Farmers’ and rural organisations capacity building

The case of the « Agricultural Services Sub-sector Investment Project » (AgSSIP) and its producer organisation support component Ghana

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Acronyms

AAGDS: Accelerated Agricultural Growth and Development Strategy
ADP: Agricultural Diversification Project
AGSSIP: Agricultural Sector Services Investment Program
AgSSIP: Agricultural Services Subsector Investment Project
APL: Adaptable Program Lending
APRC: Agricultural Research Policy Committee
ASIP: Agricultural Sector Investment Project
CARGS: Competitive Agricultural Research Grant Scheme
CAS: Country Assistance Strategy
CC: Cooperative College
COCOBOD: Cocoa Board
CSIR: Council for Scientific and Industrial Research
DAES: Department of Agricultural Extension Services (MOFA)
DOC: Department of Cooperative (MESW)
DSC: District Steering Committee
EDF: Extension Development Fund
ERP: Economic Recovery Program
FBOF: Farmer-Based Organizations Fund
FBOs: Farmer-Based Organizations
FI: Focal Institution
FO: Farmers' Organisation
GCC: Ghana Cooperative Council
GOG: Government of Ghana
GTZ: Deutsche Gesellschaft für Technische Zusammenarbeit – German Technical Cooperation Agency
ILO: International Labour Organisation
MAE: Ministère des Affaires Etrangères Français - French Ministry of Foreign Affairs
MESW: Ministry of Employment and Social Welfare
MLGRD: Ministry of Local Government and Rural Development
MMED: Ministry of Manpower and Employment Development
MOFA: Ministry of Food and Agriculture
MTADP: Medium Term Agricultural Development Program
MTADS: Medium Term Agricultural Development Strategy
MTEF: Medium Term Expenditure Framework
NAEP: National Agricultural Extension Project
NARP: National Agricultural Research Project
NGO: Non Governmental Organisation
NLSP: National Livestock Services Project
NRSP: National Road Sector Project
PAD: Project Appraisal Document
PCC: Policy Coordinating Committees
PPMED: Policy, Planning, Monitoring and Evaluation Department (MOFA)
RELC: Research/Extension Liaison Committees
RFSP: Rural Financial Service Project
RWSS: Rural Water Supply and Sanitation
TF: Task Force
VIP: Village Infrastructure Project
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1. Introduction
This report was prepared as part of a study to capitalise on support to Farmers' Organisations (FOs) within the framework of World Bank-support programmes for the reorganisation of "agricultural services". It contains the major findings of an analysis conducted in May 2003 in Ghana on the Agricultural Services Sub-Sector Investment Project (AgSSIP) and more specifically its FO support component1.

1.1. Scope of study
Since 1997, the World Bank has taken various initiatives aimed at building FO capacity and promoting, through agricultural development projects, partnership relationships between producer organisations and agricultural services in order that the latter tailor their actions to the demand of producers.

In 2003, while several agricultural development and producer organisation support projects and programmes were initiated and being executed, the World Bank commissioned Cirad to undertake a study to capitalise on ongoing experiences in order to draw early lessons and propose avenues for reflection to improve the design and implementation of projects.

Two questions were raised:
- What has been done? What are the results? What were the difficulties encountered?
- Any prospects for the future? Concretely, what should be the next stages for the World Bank?

To answer the above questions, four types of activities were carried out as part of the study:
- A review of recent literature, produced within the World Bank but also by other institutions, concerning FO capacity building;
- A review of World Bank portfolio in order to identify World Bank funded projects that include an “organisations enhancement” component and identify the features of the actions retained and the conditions under which such actions are implemented;
- Carrying out more in-depth case studies in four African countries (Senegal, Burkina Faso, Uganda and Ghana) in which World Bank funded projects are currently being executed with the aim of instituting demand-oriented agricultural services that include an “FO capacity building” component.
- Drafting a summary presenting the major cross-cutting lessons to be learned and making proposals and recommendations.

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1 The name used in Ghana to designate FOs within the context of the AgSSIP project is « Farmer Based Organisation » (FBO).
1.2. **Conduct of study and methodology**

The study was conducted in Ghana and in two stages.

The first stage was a bibliographical analysis aimed at tracking the developments of agricultural policies and the state of Ghana's agriculture.

The second was a mission undertaken from 6 to 17 May 2003. Based on available documents and additional interviews, it was aimed at tracking the various stages from design to implementation of the project and its FO support component as well as stating the achievements of the projects. It was also aimed at meeting the various actors concerned in designing and implementing the project at the national, regional and local levels. At the national level, the mission made it possible to hold talks with the Head of Agriculture at the Accra World Bank bureau, senior officials in Departments of the Ministry of Food and Agriculture (MOFA) responsible for executing the programme (Policy, Planning, Monitoring and Evaluation Department - PPMED and Department of Agricultural Extension - DAES), senior officials of the Department of Cooperative (DOC) of the Ministry of Manpower and Employment Development (MMED), officials of the Ghana Cooperative council (GCC) and the Ghana Cooperative College (CC), officials of farmers' organisations, as well as other donor institutions... Furthermore, at the regional and local levels, field trips were conducted in three districts: Mfantiman and Assin Fossu in the Central Region and Sene in the Sunyani Region, the last two being districts retained for the pilot phase of the implementation of FO support actions. The field trips made it possible to meet with local agricultural officials and workers at the district and regional levels as well as FO officials and members.

1.3. **Preamble: Overall situation of the AgSSIP in May 2003**

The AgSSIP project is an Agricultural Sub-Sector Investment Programme funded by the World Bank in the form of an Adaptable Programme Loan (APL). The AgSSIP Programme was accepted by the World Bank Board in August 2000 on the basis of the June 2000 Project Appraisal Document (PAD). The programme experienced many delays in its implementation. One year of lateness was especially due to delay in signing the Development Credit Agreement because of presidential elections and change of government in January 2001.

Although the effective closing date of the first phase was officially set for October 2003, by February 2003, total commitments and disbursements for all the components put together was barely 14% of the credit granted². In such a context, the second Implementation Support Mission of February 2003 painted a gloomy picture of the possibility to carry through all the activities planned before the official end of the first

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² For the component managed by CSIR, commitments and disbursements were 23% of the amount earmarked. For the components managed by MOFA, comprising the FO support component, the situation was even more problematic with total commitments and disbursements barely reaching 11% of the amount set aside (author's calculations based on data got from the “Executive summary of the aide memoire, February 2003 – WB, 2003).
phase. This mission had as objective to suggest ways of reorganising the AgSSIP in order to use the credit granted and provide more direct support to farmers and the agri-business and thus promote the development of production, processing and marketing of agricultural produce (WB, 2003a).

Finally, it should be made clear that in May 2003, while this study was underway, no project had been funded by the Farmer Based Organisation Fund (FBOF), the main FO capacity-building instrument provided for in the FO support component of the AgSSIP.

1.4. Report outline
After a recap of the evolution of agricultural policies and the situation of FOs in Ghana, this report describes and analyses the process of designing the AgSSIP and its FO support component. It further presents and comments on the objectives and components of the AgSSIP project. The implementation of the project and particularly its FO support component is then described and analysed. Lastly, the report presents the main results of the project as at now in terms of support to FO enhancement and bring out the early achievements, some risks detected and questions at the current stage of implementation of the programme. The report also includes early lessons drawn from the analysis of this case and specific and general recommendations for designing and implementing FO support projects.

2. Evolution of agricultural policies and organisation of FOs in Ghana

This first part presents the evolution of economic and agricultural policies in Ghana as well as some aspects of the dynamics and organisation of FOs in Ghana. It is aimed at stating the background to the design of the AgSSIP in the late 1990s.

2.1. Evolution of agricultural policies in Ghana
At independence in 1957 and thanks to a strong cocoa sector, Ghana was a relatively rich country as compared to other West African countries, with a high per capita income and a developed middle class. In 1961, in trying to monitor the production and distribution of resources, the State instituted a planned centralised economy. With the slump of cocoa prices in the world market between 1959 and 1965, the country's macro-economic situation declined, giving rise to a huge fiscal deficit, a negative balance of payment and overall economic recession (Tsitaka, 2001).

2.1.1. The Economic Recovery Programme (ERP)
In 1983, Ghana, with the assistance of donor institutions and principally the World Bank, instituted a stabilisation and structural adjustment programme: the Economic Recovery Programme (ERP). The aim of the programme was to streamline government spending and liberalise the economy. It was translated by the liberalisation of the marketing and input supply sectors (reduction of tariffs and privatisation of State-
owned enterprises). Although such reforms first led to heavy inflation and serious difficulties in the supply of inputs to producers, the economic recovery policy finally bore fruits a decade after its institution. The country recorded a significant GDP growth of 5% per annum. In the agricultural sector, liberalisation led to renewed growth. Agricultural growth that was negative in the 1970s became positive, reaching an average annual rate of 2.4% between 1983 and 1988. The good results of this policy were attributed to a strong financial contribution of donors and good coordination among donors with the World Bank playing a leading role. Ghana was thus an example of success in matters of structural adjustment (Tsitaka, 2001).

