

REFORMING AGRICULTURAL SERVICES IN PARTNERSHIP WITH THE PRODUCER ORGANIZATIONS

LESSONS OF THE AGRICULTURAL SERVICES AND RURAL PRODUCER ORGANIZATIONS PROGRAM (PSAOP) IN SENEGAL

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Introduction

1. The Agricultural Services and Producer Organizations Program (PSAOP) implements indispensable institutional reforms so that organized producers work in partnership with the agricultural services (research and extension) in a coherent regulatory context implemented by the Ministries of Agriculture and Livestock. The partnership sought requires that: (i) agricultural services be accountable for their results to the organized producers, among others; (ii) the capacities of all the partners, including those of the producers, be strengthened, and; (iii) the oversight Ministries focus on their governmental monitoring, inspection and policy development functions.

2. Contrary to the preceding research or extension programs funded by the Bank, in addition to strengthening the offer of services, PSAOP is also intended, and this is its innovative aspect, to strengthen the demand for services: the strengthening of the capacities of the producer organizations through a component managed by the producer organizations themselves.

¹ Mari Helene Collion was the former PSAOP TTL and Leopold Sarr took over from her. The four of them were involved in project preparation and supervision.

The context in 1996, during startup of preparation for the PSAOP

3. **An agricultural sector in crisis.** The average annual growth rate in agricultural production regressed (– 0.5 % for the 1988-1996 period), the real value of cash production per rural inhabitant dropped from 40,000 F CFA in 1960 to 12,000 F CFA in 1996 (Belières 1999²). According to a World Bank study conducted in 1991/1992, 40% of rural households are below the poverty line. The strategy of rural inhabitants is to secure cereal production for their own consumption and to look for monetary revenues outside of agriculture.

4. **Reinforced decentralization.** The first rural communities and the elected Rural Councils were established in 1972 with responsibilities for environmental issues, local development planning, community infrastructure and facilities. This decentralization was reinforced beginning in 1996 with the creation of the Regions and of the elected Regional Councils. With the support of the Regional Development Agencies, formed of technicians from the decentralized ministries, the Regional Councils are responsible for regional development. The non-decentralized ministries, like the Ministries of Agriculture and Livestock, will be deconcentrated³.

5. **Organized producers at the national level.** Since the 1960s, Senegalese farmers and herders have organized themselves in cooperatives and associations, some of which would subsequently unite at the regional and national level. In March 1993, nine national producer federations created the *Conseil National de Concertation des Ruraux* (CNCR) whose objective is: (a) to encourage dialogue, reflection and shared experience concerning major issues of rural development in order to strengthen the unity of the farmers' movement and association federations; (b) to represent farmers' identity and producers view point with the Government and external or domestic partners; (c) to contribute to the promotion and the sustainable development of family farms.⁴

6. **Producer organizations and the rural poor .** Rural producer organizations (RPOs), whether they are legally registered or informal, constitute a formidable intervention mechanism capable of reaching the vast majority of rural families. A reference survey conducted in 2002 in 250 villages (representative sampling) shows that 67% of rural households are members of an organization: 73 % of the participating households belong to the category of the poor in their villages. The survey also reveals that 57% of households benefited from PO services: 71 % of the beneficiaries belong to the category of the poor in their villages. The survey also shows that the very richest and very poorest and marginal people participate and benefit less, the poorest having probably too few assets to invest profitably.

7. **Poorly performing Bank investments in the agricultural sector.** Three projects form the antecedents of PSAOP: The National Agricultural Research Project, the National Agricultural Extension Project and the *Small Grassroots Development Projects Project*.

- *The National Agricultural Research Project Phase 2:* the Senegalese Agricultural Research Institute (ISRA) already benefited from two Bank projects to: (i) regionalize and change the institute's bylaws for greater management autonomy; (ii) improve program planning, monitoring & evaluation to respond more effectively to producer needs; (iii) improve administrative and financial management; (iv) improve research station management. Regionalization allowed researchers to work closer with producers. However, producer participation in defining the

² Belières Jean-François. Impact of the structural adjustment on irrigation farming of the Senegal delta, 1999, p. 38-39.

³ It is necessary to make a distinction between decentralization and deconcentration: decentralization involves the transfer of powers and responsibilities to elected entities at the various levels or even to the civil society or the private sector. Deconcentration means that the Government services operate from units situated at the regional and local level, but remain under the authority of a central administrative entity.

