHGs) and by offering legal counselling to community members to support their claims.

Investing in the institutions of the poor is both a strategy to promote self-empowerment and a way to make local governments more responsive to the needs of the poor, thanks to the increasing interactions with SHG federations at all levels. SHGs work very closely with the state-level Society for the Elimination of Rural Poverty (SERP) that implemented the project. This semiautonomous organization is in charge of the implementation of similar programmes, and has broad representation from the government, NGOs, and the federal SHG organizations.

Social protection functions

Insurance – APRPRP delivers a series of typical social protection services, such as employment and health insurance as well as pensions.

Employment – APRPRP promotes the diversification of employment opportunities through sustainable, rainfed farming systems and links with non-farm enterprises.

The practice brings a sharper focus on the ultra-poor and more vulnerable members (e.g. persons with disabilities) of rural communities, by ensuring access to basic services and the safeguarding of basic rights.

Participatory mechanism

Self-help groups (covering 90 percent of poor households in targeted areas)

SHGs represent the primary service providers and mode of interaction for community members. The groups play a key role in raising awareness among communities on the benefits of APRPRP and other programmes, as well as the procedures for accessing these. They are also the key actors in mobilizing communities through the application of Participatory Rural Appraisal exercises, home visits and *Kalajathas* (a form of community information system using songs, street theatre and poster exhibitions). The SHGs are also in charge of identifying the beneficiaries of the programme's various components. For instance, in the case of the PoP, the beneficiaries were identified through a participatory targeting mechanism involving community members and other stakeholders, primarily the *Gram Panchayat*³. Furthermore, SHGs run internal group savings, administer internal loans, and maintain relationships with local banks for accessing external credit.

Village Organizations (covering 100 percent of targeted Gram Panchayats)

VOs are responsible for coordinating SHGs and guaranteeing the quality of their services. They administer the social stock of SHGs at the village level by collecting share capital, membership fees, admission fees, savings from SHGs, and accrued interest from CIFs. VOs are also in charge of the administration of certain services. For instance, they run farmer field schools and milk procurement centres; administer the allocation and disbursement of investment funds to local SHGs; manage collective procurement and marketing of agricultural goods and products for the implementation of agricultural and livestock

3 The *Gram Panchayat* is a traditional system of local self-government adopted in villages or small towns.

activities, and for providing social assistance services; and, finally, run social and health security schemes and coordinate the work of National Disease Control Centres.

Community Resource Persons (CRPs) form a key element in the building of indigenous capacity and sharing of lessons learned among CBOs. They also have an important role in transmitting and adapting the model in other states. CRPs are based on “communitization” [sic], which aims to ensure the services they provide are self-sustaining, using a fee-based system paid for by SHG members and CBOs. The CRPs cover all the key technical support needs of CBOs and members, from financial management and bookkeeping to technical matters.

Mandal Samakhyas (covering 100 percent of targeted subdistricts)

Mandal Samakhyas are the administrative units at the subdistrict level. They collect and manage membership fees, resource fees, admission fees, savings from VOs, interest earned on CIFs, and profit earned from various economic activities (e.g. dairy, marketing). Mandal Samakhyas carry out quality controls and audits of VOs and resource persons, such as frontline staff and bookkeepers. Finally, they provide upper-level administration for social security, health schemes and CIFs.

Zilla Samakhyas (covering 100 percent of targeted districts)

Zilla Samakhyas are the higher administration units at the district level. They coordinate and ensure the performance of lower Mandal Samakhyas, evaluating them against a list of objective parameters. Zilla Samakhyas also provide an array of trainings to lower-level organizations under their coverage on social services management and collective marketing of products. Most importantly, they function as a forum for the PoP to influence the decision-making process on behalf of the poor. In addition, they work as lobbying groups and ensure government accountability in the implementation of anti-poverty programmes. Zilla Samakhyas and Mandal Samakhyas are part of executive committees, through which the government and CBOs exchange information about the programme and discuss adjustments and roles. These committees allow CBOs to voice their needs and complaints.

Functional committees

The CBOs have established six functional (or programmatic) committees at all levels (VOs, Mandal Samakhyas and Zilla Samakhyas), each one dedicated to the administration and circulation of information regarding the specific components of the programme (PoP; CIFs; financial services; sustainable agricultural practices; job creation; social and health services).

Impacts

The poor’s access to the benefits and services offered by the government’s anti-poverty programmes has increased significantly through appropriate institutional arrangements that engage the institutions of the poor and facilitate their linkages with public programmes and services. The number of SHGs that have access to APRPRP programmes has doubled since 2010, favouring the participation of a much higher number of beneficiaries.

Targeted investment in the institutions of the poor and their links with local and district governments have produced a systemic impact leading to policy reforms for building pro-poor ecosystems in the state (such as the creation of the Indira Kranthi Patham, a state-wide, community-driven rural poverty reduction project). The participation of a wide network of SHGs has allowed the government to disseminate information about the programme more effectively, and monitor and evaluate its performance thanks to the executive committees and other social control mechanisms.

