



## **Cooperative Development Program (CDP)**

**USAID Cooperative Agreement #AID-OAA-A-10-00027**



**Semi-Annual Report for Reporting Period:  
July 1 – December 31, 2012**

**Submitted to:  
Tom Carter  
CDP Program Manager  
USAID**

**Submitted by:  
Hayden Aaronson  
CDP Program Manager  
ACDI/VOCA**

# Table of Contents

<b>I.</b>	<b>EXECUTIVE SUMMARY .....</b>	<b>1</b>
<b>II.</b>	<b>PARAGUAY.....</b>	<b>3</b>
<b>III.</b>	<b>KENYA .....</b>	<b>18</b>
<b>IV.</b>	<b>ETHIOPIA.....</b>	<b>27</b>
<b>V.</b>	<b>TANZANIA .....</b>	<b>33</b>
<b>VI.</b>	<b>DISSEMINATING RESULTS .....</b>	<b>34</b>
<b>VII.</b>	<b>PERFORMANCE MONITORING PLAN.....</b>	<b>36</b>
<b>VIII.</b>	<b>ANNEXES .....</b>	<b>37</b>

*A. Financial Report SF-425*

*B. Gender Integration Tool*

*C. Paraguay Success Story*

# Acronyms

AGP-AMDe	Agricultural Growth Program-Agribusiness and Marketing Development
ATC	Agri-Training and Cooperative Training and Consultancy Services
CCI	Communications Cooperative International
CDP	Cooperative Development Program
CEPACOOOP	Paraguayan Center of Cooperatives
CIM	Inter-American Commission of Women
CLIC	Cooperative Learning Information Centers
CUCOK	Cooperative University College of Kenya
FAO	U.N. Food and Agriculture Organization
FCA	Federal Cooperative Agency
FECOPROD	Federation of Production Cooperatives
GAP	Good Agricultural Practices
GDP	Gross Domestic Product
GFRAS	Global Forum for Rural Advisory Services
ICT	Information and Communication Technology
IYC	International Year of Cooperatives
M&E	Monitoring and Evaluation
NGO	Non-Governmental Organization
PMP	Performance Monitoring Plan
RAS	Rural Advisory Services
RCA	Regional Cooperative Agency
REDIEX	Export and Investment Network
RELASER	Latin American Network for Rural Advisory Services
SENACSA	Paraguayan Animal Health Department
SHG	Self-Help Group
SNNP	Southern Nations, Nationalities and Peoples
ToT	Training of Trainers
UCA	United Co-op Appeal
USAID	U.S. Agency for International Development

## I. EXECUTIVE SUMMARY

ACDI/VOCA's Cooperative Development Program (CDP) aims to improve the governance, management and advocacy capacity of business-oriented, professionally managed, farmer-owned and operated organizations to better meet the needs of their male and female members through market-driven activities. ACDI/VOCA focuses on the institutional strengthening and capacity building of cooperatives to plan for and implement changes that catalyze increased production and sales. Program activities include trainings, technical assistance, strategic management and mentorships to facilitate increased agricultural productivity, strengthened cooperatives and pre-cooperative groups, knowledge and cooperative development learning.

CDP activities in the second semester of Year 2 focused mainly on continuing the implementation of training and technical assistance in accordance with the strategic plans and/or needs assessments of the cooperatives. The project also began to focus more heavily on learning, including working towards the establishment of the Cooperative Learning Information Centers (CLICs). Some of the key themes that emerged during the past six months of project implementation were:

- **Achieving scale and sustainability** of CDP activities requires establishing linkages with the public, private and non-profit sectors and disseminating learning to key stakeholders. While CDP, particularly in Kenya and Paraguay, has had many successes as a result of the technical assistance provided, the programs have limited resources to achieve widespread impact on cooperative growth. As a result, CDP has found that it will be critical to use volunteers and consultants more strategically, such as to test particular methodologies, build capacity of local business development service providers, capture learning and/or best practices, and help the program form strategic linkages with other institutions. Key to this will be establishing and marketing the CLIC to other cooperative promotion agencies.
- **Monitoring technical assistance for impact and learning** – Technical assistance for struggling cooperatives must be provided based on their self-defined needs to encourage ownership over the change process. However, this is not always sufficient for groups to take action on what they learn. CDP is encouraging follow-up after each training session or volunteer assignment with the goal of realizing impact and collecting lessons learned. Where staff resources are limited, this is being done through cooperative promoters, paid either by the project (in the case of Kenya), or the government (in Ethiopia).
- **Gender integration** into cooperative activities is critical since agriculture cooperatives can serve as a mechanism for improving the livelihoods of female farmers, and female farmers can help to strengthen cooperatives. CDP has been working to improve gender integration, and has found that cooperative leaders respond best to the “business case” for incorporating women: more members registered and involved in productive activities, both female and male, means more income for the cooperative.
- **Buy-in from both leaders and members** to the CDP approach is critical to success. Unlike many development programs, CDP does not provide financial assistance. Instead,

ACDI/VOCA works with each cooperative to strategically fill gaps in their capacity. Program staff have continued to face challenges with cooperatives that are not committed to taking the necessary steps to achieve the goals and objectives of their organization. One of the ways that CDP is managing this in Paraguay is by setting clearly defined benchmarks derived from CDP technical assistance. If cooperatives are not able to reach basic milestones than CDP assistance will be scaled back. It is critical that CDP work with and learn from cooperatives that are invested in the organization and have a genuine interest in improving their cooperative's overall performance.

The following report outlines activities that took place in Paraguay, Kenya, and Ethiopia between July 1 and December 31, 2012. Each section describes specific technical assistance as well as pertinent lessons learned and modifications for next steps.

## II. PARAGUAY

### ***1. Introduction***

In Paraguay, ACIDI/VOCA has been implementing CDP for nearly 11 years to improve the ability of cooperatives to increase their members' income through the provision of technical assistance and training to foster sustainable, market-based relationships. The information presented below covers the key activities, events and learning from CDP Paraguay from July 1<sup>st</sup> – December 31<sup>st</sup>, 2012.

CDP in Paraguay continues to focus on the eastern and southern portion of the country and work to provide technical assistance related to the fresh fruits and vegetables, dairy and organic sugar value chains as well as Good Agricultural Practices (GAP). The key thematic issues that the program will continue to address under CDP as a whole are: a) principles of sound cooperative law and strategies to improve the legislative and regulatory environments; b) strengthening cooperative participation and governance; c) planning and information systems; and d) replication, scale and salience.

### ***2. Approach***

The baseline survey CDP Paraguay conducted in January-June 2011 highlighted technical assistance needs for agricultural cooperatives in the areas of revenue generation and cooperative organization. Their main constraints are in the areas of production, processing, all stages of marketing, financial planning and leadership. The baseline survey highlighted that while the cooperative movement is strong, many groups are overextended. Paraguayan cooperatives are often multi-purpose: they take on functions of production and marketing, savings and credit, and other services. For well-managed cooperatives this multi-functionality can be a strength; however, for struggling cooperatives it leads to more problems.

Taking these factors into account, CDP Paraguay works to create sustainable cooperatives, adapt them to market-driven conditions and provide them all necessary tools to be competitive. Through the baseline, CDP identified 16 cooperatives to participate in the project, defined a vision for each and then helped develop a technical assistance program tailored to the cooperative's specific vision and needs. During the reporting period, CDP Paraguay continued providing assistance based on the self-identified needs of the groups.

Because agriculture cooperatives in Paraguay play a crucial role in reducing poverty, improving food security and generating employment opportunities that improve the living conditions for male and female farmers, CDP supports inclusive cooperative development using a gender strategy that is applied across program activities (see below for more details).

CDP Paraguay has also carried forward its successful work with second-tier cooperatives to act as mentors to medium-sized cooperatives and associations that have promising business models but lack the knowledge and skills to sell to regional and international markets. This includes collaborations with the *Paraguayan Center of Cooperatives* (CEPACOOOP), *Federation of Production Cooperatives* (FECOPROD) as well as public entities such as the *Export and Investment Network* (REDIEX), a branch of the Department of Trade and Industry.

### ***3. Volunteer Assignments***

This semester (July-December 2012), seven volunteer assignments were completed. Each volunteer assignment is based on the results of the M3 baseline survey, the cooperative's strategic vision and the jointly-developed action plan that defines CDP's goals. These are detailed under four main areas of technical assistance, below. Please note that the impact from these volunteer assignments will be captured next semester through a qualitative assessment, and included in the next semi-annual report.

#### ***A. Sugarcane Production***

The production and commercialization of sugarcane is an activity of significant importance to producers in Paraguay. Sugarcane also represents an opportunity to increase the incomes of the poor. According to data obtained from REDIEX in 2012, sugarcane exports currently represent only 0.6% of the total annual products exported, however the majority of sugar production in Paraguay is in the form of organic sugar. This brings a premium price, and international demand for organic sugar is growing by over 25% per year.

*Manduvira Cooperative* is focused on organic sugar production and is Fair Trade Certified. It currently exports to Asia, Europe, the United States and Australia. Due to high international demand, Manduvira is currently building its own organic sugar mill.

The estimated impact of the sugar mill on the community of Arroyos y Esteros, in the Cordillera Department, is the creation of 150 new seasonal jobs, 30 permanent jobs and a total of \$4 million in profit when the sugar mill starts running. This, of course, will have a positive economic and social impact on the living conditions of its members.

In order to ensure that the sugar mill will be used at its maximum capacity, and thereby achieve the maximum benefit for the members, CDP provided a consultant volunteer, Henry Liscano, to help the Board of Directors to design training modules for sugarcane producers. The modules were oriented to small sugarcane producers in the Arroyos y Esteros community, with the objective of emphasizing the importance of the rural family's role in the production process. This is because women play an important role in sugarcane production, particularly in crop preparation and harvesting, but it often goes unrecognized. The modules thus aimed to increase women's active participation in the production process, training them in best practices for sugarcane production and harvesting, as well as management of the production.

The modules had a structural dimension with the aim of promoting social organization, strengthening the communities, productive capacity building, sustainable access to services and opportunities for increased income generation. By providing farmers with specialized skills, expertise, coaching and other forms of support, the modules aim to help the cooperative and community to set goals for sugarcane production and determine targets to measure their progress. The modules are expected to be hosted on the CLIC (discussed below) once it is launched.