⁴ CNCR web site <http://www.cncr.org>. Ten other national federations have joined the CNCR since its creation.

research activities remained ad hoc, dependent on certain researchers being committed to research and development. The formulation of the content of the programs was not discussed between organized producers and ISRA. As for administrative and financial management and management of the stations, they were still not satisfactory.⁵

- *The National Agricultural Extension Program (PNVA)*. PNVA was implemented through various government agencies. PNVA tried to improve linkages between research and extension, and to promote common participatory approaches. PNVA was judged unsatisfactory both by the Project Completion Report and OED for two reasons: (i) the producers who did not have access to agricultural inputs found the technical recommendations of little use; (b) extension was based on “contact groups” established by the field advisors without taking the existing formal or informal organizations into account; (iii) PNVA was implemented by multiple entities whose primary vocation was not extension. A common participatory approach proved difficult to implement, and the field advisors had other activities in addition to extension. (OED review of ICR, August 3, 1998).
- *Small Grassroots Development Projects Project*. This project, approved in 1989 and first implemented by the ministry services, was suspended in 1992 due to problems tied to financial management and to the less than transparent selection of micro-projects. In 1996, project implementation and management were entrusted to the *Association Sénégalaise pour la Promotion des Petits Projets de Développement à la Base (ASPRODEB)*, an association created by the producer federations, members of CNCR and the National Association of the Presidents of Rural Communities (ANPCR). With this new management, the project was brought to a satisfactory conclusion. With ASPRODEB, rural producers endowed themselves with an administrative and financial instrument that proved itself and was recognized by the Government and the World Bank as capable of managing public funds.

The Agricultural Services and Producer Organizations Program (PSAOP).

Preparation

8. In July 1995, during the midterm review of the National Agricultural Research Project II, research and extension managers and the leaders of CNCR reached an agreement with the World Bank team concerning the necessity for a new approach, in light of the rather unsatisfactory results of the projects in progress. In January 1996, the new director general of ISRA submitted for discussion his vision of a national support system for the generation and dissemination of innovation, developed with the participation of CNCR and based on an institutionalized partnership between research, advisory services and the rural producer organizations. Rural Producers were to become partners who participate in defining agricultural policies and programs and in the governance of services. They were also to become the customers of these services and, in certain cases, service providers themselves. These new relationships were to be supported by mechanisms and procedures that make the services statutorily accountable for their activities to the producers, among others. It was therefore necessary to reform the existing institutions or to create new ones, while strengthening the capacities of all the partners, including those of the producer organizations, to work in this new institutional context.

⁵ *Stock taking of the Second Agricultural Research II Project that was completed in 1996 highlighted the poor performances of ISRA (Institut Sénégalais de Recherches Agricoles) in spite of heavy investments since the mid-1980s, with two successive Bank and two successive USAID-funded research projects.* From the agricultural source book.

9. It took three years to reach an agreement on the content of the Program, but also so that the Senegalese Government could make the sometimes difficult political decisions to establish the institutional context, among others: (i) the dissolution of a regional development agency, SODEVA; (ii) the creation of the National Agency for Agricultural and Rural Counsel (ANCAR); (iii) the liquidation of ISRA's debts; (iv) the creation of the National Agricultural and Food Technology Research Fund (FNRAA); (v) the inclusion in the State budget of the fixed operating costs for the research institutions; (v) the decision to implement the deconcentration of the Ministries. During program preparation, the World Bank team also developed new disbursement tools with the producer organizations and the Senegalese administration to allow producer organizations to access Program funding (Subproject Management Manual for the Producer Organizations Component).

PSAOP strategy

10. The World Bank, alongside the Government and the Senegalese producers, agreed to assist institutional reforms implementations over a period of ten years, through the use of a new instrument, the Adaptive Program Lending (APL). PSAOP is structured around three pillars:

- recognition by the State and the World Bank of the producers and their organizations as full-fledged partners, and agreement to transfer public resources to them (part of the IDA credit) for capacity building at the local, regional and national levels;
- accountability of the agricultural support services to producers with: (i) governance bodies in which producer organizations and the private sector are represented; (ii) work programs implemented through contracts with producers and other customers.
- devolution and refocusing of the services of the Ministries of Agriculture and Livestock concerning coordination, arbitration and inspection, monitoring and agricultural policy development.

The five components of PSAOP

11. *The National Agricultural and Food technology Research Fund (FNRAA)* is an instrument for funding research activities. It aims to promote an agricultural and food technology research system that meets the demands of producers and makes optimal use of the human and physical resources available in the country. FNRAA disassociates the funding for research activities from their execution; it encourages synergies between the Senegalese research institutions and partnerships with Northern research institutions.