The strengthening and formation of SHGs and higher federations has produced significant results at the level of communities and households in terms of quality of life: increased capacity to respond to shocks, thanks to insurance schemes (totalling US\$7.86 billion); increased incomes (from US\$488 to

US\$1 132 per annum at the end of the project); greater job opportunities and increased acquisition of agricultural land (SHGs can access 875 000 acres); reduced indebtedness; better links with markets; and higher school enrolment (over 115 000 girls and 21 700 tribal children were enrolled in schools). The project substantially enhanced the organizational capacity of CBOs to administer their own services. Thanks to these capacities and stronger relationships with public and private actors, CBOs were able to negotiate on a completely new scale, particularly regarding the provision of services offered to the poorest. Their advocacy favoured, in some cases, the inclusion of weaker categories (women, recognized tribes and castes) in the various programmes' components.

CBOs were able to raise their financial stock and meet their operational costs through the accumulation of financial revenues produced by the various community-based services (internal lending, collecting savings, membership fees, admission fees and insurance schemes). In the course of the project, SHGs have mobilized US\$1.13 billion through their regular savings and interest accrued. The CBOs have also improved their managerial and financial capacity thanks to the regular application of evaluation tools, including financial and management efficiency parameters. Thanks to this renewed financial and managerial efficiency, around 868 Mandal Samakhya, more than 60 percent of VOs, and 100 percent of SHGs achieved financial autonomy by the end of the project.

Limitations and constraints

Formation and strengthening of SHGs has promoted increased coverage of the rural poor. However, ultra-poor individuals and migrants still encounter difficulties when accessing or organizing SHGs. Similarly, the project struggles to provide targeted funds to recognized castes and tribes, particularly when they are members of SHGs consisting of different social categories.

The project has been successful in raising the profile of the rural poor in public institutions and policies thanks to the proactive participation of CBOs. Nonetheless, project operators report that civil society groups still need better skills to negotiate with governmental authorities and overcome information asymmetries.

The flexibility of certain models (for example the rules of insurance or credit systems) ensures that the services offered by CBOs meet the contextual needs of their members. However, scaling up to 22 districts requires some sort of standardization of procedures. Finding this balance continues to be a challenge.

Other constraints concern the internal capacity of SHGs. In some cases, there is low or no rotation of leaders alternating in SHGs. Furthermore, the low levels of literacy and financial literacy among women (who constitute almost the entirety of CBO memberships) hamper their full and effective engagement as leaders or managers of community-based practices.

Replicability and upscaling

The APRPRP has built its success on a broad and effective network of community-based structures. This entails: large territorial coverage, even in remote rural areas; and the capacity to cluster and organize, thus centralizing services and communication, optimizing costs, and increasing the social and financial capital of the organizations.

In this context, CBOs have been able to focus investments on training and developing the capacities of their staff at all levels to optimize their services. Through the project, CBOs have developed and trained more than 400 000 SHGs, VOs, and Mandal Samakhya and Zilla Samakhya office bearers, as well as 173 841 CRPs, community facilitators, community activists and bookkeepers.

The federal structure of SHGs also developed a transparent and predictable system to rate the quality, sustainability and capacity to deliver services at all levels.

The project facilitated the expansion of SHG coverage and services, promoting strong links with local governments and the Gram Panchayat. At higher levels, CBOs were actively engaged in the executive committees for the monitoring of the project and the exchange of information, or in other institutions (such as the SERP) that operate in partnership with the Government of Andhra Pradesh at the state level.

The project's strategy values the importance of strong institutions of the poor in ensuring continuity and sustainability for the process. This structure is designed to guarantee the reliability and effectiveness of CBO services, beyond the political mandates governing the state and the public supply of social and agricultural services. So far, all political parties have unanimously supported the development of the SHG movement in the State.

Useful tips

- Training of trainers and capacity building of CRPs increased the operational effectiveness of the services offered by CBOs.
- The project introduced computerized bookkeeping and accounting systems, electronic fund transfer, and regular internal audits with traceable records. These systems contributed to make operations more efficient and transparent. The project was successful in leveraging and strengthening the growing knowledge on IT systems in India and accelerating their potential.
- The project developed strategic partnerships with NGOs such as APMAS (Andhra Pradesh Mahila Abhivruddhi Society), the Institute of Cooperative Management, and the Andhra Pradesh State Cooperative Union, thereby strengthening and accelerating the capacity development of CBO project staff. Similarly, the strategic partnerships with local banks led to increasing access to credit for funding SHG financial services, as well as better interest rates for savings and loan holders.