FECOPROD is a second-tier cooperative institution with the objective of fostering the economic and social development of production cooperatives. FECOPROD also strives to achieve adequate representation of the associated cooperatives' interests within public and private institutions at

the national and international level. FECOPROD is currently comprised of 33 associated cooperatives throughout Paraguay.

Given how rapidly the Paraguayan sugar industry is currently growing, FECOPROD considers it critical to support cooperatives in this sector. In the last ten years or more, small- and medium-sized sugarcane producers have received very little technical assistance related to yield, incorporation of new technologies and improved varieties, better farming practices, competitiveness and technology implementation. This is especially important for organic sugar, since as mentioned above, it brings a premium price compared to regular sugar and international demand has been growing at over 25% per year.

FECOPROD thus requested the support of an ACDI/VOCA volunteer to provide effective recommendations in the design of a project focused on key aspects of sugarcane production such as:

- Improving seed varieties
- Using biotechnology to improve yield productivity
- Identifying qualified technical assistance for an adequate information transfer in regard to production process
- Incorporating a mechanized harvesting system
- Improving financial management

The design and implementation of this project will improve the technicians' and farmers' capacity to adequately manage the sugar crop and will help to significantly reduce some of the constraints affecting the growth of the Paraguayan sugarcane sector. FECOPROD estimates this will increase incomes for cooperative members, benefitting around 3,500 small sugarcane producers in Paraguay.

A CDP volunteer, sugar expert Jackie Theriot, worked with FECOPROD to design the sugarcane project. Mr. Theriot met with the FECOPROD manager, technicians and sugarcane producers to ensure that their inputs, ideas and suggestions were considered in the design of the project. He also visited sugarcane producers' farms in order to provide a first-hand diagnosis of the current production situation.

Among his recommendations, Mr. Theriot emphasized that FECOPROD will need to do the following: a) conduct an economic analysis to evaluate risk factors; b) acquire funding from government and the private sector to implement the program (approximately \$900,000); c) introduce new varieties of sugarcane; d) organize a system for distributing seed cane; and e) provide adequate and proportionate financing to sugar growers.

The next step that FECOPROD will need to take into consideration to accomplish this ambitious project is to start working with stakeholders at different levels to engage them in the planning and future implementation of the project. This will include meeting with the producers to create awareness around the importance of implementing good production practices, so that they will be open to making production improvements with the support of FECOPROD's project. Based on its experience providing high-quality technical interventions in good production practices, CDP



could play an important role in supporting FECOPROD in the implementation of its program, such as helping to conduct a training of trainers.



**Figure 1: Specialist Michael Doherty drinking traditional Paraguayan tea with Citricoop producers and technicians**

*Citricoop* is a newly constituted, small-scale cooperative comprised of fruit producers in the district of Carlos A. Lopez in the Itapúa Department (in the southern region of the country). The main activity of its members is the production of Mburucuyá (passion fruit). *Citricoop* assists its members in selling the fresh fruits, primarily to a concentrated juice company called Frutika, which buys around 90% of the production. While it is imperative that governance and management work jointly to carry out the cooperative business, they require support in focusing their efforts on identifying and achieving specific objectives.

CDP Paraguay supported *Citricoop* through technical assistance provided by the consultant volunteer Michael Doherty. During the assignment, the specialist worked in coordination with Frutika and *Citricoop* to conduct a SWOT analysis and determine key areas of focus for improvements. The key opportunities identified included:

- i. Delivering technical assistance through intermittent meetings or a seasonal, part-time employee, to improve members' field practices.
- ii. Purchasing a dryer to process the Yerba Mate crop and add value to it for sale as a more refined product.
- iii. Bulk purchasing of passion fruit vineyard materials, such as to create trellises.
- iv. Instituting a credit program to help finance operating capital to members, so they could apply fertilizer to their orange trees.
- v. Accessing new/improved fruit varieties so members can sell more of their crop to the higher-quality (and thus higher priced) fresh market.
- vi. Moving into the role of a brokerage service, buying and selling oranges and other produce.
- vii. Becoming a member-cooperative of Colonias Unidas, a large federated cooperative that markets yerba mate under their own brand name.

## **B. Strategic Planning**

A characteristic of the Paraguayan cooperative movement is the lack of strategic planning and its effective use by the majority of cooperatives. Many cooperative directors do not establish strategic planning as a priority and they tend to invest time and resources without achieving concrete results that benefit the cooperative institution. CDP Paraguay works to promote strategic planning as a key tool for ensuring that a cooperative's daily operations contribute concretely to its growth and future success.

Following the identification of these opportunities, Mr. Doherty recommended the cooperative consider the following activities: a) improve marketing contracts (especially clearing up the terms of the contract with Frutika); b) develop an enterprise-specific feasibility analysis business plan; c) hire an on-site general business advisor who can attend monthly membership and board meetings; and d) develop more consistent and timely communication with members.

### ***C. Dairy Production, Nutrition and Sanitation***

In Paraguay the majority of dairy producers implement very traditional milking and hygiene techniques. There is little technical assistance available to help them improve and standardize production, or to increase their production capacity to earn more income.

Added to this, cooperative members also lack knowledge necessary to adequately manage the sanitation and nutrition of their animals and are unfamiliar with proper practices for handling dairy production. Milk producers often show resistance to changing the traditional practices to adopt new techniques that are necessary to meet local and international market requirements.

This semester, CDP Paraguay assisted two cooperatives in improving the design of efficient dairy production, nutrition and sanitation programs.



**Figure 2: Consultant Volunteer Elizabeth Alderson interviewing a dairy producer from La Fortuna**

*La Fortuna* is located in Campo 9, in the Itapúa Department (southern region). Its main activity is processing milk for yogurt, cheese, pasteurized milk and ice cream. Approximately 200 milk producers sell their production to *La Fortuna*.

*La Fortuna* provides technical assistance to milk producers to help them increase their volume of production and thereby maximize the capacity of the milk processing plant—ultimately increasing incomes. However, there are still key constraints to improving production such as:

- a. Achieving milk quality standards
- b. Increasing productivity of dairy herd
- c. Bringing about behavior change in small-scale producers to adopt new practices and technologies

To overcome these constraints, Elizabeth Alderson, a specialist in dairy production, carried out a series of visits to 19 milk collection centers with refrigerated tanks in 7 of the milk catchment zones located to the north and south of the dairy. Ms. Alderson also visited a total of 26 milk producers supplying the milk collection centers in order to assess the current conditions of milk hygiene and dairy animal production.

After her visits, Ms. Alderson held a seminar with the milk producers, managers of the milk collection centers and presidents of the committees. During the seminar, Ms. Alderson presented her observations on critical problem areas. She also designed tailored recommendations to improve the cooperative's production system, focused around four main topics: a) animal nutrition (correct balanced diet, forage and pasture); b) animal health and reproduction (animal health control, artificial insemination); c) extension for on-farm technical assistance; d) milk production systems (hygiene of milking machines, general hygiene practices during milking). Ms. Alderson left hand-outs with the farmers so that the information could be more easily shared. She also trained a technician hired by *La Fortuna* and two technicians from SENACSA (the Paraguayan Animal Health Department) to build their capacity to provide support to the producers following the CDP intervention.

CDP Paraguay also provided technical assistance to the *Oñondivepa Cooperative*, based in Maria Auxiliadora District, in the Itapúa Department. The cooperative has 24 milk producers who sell their production to a different multi-purpose cooperative.

Elizabeth Alderson had previously visited the cooperative in May-June 2011, and after that the cooperative obtained a loan of \$200,000 that they have used to purchase a bulk milk collection tank. Several farmers have also purchased improved Holanda dairy cows and milking machines.

The cooperative was experiencing problems, however, related to drought and frosts, which led to a shortage of forage, as well as issues with dairy nutrition and sanitation. Producers also reported that the multipurpose cooperative had begun to reject the milk from the cooperative's bulk tank on two occasions due to failure of an alcohol test. This led to a total loss of approximately 6,000 liters of milk.

Elizabeth Alderson thus returned to support the *Oñondivepa Cooperative* in addressing the milk quality problems. Ms. Alderson found the causes of the rejected milk (acid milk): 1) poor hygienic practices during milk production/collection/storage and; 2) a metabolic disorder among the cows. Focusing on dairy nutrition and management, Ms. Alderson was able to work with the producers to eliminate the acid milk problem, and recommended the following: a) develop a pasture and forage strategy to ensure that there is sufficient forage year-round to provide all cows with basic dietary requirements; b) implement an improved dairy cow feeding strategy to improve milk production.

Because of the very limited technical assistance/extension available to cooperatives around milk production, CDP conducted the above assignments. However, if sustainable progress is to be made in this important sector, on-farm technical assistance/extension must be available. CDP Paraguay has thus been leading efforts to improve this issue in the long-term by formulating an agreement with SENACSA, a government entity responsible for providing technical support to dairy producers. The purpose of this agreement would be for CDP to build the capacity of the state technicians in best practices related to animal health, nutrition and production. These technicians, in turn, could then provide improved assistance directly to the members of the dairy cooperatives.

#### ***D. Fruit and Horticulture Production under Good Agricultural Practices (GAP)***

Paraguay has an abundance of natural resources and ideal conditions for year-round horticulture production. However, Paraguay imports large volumes of fruits and vegetables from Brazil and Argentina to meet national demand. This can be attributed to national demand that surpasses the available supply, as well as demand for high-quality produce that is not always available on the Paraguayan market.

While CDP Paraguay's beneficiaries feel that the market exists for their agricultural products (horticulture in particular), unfortunately many small horticulture producers are disadvantaged and do not have the financial, technical and educational resources to become more competitive.

*Peteichapa Cooperative* is a producer organization consisting of smallholder horticulture producers, located in Caaguazú Department. Peteichapa requested the assistance of an ACDI/VOCA volunteer consultant to provide the farmers with training on production practices, specifically implementation of GAP on their farms.