12. *Procedures.* FNRAA has corporate and legal status; it has a small executive secretariat (4 people), a scientific committee composed of 15 researchers, at least six of whom must belong to non-Senegalese research institutions, and a management committee chaired by the President of CNCR; the majority of its members are producer representatives.

13. Research proposals are submitted to FNRAA in two ways: (a) directly by researchers, provided that they are consistent with the programs of their institution, (b) by the users of research results. In this last case, the users submit "research ideas" based on which FNRAA invites researchers to formulate research proposals.

14. The research proposals are first examined by the scientific committee, which makes a selection based on technical and scientific criteria, favoring proposals that bring together scientists from different institutions. The proposals selected are then submitted for approval to the management committee, which approves or rejects them based on the developmental relevance of the research. Once approved, the proposal is the subject of a contract between FNRAA and the proposal's lead research institution.

15. The Senagalese Agricultural Research Institute (ISRA) and the Food Technology Institute (ITA). PSAOP support for these institutions is three-pronged: (a) the establishment of a financial management system that allows to track expenses by research project; (b) the rationalization and even the reduction of research infrastructures and improvement/rehabilitation of the necessary infrastructures and laboratories; (c) improved researcher qualification; and (d) the pursuit of decentralization and the regionalization of research planning around ISRA regional centers.

16. The National Agency for Agricultural and Rural Counsel (ANCAR) was created in March 1997, following the dissolution of SODEVA⁶. ANCAR is an agency in which the government has a majority stake: 51% of the capital is held by the State, 28% by the producer organizations and the rest (21%) by the private sector.⁷

17. ANCAR operates through ten regional divisions that manage the Agricultural and Rural Counselors (CAR). CARs are assigned to rural communities (one counselor per rural community) and benefits from the support of regional teams of technical specialists. With ANCAR, extension gives way to agricultural and rural counseling that concerns not only plants or animals or the plot, but also the agricultural production environment: access to input, organization and market access, etc. CARs no longer simply provide solutions for technical problems. They also help producers get in touch with the services (public or private) or the resource people best able to resolve the problems which are beyond his/her competence.

18. The CAR work program is part of the Local Development Plan for Rural Communities. It is the subject of a contract between ANCAR and the local level producer organizations. This contract is validated by the *Cadre Local de Concertation des Organisations de Producteurs* (CLCOP) (see below).

19. The restructuring of the Ministries of Agriculture and Livestock accompanies the implementation of decentralization. This component supports: (i) the creation of Regional Rural Development Directorates and regional Livestock inspections; (ii) the devolution of the functions assumed by the Ministries' central services; (iii) the strengthening of policy formulation capacities and monitoring and evaluation functions at the regional and national level through support to the Directorate of Agricultural Policies, Analysis and Statistical Unit; (iv) the strengthening of control and regulation functions; (v) the privatization of veterinary and phytosanitary functions, and; (vi) the organization of a certified seed production network with the specialized producers.

20. The support to producer organizations component implemented by ASPRODEB is three-pronged: (i) strengthening of the capacities of the producer organizations at the local and regional level; (ii) a communication program; (iii) support to CNCR.

- (i) Strengthening of producer organizations capacities at the local and regional level is accomplished through two funds: one local, the other regional, accessible to RPOs. The CLCOPs (*Cadres Locaux de Concertation des Organisations de Producteurs*) select RPO sub-projects to be financed in each local community and the *Cadres Régionaux de Concertation des Ruraux* (CRCR), select RPO sub-projects to be financed in each region. CLCOPs and CRCRs are concertation mechanisms of producer organizations. They also serve as an interface between

⁶ SODEVA, Société de Développement pour la Vulgarisation Agricole (Extension Services Agency for the Peanut Basin), a moribund paragonmental structure operating in a portion of the Senagalese territory.

⁷ For the transition to the second phase of APL, ANCAR must become an agency in which the government has a minority interest: the Government should not hold more than 49% of the capital, and the producer organizations and the private sector should become the majority shareholders. When this happens, the Chairman of the board of directors will no longer be appointed by the Minister of Agriculture, and the majority of the members of the board will no longer be representatives of the administration.

producer organizations (RPO) and their technical and financial partners, whether public or private. Project funded NGOs help producers set up CLCOPs.

The two funds co-finance⁸ small local or regional RPO projects, using criteria and procedures elaborated jointly with RPOs, the Government and the World Bank). Three types of actions are eligible: (a) group training and farmer to farmer exchanges; (b) the mobilization of specific advisory services not covered by ANCAR or research; (c) support the implementation of innovations.