Resources

Andhra Pradesh Rural Poverty Reduction Project

Implementation, Completion and Results Report

6 Social committees (*comités*) speak for rural communities in PROSPERA



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MEXICO – 31 federal states, plus the federal district

Summary

In Mexico, PROSPERA is a nationwide social programme providing a series of coordinated services to rural and urban populations. Services include access to labour, social benefits, health and education (among others). There is also a subprogramme, “Productive Territories”, which was established with the objective of promoting agriculture in areas where it has substantial social and economic weight. Under PROSPERA, the government has established social committees to promote the interest of local communities and help the operations of the programme. In rural areas, these committees are composed of representatives from other rural organizations. The committees are particularly useful for informing beneficiaries about the programme’s opportunities, and informing the government regarding local needs and possible adjustments. They also play a role in ensuring the delivery of guaranteed benefits and the transparency of operations. Governmental agents stress the importance of these committees in ensuring the programme’s presence across a broad territory (particularly in remote areas) with over seven million beneficiaries.

Author

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Organization

Social committees (*comités comunitarios*) are local institutions established under the social programme PROSPERA in Mexico. The committees vary greatly in size, and can be found in both rural and non-rural communities. Communities with 3–24 families have a committee with one chairperson/representative; communities with 25–199 families have five chairpersons; and communities with 200–299 families have ten chairpersons. In communities with 300 or more families, more committees are established. The chairpersons are not paid a salary. Each committee develops its decision-making mechanisms through assemblies (voted by members) and meetings.

The committees consist of volunteers who are beneficiaries of the programme and therefore heterogeneous in terms of socio-economic status. In rural areas, members are substantially involved in agricultural activities and can be members of other local rural organizations or cooperatives.

Social protection programme – PROSPERA

Social protection benefits – food and cash transfers; asset transfers

Complementary benefits – health care; basic education; extension

Social committees fall under the programme “PROSPERA – Social Inclusion”. PROSPERA, coordinated by the Secretariat (Ministry) of Social Development (SEDESOL), represents an integrated initiative of the government for articulating support to production, income generation, economic well-being, financial and labour inclusion, education, and food and health services, aimed at populations living in extreme poverty. Its purpose is to break the intergenerational cycle of poverty, which requires a new rights-based social policy that recognizes and reduces inequality.

The federal government has also created a subprogramme called “Productive Territories”, focusing on rural households (beneficiaries of PROSPERA) located in communities and municipalities where agriculture is important socially and economically. “Productive Territories” brings together 15 priority programmes to provide productive assets and other agricultural and social services.

In this context, the *comités* are formed to support PROSPERA in providing information, guidance, training and education, in order to smooth the programme’s operations and monitoring. The committees are not specifically created to support agricultural objectives. However, they do deal with productive and agricultural issues, particularly in the rural communities targeted by “Productive Territories”.

Social protection functions

Assistance and food security – PROSPERA provides food and cash transfers to people living in extreme poverty and makes sure that they have access to basic social services.

Employment – PROSPERA supports smallholders’ agricultural activities and minimum incomes through the delivery of agricultural benefits.

Participatory mechanism

Social committees are composed of elected chairpersons responsible for different areas, including social control, adult education, nutrition, health and education. The committees coordinate their actions in collaboration with the territorial delegates of the government. The programme establishes specific functions that the committee chairpersons must fulfil regarding their specific sector and the coordination with other relevant institutions. These functions include organizing meetings to inform beneficiaries about the programme; monitoring and evaluation; supporting government officials; and ensuring the programme provides the agreed services.

The main role of social committees is to facilitate the exchange of information between the government and civil society. On one hand, the committees inform the local population about application deadlines, benefits, changes in operations, programme requirements and other procedures. They help families understand the options they have, and how they can combine PROSPERA's benefits with those of other programmes. For instance, the chairperson in charge of the educational sector organizes meetings with beneficiaries on their specific benefits, linking subprogrammes of the Ministry of Education and the Ministry of Social Development. An example of these subprogrammes is "Support for PROSPERA Youth", which promotes the completion of secondary school. The committees also articulate activities under other social protection programmes of SEDESOL (Secretariat of Social Development), and seek coordination with other programmes not dealing with social protection.

On the other hand, the committees advise the government on the needs of the people and their degree of satisfaction in relation to the programme's objectives. This information is also used by the government for targeting purposes. More specifically, the committees have been central in pointing out difficulties in relation to the operating rules of the programme (requirements that are difficult to fulfil, red tape, etc.).

Finally, the committees are the units responsible for facilitating the development and adjustment of the programme in the territory, in collaboration with local networks of governmental delegates. The committees do not explicitly host rural organizations or cooperatives, but oftentimes the committee members are also members of other organizations.

Impacts

According to government operators in the programme, it would not be possible to effectively operate a programme of this magnitude without the service of the committees. They allow the programme to cover the whole country, providing for the decentralization of certain operations and the continued presence of the programme in remote communities.

Thanks to the *comités*, the process of developing the programme (in particular the monitoring of the programme and the identification of beneficiaries) has become more fluid. The committees' chairpersons represent their constituency and the beneficiaries with the PROSPERA staff nationwide, helping in the process of registration, evaluation and adjustment. The beneficiaries can then count on direct representation and support during the rollout of the programme. This presence also enhances the transparency of procedures.