2.1.2. MTADP and sector programmes
In order to consolidate results obtained by the ERP, a new strategic document was drafted in the late 1990s, the Medium-Term Agricultural Development Strategy (MTADS). The aim of the strategy was to enhance the role of the private sector in economic development and to prescribe, in the logic of the ERP, the liberalisation of inputs importation and the internal market, the phaseout of State-owned companies, the improvement of coordination of government spending, refocusing on poverty reduction in rural areas, the improvement of the rural financial system, the improvement of public investments in transport infrastructure and providing market information, and the improvement of the research and extension system.

The implementation of the strategy was carried out as part of a five-year revolving development programme, the Medium-Term Agricultural Development Programme (MTADP), which was a framework for allocating public and private resources to the agricultural sector.

Within the context of this programme, many specific projects were designed by the World Bank to support the development of the agricultural sector:

- A research support project: the National Agricultural Research Project (NARP);
- An extension services support project: the National Agricultural Extension Project (NAEP);
- A livestock development support project: the National Livestock Services Project (NLSP);
- A crop diversification support project: the Agricultural Diversification Project (ADP) and;
- A small rural infrastructure funding project: the Agricultural Sector Investment Project (ASIP).

Although agricultural growth continued, the micro-economic situation declined as from 1992 following the elections and poor budgetary management. The renewed inflation and the rapid depreciation of exchange rates led to a slowdown of growth.
2.1.3. The Ghana Vision 2020

In 1995, in a bid to revive growth, Ghana adopted a new policy framework laying down long-term growth objectives for the country and the strategic components of the national policy: the "Ghana Vision 2020". According to the document, the central objective of the Government was to alleviate poverty through an acceleration of GDP growth to a level of 8% per year. For the agricultural sector, the objectives were as follows: ensure food security, supply produce to other sectors of the economy, contribute to the improvement of the balance of payment and provide producers with revenue similar to those of other sectors. To attain such objectives, the following strategic principles were set forth:

- Reforming the role of the State in order to set up an environment conducive to private sector development;
- Enhancing decentralisation;
- Enhancing the participation of the private sector in the grassroots;
- Enhancing export-oriented agriculture.

2.1.4. The Accelerated Agricultural Growth and Development Strategy (AAGDS)

To attain the objectives set out in the "Ghana Vision 2020", the necessary agricultural growth rate initially set at 4% per year had been raised to 6% per year. To attain the new objective, the Ministry of Food and Agriculture was commissioned to prepare a new strategic paper for agriculture based on the principles laid down in the "Ghana Vision 2020" to accelerate agricultural growth: the Accelerated Agricultural Growth and Development Strategy (AAGDS).

To achieve this, a consultation process was launched. A series of consultations took place in 1995 throughout the country. It led to the holding of a Stakeholders Workshop in Cape Coast in September 1995, which enabled the various development actors to make recommendations to the Government. Then, in August 1996, a new two-day workshop on "Agricultural Strategic Planning and Implementation" was held in Akosombo with farmers, private sector representatives, donor institutions, local and international experts, and representatives of the Government and its various ministries. In April 1997, a "Brainstorming Workshop" was organised in Sagakope to lay down and adjust the various points of view of development actors. This latter workshop led to the drafting of a preparatory document that was presented to the different actors (farmers, industrialists and donors) in Accra in November 1997.

According to the final document, accelerated growth should depend on rapid technological changes, private sector development and export-oriented agriculture. To this end, five strategic areas were identified (MOFA, 2001, p iii):

1. the promotion of some products based on improved market access (export);
2. the development and improvement of access to technologies for sustainable management of natural resources;
3. the improvement of access to agricultural financial services;
4. the improvement of infrastructure;
5. human resources and institutional capacity building.

It was within the context of the implementation of the strategy worked out by AAGDS that the first activities aimed at designing an AgSSIP programme were initiated in 1998.

2.2. FOs and their structuring in Ghana

The structuring of FOs in Ghana is multi-faceted. We shall distinguish two types of FOs and movements: Cooperatives and other forms of FOs.

2.2.1. A deep-rooted cooperative movement faced with difficulties

The evolution of the cooperative movement in Ghana was strongly influenced by frequent changes in government policies on the issue.

Historically, the cooperative movement began in the 1920s when cocoa producers' groups were organised to improve drying and fermentation of cocoa beans and thus raise the quality of Ghana's cocoa. The cooperatives obtained legal status in 1931 (Cooperative Societies Ordinance). In the late 1940s and early 1950s, a first national organisation was set up, the Alliance of Ghana Cooperatives 3. During this period, the cooperative movement acquired real economic power built around a strong movement of cocoa cooperatives (Porvali, 1993).

In 1959, a few years after independence, the Government decided to organise the cooperative movement that was becoming not only an economic force but also a political force in rural areas. The reorganisation culminated in 1961 in the dissolution of all cooperatives and the transfer of their assets to new forms of cooperatives strongly controlled by the State. The assets of cocoa cooperatives were thus confiscated by the Government and their economic functions transferred to the Cocoa Board (COCOBOD). The Ghana Cooperative Bank was equally dissolved and its assets seized.

In 1968, the Cooperative Societies Decree was voted. To implement the decree, the Government set up the Department of Cooperative (DOC) within the Ministry of Employment and Social Welfare (MESW), which recently became the Ministry of Manpower Development and Employment (MMDE). This ministry was statutorily responsible for regulating (registration of cooperatives, financial audits, inspection, conflict management and liquidation) and promoting cooperatives (sensitisation, training …). Cooperatives were as such strongly monitored by the State, which granted them prerogatives to ensure supply of inputs to producers. Farmers' adherence to the cooperatives was then relatively strong and the cooperative movement was a strong government policy instrument.

3 The Alliance of Ghana Cooperatives later became the Ghana Cooperative Council (GCC).
With the implementation of the ERP and the liberalisation of the trade of inputs and products, many cooperatives could no longer uphold their functions especially that of input supply due to competition and thus became inactive.

In the early 1990s, the cooperative sector became very much afflicted. In effect, in 1991, although 10,000 cooperative societies were still registered at the DOC, half of which were of the agricultural sector, only 10% of cooperatives of all the sectors put together and 4% of agricultural cooperatives were active. Agricultural service cooperatives that were founders of the cooperative movement almost disappeared. In the cocoa sector, the maintenance of the COCOBOD limited the development of cooperatives. In other agricultural sectors, a few cooperatives remained: the Ghana Cooperative Poultry Farmers Association, the Ghana Cooperative Marketing Association, etc. (Porvali, 1993).

The need for the emergence of a new cooperative movement free from State control and the development of other forms of rural producer organisations was expressed in the early 1990s within the context of a private sector development strategy.

However, even though it had an umbrella organisation, GCC that counted 13 associations grouping regional or district unions, the new cooperative movement remained very weak. This umbrella organisation was unable to mobilise resources from the cooperative movement to train and support the unions and survived only thanks to the assistance of the State that provided 90% of its funds. In addition, the remaining cooperatives were very small and had a limited commercial potential. They suffered from financial difficulties and lack of support (training, etc.) as well as limited autonomy with regard to the State.

Besides, some new forms of service cooperatives in the agricultural sector were set up generally with the support of foreign projects.

### 2.2.2. A proliferation of Non-cooperative Organisations

Alongside cooperatives, many other forms of organisations existed throughout the country. Such organisations were of very varied forms. These were associations and commercial companies with various statuses (registered society, partnership, companies, etc.). These organisations are generally more recent than cooperatives, and their structure at the regional or national levels is weak.

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4 Besides agricultural cooperatives, there were industrial cooperatives consisting mostly of distillation companies and bakeries whose development resulted from the setting-up of a specific State-controlled sector as part of an input rationing policy and within the context of distillation monopoly. There were equally non-agricultural service provision cooperatives (transport, consumer cooperatives, fuel stations, pharmacies...). Finally, there were financial cooperatives constituted by credit unions (Porvali, 1993).

5 Portali (1993) quotes the example of cooperatives set up to cater for Farm Service Centres instituted by the Farmer’s Agricultural Services Company (FASCOM).

6 For more details on the forms of FOs, see the recent study by Technoserve (Technoserve, 2003).
At the local level (village, district), Ghana also has a multitude of small organisations. They perform various duties. Some are specialised in economic functions (marketing, processing, etc.) often at the grassroots, with the support of NGOs or development projects, others are set up to access technical information (contact groups in relation with extension workers of DAES or with NGOs), while some others team up to obtain loans (the Agriculture Development Bank credit groups). Many organisations exist locally and have a social call (construction of small social infrastructure). Lastly, many interest groups are set up and dissolved to benefit from opportunities offered by foreign aid projects. Although all the organisations are known to local development services (DAES, DOC) or to local NGOs, many of them do not have a recognised cooperative status due to past experience and the strict State control in the structures.

Beyond this multitude of small local organisations, larger organisations had been set up around certain sectors especially for the promotion of production and exportation of produce (Horticulturalist Association of Ghana, Vegetables Producers and Exporters Association of Ghana, Yam Farmers & Exporters Association, Cotton Growers Association, Citrus Growers Association of Ghana, etc.). Such associations have no link with the cooperative movement and the institutions responsible for the development of cooperatives. Their aim is to facilitate relations between producers and the market (upstream and downstream negotiation, marketing and input supply, transportation, processing).