- (ii) The communication program is subdivided into: (i) support for communication for RPOs at three levels (rural communities, regional, national); (ii) production of multimedia educational packets for producer training with ANCAR. The program participates in the funding of telecenters and local rural radio stations designed with a business format.⁹
- (iii) Support for CNCR includes funding of: (i) equipment and operation of the technical support unit of CNCR;¹⁰ (ii) training sessions for farmers' leaders; (iii) studies; (iv) a database of RPOs; (v) a monitoring and evaluation mechanism.

PSAOP implementation

21. *A few key figures and dates for the program*

Identification mission	January	1996
Evaluation mission	June	1998
Approval by the Board of Directors	May	1999
Closing date of phase 1 (extended 18 months)	December	2004
Credit amount		US \$ 27,400,000
Disbursed at the end of January 2004		US \$ 16,000,000

Table 1. Preparation and supervision costs for the project (in rounded US dollars)¹¹

Source of Funding	Preparation costs 1996-99	Total costs of Supervision and mid-term review (FY00-03)	Average annual cost of supervision
BB	560,000	449,000	112,000
BB-FAO	400,000 ^a	312,000	78,000
Trust fund	70,000	70,000	
Total	1,030,000	831,000	190,00

^{a/}Including the funds committed by the FAO to prepare the reform of the Ministries

⁸ PO participation varies between 10% of the total cost of the sub-projects for training activities and 40% for the specialized technical support sub-projects.

⁹ The program funds 50% of borrowers' personal investment contributions as well as the operating costs of each unit for two (2) years.

¹⁰ which includes a coordinator, a communication specialist, a research and development specialist, secretarial staff, accountant, drivers and operating expenses

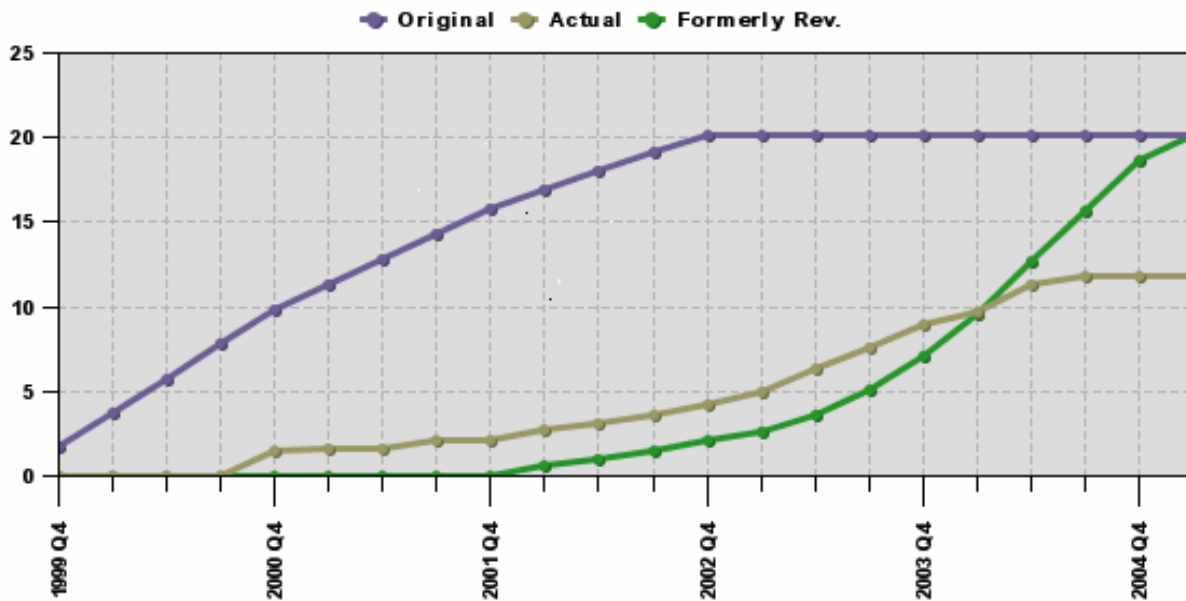
¹¹ From project portal

22. The preparation costs for the PSAOP are high: \$1,030,000, including \$560,000 from the Bank's budget. Supervision, including the mid-term review, will have cost an average of \$190,000 a year, including \$112,000 from the Bank's budget. These amounts are higher than what the Bank allocates on average to prepare a project (\$350,000) and to supervise it (\$75,000/year). It should be noted, however, that the PSAOP is an innovative project consolidating four "classic" projects combining research, extension, the RPOs and the Ministries, which required the mobilization of diversified expertise. The preparation and supervision budgets would have been much higher if we had designed four separate projects.