Chairpersons are often women, as women make up more than 90 percent of beneficiaries. This participation encourages the development of women's leadership, which contributes to ensuring the delivery of women-sensitive services (motherhood being a requirement to become chairperson in these sectors), such as nutrition and maternal health.

Overall, the committees demonstrate that beneficiaries can be true partners in the execution and adjustment of the programme. The participation and empowerment of communities constitutes a positive impact in itself. Communities recognize the legitimacy of the committees and are able to observe the usefulness of their activities.

Limitations and constraints

The nationwide scope of the programme, with seven million beneficiaries in remote locations spread across an area of nearly 2 million square kilometres, has its complications. Maintaining and monitoring thousands of communities can be challenging due to geographical and cultural differences, the contingent circumstances of each community, and a community's remoteness from administrative centres. Also, effective vertical and horizontal communication can be a challenge.

Sometimes the leaders of PROSPERA's social committees are also leaders of other local organizations (producers' organizations, cooperatives). While representing the interests of the rural sector, this mechanism risks perpetuating the power of local elites and the promotion of local leadership interests, rather than those of the broader rural population.

In a number of communities, people do not speak Spanish. Another function of the *comités* is to facilitate the communication between these locals and government officials.

Replicability and upscaling

PROSPERA started in 2014 as a consolidation and expansion of the programme *Oportunidades* (established in 2002), itself dating back to the programme *Progresá* (established in 1997). The committees were gradually involved as the programme was being rolled out and facing the complexities that a country of this size entails. The above-mentioned programmes used other participatory opportunities such as the National Crusade Against Hunger and the rural development agencies of the Secretariat of Agriculture, Rural Development, Livestock and Fisheries. These participatory mechanisms sometimes overlap and interact. The programme's operators were able to make adjustments mainly thanks to this gradual process and participatory experience.

A broad political consensus was key to acknowledging the role played by the committees. This gave continuity to their actions, in spite of the alternating political powers in the government at the national and local level.

In order to ensure transparency (particularly in remote areas) and clarity of mandates, it is important to set specific requirements to be elected as a committee chairperson as well as democratic procedures for election. Other studies have reported low degrees of transparency in the operation of some committees.¹

Currently, there are no specific features or functions for chairpersons regarding agriculture (although the programme targets rural areas and agricultural workers as much as urban ones). This constitutes an opportunity to expand the programme's scope and thematic coverage.

Nowadays, the practice is already widespread, covering virtually the entire nation. The committees are valued as collaborative spaces that can be applied to other public programmes. The creation of more social committees will depend on the expansion of PROSPERA itself.

Useful tips

- There is a regular mechanism supporting the committees and ensuring continuity of work. Government officials meet bimonthly, with each committee supervising operations and listening to the concerns and demands of the community.
- The government has been able to provide effective public governance of the programme along with dedicated human and financial resources, in order to assist the committees in a timely and continuous manner.

Resources

http://portaltransparencia.gob.mx/pot/mecanismo/busqueda.do?sessionId=yQ6PWKnVJm6LnDFw8fC6gffMLpWKJJsBMGg1SgW82gJzf62jB42!196049641?method=setDetalle&mostrarDetalle=true&mecanismo.id.idMecanismo=1&_idDependencia=20001 (Spanish)

¹ Hevia, F. 2008. Between individual and collective action: citizen participation and public oversight in Mexico's Oportunidades Programme. *IDS Bulletin*, 38(6).

7 Farmers' organizations as local food suppliers in *purchase from Africans for Africa*



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THE NIGER – Region of Maradi (departments of Maiyhi, Dakoro and Guidan Roundji; towns of Koran Habjia, Kornaka and Chadakori)

Summary

The Purchase from Africans for Africa (PAA Africa) programme is a joint initiative led by FAO, the World Food Programme (WFP) and the Department for International Development (DFID) in five African countries, including the Niger. The programme aims to create stable demand for poor smallholders through institutional procurement of food directed to humanitarian assistance programmes. In the pilot phase, WFP bought food supplies directly from local farmers' cooperatives. The cooperatives are responsible for organizing production and sales, helping target farmer beneficiaries and recipient schools, and delivering complementary sales such as the distribution of inputs and credit. The programme has the added function of providing diversified and locally produced food to food-insecure children and stabilizing the incomes of poor farmers. The participation of cooperatives has helped smooth local operations and bypass intermediaries, whose prices often harm farmers. It has also increased enormously the access of women farmers' cooperatives to food markets. The second phase of the programme focused on multiplying the number of participating farmers and cooperatives, and transferring procurement responsibilities to the Ministry of Education and Schools.