There is no unified representation or national umbrella for such organisations. In 1992, in order to set up a representative for producers' organisations (cooperative and non-cooperative), government instituted the Ghana National Association of Farmers and Fishermen. Nonetheless, although the organisation was set up and supported by the Government with a top-down approach, it had no links with the exiting local organisations.

In the final analysis, in 1998, when the AgSSIP project was being worked out, the panorama of farmers' organisations was complex. Very many small organisations existed locally but none were organised at levels compatible with national project negotiation. There was:

- a cooperative movement, organised at a national level (though non-operational) through GCC, based on an impressive number of small fragmented cooperatives that were moribund for the most part. The movement that was largely controlled by the State (through DOC) and that had experienced considerable setbacks in the course of its chaotic history (confiscation of assets), is suffering because of bad reputation among the local people;

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7 This organisation was created from the Ghana Federation of Agricultural Cooperatives (GHANACOOPS) promoted by the MOFA in 1983 (FCC, 1999). It should be made clear that this organisation that was strongly used by the Government, lost all support after the 2001 change of government. Today the organisation is almost moribund.
- sector-based associations representing generally only part of the profession but without a national cross-cutting representation;
- an umbrella organisation instituted by the State and highly politicised (GNAFF).

3. Design of the AgSSIP and its FO support component
The process of designing the AgSSIP programme lasted two years (1998-2000), as a follow-up to a strategic reflection process undertaken by the Government of Ghana (GOG) for the rehabilitation of the AAGDS and aimed at attaining the objectives set as part of the Ghana Vision 2020.

After describing the various stages of the programme design, we shall make a few remarks on the participation of those who took part in its definition.

3.1. Description of the AgSSIP design process

3.1.1. Background of the AgSSIP: the concept of a sector programme based on the AAGDS
After several specific agricultural support programmes, the AgSSIP was first designed as an Agricultural Sector Investment Programme. It was a result of the will to establish a consistent support mechanism within the framework of a sector-based and coordinated approach. This type of programme aims to solve problems identified during the implementation of agricultural development support mechanisms in many countries and especially in Ghana. Such problems include: poor coordination and little impacts, lack of flexibility and coherence in allocating resources from donors and the government for the entire sector, absence of hierarchy of expenditure thereby causing losses, heavy dependence on technical assistance, significant delays in implementation, low participation of the Government (MOFA, 1999, P. 4). The aim was therefore to draw up a sector-based investment programme in which the various donors involved in rural development in Ghana may jointly invest.

In Ghana, in line with the objectives set in Ghana Vision 2020 and repeated in the AAGDS, the end objective of the programme was to contribute to poverty alleviation and the improvement of food security.

3.1.2. From the AAGDS\(^8\) to the AgSSIP
In agreement with the above principles and in order to clearly state the various activities to be carried out to implement the actions identified in the AAGDS, a 30-man Task Force (TF) was commissioned by MOFA and five sub-committees corresponding

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\(^8\) It should be pointed out that after the January 2001 change of Government, Ghana’s agricultural sector strategy was reviewed and the Food and Agriculture Sector Programme (FASDEP) replaced the AAGDS. This situation posed some problems of coherence for the AgSSIP that was initiated on the basis of the AAGDS.
to each of the themes defined within the framework of the AAGDS were set up to pilot and coordinate the preparation of proposals for the AgSSIP programme.

Although the secretariat of the TF was entrusted to the Policy, Planning, Monitoring and Evaluation Department (PPMED) of MOFA, the preparation principle here was innovative because this TF and its sub-committees comprised not only civil servants but also a powerful representation from the private sector and FOs: the chair of the TF was entrusted to a private actor, some national FOs such as GNAFF, the Federation of Associations of Ghanaian Exporters (FAGE), Ghana Agricultural Products Traders Association (GAPTO) and the Horticulturalist Association of Ghana (HAG) all took part in it. Of a total of 30 members, the TF comprises 14 representatives of the private sector and 2 NGOs. In each sub-commission there was a series of consultations to identify the constraints and work out strategies for the various themes retained; participating FOs were called upon to make project proposals.

At the end of the process, an AgSSIP programme document summarising the work of the various sub-commissions was prepared by MOFA (MOFA, 1999). The document contained a list of project proposals for each aspect identified in the AAGDS without really stating how they could be implemented and without harmonising all the projects. At this level, the document proved to be of no use for the institution of the programme.

It should be noted that at this stage, the FO support component to be designed in PAD is not clear but that some targeted proposals had been made by stakeholder FOs, especially GNAFF and FAGE. It should also be noted that at this stage, the involvement of GCC and existing non-cooperative and non export-oriented FOs is low and that they do not feature (and are not mentioned anywhere) in the summary document of the AgSSIP programme proposals.

3.1.3 From the AgSSIP programme to the World Bank AgSSIP project

Alongside the study and consultation process presented above for the design of the programme and while new consultations were planned to validate the final summary document, pre-evaluation missions entrusted to State departments were organised in the second half of 1999 to lay down the content of the AgSSIP programme and its components.

Preparation of the FO support component was thus entrusted to the Department of Cooperative (DOC) and the Department of Agricultural Extension Service (DAES) with the support of a consultancy mission carried out in June-July 1999. The mission had to work out strategies and programmes aimed at developing FOs, including cooperatives, so as to improve the efficiency of services rendered to farmers - men and women - in terms of extension, inputs supply and credit, but also eventual storage and marketing (FFC, 1999).
After a series of consultations with FOs in the entire country, the mission proposed some of the elements to be included in the FO support component (FCC, 1999):

- the development of a policy and legal framework (review of the cooperative law, amendment of the 1968 Cooperative Societies Decree, development of a policy and a law on NGOs)
- institutional enhancement and reorganisation (DOC enhancement and reorganisation, integration of an FO promotion and development function in MOFA, development of training for FOs, …)

Although the mission recommended the setting-up of a Development and Investment Fund for FO support, this was yet a mere budget head within the AgSSIP programme whose use remains devoted to State departments responsible for FO support.

Although many FOs were consulted during the mission to support the design of this component, it would appear they were consulted more in order to understand their situation (strengths, weaknesses, difficulties) than to actually associate them in the support programme design process that was dedicated to them.

3.2. Remarks on the programme design process and FO participation

3.2.1. An unsuccessful attempt at involving private actors

The initial programme design approach was original and ambitious. It laid emphasis on private sector partners and a few FOs by granting them a pride of place in the steering and coordination of the programme design process. However, it would appear that entrusting the study of such a project to private actors and FOs raises many problems:

- The FOs and private actors involved did not have the expertise needed to coordinate and pilot the preparation of such a programme;
- They may not have had adequate specific support to efficiently carry out their duty;
- It would also appear they did not have in mind a vision of society but rather their own interests and they were not really representative of farmers.

Furthermore, even though FOs and private actors were involved in the process, the influence of State institutions remained strong as, on the one hand, the negotiated programme remained a State-owned programme (agreement signed with the government) and, on the other hand, such institutions had more staff that were used to negotiating this type of programmes.

Lastly, it would appear the support provided by local expertise assigned by the Ghanaian government to assist the TF, did not have refined knowledge of the standards sought by the World Bank. In addition, it would appear it did not provide adequate quality support to really enable the FOs concerned to pilot the process.
3.2.2. Discontinuity in the participation of FOs in studying the programme

Faced with time constraints and the concern of both the World Bank and the Government to support research and extension services while specific services dedicated to FOs within the context of MTADP (see 0) where ending in 1999, the study process was accelerated and preparation of the final programme document laying down the activities and budgets was finally done fast by State agencies. Although a long study process was implemented in collaboration with State and private actors, the final negotiation was conducted between the World Bank and Ghanaian ministries, MOFA and MELSW (DOC), without consulting the other actors.

3.2.3. Change in Programme content and frustrations

The final project as laid down in the Project Appraisal Document (PAD) - WB, 2000a - was finally not a follow-up of past documents. In effect, while in its final formulation the AgSSIP programme was a complete sector programme aimed at implementing all the strategic areas defined in the AAGDS, the AgSSIP project is designed in its final version, as stipulated in PAD, in response to only 3 elements of the AAGDS, namely: the promotion of some products through improved access to the market, the development and improvement of access to technologies for sustainable development of natural resources, the improvement of human resources and institutional capacities⁹.

Lastly, the AgSSIP project in its final version appears to be a broad-based project for research and extension support and reforms rather than a sector programme for the revival of agriculture.

It should be pointed out that the main tools for FO support such as the Farmer-Based Organisation Fund (FBOF) or the Extension Development Fund (EDF) were not provided for in previous documents. It should also be pointed out that a search for priority actions to be executed or actors for their execution was conducted within the framework of preliminary consultations (list of projects) and that the final document does not include them but provides a more general framework and automatically leaves many elements in abeyance such as the effective responsibility of each project stakeholder, the mode of implementation, etc.