23. The supervision budget allowed only one full supervision mission a year, with specialists from each component. That was not sufficient to pursue the in-depth reflection begun between the World Bank and its Senegalese partners during program preparation. Quite fortunately, this deficit was offset by continuous general monitoring from the Bank's Dakar office, thanks to the reinforcement of the Bank's team in Senegal and to the transfer of the program leadership to one of the team members.

24. At one year from the closing date, which was extended by 18 months, disbursements have not yet reached 60% of the funding available. The preparation team over-estimated the capacity of Senegalese institutions to establish the reforms and to award contracts, especially since the Program did not include any project management unit, and only increased the capacities of each of the institutions involved in the Program to implement its own component. On the other hand, we note an acceleration of the disbursement rate as the institutions become operational.

Changes in PSAOP disbursements



The results of the PSAOP, one year before the end of the first phase

25. At the time of the mid-term review (October 2002), most of the first phase objectives had been achieved. Thanks to the extension of the first phase, each component was able to conduct all the reforms envisioned, at its own pace, thus increasing its ownership of the reforms and retaining the overall coherence of the Program.

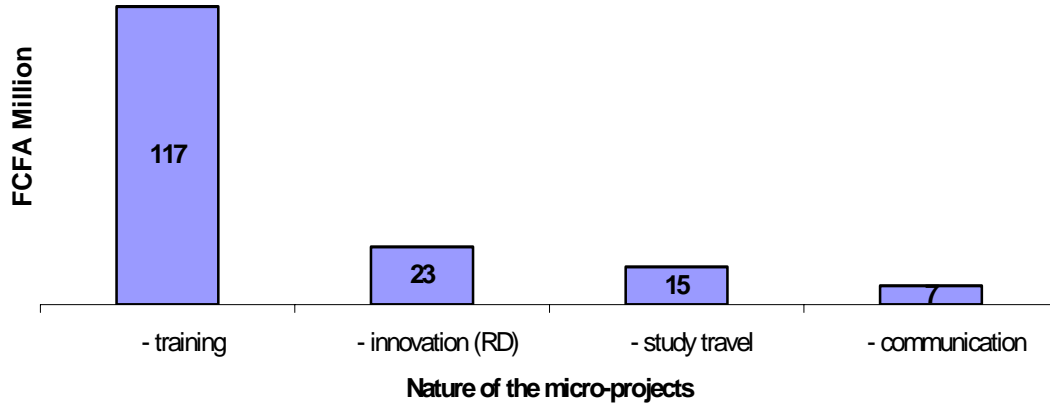
The Producer Organizations component

26. On December 31, 2003, 136 rural communes out of the 142 projected at the end of the first phase had local RPO concertation frameworks. At the regional level, the regional concertation frameworks are operational in 10 regions. The great majority of these concertation frameworks have existed for less than a year, which explains why only one third of the funding (318 million FCFA out of the 900 million available for this category) was disbursed to fund 372 small projects, essentially for training (cf. graph). This slow disbursement at the start is standard in all *Community-Driven Development* projects where it is the beneficiaries (here the producers) who prepare their proposals to access the funding, organize themselves to decide on allocations and manage the disbursements. However, the use of funds should accelerate with the CLCOPs and CRCRs becoming operational . It should reach at least 70 to 80% by the end of 2004.

27. An analysis of the micro-projects presented by the RPOs showed that their technical and economic content is weak. The RPOs can only ask for what they know. They get inspiration from actions provided by other projects, with more or less success. It may be that the RPOs lack suitable technical offers (from research in particular) and professional support, for the formulation of sub-projects. They need support, beyond the training, to conceive of and initiate productive activities and to identify markets.

28. We also note that to increase the value of the training provided, POs need to make small productive collective investments (a well or a fence around a collective garden, lowland development and/or watershed management etc.). The current funding, focused on training, does not allow them to do this. (See Graph below)

**Distribution of the RPO micro-projects
as of 12/31/03**



29. The CLCOPs also serve as concertation mechanisms between the elected Rural Councils and the RPOs and between the RPOs and the development services and/or the other projects. The CLCOPs validate the work programs of ANCAR Agricultural and Rural Advisors. It is through the CLCOPs and the CRCRs that CNCR has consulted producers on subjects as the Agricultural Orientation Letter and to develop their land reform proposals.

30. The regional RPO concertation frameworks are recent. The construction of an institutional partnership between the RPOs, the Regional Rural Development Agencies, the research and advisory institutions and the Regional Rural Development Directorates is to be pursued and consolidated in a context where the political stakes are high.