Liliana Ruiz was selected to deliver technical assistance consisting of compiling information related to production operations in the region, carrying out visits to the cultivation sites and interviewing farmers and technicians. She also provided training in cultivation planning, soil management and GAP practices. A technician from the apex organization CEPACOOB joined the specialist during her assignment, so that the technician could deliver similar assistance in the future to the cooperative member organizations.

#### ***4. Gender Approach***

Gender equality and female empowerment are recognized as core development objectives, fundamental for the realization of human rights and key to effective and sustainable development incomes. Women play an integral part in agricultural production in Paraguay, as subsistence farmers, cash crop growers, and food processors among other roles. The roles and responsibilities of women and men, and their relationship with one another, affect productivity and household well-being.

CDP Paraguay recognizes that gender issues are central to the achievements of its goals, and is committed to promote gender equality in which women and men have equal access to benefit from and contribute to economic, social, cultural and political development. Specific activities conducted during the semester include the following:

##### ***A. International Seminar – Integration of Gender into Public Policies***

This semester the Women's Ministry organized an international seminar on the "Integration of Gender into Public Policies." The seminar was held on October 23<sup>rd</sup> and 24<sup>th</sup> with the participation of representatives from the Inter-American Commission of Women (CIM). CIM is a specialized entity charged with overseeing the work of the Organization of American States in its efforts to promote gender equality in Latin American and the Caribbean. The event also included representatives from the government, public and private entities.

The seminar focused on three main themes: domestic violence, women's access to justice and economic empowerment. CDP Paraguay was invited to present and share the experience of



implementing our gender strategy for rural cooperatives in Paraguay. The program manager discussed how this has become an efficient mechanism to empower female farmers. Some of the key lessons learned from CDP's specific field experience include:

- *Clearly defining gender:* Female and male farmers are not used to the term "gender" on a normal basis. During the workshops carried out by CDP Paraguay, program staff and consultants used very simple examples to introduce the concept of gender, as it relates to farmers' daily activities. Adapting training to the education and comprehension level of female and male farmers in agricultural cooperatives is critical to its success.
- *Promoting soft skills to increase self-esteem:* Supporting female farmers, in particular, in soft skills such as leadership, communication, etc., helps to improve their self-esteem and their motivation to engage in new roles, such as cooperative leaders.
- *Integration of women in agriculture cooperatives:* In order to be more inclusive of female farmers, CDP Paraguay has had to work specifically with male cooperative leaders to change their perceptions that "women don't play an important role" in cooperatives. To address this issue, CDP Paraguay has carried out workshops with board members emphasizing that gender equity and inclusion of women is smart business.

### ***B. United Co-op Appeal***

Every year, ACDI/VOCA participates in the United Co-op Appeal (UCA), which is a workplace giving program that supports non-profit organizations that empower individuals and communities using the cooperative business model. UCA matches contributions from ACDI/VOCA employees.

This year, the Paraiso Poty Committee was selected to benefit from the campaign. Paraiso Poty was formed by a woman who found that her female friends could not join a cooperative because of the monthly fees. The group, initially consisting only of women, had great success marketing pineapple and bananas and has grown to include men as well as women. CDP Paraguay has been supporting Paraiso Poty through training in GAP and the development of plans to manage and pack the banana production. Through CDP's assistance, it expects to be registered with 100 members by 2014.

Through contributions from the UCA, Paraiso Poty is hoping to achieve the following:

- Purchasing a computer and printer for recordkeeping and financial records
- Building a storage facility to store bananas after harvesting and before packaging
- Fund travel for cooperative leaders to participate in a training on cooperative registration
- Conduct two exposure visits to meet with other men and women cooperative leaders and women's committees

### ***C. Leland Fellowship***

To continue the work initiated by Natalia Hernandez, ACDI/VOCA applied for a Mickey Leland International Hunger Fellow through the Congressional Hunger Center. The mission of the Leland Program is to train emerging leaders in the fight to end hunger worldwide. Fellows participate in a two-year program that exposes them to innovative food security programming and policy and deepens their understanding of global hunger and poverty.

If awarded, the assignment would allow CDP Paraguay the opportunity to further its gender development work by implementing the gender strategy with additional cooperatives and training local service providers. The fellow would also assess that strategy and integrate lessons learned into other relevant tools, methodologies and trainings. The Congressional Hunger Center accepted ACIDI/VOCA's application and recruiting has begun. If a suitable candidate is identified, the assignment will begin in the fall of 2013.

#### ***D. Training for ABRAZO***

During the reporting period, CDP Paraguay met with ABRAZO (which means "hug" in English). ABRAZO is a project of the Paraguayan government's Office of Child and Adolescents, which works to reduce child labor in the streets and enable children to access education. This program also aims to support the families of these children, primarily single mothers. The project encourages those women to work through associations (i.e. cooperatives or women's committees) and it assists them with tools to improve their quality of life.

Knowing CDP Paraguay's commitment to gender equity, ABRAZO reached out to for support in training these single mothers, especially in leadership and cooperative membership. CDP is exploring this opportunity to create awareness among the women of the importance of associative work and how the cooperatives and committees will benefit them. Following this, ABRAZO believes it would have much more success scaling up its initiatives, and helping the women to access credit.

### ***5. International Year of Cooperatives (IYC) Activities***

The year 2012 was declared by the United Nations as the International Year of Cooperatives (IYC) in order to raise public awareness around the important contribution of cooperative enterprises to poverty reduction, employment generation, and social integration. IYC also aims to highlight the strengths of the cooperative business model as an alternative means of doing business. Throughout 2012, CDP Paraguay carried out a series of activities to honor the IYC and highlight its importance.

#### ***A. Participation in the Fourth Annual Expo-Cooperatives***

CDP Paraguay participated in the fourth annual "Expo-Cooperatives 2012." The event was carried out from September 26<sup>th</sup> to September 28<sup>th</sup>, 2012, and was hosted by Cooperativa Universitaria, one of the biggest and strongest cooperatives in Paraguay. ACIDI/VOCA had a booth where the expo attendees could learn about our programs activities, approach and objectives.

The main purpose of Expo-Cooperative was to raise public awareness of the invaluable contributions of cooperative enterprises to poverty reduction and social integration. The event received around 10,000 visitors throughout the two days.

#### ***B. Seminar with Dairy Cooperatives***

From November 27<sup>th</sup> to 29<sup>th</sup>, the consultant volunteer Elizabeth Alderson held three seminars on dairy production. One seminar was held in Asuncion and two in Horqueta, in the Concepcion Department. The goal of the seminars was to honor the IYC by bringing relevant stakeholders

together to discuss specific, critical topics related to cooperative development. These seminars for dairy cooperatives focused on key issues in dairy production, animal health and mastitis control. A total number of 160 cooperative leaders and members participated of the seminar.

**C. International Year of Cooperatives Event hosted by ACDI/VOCA**

In early December, CDP held an event to celebrate the IYC with the theme: Enterprise Cooperative: Key to Poverty Reduction and Socio-economic Development.

The event was attended by nearly 70 key representatives of the cooperative, public and private sectors. Attendees included the FECOPROD president Gustav Sawatzky, the National Institute of



**Figure 3: Specialist Dario Castillo presents at the IYC event in Paraguay**

Cooperatives president Valentin Galeano, and the U.S. Agency for International Development (USAID) Paraguay Deputy Director, Steven Hendrix who gave a speech highlighting the importance of the IYC and CDP’s work to strengthen cooperative enterprises in Paraguay.

As part of the event, the consultant volunteer Dario Castillo introduced the importance of cooperatives in poverty reduction. The specialist emphasized that agricultural cooperatives can significantly contribute to economic growth if farmers have access to sufficient land and affordable credit, and develop necessary knowledge and techniques.

The event also highlighted two success stories of CDP beneficiaries: Manduvira Cooperative (presented by Luis Ruiz Diaz; president) and the Paraiso Poty women’s Committee (presented by Claudelina Portillo, president).

Lastly, the CDP program presented a video on gender and cooperatives. The video captures current roles, constraints and opportunities of female farmers in agricultural cooperatives, and presents how CDP Paraguay is working to empower female farmers. The documentary includes visits to five cooperatives and interviews with female and male farmers and managers. The video can be viewed at: <http://www.youtube.com/watch?v=Io7J0H2BjSk&feature=youtu.be><sup>1</sup>

**6. Other Activities**

**A. The 3rd Meeting of Latin American Network for Rural Advisory Services (RELASER)**

<sup>1</sup> The video will be available soon with English subtitles.

In order to establish a formal structure to more pro-actively promote Rural Advisory Services (RAS)—i.e. technical assistance and extension service providers—several RAS stakeholders and international organizations including the Bill and Melinda Gates Foundation, the U.N. Food and Agriculture Organization (FAO), and USAID, formed the Global Forum for Rural Advisory Services (GFRAS) in 2010 ([www.g-fras.org](http://www.g-fras.org)).

Recognizing that similar structures are needed at regional levels to provide direct support to country-level agricultural extension services, GFRAS promoted the Latin American Network for Rural Advisory Services (known as RELASER in Spanish). RELASER includes participation from extension service providers, non-governmental organizations (NGOs), universities, research centers and other organizations from more than 15 Latin American countries.

Due to ACIDI/VOCA's productive and mutually beneficial institutional relationship with FECOPROD implementing activities to support cooperatives and value chain development, ACIDI/VOCA was invited to participate in RELASER as well as in its local directorate. The CDP Program Director participated in the 3<sup>rd</sup> RELASER meeting in Santa Cruz; Bolivia (from October 8<sup>th</sup> – 12<sup>th</sup>) to support and continue deepening the networking among members, and to frame and validate long-term strategies. These include becoming a key focal point in the region that can contribute to and promote the sustainability of extension services that will benefit the public and private sectors. CDP hopes to transfer expertise to the network to enable it to strengthen the rural advisory services available in the region.

Before the meeting in Bolivia, the two ACIDI/VOCA programs in Paraguay (IZN and CDP) met with FECOPROD to develop a structured training program for technical assistance providers that will improve the knowledge base among agriculture assistance agencies and professionals; increase the interest of agronomists, veterinarians and related professionals to become advisory providers; improve the ability and quality of technical assistance services for smallholder farmers; and establish FECOPROD as the leading agency in technical assistance services at a national level. The main purpose of this training program will be to build the capacity of technical providers (both agencies and individual technicians) to foster sustainable impacts on Paraguayan agricultural production. CDP will contribute to this objective by coordinating with FECOPROD in the development of a training of trainers (ToT) module for program planning and evaluation.