This change after a long consultation process generated misunderstanding and frustrations on the part of donor institutions and private actors involved in the consultation process initiated during the design of the programme.

⁹ The other elements of this strategy shall be the subject of other specific projects: targeted projects devoted to the improvement and development of rural infrastructure: the Village Infrastructure Project (VIP), the Rural Water Supply and Sanitation (RWSS), the National Road Sector Project (NRSP) and a rural funding project: the Rural Financial Service Project (RFSP).
Concerning donor institutions especially, it seems they were expecting a more broad-based consultation in the implementation phase, a sharing of tasks around a framework document. Finally, there was a feeling of shared frustration in view of this state of affairs as, on the one hand, the other donors had the impression of not being part of the final World Bank project and, on the other hand, the withdrawal of other donors led to the disappointment of the World Bank given that the other donors turned off after the long consultation and reflection process.

For the private actors, the disappointment was elsewhere. They thought they would be able to directly benefit from the programme for their capacity building (from an organisational point of view but also in terms of investments). Their disappointment was great in the sense that the final mechanism did not provide for any direct assistance to FOs that participated in the initial consultation.

4. The AgSSIP project

The June 2000 AgSSIP Project Appraisal Document is the core document of the programme since it lays down the objectives, components and implementation modalities.

The document enlists World Bank support in the long run in the form of a 9-year Adaptable Programme Loan (APL) divided into three phases. It details out the content of the first phase (2001-2003) and states the evaluation criteria (triggers) for the kick-off of subsequent phases.

4.1. AgSSIP objectives

The overall objective of the AgSSIP is to enhance growth in productivity and agricultural income in order to reduce rural poverty, improve food security and contribute to the acceleration of sustainable growth for the entire economy.

The specific objectives of the first phase of the AgSSIP are as follows (WB, 2000q, p. 4):

- “Initiating and/or accelerating policy and institutional reforms for the strengthening of Government’s capacity to carry out its core functions
- Promoting decentralisation of the planning and implementation of agricultural development programmes to the regions and districts by strengthening the capacities of (a) regional and district governments in planning and implementing agricultural development programmes; and (b) central ministries and agencies to focus on policy-making, planning, evaluation, technical backstopping and regulatory services;
• Promoting cost-effective demand-driven agricultural and extension systems that would generate and disseminate technologies on a contracting and/or cost sharing basis; and
• Strengthening the capacity of Farmer-based organisations (FBO) to play an enhanced role in priority setting and decision-making in agricultural and community development programmes and facilitate input distribution, credit, processing and output marketing services”.

4.2. Programme components
The AgSSIP programme is sub-divided into four articulated components (WB, 2000, p. 11):
• Reform and enhancement for the creation and dissemination of farming technologies
• Institutional reform and MOFA enhancement
• FO development
• Enhancement of farm training.

4.2.1. The Reform and enhancement for the creation and dissemination of farming technologies component (US$ 78 million)
This component represents 63% of the total cost of the programme and aims to enhance the national research and extension system and reform same so it can be demand-oriented. The component is sub-divided into two sub-components (WB, 2000a):

• The research support component, implemented by the Council for Scientific and Industrial Research (CSIR) and whose specific activities include:
  - improvement of steering, management and "liability" of research services;
  - institution of a competitive research funding system with the participation of users;
  - funding of priority research programmes;
  - enhancement and rationalisation of scientific information, human resource management and research infrastructure systems.

• The extension support component, implemented by MOFA, Assemblies of Districts, FOs, NGOs and the private sector; with MOFA being responsible for working out the monitoring and extension policy and the Assemblies of Districts being in charge of planning and implementing extension in collaboration with FOs, NGOs and private service providers mobilised on a contract basis.

The specific activities of this sub-component include:
  - support to decentralisation of extension services at the level of ADs;
- enhanced participation of beneficiaries in guiding the research and extension programme;
- reinforced links with research;
- setting-up of an extension services Development Fund;
- mainstreaming gender and environmental protection issues in extension services.

4.2.2. The Institutional reform and MOFA enhancement component (US$ 29.5 million)
This component is implemented by MOFA and ADs. It is aimed at assisting MOFA in the decentralisation process already undertaken as part of the Public Service Reform Programme, which consists in devolving the functions of extension and development to ADs. The activities of this component aim therefore to adapt MOFA capacities to the new functions by strengthening the central departments of MOFA and building the capacity of its workers to enable them:
- perform their central duty: policy development, planning and coordination, monitoring and evaluation of information and regulation services;
- support and train regional development workers, Subject Matter Specialists and extension workers at the district level.

4.2.3. The FO development component (US$ 9.9 million)
The FO development component aims to enable FOs play a vital role in designing agricultural policies and providing services to farmers. This component has to be implemented by DOC, GCC and the Board of Trustees of the Farmer Based Organisation Development Fund (FBOF).

The component provides for 5 sub-components:

- **Development of a political and legal framework conducive to the creation of FOs led by farmers and NGOs**
The idea here is more specifically to review the Cooperative Policy document and the 1968 Decree on cooperatives to allow for an autonomous, independent and sustainable development of cooperatives and FBOs (WB, 2000a, appendix 2). The programme aims to institute dialogue for a review of this law that is consonant with the aspirations of FOs. Review of the law has a pride of place in the AgSSIP programme since the adoption of the new law on FOs is one of the triggers for transition to the second phase of programme funding.

- **FO promotion and development**
The programme provides for enhancement of the official umbrella cooperative, GCC, to enable it carry through its duties effectively, by providing it with support in terms of training for its members. The idea is more particularly to provide it with logistics support and training for its officials and members to handle especially the functions of auditing cooperatives that statutorily was hitherto done by DOC.
• Building the capacity of agencies responsible for FO promotion and development

Here the programme provides for specific technical support to two State departments: DOC and the NGO unit of MESW turned MMED.

For DOC, the support shall entail assistance in its transfer of skills for the cooperative audit function to GCC, to provide same with logistics to facilitate the movement and operations of its officials at the regional and district levels in order to perform central and statutory duties (registration of cooperatives) and non-statutory duties (counselling, training, sensitisation), to finance the training of officials in marketing and financial management and support same in preparing and finalising cooperative policy documents and reviewing their relevant legislative framework.

For the NGO unit of MESW (today MMED), the support entails capacity building in policy formulation and enabling it to perform its regulatory duties. Support within the context of the programme shall entail setting up an NGO database in Ghana, training teams on NGO activities and the political scope of their intervention as well as the realisation of impact and efficiency assessments of NGOs in Ghana.

• Enhancing FO training and education system

Here the programme plans to provide specific support to the Ghana Cooperative College (CC) to enable it broaden its scope of activities to non-cooperative organisations and become a private, autonomous and sustainable training institute. It should be granted specific support as part of the programme to carry out a strategic plan, reframe its training curriculum and improve training infrastructure and equipment.

• Setting up an FBO Fund

According to the project document (WB, 2000, appendix 2, pp. 74-76), this entails setting up an FO-managed fund to finance small projects such as innovative projects for FO economic activities, projects for the rehabilitation of old equipment, projects to facilitate FO vertical integration, the development of services adapted to grassroots FOs needs, capacity building of FOs that are not concerned with the GCC and DOC training programmes.

Administration of the Fund should be entrusted to a National Board of Trustee. An NGO chosen through a competitive bid should be responsible for the secretariat of the FBOF Board of Trustee, for processing applications and preparing them for the approval of the Board, and for the execution of Board decisions. The initial amount of the Fund as provided for by the AgSSIP is US$ 5 million. The implementation of sub-projects should be under the responsibility of FOs which, as much as possible, shall sign a contract with an NGO or a consultant for their implementation. GCC and DOC shall be responsible for the dissemination of information to potential beneficiaries on the conditions for accessing and the functioning of the Fund.
4.2.4. The Enhancement of farm training component (US$ 5.7 million)
The aim of this component is to enhance the farm training system to refocus the curricula of agric colleges and universities in order to better adapt them to the demand of the private sector. This component that is implemented by the Department of Human Resources (DHR) of MOFA in collaboration with the Ministry of Education and the faculties of agriculture of universities provides for the following:
- Profound review of the training strategy to target the private sector;
- The participation of FOs, NGOs and the private sector in training guidance;
- The recruitment of new teaching staff and capacity building of existing staff in schools and universities;
- The rehabilitation of education facilities;
- The enhancement of the DHR and MOFA, responsible for the formulation of farm training policies and continuous training for career development within MOFA.

4.3. Reflections on the organisation of the AgSSIP and FO participation

4.3.1. From a general point of view

* A breach in the continuity of initial projects…
After serious consultation and theme-based discussions on areas identified in the AAGDS, the final components of the programme as defined in the PAD present a breach in the continuity of specific World Bank projects in the domain of research and extension: NARP and NAEP (see 0).

* A search for FO participation in non-specific components
Though the project provides for a specific component devoted to FO support, the research and extension support components also provide for increasing the participation of producers in formulating the research and extension aspects by setting up committees that would constitute an interface between farmers and agricultural services and research (see infra 0 and 0).