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Organization

A total of 572 farmers, grouped into seven farmers' unions and three federations, participated in the programme during the pilot phase of PAA Africa in 2013. Organizations vary in their ability to provide services and coordinate participants, and a great number of small-scale farmers are still unable to access any form of organizational structure. Members normally pay periodic fees, but only a few organizations are able to fully control these payments.

In households targeted by PAA Africa, the main activities are agriculture, raising small livestock, and paid work (migrant and local). Of these households, 77.8 percent are considered very poor or poor, and 22.3 percent are considered to have an average income. In terms of household expenditure, 70 percent goes directly to food and less than 2 percent is allocated to inputs for agriculture and livestock. The most important productive assets are land (1.5 to 2 hectares of land on average for poor households, and 7–8 hectares for the most affluent), small livestock and paid work.

PAA Africa targets smallholders affiliated with gender-balanced cooperatives (i.e. approximately 50 percent women and 50 percent men). Members must actively participate in the activities of these cooperatives. They come from villages within a radius of 10 km from the cooperative in order to facilitate more frequent and effective supervision.

Social protection programme – Purchase from Africans for Africa

Social protection benefits – food transfers to social assistance programmes

Complementary benefits – stable procurement

The PAA Africa programme is a joint initiative by the Brazilian Government, FAO, WFP and DFID to promote food and nutrition security and income generation for farmers and vulnerable communities in African countries. Inspired by the successful National Programme for Food Purchases in Brazil, PAA Africa adopts a twin-track approach, combining emergency actions for agricultural recovery and food assistance with development strategies that link smallholder farmers to structured demand and institutional markets. It has three strategic objectives: increasing local production of small farmers, especially women; promoting initiatives of local purchase of food through farmers' organizations to supply school canteens; and capitalizing on the initiative to strengthen the school feeding programme in the Niger in connection with the commercialization of products from FOs.

PAA Africa is being integrated in three phases: the pilot phase (2012–2013), which this technical note refers to; a second phase for improving operations and expanding partnerships (18 months, 2013–2014); and a third phase of expansion and consolidation (42 months, 2015–2018). The programme hinges on the participation of smallholder farmers, through their cooperatives, in local institutional markets. Cooperatives are in charge of managing supplies and distributing locally produced food items to school feeding and other food assistance programmes. WFP was the main institutional buyer in the pilot phase, although the Ministry of Education and Schools should gradually take over this role.

In the field of food and nutrition security, the practice is fostered by a favourable policy environment represented by the 3N Initiative (*Nigériens nourrissent les Nigériens*), a cross-sector policy that aims to achieve sustainable agricultural development for food and nutrition security. In the area of procurement, most of the focus of 3N is concentrated on major food suppliers, as local food purchases are usually sporadic without specific means and tools to make them. A recent decision by the Council of Ministers has established a quota for local food purchases (pending a thorough review of existing processes and development of institutional capacities to carry out such purchases).

Social protection functions

Assistance and food security – The food procured through producers' organizations is used for humanitarian assistance to food-insecure people (PAA Africa supplies diversified food to pupils in accordance with local eating habits, thus fulfilling the human right to adequate food).

Employment – Local procurement encourages a stable labour market for smallholders by guaranteeing stable demand and fair prices.

Participatory mechanism

Farmers' cooperatives are responsible for the following functions:

Targeting

Cooperatives are responsible for identifying farmers as food suppliers, and contribute to the identification of local schools as recipients of food aid.

Productive support

In the case of PAA Africa, support for production focused on the provision of agricultural inputs to support surplus production of 200 tonnes in an area of 500 ha (for the pilot phase). Cooperatives distributed improved seeds, fertilizers and plant protection inputs for the production of cowpea; they also supported the technical training sessions, with assistance from FAO, the National Agriculture Research Institute and the local agriculture department. Regarding the adoption of production technologies, the activities focused on the cropping system, alternating rows with millet and cowpea.

Support for commercialization

The farmers' organization unions signed contracts directly with WFP for the commercialization of the agreed surplus at more favourable prices. The organizations were responsible for aggregating the quantities agreed and passing on the payments to the farmers. Since participation is voluntary, they were also responsible for the establishment of quotas to avoid concentrating the sales around a few better-off farmers.

Financing mechanisms – To facilitate access to inputs, FAO established a guarantee fund of 80 million CFA francs in a national bank to cover up to 50 percent of loans through the IARBIC (Intensification of Agriculture by strengthening of Input Stores) project. A committee set up by the cooperatives manages this fund, and all cooperatives participating in PAA Africa have access to it. The fund is still in the preliminary stages of its operation, but it is seen as a possibility for sustainability of access to agricultural inputs and for shortening the gap between product sales and payment.

Impacts

The PAA, complemented by policies of technical assistance, agricultural extension and agricultural credit under the National Programme for the Strengthening of Family Farming (PRONAF), opened a major public market for family farming products. Between 2003 and 2014, it provided for more than 380 000 family farmers and more than 20 000 recipients, procuring more than 3 000 varieties and more than 4 400 tonnes of food. The programme invests around 600 million Brazilian real every year (around US\$152 million).