## ***7. Monitoring and Evaluation***

In order to track activities and their results, CDP Paraguay monitors progress against baseline indicators, the M3 assessment and the Performance Monitoring Plan (PMP). CDP Paraguay will collect PMP data for Year 2 (October 2011 – September 2012) in April 2013, when production cooperatives release their financial reports.

### ***A. Monitoring and Evaluation (M&E) Follow-up Narrative***

Although the program's approach is at the cooperative level and analysis is based primarily on quantitative data, the M&E Specialist worked with focus groups to gather first-hand narratives of the program's impact on the lives of members. This provides a critical opportunity to explore



unintended consequences, both positive and negative, and enrich the interpretation of quantitative figures.

This semester the M&E Specialist followed up with the nine cooperatives assisted in the previous semester (January – June 2012) through on site-visits to measure and/or capture the results that were achieved at the household level, for both women and men, from implementing the recommendations from CDP volunteers. The main topics of assistance in the previous semester focused on gender analysis, financial analysis, renewable energy and organic fertilizer, discussed in detail below.

- i. *Gender Analysis:* Last semester, a consultant volunteer was recruited to work with four cooperatives in four different regions of the country, including two women's sub-committees and two cooperatives. During the assignment the volunteer conducted small and large focus groups for women and men that addressed key topics such as leadership, gender equity concepts and gender integration into cooperative activities.

After this assignment the four cooperatives that were assisted confirmed a slight increase in membership (2%) and improved performance. During the assignment, the volunteer used a tool called the *Daily Activity Clock* (found in the FAO's Socio-Economic and Gender Analysis Toolkit) to help women and men explore the division of labor and the amount of time each sex spends on different activities. The beneficiaries that were interviewed in the qualitative site visits felt that this tool, in particular, was very useful and helped them to look at better ways to distribute their time and more efficiently organize weekly meetings.

- ii. *Financial Analysis:* CDP encourages its beneficiaries to improve in this critical area by introducing them to basic financial tools and transparent systems. This includes basic training to understand management decisions, establishment of financial models and implementation of effective accounting systems. The previous semester two institutions received support in this area from a volunteer. The specialist conducted a detailed analysis of each cooperative's financial department and primary activities. The follow-up visit by the M&E Specialist confirmed that both cooperatives adopted the recommendations made by the volunteer consultant, which led to a small reduction in delinquent loans and implementation of an effective data processing system. This helped the cooperative to improve the transparency of their financial operations and therefore increase the trust of the cooperative members.
- iii. *Organic Fertilizer Plant:* CDP Paraguay recruited a specialist to provide technical assistance on designing an organic fertilizer plant—with minimal construction necessary—for an organic sugar cooperative. The cooperative is following the recommendations from the volunteer in order to start building the organic plant. The cooperative is now working on a proposal to obtain financial support to start the construction of the plant. The cooperative recently informed CDP Paraguay that they are having advanced conversations with IDAE (a Spanish non-profit organization) that supports renewable energies, which is interested in providing funding for the

plant. The cooperative expects to finalize both the organic sugar mill and organic fertilizer plant in November 2013.

- iv. *Renewable Energies:* Last semester, two institutions received assistance on biodiesel production. The institutions were provided with guidance on innovative technologies for biodiesel production, since the biodiesel is distributed to all of the cooperatives associated with these institutions at a lower price than the local market. Based on the recommendations and techniques provided by the volunteer consultant, the two institutions have improved the processing of raw material for biodiesel production for both agriculture and family farming.

### **B. Gender Strategy Monitoring**

Based on CDP's experience working with cooperatives, the program developed a gender strategy with the main goal of enabling cooperatives to become more inclusive of and responsive to women farmers. The last semester, in order for this strategy to become more effective, a gender analysis was carried out to define the role, constraints and opportunities of women farmers in production cooperatives.

This semester, in order to achieve the goals set by CDP Paraguay and measure the impact, it was necessary to establish baseline indicators that reflect the current gender situation. Two tools were used for this purpose: the *Gender Reporting Table* and *Gender Integration Tool*, which look at: 1) quantitative participation of women; 2) qualitative participation of women and 3) cooperative services used by members, disaggregated by sex.

A baseline was thus carried out to obtain data to measure women's participation at different levels in the cooperative. The data for the Gender Indicator Table was obtained from 14 agricultural cooperative beneficiaries of CDP Paraguay. The indicators measure the level of women's participation in decision-making positions, the percentage of registered members of cooperatives that are women, the average votes received for women running for an elected position, as well as other factors (below). Because CDP requires that cooperatives will be required to meet or exceed their annual targets or face expulsion from the program, two cooperatives were excluded.

#### *i. Gender Reporting Table*

The gender indicators, shown below, will be tracked internally by the project. The table below shows the baseline established this reporting period.

#	GENDER INDICATORS	BASELINE
1	Percentage of <b>registered</b> members of cooperatives that are women	18.31%
2	Number of women running for an <b>elected</b> leadership position in a cooperative	50
3	Average number of votes received for women running for an elected position <b>(in women minority cooperatives only)*</b>	80.36
4	Number of cooperatives with at least one woman in an <b>elected</b> leadership position in a cooperative	6
5	Number of cooperatives with at least two women in an <b>elected</b> leadership position in a cooperative	5

6	Number of cooperatives with a women's committee established <b>(in women minority cooperatives only)</b>	2
---	---	---

*\*The number of total votes depends on the number of cooperative members voting at the Annual Meeting of the cooperative. The average number of total votes across all cooperatives is 189 votes. This means that women were receiving approximately 42% of the vote.*

ii. *Gender Integration Tool*

CDP Paraguay also used a “Gender Integration Tool” (attached) to capture data to measure gender equity in cooperatives. This tool was developed to quantify the rate of participation of men and women in cooperatives. It is applied to directors and managers of cooperatives (both male and female) and analyzes their quantitative participation in the cooperative, their qualitative participation and their use of cooperative services.

## **8. Challenges, Successes and Lessons Learned**

From the activities carried out this semester, CDP Paraguay identified the following challenges:

**Establishing a gender baseline** - Gender gaps are evident in patterns of employment, income, access to credit, and control over assets and decision-making. While CDP Paraguay recognized that these gaps existed among the beneficiary cooperatives, the program felt that indicators in addition to those on the PMP were necessary to fully understand the gender inequalities and measure improvements.

This semester, CDP Paraguay established the baseline, mentioned above, for gender-specific indicators. This did, however, take significant effort to get valid and reliable information. The M&E Specialist visited the 14 beneficiaries of CDP, located in different regions of the country, and carried out meetings and discussion groups with the cooperative directors and members to get the information. CDP will continue to measure this on an annual basis to monitor the impacts of the gender strategy.

**Strengthening Cooperative Governance** - Despite the progress and success achieved throughout the project, cooperative governance is still a major challenge for CDP. Leadership is a critical factor of cooperative success, but the lack of commitment of the cooperative “leaders,” the massive migration of young people from rural communities to urban areas or abroad, the weak cooperative financial system and the high rate of delinquency are major factors that slow the sustainable development of cooperatives. To address these issues, CDP Paraguay has been trying a variety of approaches:

- *Promote economic incentives and business conditions* that encourage cooperative management to develop their cooperatives into more self-reliant, sustainable and effective organizations. This includes providing incentives to invest in agriculture and environmentally sustainable production processes, for example by facilitating access to local, national and international markets.
- *Hold consultative arenas and other mechanisms for dialogue between the government and cooperatives* to ensure cooperative leaders have an active role and voice in the formulation of policies affecting small farmers and their organizations. This encourages their ownership in the development of their cooperative.

- *Provide capacity development* in cooperative governance through training, information, communication and extension programs specifically tailored to the organization.

During this semester the program has *learned* the following *lessons*:

**Public and Private Sector Engagement** – It is critical to establish solid links with the public and private sector to engage them in the program’s activities and obtain their support to disseminate and/or implement the recommendations made through CDP. One example of this, discussed above, is CDP Paraguay’s relationship with SENACSA. Recognizing the critical lack of technical assistance available in the dairy sector, CDP is working to obtain buy-in from the government entity to carry forward training of dairy technicians and dissemination of updated extension information to the milk producers. This will allow for much greater scale than CDP Paraguay can achieve with its limited resources.

**Gender integration** – Gender integration is still a challenge for CDP Paraguay but in the process of carrying out gender trainings/sessions with the cooperative members we have learned the following:

- a. Achieving gender equity within cooperatives requires initiatives that will change the perceptions of the Board of Directors and membership (female and male).
- b. Men feel threatened by the language “*women in leadership positions*,” so in order to effectively promote this, the team used language that better communicates what women’s participation will do for men. For example, if there are more women in the Board of Directors then the cooperative can attract more members. This is considered making the “business case,” e.g. more members registered (both female and male) leads to more income for the cooperative.

## ***9. Modification to the Approach***

CDP Paraguay has been fielding a large number of volunteers over the past few years and has seen significant successes as a result of the technical assistance provided. As the program begins to face budget constraints in the final years of implementation, CDP Paraguay will begin to focus on more strategic volunteer assignments, which will help form strategic linkages with technical service providers and other stakeholders to ensure the sustainability of program results. The program will also focus more heavily on learning from the success achieved and place significant efforts on documenting the key factors for these successes through the CLIC and other means (see section VI below).

### **III. KENYA**

#### ***1. Introduction***

The following is a report of CDP Kenya activities from January 1 – June 30, 2012. CDP Kenya is a four year program that began in January 2011, which supports USAID/Kenya's objective to improve the productivity and competitiveness in key agricultural sectors. In Kenya, ACDI/VOCA focuses on supporting food security through increased productivity, reduction of post-harvest losses, and improved market access.