* But poor FO participation in the steering of the project
While the participation of private actors was encouraged during the initial phase of programme design, its steering and implementation was entrusted mostly to State agencies because of their greater experience in managing World Bank assistance and procedures (WB, 2000a). As such, the PAD stipulates that the Director of PPMED (MOFA) should be the national coordinator of the programme and the secretary of the National Programme Advisory Committee. For the implementation of the project, the two main implementing agencies selected are CSIR for the research component and MOFA for the other components.
4.3.2. Concerning the FO support component

* A novelty in national research/extension systems support and reform programmes
The presence of a specific FO support component in the research and extension service reform programme is like a real positive innovation as compared to previous research and extension systems support projects.

* Real complementarity within the FO component
The component design translates a real will to implement an integrated approach for FO enhancement and development. In effect, this component provides for a combination of activities at different levels:

- at the level of national legislation (review of the cooperative law, enacting of a law on NGOs);
- at the level of institutions responsible for their development through direct initial support to State (DOC, DAES) and "non-State" (GCC) agencies in charge of FO promotion;
- at the level of grassroots FOs thanks to the setting-up of a specific FBO support Fund that would enable FOs access resources for the funding of training and small demonstrative and/or innovative investments. The FBOF is the main tool for direct support to FOs and represents a little more than half of the funding earmarked for this component (US$ 5 million on US$ 9 million).

* But a modest component in financial terms…
Although the FO support component is a new element, from a financial point of view, this component constitutes a very small share of commitments for the entire programme since it represents barely US$ 9.93 million, being 8% of the total amount of the programme. Lastly, although the total amount set aside for direct FO support is US$ 5 million, such funds represent barely 4% of the total amount of the project.

* And difficult sharing of responsibilities
Although for components that originated from previous projects, the project management was clearly spelt out and responsibilities relatively easy to define (CSIR for the research component, MOFA and its various services for the other components), for the implementation of the FO support component which is an original component with regard to previous World Bank projects in Ghana, the sharing of responsibilities is more complex. It brings in MOFA (PPMED and DAES), MMED (DOC), GCC and CC\textsuperscript{10}. The multiplicity of implementing agencies right from project design and without prior consultation contributes to rendering coordination difficult, limits its ownership and makes difficult the clear definition of responsibilities (see 0).

\textsuperscript{10} In addition to these actors, an NGO (Focal Institution) should be recruited to handle the secretariat of the FBOF. In May 2003, it was not yet recruited, as such recruitment was to be negotiated between the World Bank and MOFA (see 0).
5. Implementation of the AgSSIP and its FO component

The objective of this study is not to assess the entire programme, its relevance and its results, but to strive to draw lessons from the design and implementation of FO support mechanisms. In addition, as pointed out in the preamble, there was little fund for the entire programme at this stage and no project was funded by the FBOF. Emphasis shall therefore be on describing more particularly the FO support mechanisms provided for in the FO support component and in the other components of the projects. How are such mechanisms set up this far? What role have FOs played in the process so far? What roles are FOs called upon to play in the mechanisms designed for the rest of the programme?

5.1. The setting-up of mechanisms to enhance FO participation in research and extension

Apart from the specific FO support component, numerous mechanisms were set up or initiated to strengthen links between the research and extension system and farmers.

5.1.1. Towards research that is more farmer demand-oriented

In order to involve the private sector and FOs in piloting research, the programme enabled the creation of three new structures for piloting research at the national level in which FO representatives participate in various degrees:

- The Agricultural Research Policy Committee (ARPC) that meets twice a year is responsible for laying down guidelines for the research policy. The committee comprises 12 members and is chaired by the Chief officer of MOFA. Participation of private actors here is reduced to a Best Farmer\footnote{Each year, in collaboration with the departments of MOFA, a Best Farmer is elected. The selection process follows a bottom-up process from villages, districts, regions and the country. Nomination of candidates generally begins at the level of villages from extension workers. These are farmers recognised for their good farming practices and rarely FO leaders.}, one representative of the agri-business sector and one FO representative.
- The 14 Policy Coordinating Committees (PCC) meeting thrice a year constitute research steering committees for each of the main agricultural productions of the country. Committee meetings are attended by a representative of a national FO per sector.
- The Board of Trustee, responsible for selecting research projects within the context of the Competitive Agricultural Research Grant Scheme (CARGS). This Board comprises representatives of research (CSIR), MOFA, farmers' representatives and representatives of the agri-business.

Such committees are interesting exchange forums for a greater participation of professionals (farmers, processing firms) in piloting research. Although at the level of NARP the influence of FOs seems to be weak, it would appear that the participation of
FOs in the other structures was more effective. In effect, the participation of the Ghana Cotton Grower Association in the cotton PCC is believed to have made it possible to initiate collaborations between research and this FO which is believed to have co-financed equipment as part of a research programme on the improvement of the quality of cotton. Furthermore, an unfavourable opinion expressed by farmers' representatives within the Board of Trustees of CARGS is believed to have caused the rejection of a research project that they deemed economically unprofitable.

5.1.2. Towards the strengthening of relations between research/extension and farmers

At the local level, the programme provides for the creation of Research/Extension Liaison Committees (RELC). Such committees were set up during previous projects, especially NARP and NAEP. Initially 5 in number, one for each of the country's major agri-ecological zone, the committees were made up of researchers, MOFA workers (extension service) and producers. They aim to facilitate dialogue and lead to better guidance of local research and extension by producers. The initiative generated much interest in the various actors (researchers, extension workers, farmers). The objective, in the AgSSIP programme, was to develop the concept by setting up committees at levels closer to the field.

Since the start of the programme, many consultation meetings involving stakeholders were held at the national and regional levels in order to define responsibilities and modalities for the operation of these future RELCs12.

Discussions were centred on the level at which the RELCs will be placed. Because they were too heavy and especially too costly to be implemented at the level of each district, the provincial level was finally retained. The composition and number of representatives of the rural area were also discussed. At the end of the consultation process, a final procedures manual was published by MOFA in early 2002. It provided for 10 regional RELCs each comprising 15 members including 2 FO representatives, one representative of an NGO and one representative of the agri-business.

Yet, in May 2003, these committees were not yet set up. The main difficulty remained the sharing of responsibility for funding the committees between research (CSIR) and MOFA.

5.1.3. Setting-up of the Extension Development Fund (EDF)
To promote the development of an extension system granting more space to non-State actors such as private service providers, FOs and NGOs, there was provision for the

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12 In April 2000, a preliminary draft manual was presented by a team comprising research and extension workers. The document was discussed in July and October 2002 during workshops held at Cape Town, Tamale, Kumasi and Bunso with the participation of researchers, officials responsible for extension and farmers.
setting up of a US$ 5 million EDF as part of the extension support component of the AgSSIP programme.

The implementation of this project was entrusted to DAES of MOFA and an executive secretariat was set up to handle such duty at the DAES. The main activities carried out since the beginning of the programme consisted in preparing the Fund's procedures manual. On the basis of a draft manual prepared by DAES, a series of regional consultations with rural development actors (Services, FOs, etc.) was carried out to include the remarks of the different actors. A final document was published in March 2003.

According to the manual, the objective of the Fund would be to enhance the capacity of the private actors involved in extension activities and in the training of FOs. Although the end beneficiaries are FOs recognised by MOFA and DOC, private service providers may be FOs, NGOs, or assume other forms. The Fund shall finance the running costs for extension activities (salaries, extension equipment, training costs, costs linked to the use of the mass media, costs for accessing research findings and costs for drafting reports).

To manage the Fund, a National Board of Governors was set up. It comprises 11 members including 3 farmers’ representatives and one private sector representative. It is assisted by a secretariat operated by the DAES. At the local level, for the 12 districts retained for the pilot phase, District Steering Committees (DSC) were set up. The DSCs comprised 7 persons, including 2 farmers’ representatives (a man and a woman) and one local trader. The DSCs are responsible for project technical and financial appraisal, for the submission of local projects for approval to the National Board of Governors and for monitoring their execution.

Worthy of note is the great resemblance in the governance structure retained for the EDF and the FBOF. In effect, both have National Boards and DSCs. In order to encourage synergies at the local level, the same districts were retained in the pilot phase for both funds. Similarly, in order to limit the number of governance structures, at the district level, DSCs shall be responsible for studying projects eligible for both funds.

5.2. FO enhancement through the FO support component

5.2.1. Review of the Decree on cooperatives

An information and consultation process around the new cooperatives law was launched by GCC in collaboration with DOC, with a view to replacing the current 1968 decree and granting more autonomy to FOs. With the support of the Cooperative League of the United States of America (CLUDA) and British cooperation (DFID), many regional workshops and a national workshop were organised to amend the new
cooperative law and a lobby was set up to see to it that the draft was tabled at the National Assembly.

5.2.2. Direct producer organisation capacity building

* GCC support
With the support of the International Labour Organisation (ILO), GCC prepared a business plan that was submitted to the AgSSIP programme secretariat for funding at the end of 2002. GCC is at the moment still waiting for a formal response from the secretariat. But it would appear the plan poses a problem because it does not enable long-term financial autonomy.

GCC is however believed to have already carried out pilot training sessions but not yet assessed such training sessions, due to lack of funds obtained within the framework of the AgSSIP programme.