The management of local procurement through the family farmer organizations was instrumental in maintaining the scale and regularity of food supplies for the programme. Producers' organizations are able to offer a good variety of foods by sourcing from a broad range of producers. This has resulted in an increased supply of processed food such as juice and pulp, dairy products, meat and baked goods (among others), as well as fresh fruits, vegetables, nuts, etc. The regular supply of this food has improved

the quality of recipient entities' diets, and would not have been possible by sourcing exclusively through individual farmers.

The positive impacts of rural organizations on the PAA can also be noticed in relation to the participation of the Advisory Committee for social control and the coordination of operations. The committee has inspired positive changes in the national legal framework by raising awareness on specific local contingencies, and by encouraging a higher sense of engagement on the part of state and local authorities.

The PAA has had an impact on the coordination and management capacities of the rural organizations that it collaborates with. The programme requires a high degree of responsibility and certain management standards from participating organizations. Accordingly, it was designed to support their training and development, ultimately assisting in the development of their agricultural production, their agricultural investments, and in the capitalization of their business. The impact on participating organizations was also a function of their capacity to respond to the typical demands of a national policy. In the more developed regions of Brazil, where rural organizations already had a history and an established learning process, results were obtained more quickly. Other areas required stronger investment in technical assistance and rural extension to improve the management capacity of these organizations. The programme also valorized the participation of women through the establishment of minimum percentages of women's contribution in sales, which has now reached 40 percent.

Producers' organizations have a leadership role at the local, state and national level for the promotion of family farming in Brazil. In some cases, participating farmers have learned to expand their production in response to programme requirements, thereby potentially widening their market options.

Limitations and constraints

The PAA was present in more than 3 000 municipalities in the country between 2003 and 2014, marked by heterogeneous experiences in each geographic area. At the national level, the main challenges have been related to the difficulties in standardizing the diverse environments found throughout the country. The efforts to overcome this challenge focus on the constant evaluation of the procedures of social control as well as expanding the membership and representativeness of the Advisory Committee.

The main challenges observed in participatory mechanisms at the local level are: the lack and/or disorganization of the councils established in the municipalities (COMSEA, CMDRS, CMAS); the limited enforcement of social control due to financial shortages or disinterest; and non-execution of the programme in some municipalities.

Other constraints are related to the planning and management capacity of states and municipalities. The same applies for rural organizations, which must ensure the quality of food and the regularity of supplies required by recipient entities.

Replicability and upscaling

The predisposition of the federal government to expand and evaluate spaces for dialogue and debate with civil society is a strengthening factor for participatory processes. Since 2003, this has been important for the improvement of participatory mechanisms in the PAA and other national programmes in Brazil.

The replication of the PAA requires a preliminary assessment of the supply potential and the demand for different food items of institutions in the region under consideration. It is paramount to evaluate the compatibility between local supply and demand, the organizational dynamics, and any logistics-related issues, as well as the social control and governance structures. This diagnosis should valorize the centrality of local circuits of production and consumption.

It is important to remember that family farmer organizations will require a minimum learning period before they can start supplying food in sufficient quantity and quality within the deadlines set by the programme.

It will be necessary to invest beforehand in a capacity development process for these organizations, particularly in terms of their management and marketing skills. The action of local organizations can be particularly effective if these can count on representation in national bodies (e.g. CONTAG, FETRAF, MST, UNICAFES). The programme can also facilitate the increased participation of women or the establishment of women-only institutions for the achievement of gender-sensitive activities.

The PAA relies on the broad availability of data provided by different organs of the federal government, such as the Ministry of Social Development, the Ministry of Rural Development, and the Ministry of Agriculture, Livestock and Procurement, among others. It also relies on the information available in agricultural and rural development agencies in the states and municipalities. Information about the programme is disseminated thanks to local partner organizations and a broad network of rural technicians.

In terms of execution, the programme can be implemented directly by federal agencies as well as through states and municipalities, according to the availability of resources and expertise.

Useful tips

- Ensuring commonly agreed prices was considered paramount, with the view that prices should be fair for farmers. The definition of market prices should take into account responsibilities for transport and storage, as specified in contracts.
- Use of warehouse receipts that allow for immediate cash availability and storage allowed farmers to sell their produce at the appropriate time (i.e. lean time rather than harvest, when prices are more favourable). Advanced payments were also mentioned as a relevant option, since they facilitate access to credit.
- It is necessary to promote farmers' links with schools: in more decentralized procurement models, the children of smallholders supplying PAA Africa might attend schools that receive the purchased food (parents support their children's own diet). Likewise, contracts directly signed between farmers' organizations and schools strengthen local links, ownership and stakeholder engagement.