Agriculture makes up approximately 25% of Kenya's gross domestic product (GDP), and employs about 70% of the rural population. Cooperatives are an important part of the agricultural sector, with about 20% of the population registered as members of a cooperative. According to the International Cooperative Alliance, cooperatives are responsible for 45% of Kenya's GDP. Despite these strengths, the cooperative movement suffered upheaval after liberalization of the economy in 1997. Formerly state-run cooperatives suddenly were autonomously run, and the change led to corruption and mismanagement, loss of credibility, and decline of profitability.

As a result, many members decided to leave their cooperatives and an estimated 35% of registered cooperatives are currently inactive. Dissatisfied members form new groups that often are "pre-cooperatives," community-based organizations or self-help groups (SHGs). CDP Kenya works with both registered cooperatives struggling to rebuild, and nascent pre-cooperatives establishing operations. With each type of group, CDP Kenya focuses on building good governance and leadership, as well as helping the groups improve revenue through training in production and marketing.

#### ***2. Approach***

The history of cooperatives and cooperative assistance in Kenya has had lasting impacts on the mindset of Kenyan producer groups today. One of the key success factors for cooperative groups is formation around a common, long-term vision for self-help. This plays a major role in how the group executes its activities, and how they adapt to improved technologies and new information. Historically, the agricultural cooperatives in Kenya were government-owned and driven; even to date the government plays a role through the Ministry of Cooperative Development and Marketing. This ministry is involved in many types of cooperative policy and regulation, as well as cooperative registration, provision of extension services, cooperative marketing, and education and training. As a result, cooperative members have often viewed cooperatives as a government project, thinking that it is the government's role to ensure that the cooperatives thrive and benefit the members.

The fact that the cooperatives are actually owned and controlled by the members is still not widely recognized by the majority of the membership. CDP Kenya staff often hear groups of farmers who are organized as an SHG say how they wish they could be 'given' a cooperative. They do not realize that they are responsible for transforming the SHG and registering it as a cooperative, and then ensuring that the cooperative benefits them.

Another important factor is that farmers frequently form groups with the primary purpose of receiving assistance. This has traditionally meant cash or in-kind transfers, like seeds, fertilizer,

loans etc. The government and development partners have contributed to this, often channeling assistance through organized groups. As a result, many farmers are not invested in “owning” the group and its development, but rather expect to access some form of aid.

These common challenges have meant that some groups have been in existence for a long time and yet show few or no signs of growth. It also means that groups/cooperatives historically have marketed only cash crops together, such as dairy and coffee, since they can receive aid in these areas. They do not fully understand cooperative principles, and thus do not cooperate on the other products they farm.

A final key factor that poses a challenge to the cooperative movement in Kenya is the lack of trust among the members. Although many SHGs will work together on a common project, like leasing a piece of land to plant crops, if there is a risk that the benefits may not be shared equally, such as actually marketing crops together, the members are not willing to collaborate.

CDP Kenya has thus faced significant challenges in project activities because the program provides only technical assistance through training, coaching, and volunteer assignments, and not through any sort of direct handout. Although the original plan was to add five groups each year, CDP Kenya realized that it takes much longer than expected to arrive at a mutual understanding with the groups of the program’s role, and establish a vision for helping them transform. Consequently, it made more sense to identify and begin working with the remaining ten groups this period, so that they will all benefit from a longer interaction period.

Since CDP has a promoter in each of the five counties it works in, the promoters have been responsible for identifying new groups that are appropriate to bring into the program. The promoters normally approach the area’s District Cooperative Officer (DCO), and inform that person about CDP, requesting his or her assistance in identifying possible groups. The DCO will in many instances provide the promoter with a long list of cooperatives, and it takes significant effort for the promoters to find out whether the cooperatives still exist and/or have active members who participate economically.

### **3. Activities**

CDP Kenya provided many trainings and other forms of technical assistance activities this semester, several of which are highlighted below. Throughout all trainings, CDP attempts to reinforce the principles of cooperatives, as well as the dynamics of group formation, good leadership skills, roles and responsibilities of office bearers and other management-related topics.

#### ***C. Kiirua Dairy: Record Keeping Training – July 2012***

Record keeping is a common point of weakness among the groups, and CDP has held several trainings to assist the cooperatives to improve how they keep their records. One such training was with the Kiirua dairy group. CDP Kenya observed that the group’s collection centers would commonly sell milk before it was delivered to the society office since the prices were higher. The center further delivered the milk by *boda boda*, unaccompanied by the center clerk to the society. The only tracking done at this point was the members’ produce records, detailing how



much milk each member delivered. No delivery note was issued to the *boda boda* driver, and no receipts were issued for sales.

Furthermore, normally milk delivered by members to a collection center should be weighed using an electronic scale before it is delivered to the society office. However, electronic scales were not available at Kiirua, so the clerk had to use a non-electronic scale and calculate the total amount of milk by subtracting the milk sold from the milk received. This results in significant inaccuracies, and while some officials had expressed their concern, no action had been taken to improve the situation. CDP thus facilitated a training and discussion to examine the problems and identify specific areas for improvement. As a result, the group suggested that:

- A society official will monitor the weighing centers for a few days to establish the impact of using non-electronic scales.
- The society officials should meet to discuss whether to stop the local sales prior to delivery at the society office because of possible loopholes in the system.
- Milk delivery from the center to the society office should be with a delivery note based on actual weight and not calculated weight.
- There is a need to introduce measures to cross-check the quality of milk at the center and to prevent possible milk adulteration between the center and the society office.
- Upon delivery to the society office, and after checking the quality, the society clerk should receive the milk with a “Good Received Note” or at least enter the quantity of milk in a register and have the *boda boda* driver sign.

By participating in the CDP trainings, the leaders were able to appreciate where the losses were coming from and how to improve the efficiency of their operations, therefore reducing costs. Thus after identifying the loop-holes, the group fired the clerk, put mechanisms in place to ensure the milk is weighed on arrival at the central collection point, and required that the milk delivered is entered into a ledger that the *boda boda* driver signs against. Furthermore, since CDP began working with Kiirua Dairy (before it was a cooperative), the active membership was at 66 members and there were only 4 collection centers. Currently, the group is a registered cooperative with an active membership of 250, and 8 collection centers.

#### ***D. Gathage Farmers’ Cooperative: Coffee Production Training - July/Aug 2012***

Most of the members of the Gathage cooperative are over 60 years of age. They have no access to new information or improved technologies, and some have even forgotten much of what they knew about coffee growing. Because the members are elderly, they are often unwilling to travel for meetings and trainings; often the cooperative has to postpone its meeting agendas because the number of members in attendance does not meet the quorum required by Gathage’s constitution. To accommodate the members and help



**Figure 4: Village training at Gathage Cooperative**

them improve their production and thereby income, CDP Kenya held a village-to-village training on best practices in coffee production. CDP identified a model farmer with a successful farm and brought him to the Gathage farmers to train them directly on their farms about how to take care of their coffee. Turnout indeed proved to be high, since the trainer went to where the farmers live.

After the model farmer trained the Gathage members, CDP organized a visit for the Gathage farmers to visit his farm to allow them to observe first-hand how he practices what he was teaching them. The average production per coffee tree for the cooperative is 2 kgs, while the model farmer is able to produce 25 kgs per tree.

Through follow-up visits by the promoters, CDP has been able to observe a positive attitude change among the Gathage members. The farmers are more willing to take care of their coffee, now that they have the know-how. For example, the farmers have been pruning their coffee and they have stopped intercropping with other crops. It is, however, important to note that most of the farmers are too old and do not have the energy to take proper care of the coffee, and they need to engage youth to help as coffee production is very labor intensive. This is a message that CDP Kenya has consistently been giving to the cooperative members.

#### ***E. Kwarahuka SHG, Ol Kalou: Roles and Responsibilities Training – September 2012***

The Kwarahuka SHG is a young, small unit that was started in 2004 to facilitate bulking and selling of members' milk to a local dairy firm. The group has been able to open a group bank account to receive payments. However, the 80 members do very basic dairy farming, and most of the animals are local breeds with very low milk output. They have no clear business concept, and do not have any assets. Members did have a strong desire to register as a cooperative, since many of them have started to improve their breeds through artificial insemination services and they anticipate high milk output in the near future. The status of cooperative would help them in the production and marketing of the dairy products. While the group found by-laws from another organization that they used to submit their registration, some members have never seen or understand them. They have never had any formal business training and this explains why they have not made much progress since registration.

After CDP Kenya provided them with sensitization training on the roles and responsibilities of members and leaders, the group's eyes were opened. They began to recognize reasons for their current non-performing state and look for actions to take to ensure a stronger future. The training emphasized that leaders need to continuously develop values like honesty, trust, accountability and integrity to build the cohesiveness of the group and achieve profitable growth. Next semester, CDP will assist the group to develop their strategic plan to chart their way toward success.

#### ***F. Gathage Farmers' Cooperative Society: Effective Leadership - November 2012***

Recognizing how critical issues with the cooperative leadership, such as resistance to change, was negatively affecting the members and limiting the growth of the cooperative, CDP suggested a meeting to diagnose and discuss the issues. CDP Kenya used a workshop approach to mentor the cooperative leaders and help them reflect on the way to handle various issues and activities of the cooperative, considering the effects that would result from the management decisions. Plenary discussion followed in which alternative and more appropriate strategies were discussed.



The workshop began by introducing various forms of business organization and how cooperatives differ from limited liability companies in terms of ownership, management, legal structure and challenges. This was followed by an overview of the cooperative concept and an open discussion of leadership challenges facing the Gathage cooperative specifically. The participants responded very well, and honestly described how they have been carrying out the cooperative business. Many participants openly expressed their feelings and opinion on the way forward.

Some issues did, however, lead to tense debate. The most controversial issue was around the election process. Participants could not agree on whether the secret ballot or “mlolongo” (where people line up behind their candidate of choice) was a better method. The consultant tactfully led a discussion on various methods of electing leaders, as well as their benefits and disadvantages, and advised them to settle on a method that is fair to both members and those seeking to be elected. In this case, the group could not reach a decision and agreed to finalize the issue at a later date with all cooperative members. At the end of the training, the leaders did agree to address many of the other challenges facing the group in a constructive manner. As a result they developed an action plan that included reviewing their by-laws, and educating all members on their rights and roles in order to augment their active participation in matters of the cooperative.