* Cooperative College support
Like for GCC, the objective is to set up a structure capable of operating in an autonomous manner. But like for GCC, in the absence of a guarantee on the capacity to become self-supporting, the CC has not received any funding from the AgSSIP programme at this stage. Furthermore, a lack of information is believed to have led to misunderstandings and delays since the CC is said to have been informed of its duty in the project only in the course of the first implementation follow-up mission of May 2002.

In the final analysis, at this stage, the two institutions have henceforth turned to other forms of financial support, the USAID for the CC and CLUSA for GCC, which have more flexible financial mechanisms and provide them with targeted support in a partnership approach.

5.3. Setting up the FO support fund – the FBOF

As a central element of the FO support mechanism, the setting-up of the FBOF was mostly studied during this mission. It is worth noting here that in May 2002, no FO project had been financed and that the Fund management structure had just been installed: in effect, even though the National Board of the FBOF had been inaugurated in October 2002, the District Steering Committees were installed only in March 2003 and meetings with the various DSCs organised in the field during the mission showed that the DSCs were in fact not yet operational.

Within this backdrop, in the absence of a real analysis of the contribution of this Fund to FO support, we shall revisit its set-up stages, detail out the bones of contention and the structure and procedures put in place so far.
5.3.1. Stages in the setting-up of the FBOF

Although an operational manual mentioned in the PAD (WB, 2000) had been prepared since 2000 by DOC, the workshop for its validation was organised in Accra only in July 2001. Funded by DFID (DOC, 2001) and with the participation of representatives of cooperatives, funding agencies and State agencies, the workshop brought out several points of disagreements and unresolved issues. A series of regional consultation workshops was therefore organised for FOs and State workers in the entire country in October 2001 with the financial assistance of DFID. The consultation made it possible to increase the number of stakeholders in the manual preparation process. Based on this, a new draft manual was thus prepared (MOFA – DOC, 2001). The final version of the operational manual was reviewed by a technical committee in December 2001 and published in August 2002.

5.3.2. Bones of contention and structures put in place

During the workshop many issues were discussed. Concerning the main aspects of the establishment of the fund, we shall discuss the bones of contention, the amendments made to the initial version and the procedures and final structures set up at this stage of the programme.

- **Fund steering structure**
  The Fund steering structure was highly debated. In effect, drawing from the experience of other projects such as the VIP\(^{13}\), actors highlighted the danger of delays between the submission of a project by grassroots FOs at the level of districts and the effective disbursement of funds. In order to significantly reduce such delays, it was agreed during deliberations that the management structure be reduced from three (District-Regional-National) to two levels (District-National).

- **Representation of FOs and farmers in the management structures**
  The membership of the management organs was also heavily debated. Although the principle of farmers participation was retained right from the first document (3 of the 9 members at the level of the Board and 3 of the 7 members at the level of DSCs), the presence of another representative of the private sector (representative of agribusiness sector) was added for the National Board and DSCs. Furthermore, the mode of selection of farmers’ representatives was also highly debated (elections, appointment, etc.). Lastly, while the final version of the procedures manual provides for the holding of elections, in order to hasten the procedure, farmers’ representatives were appointed, and not by the farmers themselves, but by MOFA\(^ {14} \).

- **The level of intervention: some pilot districts**

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\(^{13}\) Within the context of this project, delays between the submission of a project request and the effective disbursement of funds was generally more than 6 months and could be extended to up to 10 months, thereby causing the discouragement of project bearers (communities).

\(^{14}\) For the National Board, a representative for each of the major regions of the country (north, centre and south) was appointed.
Although initially planned to cover all the 110 districts of the country, it was finally decided that a test be conducted in 12 districts distributed over the entire country and believed to have been chosen from among the most disadvantaged in terms of support (which does not always appear to be the case for the surveys conducted).

It is worth pointing out that sensitisation and identification of FOs potentially interested in funding was carried out in all the districts by DAES and DOC and that the announcement of the limitation of intervention to a few pilot districts contributed to creating a feeling of misunderstanding and frustration for workers of government services and FOs of districts initially involved but left out at last.

- **Modalities for accessing the fund**

  Modalities for accessing the fund in terms of the organisation of eligible FOs were tightened. In effect, although the choice of grassroots FOs was clear right from the first version of the manual, conditions to be met by the latter were clarified and tightened during the consultation process in order to prevent the constitution of groups with the sole aim of receiving a grant. Though right from the earliest documents, eligible FOs were supposed to have been known by DOC or DAES, the final version included conditions like having more than 20 members, a bank account, providing many documents to prove they were operational (minutes of meetings, operating rules, …) and prior payment of registration fees to DSCs, and their time of existence before expecting any funding was increased from 6 to 12 months minimum.

Conversely, the financial prerequisites were reduced: initially FO participation to the funding was to be 10% of the value of the project to be financed; the final version authorises FOs to have such amount in cash or in kind, which facilitates eligibility to funds given the difficulties encountered by many grassroots FOs to raise funds from their members.

- **Nature of eligible projects**

  The nature of eligible projects did not change during the consultations. Although FOs pointed out the financial difficulties and amounts of campaign credits needed for adopting innovations, such action was not eligible to the Fund. However, the Fund had been designed from the onset to enable the funding of training projects in the broad sense of the word, but also structure rehabilitation projects and equipment for innovative projects. With an eligible maximum project amount of US$ 20,000, this automatically opens the possibility of funding joint equipment, which constitutes a strong request from grassroots FOs as we came to verify during interviews conducted with the latter.

- **Powerful negation around the Focal Institution … still underway**

  The major item of negotiation and disagreement between the Bank and local actors, mostly MOFA, is recourse to a Focal Institution (FI) – an NGO responsible for the
secretariat of the National Board as well implementing and managing the Fund daily. While the Bank wished that such function be entrusted to an NGO selected through a call for bids, MOFA sought to assume the function, postulating the high incidental cost and the unsustainable nature of the structure once the project would end.

The problem was finally resolved partially with the decision to set up a dual system: 6 districts would be managed with an FI and 6 with a secretariat handled by the Desk Officer of the FO support component, an official of PPMED. Though the intermediary solution seemed to complicate the situation from an operational and coherence point of view, it could have the advantage of testing many types of institutional arrangements. Nonetheless, the solution also seemed unsustainable in the sense that the secretary comes from PPMED whose duty was not to manage a Fund but to coordinate the project.

- **Project funding and disbursement**

  Disbursement procedures changed with the various drafts of the procedures manual. Though in the initial version, funds were to be served directly to FOs to finance services through contracts signed with the private service provider, the final document pointed out that where possible, funds should be transferred directly to the private service provider. Though it could not be foreseen what would obtain in practice, this would constitute a risk of FOs not benefiting from any direct funding from the Fund. This is testimony of a great mistrust on the part of State services in the managing capacity of the FOs. In addition, this practice of direct funding to private service providers tends to greatly reduce the potential pedagogic and teaching role in terms of financial management for the FOs that may be implied in the direct management of funds granted them. Lastly, this may equally reduce their feeling of responsibility vis-à-vis the management of such funds.

6. **Preliminary lessons for FO capacity building**

As underscored in the preamble, direct FO support activities funded within the context of the AgSSIP programme are still inexistent at this stage. In addition, it should be recalled that the objective of this study is not to evaluate the project but to draw lessons at this stage of the project in matters relating to FO support. This last part shall therefore be devoted to the role played by FOs in the design and implementation of the project at this stage. We shall then draw preliminary lessons and present some avenues for recommendations for the improvement of the design and implementation of FO support programmes.

6.1. **FO participation and role in the AgSSIP**
6.1.1. The participation of FOs in the design of the AgSSIP

There are two phases and two types of participation in AgSSIP design.

In the first phase, some FO officials, especially export-oriented FOs and/or those that are strongly attached to the government (GNAFF), were, as representatives of the private sector, put at the centre of the project design process by participating in the steering and coordination of preparatory studies.

Nonetheless, this form of ambitious participation that deviates from common practices was difficult and did not produce the expected results. Though FOs had a national structure, their representativeness was limited to that of farmers belonging to a rather well-to-do group of farmers and/or with a loose link with the grassroots. In fact, even though their participation was powerful, they could not really represent the farmers’ movement and the interests of all farmers (especially the poorest). In addition, these actors did not seem to have been sufficiently supported in the execution of this new task to enable them build up a real coherent and articulated programme proposal for FO enhancement nationwide.

In the second phase, FO participation as seen during an expert mission was weaker in the sense that, although more grassroots FOs were consulted, they did not take part in the steering of the design process. They also seemed to have been consulted swiftly, without really having the means to interact at length with the teams responsible for studying the project, nor make real proposals.

6.1.2. FO participation in AgSSIP implementation

The participation of actors in laying down project implementation modes occurred during the drafting of the procedures manual. In a whole, it entails consultations to amend documents drafted by State services. It is difficult to assess to what extent the participation of these actors in consultation workshops really led to the consideration of the interests of producers. Based on the testimonies of participants, it could be considered that conditions were not favourable for FOs to make proposals: documents to which they were to react were presented to them only during the workshops, participants invited to the workshops were very little informed about the content of the documents and the stakes of the discussions and made their points of view “spontaneously”, thereby limiting their capacity to react and the representativeness of their stance. Also, the documents presented were generally technical and not always easy to grasp.