31. At the national level, CNCR has become an interlocutor of the Government and of all those who want to become effectively involved in the rural sector. It participates in the elaboration of any program tied to agricultural development or to livestock, as well as in the development of agricultural and rural policies, such as, for example, the development of the Agricultural Orientation Letter, land reform, the reform of the peanut sector and the privatization of parastatal companies like SONACOS (peanut processing company). It publishes an informational bulletin regularly. Several federations have been the subject of an institutional diagnosis, followed by a restructuring plan submitted for funding to different partners. Under the aegis of the Ministry of Finance, CNCR recently finished a detailed study proposing concrete methods for setting up and operating a National Rural Development Fund that would fund research and agricultural counseling, among other things. The partnership between producer organizations and agricultural services has become a benchmark. Between 1999 and the end of 2003, CNCR received delegations from producer organizations and agents of the Ministries of Agriculture and agricultural services of Ivory Coast, Mali, Burkina Faso, Mauritania, Kenya, Uganda, Tanzania, Guinea Conakry and Madagascar.

Principal achievements

- ❑ *The producers are capable of formulating policy proposals. They are recognized as key partners of the public services and of their administration at the local, regional and national*

levels. They routinely participate in the elaboration of rural development programs and agricultural policies, whether or not they are affiliated with an umbrella organization that is a member of the CNCR.

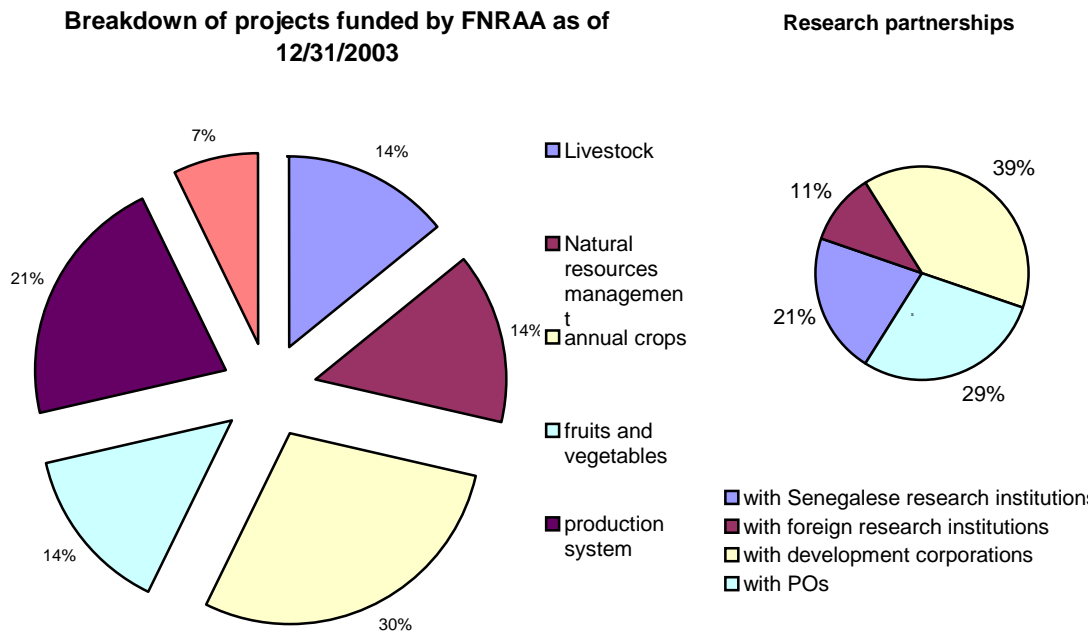
- ❑ *CLCOPs, CRCRs and CNCR constitute concertation spaces for rural populations at the local, regional and national level and effective interfaces between the producers and the elected Rural Councils for everything concerning the management of public affairs; and between the producers and the development services and other projects in the agricultural sector.*

Still need strengthening

- ❑ *The technical and economic content of RPO micro-project proposals.*
- ❑ *Local and regional RPO access to funding to help make productive collective investments to enhance the training provided and contribute to poverty reduction.*
- ❑ *The CRCRs (regional level) still need support to become spaces of concertation that are as effective as the CLCOPs.*
- ❑ *Establishment of and support to CLCOPs in the remaining rural communes.*
- ❑ *Institutional reinforcement of the federations.*
- ❑ *State/producer negotiations to set up the National Rural Development Fund.*

Research and its funding

32. FNRAA has funded 14 applied research projects since its creation: 13 research and development projects and 1 strategic research project for a total of 1.566 billion FCFA, or 80% of the projected budget. The research projects funded are diversified and, in more than two-thirds of the cases, executed in partnership with development agencies and/or RPOs.