#### ***G. Dairy Farming as a Family Business – December 2012***

The Farming as a Family Business is one of ACDI/VOCA’s flagship trainings. The training aims to help farmers view agriculture as a sustainable business and make the shift from subsistence farming to farming for profit. It teaches them how to plan, project expected income, maximize production, minimize costs, manage risks, increase efficiencies and understand the benefits of cooperating with other like-minded farmers by forming cooperatives.

CDP Kenya has identified several groups that are working in the dairy sector, which is relatively advanced in Kenya. During this training, only those groups involved in dairy were invited to send representatives to the training. The training was tailored to suit dairy farmers, allowing them a chance to interact and learn from one another.

One of the most successful components of the training was the “Business Game.” In this component, the participants are exposed to a simulated life of farming. The game uses fake money, a simulated bank, competing markets, farm supply and general shops, and situation cards to recreate issues that farmers have to deal with on a day-to-day basis. Participants are divided into teams and told the crops they will grow, and the activities they need to carry out, such as buying inputs and acquiring labor and loans. The participants enjoyed the game, and drew the conclusion that planning is paramount for a successful farming business.

#### ***H. Cooperative Learning and Information Center (CLIC)***

This semester, Communications Cooperative International (CCI) traveled to Kenya to kick off the process of developing the CLICs. CCI met with a variety of stakeholders and organizations that could potentially host the CLIC, with the goals of examining:

- Existing patterns of communicating information;

- Existing training contexts and potential complementarity of information and communication technology (ICT)-based learning platforms;
- Disposition toward/capacity for ICT-based learning in the target environment;
- Current utilization of ICTs, status of existing ICT infrastructure and potential for new ICT solutions;
- Human resource, financial and ICT skills capacity at potential CLIC sites

Housing the CLIC in a local institution, with sufficient capacity and appropriate objectives to maintain it, would ensure the sustainability of the effort. Based on their surveys and discussions, CCI found that the Cooperative University College of Kenya (CUCOK) and the Agri-Training and Cooperative Training and Consultancy Services (ATC) would make the best partners for CDP in developing the CLIC. Both organizations are known as premier institutions of cooperative learning and education throughout Africa and both have an established core of ICT infrastructure and technical know-how.



**Figure 5: CCI carrying out CLIC assessment in Kenya**

Because ATC works more closely with development practitioners and trainers, whereas CUCOK's focus is on students, CDP decided to move forward with ATC as the host of the CLIC. In December 2012, CDP and ATC held a meeting to brainstorm on the idea, bringing in many stakeholders, such as the government, development organizations and local cooperative alliances and organizations.

CDP Kenya was pleased to find that many other people and organizations have also seen the need for such an undertaking, and are willing to work towards establishing it. CDP and ATC plan to make the center a one-stop shop for information regarding the cooperative sector in Kenya. CDP hopes to use this platform to disseminate all the lessons learned during the life of the project.

### ***I. Program Management***

During the reporting period, the CDP Project Coordinator from ACDI/VOCA, Emily Pugatchenko, traveled to Kenya. Ms. Pugatchenko and the Program Manager, Njambi Kibe, worked together on activity planning and discussed ways to begin involving a larger number of volunteers on the program. They also critically examined some of the challenges the project is facing, such as the slow rates of adoption of improved practices, as presented in CDP trainings,

seen among some of the groups. To help with this, they developed an initial learning questionnaire (described also in Section VI). By better defining expected outcomes—in coordination with the targeted groups—before holding trainings, CDP Kenya might have improved buy-in and better means of tracking progress. The Project Coordinator also worked with the Program Manager to review the budget and other administrative systems on the project.

#### ***4. Volunteer Assignments***

CDP Kenya had one volunteer during this period who came to Kenya to support the Gaka Bee and Poultry Project SHG. The SHG is registered as a youth group, and has even benefited from a loan from the Youth Fund by the Government of Kenya.

The volunteer found that the youth group had no effective adult leadership and recommended that they identify an adult male who could act as a “sport coach” to encourage, motivate and oversee their beekeeping project. This would lead the group to have more cohesion and motivation to improve their beekeeping. The volunteer also observed that only a small number of the members took advantage of the training session previously hosted by CDP around beekeeping. This lack of commitment is detrimental to any progress.

After the assignment was over, CDP held review meetings with the leaders of the group, and discovered that most of the members are not truly committed and only joined the group as a means to access funding. The members are yet to repay the loan, and most of them have stopped participating in the group’s activities. CDP observed that there was no goodwill from the group in collaborating with CDP, and decided that for now, no more activities will be carried out for that group. CDP feels that there are not additional lessons that can be learned from the group at this point, given the prevailing attitude toward their development, but will continue to monitor the group to see if any changes occur. If so, CDP may consider re-engaging with Gaka Bee and Poultry.

#### ***5. Challenges/Successes/Lessons Learned***

##### ***A. Successes***

**Membership Empowerment** - When CDP started working with Gathage Farmers Co-op Society, most of the members were not comfortable discussing issues with the leaders, as most members believed that the cooperative belonged to the leaders. But over the last semester, CDP Kenya has seen positive change as a result of the trainings, and the members seem to be empowered to have their voices heard. CDP participated in one of Gathage’s meetings in October 2012, and was very encouraged to hear a woman asking the chairman how the management will handle some expected grants, and whether the management would use it for their own benefit. Whereas the cooperative used to have meetings that often ended in fist fights, the group is now able to hold meetings where all parties are calm, even when the issues that are being discussed are very sensitive. As a result of the training and mentoring provided by CDP, the members are realizing that the cooperative is theirs, and they need to ask the leaders key questions and engage with their leaders in discussing the way forward.

**Women's and Youth Empowerment** - This semester, following the gender training hosted by a CDP volunteer last semester, Gathage also elected a woman to the cooperative supervisory committee. This is a major milestone, as it is the first time this has happened in its 36 years of existence. Because the group requires that individuals need to have coffee plants specifically under their care to qualify for membership, several members took a pro-active decision to divide some of their coffee to youth and women. This has led to an increase in membership, which is strengthening the cooperative as a whole. CDP has also experienced a rise in the number of members who attend trainings and cooperative meetings. Most likely, this is because of the improved communication by the promoters that are located close by to the cooperative.

**Mission-Driven Membership** - Gatundu South Dairy Cooperative was just a cooperative by name, but they did not understand what a cooperative is or why there needed to be basic qualifications for membership. Originally they allowed anyone living within the district to qualify for membership, whether or not they had a dairy cow. This could have led to a situation where there were more members that did not produce milk than those that did, thus meaning that decisions would not be made in the true interest of the farmers. CDP started working with this group in its early stages, and was able to influence the group so that they understood the nature of membership and decision-making. The group thus changed its constitution to read that only those with dairy cows can join.

## ***B. Challenges***

**Youth Participation** - As discussed above, the attitudes of cooperative members are one of the biggest challenges in supporting them to develop. A particular concern is that cooperative membership and farming at large are still viewed as activities for the old. Usually youth will only practice farming if they are unable to find any other means of livelihood. Most young people don't attend trainings that are offered in their area, making them difficult to reach. Nevertheless, the few that have attended have clearly benefitted, and appear to have changed their attitudes towards farming. CDP hopes to showcase model farmers (via first-person narratives, videos, and media outlets) and case studies through the CLIC, as a motivation for the youth to farm and form cooperatives.

**Poor Performers** - CDP Kenya has been struggling with certain groups to see a change as a result of the program trainings and activities. This is largely because it takes many interactions to understand the real motivations of the members in forming a group. Those that were formed primarily to enable the members to benefit from cash or in-kind assistance are often not motivated to learn and put effort into developing the group. On an individual level, many small-scale farmers also lack a pro-active attitude about their work, and do not take it upon themselves to study the market and adapt their farming to it. This leads farmers to make the same mistakes over again, sometimes without even realizing that they are making mistakes.

After initially holding trainings on general cooperative principles as well as on specific, practical topics, CDP felt that there was little value in maintaining a relationship with any group that did not demonstrate motivation. As mentioned above, CDP decided during this reporting period to no longer provide direct assistance to Gaka Bee and Poultry. While CDP may continue to monitor the group, resources will be directed towards groups that demonstrate more initiative.

### *C. Lessons learned*

**Success Can Lead to Complacency** - CDP Kenya has seen in several cases that groups can become stagnant when they meet their original goal, rather than innovating and continuing to identify areas for growth and improvement. For example, groups may have monthly meetings, but become satisfied with goals that are easily achievable, such as simply collecting and selling milk as a group. However, they do not continue to grow and increase incomes because they are not actively working at larger goals, like increasing efficiencies and volumes of milk production. Members can become satisfied with their initial achievement, and are not motivated to change. CDP is working to help cooperative leaders and members see examples of other successful groups, to better understand what they can achieve by continuing to improve.

**Disconnect Between By-laws and Cooperatives Needs** - The cooperative societies in most cases do not know the law under which they operate, and do not know what their constitution and by-laws state either. It is a legal requirement to have a constitution and by-laws in order to be formally registered (which allows groups to engage in formal contracts, among other benefits). As a result, groups normally cut and paste the documents from other groups, and therefore they do not serve the particular cooperative's specific needs.

**Accountable Management and Leadership** – Many cooperative leaders are not aware of what is entailed in leading a cooperative or the principles they should operate on. Often, the leaders of cooperatives also serve as managers. This leads to role confusion, and makes it hard to detect when things are going wrong, since there is no-one to supervise them. In the worst cases, this can lead to the collapse of the group. CDP thus focuses on instilling good governance and management, and sensitizing both the members and leaders about their appropriate roles from the beginning of the program's engagement with them.

## **IV. ETHIOPIA**

### ***1. Introduction***

Cooperative history in Ethiopia includes many decades of state-run enterprise, involuntary membership regulations, and centralized fixed prices. The cooperative sector has changed substantially in the past decade, and entered into a period of democratic governance and free market reform. The sector remains distinctly different from the situation in Kenya or Paraguay. Cooperative Unions, which were initially formed in the late 1990s, serve as umbrella organizations for primary-level cooperatives. There are currently over 100 unions in Ethiopia that represent hundreds of thousands of smallholder farmers.