6.1.3. Place and role of FOs in the implementation of the AgSSIP

The programme contributed to setting up many structures within which farmers or FO representatives are represented. This no doubt leads to granting farmers a voice in designing research topics, guiding extension subject matters and managing funds granted them. This participation seemed to have been appreciated and acknowledged
by other State research and extension actors and brought about some concrete results (case of research, see supra 0).

Nonetheless, farmers and FOs are still a minority in all the structures set up. As such, even in the management of funds devoted to them (FBOF) at the local level, their representation remained weak as compared to other case studies (Senegal, Burkina Faso and Uganda) since in Ghana, they represent barely 3 out 7 members while in the other programmes or projects such committees are made up exclusively of FO representatives. It should however be pointed out that the grassroots FOs interviewed on this (low) representation said they were satisfied because the participation represented a breakthrough with regard to previous systems and because they consider that the presence of State workers was a means to moderate conflicts of interests between the grassroots groups.

Furthermore, farmers’ representatives within the structures did not have any legitimacy founded on the farmers’ movement. In effect, in the structures (National Board of the FBOF, District Steering Committees of the FBOF ...), the choice of representatives was made by MOFA through its agricultural extension department.

6.2. Preliminary lessons
An analysis of the AgSSIP design and implementation process makes it possible to draw a few preliminary lessons for the execution of FO support projects.

6.2.1. The integration of an FO support component is an innovation in agricultural service support projects

⇒ The integration of an FO support component within agricultural service support projects is an innovation that opens up discussions on the role of FOs, furthers the perception of other institutional actors on the role of such collective actors and creates new opportunities for grassroots FOs.

Though none of the FO support activities provided for in the programme was implemented, many achievements may be pointed out at this stage of the project:

* An innovative principle highly appreciated by institutional development actors
The FO support theme within the context of this agricultural services support sector programme is an innovative theme that seems to attract the interest of other institutional development actors (State services - research and extension, farmers’ banks, donors, etc.). Including this theme in an agricultural service support project made it possible to open up debate on the role of FOs in defining research subject matters, in determining extension aspects and more generally in the country’s agricultural development. Surveys conducted show that the different actors are more
and more aware of the importance of organising the rural world and the emergence of new forms of farmers’ organisations.

* Early change in field workers behaviours

The start of project implementation reinforced links between DOC and DAES field workers in taking FO movements into consideration. Though workers complain of the lack of means (often real), misunderstanding of options taken by the project and have sometimes limited knowledge of FOs, they seem motivated by the search for solutions to boost their development. However, they still consider farmers as people to be trained rather than real partners.

* New opportunities for enhancing grassroots FOs

Whether through the FBOF or the EDF, the AgSSIP constitutes a real opportunity for existing grassroots FOs to obtain means needed for their capacity building.

Furthermore, although both Funds have different duties, the first targeting FO support and the second private service providers, their institution in the same districts is an interesting experience as it offers a dual opportunity for the FOs either to solicit external support (contract financed by the FBOF) or directly enhance their capacity to provide services (funding by the EDF).

On this latter point, though it is not possible to perceive the effects of the major instrument (FBOF) provided for FO enhancement, some issues may be raised on the capacity of grassroots FOs to benefit from the mechanism and on the quality, relevance and level of innovation of projects to be proposed by FOs.

In effect, with the FO eligibility criteria and the formalisation requirements in terms of project design entered in the FBOF procedures manual, one may worry about the number of grassroots FOs that would actually be capable of submitting projects that meet the requirements. Just like in the case of the VIP, difficulties in designing projects may lead to a low number of final proposals and under conditions of the strong will to disburse funds, lead to accepting projects based on the eligibility criteria only rather than their real interest for FOs.

Furthermore, though we should not question the basic principle that the FBOF must meet the needs expressed by FOs, one may also worry over the capacity of FOs to assess their situation and find relevant and creative solutions to their problems. Interviews conducted during the mission show that grassroots FOs do not always have a clear vision of the strategy to be adopted and possible solutions to be implemented due to lack of information, or that they are tempted to reproduce preconceived models without prior analysis and without reflecting on the conditions of adapting them to their situation and/or all their implications, or that they are tempted to propose what they deem acceptable with regard to other projects they had known instead of expressing their real needs. There is also a risk of implementing projects designed without a
prospective vision, that are not innovative and/or ill-adapted and unable to bring a sustainable solution to farmers' problems. This risk is particularly real as at this stage, FOs informed of the forthcoming establishment of a Fund devoted to them did not often have any relations other than DOC and DAES, which, although showing a real will to perform their duty of facilitators in the emergence of the project, seemed generally to be proposing relatively stereotyped solutions in terms of type of enhancement (audit, accounting, …) and intervention modality (training).

In order to reduce such risks, special emphasis should be laid on support to such FOs in project design (training, designing of a strategic project), on attendant approaches used by facilitators as well as on the creation of a forum for the exchange of information to keep them better informed on the activities of other institutions, their functioning, their agendas and to enable them exchange with other organisations.

Furthermore, apart from risks noted in the setting up of the Fund, many avenues for the improvement of the FO support mechanism by the FBOF need to be developed.

It would be necessary to enhance the coordination of the FO support component with rural funding and infrastructure development projects. In effect, as observed during field trips, many grassroots FOs and many of their members face problems of accessing short-term funding and suffer from a lack of local infrastructure (communication means, development, etc.). It would be necessary to better coordinate Rural Financial Service Projects (RFSP) and Village Infrastructure Projects (VIP) with the FO support component (procedure, calendar, support area) in order to provide overall and coordinated support services to FOs and avoid the multiplication of ad hoc groups that are being set up because of funding opportunities offered by the different projects and hindering the construction of solid FOs.

Furthermore, though the procedures laid down for the creation and management of the FBOF are specifically aimed at enhancing grassroots FOs, it would however be necessary to adapt the mechanism to support FOs having intermediary organisation levels. In effect, though grassroots FOs are a relevant “target”, there are also many organisations that have developed intermediary levels of organisation – regional or national. Such organisations that are generally organised around a sector, such as the Cotton growers Association, the Citrus Growers Association, etc. play a major role in improving the production conditions of their members, and may be of key importance in the structuring of FO movements in Ghana. But although one can believe (or hope) that such organisations may benefit from the EDF to build their capacity to render services to their members, the organisations have specific needs in terms of capacity building (network management, more consistent investments, etc.) and their structuring that should be supported.
6.2.2 The significance of a successful consultation and negotiation process during the preparatory phase of the project

The absence of successful consultation and a consensus on the role of the various actors involved in the preparatory phase of the project leads to delays in the implementation phase, and a lack of accountability and ownership of the stakeholders.

The design of the AgSSIP and its FO support component is a long and difficult conciliation process between different visions on the objectives and especially the means for providing FO support. The quality of the consensus reached at the time of project design between the various parties on the prerogatives, role and activities of each is a key factor for the success of the implementation of the project.

* The absence of solid and independent FOs recognised by the State and donor institutions likely to negotiate a programme of that magnitude and the difficulty to reach a consensus

The absence of a structured umbrella organisation representing its grassroots and having a proposal capacity and a strategy constitutes a real difficulty for Ghana for the actual institution of consultation between FOs, public services and donor institutions in programme design and implementation. This “low” level of initial organisation brings to the fore the difficulty to make strategic choices: who to support and how to go about it. In effect, this state of affairs exacerbated the strong divergences in viewpoints between the two main stakeholders in the negotiation around the project design, the government and its agencies on the one hand, and the World Bank on the other hand, concerning the type of approach to be adopted (target support to existing organisations or open support to grassroots FOs to initiate a new movement), the type of actors to be supported (GNAFF that is strongly controlled by the government and politicised or GCC that appears to have a “more” solid foundation at the grassroots), the type of actors to set up the component (private actor: Focal Institution or State agency: DAES), etc. In such a context, designing a programme requires a long negotiation process to arrive at a compromise.

* Difficult conciliation between the calendar of donors and the necessary consultation time, risks of a non-negotiated FO support project replication

Although the multiplicity of FOs, their lack of prior coordination and know-how in terms of participation in project design render more difficult the instauration of real negotiation in designing projects devoted to them, the imperatives of the calendar of the donor project cycle also constitute an impediment or at least a limiting factor to the promotion of effective co-construction of the programme with FOs. In effect, the will of donors and States to accelerate the process of programme set up led to short-circuiting the reflection and negotiation time and to the many impediments observed in the design
process. In the final analysis, the will to accelerate the process seems to have led the teams responsible for the final design of the AgSSIP to draw a lot from the FO support component worked out in other projects (especially that of the PSAOP of Senegal) designed in other institutional contexts. Although the use of reference to guide the reflection on the design of an FO support programme seems to be useful, it appears indispensable to work out a process of adaptation, consultation and negotiation aimed at reaching a consensus or at least a compromise in the national context.