33. All ISRA research programs are carried out through 80 research projects (including 19 with FNRAA funding), for a total of about \$ 13 million, and involve 23 agreements with foreign universities or with international or Northern institutes. Likewise, ITA carried out some twenty research development projects, 8 of which were funded by FNRAA.

34. FNRAA lacks research proposals, and a number of those it receives are rejected because they are mediocre from a technical standpoint: incomplete analysis of the problems and lack of research strategy for dealing with them. The best researchers are often already involved in agreements with the donors who selected them to implement their research projects. This raises the problem of extending FNRAA funding to donors other than the Senegalese Government and the World Bank.¹² FNRAA must convince new donors that it is not only capable of a rigorous selection of research projects and of managing the funding with professionalism, but also of guaranteeing the different donors control and monitoring of their funding managed by FNRAA.

35. Furthermore, many of the best researchers have left ISRA and ITA for more attractive jobs with international or bilateral institutions or with NGOs. The two institutes had no hiring or training strategy, due in part to the State's uncertain budgets. This is changing with the PSAOP, since the State funds the institutes' fixed costs; however, good research teams still need to be built.

¹² one of the conditions for moving to the second phase of the program is that at least two donors are involved in the FNRAA.

36. The institutional future of FNRAA is resolved. Its status as a Public Interest Association allows it to continue to receive funding not only from the State, but also from other donors.

Principal achievements

- ❑ *FNRAA is an independent funding agency supporting a research system in which the researchers are accountable to their customers for their results and work in partnership with researchers from other institutions, development agencies and even RPOs.*
- ❑ *Proposals from producers are elicited through calls for proposals and are effectively considered by the research institutions.*

Still need strengthening

- ❑ *Researchers' capacity to formulate solid research proposals. Solutions are to be sought at the level of partnerships with Northern institutes or International Research Centers (CGIAR) and with a strategy for hiring and training young researchers.*
- ❑ *FNRAA must develop a public relations strategy to make itself better known to other donors and to be entrusted with the management of direct research agreements.*
- ❑ *Harmonization of donor strategies concerning support for Senegalese research.*

The National Agricultural and Rural Counseling Agency

37. The Agency has been operational since the beginning of the 2002 and is effectively regionalized. It works through contractual arrangements, primarily with producer organizations, but also with other local players. The delay in implementation is primarily due to the fact that hiring initiatives had to be cancelled and then resumed, because they had not been conducted competitively nor according to the job description defined with CNCR. The result of the collaboration between CNCR and ANCAR for the hiring and deployment of the CARs in the rural communities is that now collaboration in the field between the CARs and the producer organizations is excellent.

38. By December 2003, ANCAR had established CARs in about 140 rural communes, the same ones in which CLCOPs were established. During the first two years of its existence (2002-03), ANCAR implemented 62 advisory programs (corresponding to 62 rural communities) through 600 contracts signed between the local RPOs and the regional directorates of ANCAR, and affecting about 33,000 producers through POs. The current contracts involve support for seed production, improved livestock production systems, and technical training and intermediation to assist the producers and their RPOs in marketing their products and/or having access to the agricultural credit. The total amount of the contracts, estimated at around \$ 640,000, including 38% for which the RPOs are responsible, represents 85% of the technical budget of the Regional Directorates of ANCAR. The Regional Directorates of ANCAR also signed 24 partnership agreements with other regional players: NGOs, private companies and miscellaneous projects (ANCAR execution report of January 24, 2004).

Achievements

- ❑ *A decentralized advisory system, working to serve farming in partnership with other service providers.*

- ❑ *The activities of the ANCAR advisors are the subject of contracts with the RPOs. The RPOs indicate their opinion concerning the performance of the advisors to the regional directorate of ANCAR.*

Work remaining

- ❑ *A technical reference framework that the advisors can use, which calls for a better performing research.*

The Ministries

39. As of December 31, 2003, 70% of Ministry of Agriculture personnel had been assigned to Regional Directorates and District level Services. The devolution of the Ministries was therefore effective. The Regional Rural Development Directorates (DRDR) focuses on monitoring, statistical data collection, and control and development of regional and district policies. The Regional Inspections for Veterinary Services are an important innovation. They are responsible for the design, control and monitoring of actions in the field of: (i) protecting the national herd against economically significant diseases; (ii) public veterinary health (diseases transmitted to humans – zoonotic diseases – and food safety - protection of consumers of animal products), and; (iii) trade protection in domestic, regional and international markets. The PSAOP makes sure that these basic actions are adequately carried out by the public sector, with the involvement of the private sector in certain cases (example of the health mandate). The incorporation of the functions concerning food safety as part of the mandate for regional inspections is also an innovation. All the actions for the livestock sector other than those related to sanitary control are handled in an integrated fashion with the actions of the other agricultural sub-sectors under the Regional Rural Development Directorates.