Resources

www.paa-africa.org

8 Women's cooperatives restore livelihoods through apiculture



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THE WEST BANK AND GAZA STRIP in PALESTINE – Governorates of: Jenin (Aini and Tura), Tubas (Tubas), Jericho (Nwimeh), Nablus (Bita, Bazarya), Bethlehem (Juat Ashamaa), Hebron (Sosya, As Samoua, Biet Mersem, Dura, Soref), and Tulkarem (Kufr Alabad)

Summary

In the fragile context of the West Bank and Gaza Strip, women's cooperatives took part in the national "Emergency backyard food production activities in vulnerable and marginalized areas of the West Bank and Gaza Strip" programme (started 2013). This programme aimed to build community resilience and restore rural livelihoods in areas of protracted crisis, in particular through the implementation of apiculture projects. The cooperatives had a primary role in the consultation process for the design of the initiative, in hosting the training, and in the distribution of beehives and other inputs. The participation of women's cooperatives gave women the opportunity to discuss their needs and choose their preferred livelihood options. Cooperatives have emerged stronger from the process, and are now running apiculture and other activities independently and sustainably.

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Organization

Thirteen women's cooperatives were selected, representing a total of 960 members, 80 percent of whom were women. Membership is open to all; some cooperatives have fees while others are free. Each women's association selects 15 active women with some experience in beekeeping to take part in the programme.

Most members are housewives from rural areas where agriculture dominates. Some women are also involved in processing activities. Women either produce for themselves or buy raw products from local producers and add value through pickling, drying fruits and herbs, processing fruit into jam and juices, or processing dairy.

Social protection programme – Emergency backyard food production activities in vulnerable and marginalized areas of the West Bank and Gaza Strip

Social protection benefits – asset transfers

Complementary benefits – technical training

The “Emergency backyard food production activities in vulnerable and marginalized areas of the West Bank and Gaza Strip” programme falls under the National Agriculture Sector Strategy “Resilience and Development” (2014–2016). It is coordinated by the Palestinian Ministry of Agriculture (MoA) with support from FAO. Two of the strategy's objectives form the basis of the programme: (i) ensuring the resilience of farmers and their attachment to their land; and (ii) protecting marginalized groups, especially smallholder farmers, impoverished people in rural areas, women, and Bedouins.

To achieve these objectives, the programme provides critical assistance to women's cooperatives for protecting and restoring agricultural livelihoods affected or threatened by shocks, as well as safeguarding access to vital productive assets at risk. This support enables vulnerable urban families to continue engaging in backyard food production (gardens and livestock) for consumption and sale of highly nutritious food. As part of its strategy, the programme creates income-generating opportunities targeting women and youth in particular. This concerns the distribution of beehives to women's cooperatives and the training provided to selected members on beekeeping and honey processing.

The FAO project team, with the direct cooperation of the MoA's Rural Development Department and the Apiculture Unit, conducted an assessment of more than 30 women's cooperatives in the West Bank to evaluate their ability and capacity (administrative, financial and technical). As a result of this process, 13 women's cooperatives were selected to benefit from this economic empowerment activity. Each association received 20–50 beehives plus supporting tools (quantity depending on size and number of members). Each women's association signed an agreement with the MoA facilitating their access to technical assistance provided by MoA extension agents.

FAO was responsible for the overall project management and implementation with the active involvement and assistance of the MoA and implementing partners, including two local Non-governmental Organizations (NGOs) and the women's cooperatives.

Social protection functions

Assistance – The distribution of assets, in the form of agricultural inputs, allows poor women to start subsistence activities. In combination with technical training, the intervention favours the establishment of resilient livelihoods in rural communities characterized by protracted crisis.

Participatory mechanism

Women's cooperatives were among the members of the Beneficiary Selection Committees (BSCs) created for each targeted locality. This phase was hosted by the Rural Women's Development Society (RWDS) in the West Bank, and by the Economic and Social Development Centre of Palestine (ESDC) in Gaza Strip. The process was conducted in close cooperation with FAO and the MoA. Each BSC was composed of representatives from women's cooperatives, local councils, agricultural committees and youth clubs. The ESDC was also involved in input distribution, training and extension follow-up at the field level in Gaza Strip.

Women's cooperatives took part in the consultation phase regarding the distribution of beehives and other delivery mechanisms of the programme. The discussions took place within the cooperatives with the participation of the FAO team and MoA staff. The main outcomes were the decision to distribute beehives through cooperatives, and the identification of other needs such as beekeeping tools, clothes and smokers, among others.

The cooperatives hosted a training on beekeeping, entrepreneurship, processing and marketing. During the production, processing and marketing phases, the cooperatives were responsible for packaging, selling and distributing revenue.

Each cooperative selected 15 members to attend trainings and oversee honey production. Priority was given to those women who had some experience with beekeeping. The cooperatives' general assembly agreed that these 15 beneficiaries from each cooperative would receive 20 percent of the revenue from honey sales, while the remaining 80 percent would be distributed to all cooperative members.