The absence of such a phase before the start of the project led to strong misunderstandings (all the more as a participation process, though perfectible, had been initiated with FOs and public institutions). In addition, the absence of initial consensus and clarification of the roles of each actor led to an absence of accountability: each of the various actors (PPMED, DAES, DOC, GCC, CC, etc.) refusing to take responsibility of implementing the project. This lack of ownership led to the slowness and even the hitches observed in the execution phase.

It is therefore worth pointing out the need to take off the time necessary and sufficient for negotiating and defining the roles of each actor before implementation and avoid discontinuity in the project design process. In effect, real consultation with FOs is a learning process that demands time and outright commitment. It is therefore necessary to take time off for such consultation before starting off the project. In addition, although the lessons and principles learned from the FO support projects executed in other countries (such as the PSAOP of Senegal that served as a reference in designing the AgSSIP FO support component) may be used for reflection, the adaptation of action principles and modalities should be negotiated locally among the partners.

Against this backdrop, it appears necessary to design preparatory programmes of smaller magnitudes for FOs, at least in the preparatory phase of major projects like the AgSSIP. In effect, faced with the difficulties encountered and especially related to the multiplicity of FOs and their lack of organisation, it would be necessary to implement prior targeted and specific FO projects. To this end, many operational openings could be envisaged. On the one hand, like in the case of the AgSSIP, the first phase of APL could have been devoted to testing the approach. In the final analysis, this is where the project is currently driving at two years after it was launched. After wanting to set up a mechanism to cover the whole country, the project finally concentrated on a few districts (12 in the entire country). Nonetheless, it would have been preferable to plan this from the onset in order to avoid contradictory announcements that further the frustrations and lead to the weariness of local workers responsible for informing the local people. On the other hand, other types of World Bank funding such as Learning Innovation Credits (LIC), with smaller amounts and lesser study modalities, may be sought to test an FO support approach, to test its tools and effects upstream and irrespective of the design of a major sector programme.

Lastly, collaboration with other donors (bilateral cooperation) with more flexible funding
mechanisms (subvention possibility, lighter study modalities, etc.), may be sought to implement test programmes or preparatory programmes targeting the prior development of the organisations of the country or, at least, initiate a reflection to lay down a shared vision of existing FOs in the country on the type and modalities of support needed for their enhancement.

Furthermore, no matter the preparatory form retained, before designing an FO support project, it is necessary to carry out a **complete assessment of the initial situation of FOs** with the aim of better appraising their strategic project and their difficulties and couple such analysis with an institutional analysis of all the actors concerned (their expectations and their will to act). The assessment should in addition strive to verify the capacities and will of the FOs to actively participate in the study, in view of real participation of the FOs in designing the support project concerning them.

Lastly, when initial consultation is conducted and FOs are associated in same, it is necessary to equally improve support to private actors and FOs during the preparatory and negotiation phase of project design. As such, when studying a project and its negotiation with donors and other institutional actors needing specific skills, it is necessary to **provide specific support to FOs that are stakeholders in the project design** so as to help them make proposals and hold a strategic reflection with their grassroots. To this end, recourse to support from other donors with more adapted funding and intervention modalities (technical assistance) seems necessary.

Faced with the difficulties encountered in project design and implementation due to the absence of an umbrella organisation, it would be necessary to wonder about the need to encourage the **emergence of a new umbrella organisation**. In effect, although GCC seems to have been chosen by the project as umbrella structure to be enhanced because of its residual roots in grassroots cooperative movements, GCC seems to be a structure unknown to grassroots FOs, with very few members, does not organically represent non-cooperative organisations that currently constitute the greater part of FOs and has in addition a negative reputation vis-à-vis these FOs. It would indeed be more appropriate to conduct a reflection among existing FOs on the constitution of new apexes and/or a platform of representation for the various types of existing FOs (and not cooperatives alone).

### 6.2.3. The importance of information exchange and coordination among project managers

- Exchange of information and coordination among the various project managers is crucial for accountability purposes and implementing an FO support project. Project implementation (production of procedures manuals, installation of management structure) is a process that allows for initial dialogue between FOs and State services.
Apart from the discontinuity in the study process and the absence of a mutually accepted pattern for the distribution of each one’s tasks and responsibilities prior to project implementation, project execution suffered from a lack of communication among the actors and information on the role expected of each in the project right from the beginning of the implementation phase. In effect, the major project management bodies (GCC, CC, DAES and DOC) of the component deplore the lack of information from the start of the project on the effective role they were called upon to play and the activities incumbent upon them. As such, they had difficulties in designing their project: the CC and GCC thus defined identical items in each of their respective programmes of activities. Apart from these problems of redundancy, the absence of regular meetings on the progress of the project\textsuperscript{15} and the expectations reduce these actors’ feeling of responsibility and belonging to the process.

Though the project suffered from a lack of consultation and negotiation during programme design, the production of procedures manuals enabled the institution of initial dialogue between FOs and State services. As such, definition of the procedures manual for the setting-up of the FBOF provided the opportunity, through working sessions and consultations, to continue negotiations on the objectives and the approach to be adopted and that was not done beforehand (type of FO to be supported, type of governance, role of support institutions, etc.) and start off discussions with new FOs not involved in the initial consultation conducted during project design.

However, though tentative dialogue may be restarted around the concrete aspect of implementation, it would be necessary to resolve the problem of clarification of responsibilities to enable better ownership of the FO support component. In effect, though right from the start of the project implementation of the FO support component suffers from a lack of clear-cut and consensual distribution of responsibilities between the stakeholders (PPMED, DAES, DOC, and GCC), it would appear the confusion on the responsibilities of these different institutions for the implementation of the project was compounded by the appointment of an FBO desk officer at PPMED responsible for setting up the FBOF. It appears necessary that a specific consultation on this issue be carried out by a worker co-opted by the different partners in order to organise mediation. Such mediation should be aimed at working out a concerted decision that would be validated by the general project coordinator.

In addition, it would be necessary at this juncture to resolve the problem of coordination, to better inform the various stakeholders and encourage exchange of information between them. Though this is an aside to the current exercise of capitalisation on FO support programmes, the problems of coordinating activities and information have been highly discussed by the stakeholders of the programme, especially those involved in the FO support component, during interviews conducted in the course of the mission. This problem, which was highlighted during the final

\textsuperscript{15} It should especially be underscored that the AgSSIP steering committee, the National Programme Advisory Committee, has never met since the start of the project.
restitution meeting at the end of the mission, calls for rapid response from the project steering unit, as participants were against the holding of more regular information meetings between PPMED, the project steering unit, and the various project management structures.

Finally, it would be necessary to **provide farmers’ representatives in the structures set up by the project with means to directly inform other members of the farmers’ movement.** In order to enhance the role of farmers assigned to various FBOF steering units, it would be necessary to provide them with means and support to enable them inform and consult the representatives of other farmers’ organisations. This would make it possible to guarantee the quality and representativeness of their intervention, and may contribute to reinforcing (initiate the start of) a feeling of FO ownership of this component.

### 6.2.4. The complexity and magnitude of the project and actors’ ownership difficulties

The complexity and magnitude of programmes like the ASIP are not favourable to the rapid realisation and strong ownership by actors.

To the eyes of the stakeholders of the project, it is clear that the size of the project renders difficult a feeling of belonging to the programme on the part of FOs. Furthermore, adding of the FO component to such a programme, if one can recognise the need to propose a global vision, is equally a source of slowness. In its design and implementation, the FO component is tributary to the overall project design and implementation pace. In effect, while the programme was to be implemented, the January 2001 change of government and Ghana’s integration to the Heavily Indebted Poor Country Programme that led to the formulation of the Food and Agriculture Sector Development Programme (FASDEP) brought about a delay in execution (delay in signing the loan agreement, freezing of the programme during the review of strategic frameworks by the government). Such delays point to the difficulty in conducting targeted projects on FO support within the context of such large projects where many stakes may come to slow the implementation of targeted activities. Furthermore, the number of components for which the same actors are involved within the context of such a project (e.g. the DAES involved in institutional reform, the FO component, DAES reorganisation, the setting-up of the FBOF and EDF) renders more complex the understanding of activities and specific expectations of the FO support component. In the final analysis, recourse to targeted FO enhancement projects coordinated with agricultural services reorganisation projects would help preserve the interest of global approaches while at the same time avoiding the complexity and difficulties inherent in the design and implementation of large projects.
6.2.5. The interest of involving many donors

The involvement of many different donors makes it possible to improve FO participation in the design and implementation of support programmes that concern them.

Through the plurality of approach and their complementarity in terms of modes of funding and tools, the involvement of several donors in FO support programmes is a factor conducive to better FO participation in the processes and in the implementation of FO support projects. In effect, they may contribute to enhancing FO participation (e.g. consultations funded by DFID to promote discussion around FBO procedures manuals), contribute to methodological support (e.g. GTZ for the holding of workshops), provide counselling and play the role of moderator (the role of CIDA in the Board of Trustee of the FBOF), or complement the support of some actors (CLUA and USAID with GCC and CC).

The emergence of a consultation platform among donors for reflection on FO support would be an avenue for the enhancement of possible synergies.
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