40. At the national level, the establishment of a livestock analysis, monitoring and modeling unit, also an innovation, has strengthened the capacities of the National Livestock Directorate for analyzing the sector (descriptive analyses and especially economic forecasts), and formulating investment projects. The Program also increases the capacities of the Policy and Statistics Analysis Directorate. The results are disappointing here due to this directorate's lack of drive. The limited salaries and the lack of incentives in public service jobs make it difficult to retain high-level professional staff.

41. The Program's decision not to opt for a project management unit with contractual staff, but to increase the capacities (financial and technical) of the Ministries' services explains certain difficulties at the level of Program implementation.

Achievements

- ❑ *Devolution of the Ministry services.*
- ❑ *Strengthening of the control capacities in sanitary matters with the creation of veterinary inspections.*

Still needs strengthening

- ❑ *The Ministry's capacity to formulate proposals concerning agricultural policy and monitoring and evaluation.*

Lessons and conclusions

42. ***An investment over time and in the same direction is necessary.*** The World Bank agreed to support the reforms over time. This commitment was decisive for mobilizing the participation of the national partners and particularly the participation of the RPOs. Eight years have passed since the start of the development of the PSAOP concept. Despite the change in task team leader, Sector manager and Director of Operations, the strategy has remained the same, supported by a multi-disciplinary but homogeneous team from the World Bank.

43. The implementation of institutional reforms and the development of new types of relationships between producers and the Ministry services involve a learning curve for all parties, including the Bank's team, as well as a political process that may take time if we want all the partners to progress together and for the reforms to be sustainable. Unfortunately, this process is not linear; its tempo is dictated by the political context, which itself evolves. By way of example, the change in President and in government in 2000 caused significant delay, because the new Ministry teams had to take over and appropriate the concepts of the PSAOP.

44. ***The producers, empowered with resources available to them for strengthening their capacities for reflection and analysis, are capable of advancing the institutional reforms.*** The World Bank team agreed to work with the existing producer organizations, taking into account their initial weaknesses, and to make resources available to them to allow them. The producers participated in all phases of Program development, from its negotiation in Washington to its implementation, with a component they manage themselves.

45. This empowerment has paid off, first with respect to the institutional reforms: the producers are able to request services from institutions that report to them. Furthermore, reforms of the research and extension institutions, pushed solely by the World Bank or other donors have little chance of success, as the previous projects have demonstrated. Using Program resources, the leaders of the producer organizations have helped publicize the content of the reforms and explain their merits by organizing information sessions at the local and regional level. With resources available to mobilize advisory services, the producers can better prepare their proposals, have significant contributions and make their voices heard.

46. ***The World Bank played the role of catalyst by bringing the public services and the producers together in the same concertation space to set up the PSAOP.*** During the first three years of preparation, the World Bank team facilitated a collective reflection process. The exchange between components occurred above all during the Bank's missions, which were the occasion to bring the partners together and to share their work.

47. ***The interest of local and regional concertation frameworks for the POs.*** The concertation frameworks for producer organizations at the local and regional level are proving to be spaces of counter-power that help structure the dialogue with the elected officials and ensure that the agricultural sector is better taken into account in the planning and allocation of public resources.

48. ***The fund for micro-projects.*** The learning process and the fund appropriation process for the RPOs occurred through the development and selection of sub-projects. The fact that a number of them are not particularly innovative is not a problem at this stage. In the future, however, demand-driven project funding for the producer organizations must be subtended by: (i) an effective capacity for research and public or private advisory services to propose new knowledge or technology or innovative investments ,

and; (ii) the capacities of the POs to complement training projects with the realization of small productive collective infrastructures.

49. *PSAOP costs.* With the learning curve, it is probably possible to reduce the costs, and perhaps the duration of project preparation, but the later is not under the control of the Bank: it is very much related to the social and political context during project preparation and implementation. Time is needed for all the partners to appropriate the reforms, a necessity for ensuring their success and sustainability. The costs to prepare and supervise this type of program are high. They may appear disproportionate considering the amount of the credit. However, they must not be evaluated only with respect to the cost of the PSAOP project alone. This type of investment in institutions and social capital is not project specific. It will serve all the projects implemented in the agricultural sector or the rural space, which will thus benefit from better performing rural institutions. An analysis of the impact of this investment in RPOs capacity building is underway. We will have to wait until 2006, when the second survey should be carried out, to assess the impact in villages where PSAOP is the only program and in villages where PSAOP complements other Bank or other donors' programs.