CDP Ethiopia is currently operating in the regions of Benshangul Gumuz, Oromia, Tigray and Southern Nations, Nationalities and Peoples (SNNP). In consultation with the Federal Cooperative Agency (FCA) and the respective regions, one target union and three primary cooperatives were selected from each region. Because the Amhara region did not approve CDP's application, an additional union was selected from Oromia to participate in CDP. After lengthy administrative delays while the program sought the regional government approvals, this semester (July – December 2012) saw the kick-off of direct implementation of the planned project activities. These activities are described below.

### ***2. Approach***

CDP Ethiopia started up in July 2011, and has been designed to leverage the resources of the large-scale Agricultural Growth Program-Agribusiness and Marketing Development (AGP-AMDe) to work directly with unions as well as the primary cooperatives underneath them. This will allow the program's relatively small budget to realize large impact. When determining which regions were most appropriate for CDP Ethiopia's activities, the Program Manager worked with Cooperative Agencies at all levels and ACDI/VOCA's Country Director to identify unions and cooperatives located in some of the same regions as ACDI/VOCA's other programs in Ethiopia to take advantage of efficiency and concentration of activities. CDP also selected unions and cooperatives outside of these locations, in order to gain fresh insights and spread development support to different areas of the country.

In November 2011, CDP worked with a local consultant to conduct a baseline survey of each of the 5 unions and 15 cooperatives. The baseline survey found that there are huge capacity gaps both at the levels of the unions/cooperatives and government promoters in Ethiopia that constrain cooperative development across the country and in the intervention districts. Given that promoters are mandated by the government to provide support to cooperatives, CDP Ethiopia focuses on them as a critical leverage point. By building the capacity of the promoters to support cooperatives, in effect "training the trainers," CDP Ethiopia can more effectively and sustainably reach a larger number of beneficiaries.

The baseline survey identified critical areas for capacity building of promoters as well as those for the unions/cooperatives. CDP Ethiopia thus identified the following technical topics that will improve the knowledge of promoters in needed areas and be critical for the unions and cooperatives to become stronger, more efficient institutions that can provide benefits to their members:



- Cooperative leadership, good governance and membership development
- Business skill development (entrepreneurship, value chain analysis, business planning, marketing management and record keeping)
- Financial management, cooperative accounting and auditing
- Women empowerment and gender mainstreaming
- Pre-and post-harvest handling and warehouse management
- Good Agricultural Practice (GAP)
- Saving and credit management

Based on these topics, CDP Ethiopia has begun to deliver a training of trainers (ToT) session, discussed below, and subsequent trainings to meet the capacity needs in these areas.

### 3. Activities

#### D. ToT Training

CDP Ethiopia felt that a ToT session would be the most appropriate way of initiating training activities. The ToT would target cooperative unions and promoters, with the expectation that they would in turn train primary cooperatives.

This semester, CDP Ethiopia hired a local consulting firm to compile training materials that would address the needs identified in the baseline (above). The consultants reviewed existing training manuals from ACIDI/VOCA’s long history in Ethiopia, and adapted them into ToT modules for CDP Ethiopia’s specific purpose.

Over the course of 12 days, from July 30 – August 10, 2012, these ToT sessions were delivered to 38 participants (2 from the FCA and 8 from each target region were invited, and all but 4 attended). Of



**Figure 6: CDP Ethiopia ToT**

the 38 participants, 30 were cooperative promoters/experts and 8 were union leaders. Four participants were women (see below for challenges on gender integration). The promoters are mandated by the government to provide support to cooperatives, thus CDP Ethiopia sees them as an important information source for the cooperative leaders in the regions. By building the capacity of the promoters, CDP Ethiopia believes that the capacity building of the cooperatives, in turn, will sustainably proceed even after the end of the CDP project. Table one below depicts the detail of the ToT participants who took the 12-day training provided by CDP Ethiopia. The ToT participants are supposed to then deliver the same trainings to CDP target primary cooperative leaders and promoters in their respective regions. The trainings on Business Skill

Development and Cooperative Leadership, described below, were the first trainings to be rolled out by the trainees, with CDP support.

**Table 1: ToT Participants**

Region	Promoters		Union leaders		Total participants			Remark
	M	F	M	F	M	F	G T	
Benshangul Gumuz	6	--	2	--	8	--	8	
Oromia	10	1	2	1	12	2	14	From two unions
SNNP	5	2	1	--	8	--	8	
Tigray	5	1	2	--	7	1	8	
<b>Total</b>	<b>26</b>	<b>4</b>	<b>7</b>	<b>1</b>	<b>35</b>	<b>3</b>	<b>38</b>	

### ***E. Business Skill and Leadership Training***

As a continuation of the CDP capacity building process, based on the results of the baseline study, the trainees from the first ToT provided trainings on business skill development to primary cooperative leaders and promoters within each target union. These mainly focused on marketing management, business planning, cooperative accounting and record keeping. Trainings were also conducted on cooperative leadership, emphasizing leadership styles, how to lead a meeting, decision making, conflict resolution and problem solving. Tables two and three below indicate the details of the trainees.

**Table 2: Trainees in Business Skill Development**

Name of union	Region	Promoters		Coop leaders		Grand Total			Remark
		M	F	M	F	M	F	GT	
Assosa Union	B Gumuz	2	---	23	1	25	1	26	
Bechowolisso	Oromia	7	--	19	1	26	1	27	
Jimma Union	Oromia	5	--	17	5	22	5	27	
Sidam Elto Union	SNNP	7	--	16	2	23	2	25	
Deber Assa Union	Tigray	6	--	19	2	25	2	27	
<b>Total</b>		<b>27</b>	<b>--</b>	<b>94</b>	<b>11</b>	<b>121</b>	<b>11</b>	<b>132</b>	

**Table 3: Trainees in Cooperative Leadership**

Name of union	Region	Promoters		Coop leaders		Grand Total			Remark
		M	F	M	F	M	F	GT	
Assosa union	B Gumuz	1	--	5	--	6	--	6	
Bechowolisso	Oromia	2	--	4	--	6	--	6	
Jimma union	Oromia	1	--	4	--	5	--	5	



Sidam Elto union	SNNP	3	--	5	--	8	--	8	
Deber Assa union	Tigray	--	1	5	--	5	1	6	
<b>Total</b>		<b>7</b>	<b>1</b>	<b>23</b>	<b>--</b>	<b>30</b>	<b>1</b>	<b>31</b>	

#### ***F. Cooperative Learning Information Centers (CLICs)***

During the semester, the CCI team carried out an assessment in Ethiopia similar to the one in Kenya to identify key elements of communication, training contexts and ICT capacity in order to guide the establishment of the CLICs. CCI met with the FCA, several regional cooperative agencies (RCAs), as well as cooperative unions to explore different models for the CLIC. Due to the significant ICT constraints, including very limited internet access, as well as the weak organization links among the FCA and RCAs, it was determined that the most viable way forward would be to establish stand-alone CLIC facilities located at the FCA and within the various RCA headquarters.

The vision for these facilities is that there will be several computers in a particular space, with an assigned manager from the cooperative agency to support access to information and training. The information available at the CLICs would be targeted at cooperative promoters, since the FCA and RCAs already serve as training centers for promoters, but require up-to-date materials with improved organization. Each CLIC is expected to serve more than 50 cooperative promoters. During the next semester, CDP will begin procuring equipment for the CLICs, including computers, servers, and furniture, and begin identifying and updating appropriate content. CDP will also begin the process of identifying and developing content for the CLICs. ACDI/VOCA plans to hire local consultants and/or international volunteers to survey globally accessible resources, identify appropriate CLIC content available through other local development partners, and develop innovative strategies to organize and disseminate the content.

#### ***G. Collaborative Activities***

To formalize and strengthen the collaboration with the AGP-AMDe team, a collaborative meeting was held on October 30, 2012. This meeting included Sileshi Bogale, CDP Program Manager, Emily Pugatchenko, the Project Coordinator visiting from ACDI/VOCA headquarters, Alex Pavlovic, the AGP-AMDe Public-Private Partnerships Advisor, and Mengistu Bessir, AGP-AMDe's Business Development Specialist. The two projects do have different goals and points of focus; AGP-AMDe focuses on specific agricultural value chains (e.g. wheat, maize, sesame, honey, chickpeas and coffee), while CDP focuses on organizational capacity building of cooperative leadership and management. However, there is significant potential for collaboration and knowledge sharing between the two programs. Since both projects work with the Sidam Elto and Bechowolisso unions, the programs will carry out joint activities when appropriate, and encourage all beneficiaries to take advantage of training and other opportunities available through either project. CDP will attempt to draw from AGP-AMDe's training materials and approaches in the establishment of the CLIC, and in turn share program learning with AGP-AMDe. CDP beneficiaries may also be able to benefit from new market opportunities facilitated by the AGP-AMDe program. These opportunities will be built on throughout the life of CDP Ethiopia.

This period, CDP Ethiopia also began reaching out to educational institutions, such as Mekele University, Hawassa University and Ambo University, to identify areas where there might be the potential for collaboration with CDP. The most likely area in which CDP and Ethiopian universities have shared objectives is around the content of the CLIC. So far, Mekele University has expressed interest to work in collaboration with CDP broadly. These relationships—and the specific details of collaboration—will be explored further in 2013.

#### ***H. Program Management***

As mentioned above, Emily Pugatchenko, the CDP Project Coordinator from ACDI/VOCA headquarters, traveled to Ethiopia during the semester. Ms. Pugatchenko worked with the Program Manager on activity planning (summarized in Section 5 below), with a particular emphasis on building the relationship between CDP and AGP-AMDe to leverage opportunities and improve knowledge sharing. She also worked with the Program Manager on conducting a budget review and setting up systems to track expenditures both by the USAID budget format as well as the activity budgets that CDP was required to submit to the Ethiopian government in each region. Particular challenges were identified around these regional activity budgets due to government regulations, discussed below.