Impacts

Women's involvement in the cooperatives encouraged their participation in decision-making processes that directly concern them, ultimately leading to better economic and social conditions. As women choose what activities to invest in, they have better opportunities for meeting their needs and generating income. In this process, women discuss different options like livestock units, home gardens, layer poultry and beehives. Eventually, they choose apiculture for several reasons: they have had some previous experience with apiculture; production inputs are limited, cheap and available; and the practice requires limited time during the season.

Despite the unpredictable environmental conditions experienced during the past two years, all of the women's cooperatives have been able to continue their apiculture activities. Women are willing to upscale the practice in order to take advantage of their enhanced technical and financial capacity. For example, the women's cooperative of Al-Nwie'meh in Jericho governorate has 40 women members, who were provided with tools and 40 beehives in March 2013. During that season, the cooperative's beehives produced around 130 kg of honey worth US\$3 500. In 2014, the hives yielded 140 kg worth US\$3 700. The initial investment was around US\$5 000, including the beehives and tools. The revenues in the first two seasons totalled around US\$7 200, meaning that the project recovered its start-up costs and turned a profit within less than a year and a half. This was used to cover the running costs of the practice, with the remainder being used to open a mini-market in Al-Nwie'meh village, which is managed by the cooperative.

Participation in this process has given women the opportunity to be actively involved in their community as well as becoming more economically empowered. Their involvement in decision-making on apiculture activities has opened access to local resources, despite contingent restrictions such as the separation wall and settlement boundaries. The sound application of good practices in apiculture has benefitted the environment by supporting the pollination of the crops cultivated in their areas.

In the beginning, traditional male-dominated customs in smaller rural communities limited women's participation outside of the household. After an initial period of adjustment, men saw how women were managing their time effectively in the cooperatives while enjoying the benefits from newly generated incomes. Eventually, women's participation in the programme was broadly accepted.

Limitations and constraints

Women must fight against social norms that do not favour their participation in activities outside the household. Their involvement in cooperatives has helped them significantly in overcoming this initial barrier.

Experts of FAO and the MoA struggle to find quality bees that meet their specifications and are adapted to local conditions. The variability of environmental conditions can exacerbate this issue. Training on beekeeping and management, including beehive transportation, can reduce the risk of bee losses.

Replicability and upscaling

During the last few years, the MoA and some NGOs have supported many projects on apiculture and the distribution of beehives. FAO has built on these past experiences and worked in consultation with MoA staff, the cooperatives and local councils using a participatory and empowering approach. This has significantly optimized the use of resources and expertise.

Reproducing this practice requires strong engagement from women's cooperatives and enthusiastic participation from their members, while taking advantage of the social ties these associations develop in the communities (e.g. distributing through women's social networks and relatives to facilitate sales).

Economic activities should be culturally rooted. Beekeeping is a traditional activity in rural areas, and many women have some experience in it. The practice does not require highly specialized workers, long working hours or a large amount of inputs. The availability of extension services in all governorates ensures its feasibility. All these elements make training more promising and economically advantageous for beneficiaries.

In sum, the replication of the practice should consider the following elements:

- technical capacity of cooperatives and availability of trained individuals;
- willingness of members to participate;
- financial capability to start the project;
- capacity of cooperatives to implement the practice;
- availability of natural resources (pastures);
- suitability of environmental conditions.

Useful tips

- FAO and other stakeholders encouraged the inclusion of poverty levels and social marginalization among the criteria used by the cooperatives to select beneficiaries. This has helped focus the practice on its objective of building resilience and recovering livelihoods and, in many cases, gaining maximum value for the resources invested.
- In a participatory process, it is necessary to clarify roles, mandates and expectations. Women's cooperatives and the MoA signed an agreement outlining the terms of project management to ensure that the cooperatives would benefit from the technical support and extension services provided by the MoA.

- Practicing apiculture does not require a large initial investment, and the running costs are low compared with other productive activities. The production cycle for apiculture is also very short, and the products are in high demand on the local market, thus yielding rapid economic returns from relatively low investments.
- The practice is environmentally sustainable, as it needs no chemicals or further inputs. It is dependent only on the natural environment and enhances production of other crops, as it increases the presence of natural pollinators (bees) for crops.
- Women members that are not selected for the project are compensated collectively through the redistribution of revenues (80 percent of revenues are redistributed among members or reinvested in cooperative activities). This prevents dissatisfaction among the groups and keeps morale high.

Resources

No official documents or links

In most developing countries, state-led social protection systems struggle to satisfy the need of social assistance, insurance and social services for the rural poor. Member-based rural organizations, intended as formal and informal groups of rural producers and labourers, are already engaged in the provision of these services to their members and poor rural communities. Thanks to their broad social coverage, particularly in hard-to-reach informal economies, rural organizations can act as useful partners of national governments in the implementation of social protection policies and programs. Selected case studies around the world illustrate the stories of 22 member-based organizations. Our goal is to demonstrate the valuable support these organizations can play in delivering social protection to vulnerable rural families, and the challenges they face.

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