### ***4. Challenges, Successes and Lessons Learned***

**Leadership Training Highly Valued** - From the activities CDP has done so far, we have learned that cooperative leaders at all levels admit that their leadership weaknesses emerge from a lack of training and education. They strongly believe that the trainings provided by CDP are very important to improve their work. For instance, the Debrassa union in the Tigray region is one of the five unions targeted by CDP. According to the union manager and board members, CDP trainings have inspired them to prepare the first strategic plan of the union. To date, they have written an administrative manual that details the duties, responsibilities and benefits of employed workers, property management and utilization, etc. They have also formed a customers' affairs committee that is responsible for membership development and improving the relationship between members and the union. Since the Debrassa Union has shown such exemplary performance, CDP will try to replicate this success with other target unions through experience sharing visits among the union leaders.

**Compensation of Focal Point Cooperative Promoters** - As mentioned above, CDP Ethiopia believes that working with government-paid promoters is the most effective and sustainable approach to disseminating relevant, up-to-date information to the target cooperatives. When CDP first launched its activities in each region, the RCAs formally assigned an expert promoter as a focal contact person to work with the program. These focal contacts assist the program in formal communication between CDP, the target unions and cooperatives, as well as other partner organizations. They also assist in organizing the training logistics and inviting attendees. Although in turn they gain valuable skills and expertise from their involvement with the program, they are also carrying out logistical work that goes above and beyond their normal jobs that they are paid for. While CDP Ethiopia pays for per diem and transportation costs when they are participating in trainings, the focal points cover their own transport costs and telephone bills the rest of the time. CDP has been finding that the interest of the focal contacts to carry out these

functions for the program has thus been declining, and so in the coming semester CDP may need to explore an incentive scheme to maintain the support.

**Women's Participation** - The tables of trainees above clearly show that very few women have been directly benefitting from CDP Ethiopia's activities. CDP Ethiopia will explore ways of engaging more women, such as encouraging male leaders to bring their wives to relevant trainings and workshops, or promoting women leaders that represent women's interests to serve in leadership or governing positions within the cooperatives and unions. The AGP-AMDe program is also grappling with issues of gender equity and women's engagement in cooperatives, and CDP will work to leverage and share lessons in this area.

**Government Regulations on Non-Government Organizations** - CDP Ethiopia also faces many logistical/administrative challenges, primarily as a result of the strict government regulations for international non-profit organizations. For example, because of the regulation that states that only 30% of a program budget can be administrative, CDP Ethiopia is still exploring ways to hire much-needed administrative support for the Program Manager. The regulations also require that international travel costs be considered as administrative, which makes it very challenging to field international volunteers without exceeding the 30% limit. To date, CDP Ethiopia has instead been relying on local consultants to carry out training and technical assistance. CDP hopes to overcome this challenge in the upcoming semester.

**Transport** - Given that CDP does not have the budget to base program staff in each region, the CDP Program Manager must travel frequently around the country. CDP Ethiopia submitted a request for a vehicle in April 2012, and has still not received approval. This is an important issue that impacts the effectiveness of CDP implementation and hopefully will be resolved in the next reporting period.

## ***5. Next Steps***

In the next semester, CDP's main focus will be:

- To conduct supervisory visits to the beneficiary cooperatives to assess what impact the trainings provided to date have had on the performance of the target institutions.
- To continue moving forward with the establishment of the five CLICs as per the work plan, including collaborating and creating linkages with external organizations and local educational institutions to compile training materials for the CLIC.
- Translate training materials into the three main local languages (Amharic, Afan Oromo and Tigregna).
- Review the existing cooperative laws in each region and at FCA level to pin-point areas of improvement.
- Provide training on post-harvest handling and store management.
- Facilitate access to capital through organizing a discussion forum between financial institutions and target cooperative leaders.
- Conduct in-country experience sharing visits between cooperative unions at varying levels of performance.

## V. TANZANIA

The Tanzania component of the project is a CLARITY scorecard assessment, which will be presented to cooperative sector stakeholders as a tool for future advocacy efforts, as well as a decision-making tool for nascent groups trying to understand the legal registration that fits their needs.

Since July 2011, ACDI/VOCA and Land O'Lakes have partnered to refine the assessment scope and implementation strategy. Through conversations with previous implementers of the CLARITY scorecard (ICMIF and CHF), the team developed a strategy that includes pairing a US-based legal expert familiar with the scorecard with a Tanzanian legal specialist familiar with the local cooperative regulatory environment. The two will work remotely to analyze the Cooperative Societies Act, and through frequent communication and joint analysis, will come to consensus on the scorecard. Once that process is complete, the Tanzanian legal specialist will conduct a workshop with stakeholders in the government, private sector, and NGO communities to explore the results together.

A Tanzanian legal specialist was identified during the reporting period to conduct the assignment. ACDI/VOCA and Land O'Lakes had hoped to contract the international consultant who had implemented the CLARITY scorecard with OCDC members in the past, in order to take advantage of lessons learned in the process and compare the use of the tool in different environments. Unfortunately due to contracting constraints this was not possible, and recruitment had to begin again for an international legal specialist to partner with the Tanzanian consultant. New candidates were identified at the end of the reporting period, and the team now expects to begin this assessment in spring 2013.

## VI. DISSEMINATING RESULTS

CDP represents an opportunity for ACDI/VOCA to experiment and integrate results more broadly into other related programs, disseminate results to other cooperatives beyond the program partners, and share results with other development organizations. The following is a summary of the major themes of learning from Year 2 of CDP, and strategies to disseminate those results.

1. **CLICs.** A key component of CDP will be the creation of CLICs that will provide an online (and in some cases physical) space for cooperative leaders and members to improve their skills and knowledge for cooperative management. Following CCI's assessment last semester, each country has identified a local counterpart to host the CLIC:

Kenya	Ethiopia	Paraguay
Kenya Cooperative College – Agri-Training and Cooperative Training and Consultancy Services	Federal and Regional Cooperative Agencies	Federacion de Cooperatives de Produccion (FECOPROD)
<a href="http://www.atc.co.ke/">http://www.atc.co.ke/</a>		<a href="http://www.fecoprod.com.py/">http://www.fecoprod.com.py/</a>

As a next step, CDP will provide a mix of volunteers and local consultants in each country to assist the local hosts in establishing an appropriate platform (with ICT and social media components, as applicable). They will also assist in developing communication and outreach strategies to source content and encourage user interaction with the CLIC. CDP plans to focus initially on sourcing content related to the key organizational development topics covered by the M3 tool (Money, Management, and Membership). ACDI/VOCA has existing resources in these areas, as well as those developed by volunteers and consultants specifically for the CDP program. However, CDP will encourage the local hosts and users to expand the CLIC beyond this to ensure the information available responds to the needs and interests specific in each country context.

2. **Gender Strategy and Indicators.** CDP Paraguay developed a gender strategy with the goal of improving women's access to leadership and decision-making positions in agricultural cooperatives. This semester, in order to achieve the goals set by CDP Paraguay and to measure the impact, the program established baseline indicators that reflect the current gender situation and which can be tracked going forward. ACDI/VOCA will explore using these gender indicators in Kenya and Ethiopia as well, to help track progress across all three countries in improving women's inclusion in cooperative activities and leadership. CDP Kenya has already seen some success as a result of gender sensitivity trainings carried out by a volunteer. While CDP Ethiopia also conducted gender sensitivity training as a part of the initial ToT, very few women are directly benefitting from activities and the program is still exploring strategies to better engage women.

3. **Documenting program impact.** Each country component of CDP has recognized the importance of consistent follow-up with each cooperative after technical assistance to monitor the effectiveness of the training and to assist with any problems that may arise. Each also has

found a different strategy for ensuring this happens, whether promoters paid by the program, or a government focal person. To build on this, CDP plans to use a learning questionnaire or similar written tool to better document the impact of each major CDP activity. Before the training, workshop, or event, CDP staff will attempt to document what change they specifically, and realistically, expect to achieve. Afterwards, staff will analyze whether or not the change and/or impact was achieved, and think critically about the factors leading to that success or lack thereof. Ideally, this process should be carried out with the cooperatives, so that they buy-in to the change process and can also measure their own growth. ACDI/VOCA hopes that this will better help to capture the most successful program methodologies, which can be shared to stakeholders via the CLIC and other means.

In the upcoming period, ACDI/VOCA also plans to launch a community of practice using a new online forum called ASPIRE Global. This forum can be used as a discussion board for CDP managers, in addition to other ACDI/VOCA implementers working with cooperatives, to share challenges, experiences, resources, and lessons learned.

## **VII. PERFORMANCE MONITORING PLAN**

### ***1. PMP Data***

ACDI/VOCA provided an analysis of the PMP results for the year 2011 in the previous semi-annual report. The data for 2012 is currently being collected and analyzed in Kenya and Ethiopia. In Paraguay, cooperative records are not released until April, at which time CDP Paraguay will be able to verify the PMP data for 2012. Consequently, ACDI/VOCA will submit a complete PMP in the next semi-annual report.

### ***2. Mid-Term Assessment***

During the reporting period, ACDI/VOCA contracted Keystone Accountability to carry out a mid-term program evaluation using its unique constituency voice methodology. With agreement from USAID, the midterm was planned to be conducted in Kenya in coordination with Land O'Lakes and NCBA. While more limited in scope, this would allow the three cooperative development organizations to pilot the constituency voice approach and learn from the experience of using the methodology with cooperatives of different sizes, different stages of development, and different sectors.

The constituency voice approach generates data on the quality of relationships, performance and perceived contributions to outcomes that influence the success or failure of any project. The evaluation was thus designed to create feedback loops between:

- The three U.S. implementing organizations and the cooperative governors and managers they target. This will document the perceptions and experiences of that constituency with which the CDP partners interact directly.
- Local cooperative governors and management and their members. This will seek to document and analyze the perceptions of ordinary cooperative members on their relationships with and performance of the cooperative leaders and the quality and relevance of the services that the cooperative provides.

ACDI/VOCA worked with Land O'Lakes and NCBA throughout the reporting period to develop the questionnaires that would provide quantitative and qualitative data on these two sets of relationships. Keystone, in coordination with local partners, then carried out the field work in November 2012. As of the end of the reporting period, the data was being analyzed and formulated into a draft report. The results of this will be shared in the next semi-annual report.

## **VIII. ANNEXES**

1. Financial Report SF-425
2. Gender Integration Tool
3. Paraguay Success Story