



Elina Eskola

Rural Development Cooperation

Learning from Finland's International
Projects and Programmes



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and Programmes

Elina Eskola

The opinions expressed or implied in this report are those of the author and the people referred to or interviewed. They do not necessarily reflect the views of the Ministry for Foreign Affairs of Finland.

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Foreword

Promoting development in rural areas is a slow and complex process requiring actions in multiple sectors. Sustainable results can be achieved only by working patiently together with all the stakeholders. Often the process doesn't advance straight-forwardly and it may be hindered by external factors. In order to understand the factors promoting successes and the weaknesses behind failures is the only way to improve the efforts to advance rural development. Elina Eskola has made an excellent work by compiling the experiences for the rural development projects and programmes Finland has supported in the last decade. Her review allows us to have an overview of the efforts invested in this field, the strengths and weaknesses in it, and suggestions for how to improve the work in the future. It has contributed also to the elaboration of the Strategy for Rural Development, which is in preparation.

The review demonstrates that Finland's support to rural development has followed the evolution of the development paradigm globally shifting from top-down approaches to participatory way of working, and from technical issues to more institutional and governance issues. Despite of the need for continuous attempt to improve the efficiency and effectiveness of the interventions, we can be proud of the work done so far. Most of the programmes show that Finland has managed to tackle several dimensions of poverty, to direct support also to disadvantaged groups of society, and to integrate crosscutting themes, such as gender and environment, in its activities. In this sense, it encourages us to continue in this path.

The Ministry for Foreign Affairs has acknowledged the need to reinforce its processes to learn from the past. This review underlines the fact that more work must be carried out to make the learning processes more systematic and consistent throughout interventions and in-between them. This is a challenge for future activities not only to improve our efforts but also to share the lessons learnt with other partners in development cooperation both at the national and international levels.

The review gives, naturally, only the opinion of a single person on the programmes. As rural development is a multifaceted challenge, it can also be seen from different angles and therefore, this view can be contested. The basis for the review is in the project documents available in the Ministry's archives and, thus, it reflects the institutional memory of these interventions. This may not always correspond totally with the view of the persons who worked in the programmes or the projects who saw the evolution of the activities in a completely different context. The purpose of this document is not to give the only truth and interpretation of the Finland's experiences but as the series name states give elements for discussion.

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Abbreviations and Acronyms

ADP	Area Development Programme
AEP	Agricultural Extension Programme, Zambia
ARC	Agricultural Research Centre, Egypt
ASIP	Agricultural Sector Investment Programme, Kenya
ASP	Agricultural Sector Support Programme, Kenya
CEDAW	Convention on the Elimination of All Forms of Discrimination against Women
DAC	OECD's Development Assistance Committee
EFARP	Egypt-Finland Agricultural Research Project
FAO	Food and Agriculture Organisation of the United Nations
FINNIDA	Finnish International Development Assistance
GDF	Government Department Facilitator, South Africa
GDP	Gross domestic product
GoF	Government of Finland
GoK	Government of Kenya
GoSA	Government of South Africa
GoT	Government of Tanzania
IAC	Chimoio Agricultural Institute, Mozambique
IARS	Ismailia Agricultural Research Station, Egypt
IFAD	International Fund for Agricultural Development
IRD	Integrated Rural Development
IVL	Ismailia Veterinary Laboratory, Egypt
LAPED	Limpopo Agricultural Development Programme
LAPP	Luapula Agribusiness Promotion Programme, Zambia
LASSO	Luapula Agricultural Sector Support Office, Zambia
LCDA	Luapula Commercial Development Agency, Zambia
LCU	Luapula Cooperative Union, Zambia
LDP	Livestock Development Programme, Kenya
LGRP	Local Government Reform Programme, Tanzania
LLFSP	Luapula Livelihood and Food Security Programme, Zambia
LRDP	Luapula Rural Development Programme, Zambia
MAFF	Ministry of Agriculture, Food and Fisheries, Zambia
MAG	Ministry of Agriculture and Livestock, Nicaragua
MARD	Ministry of Agriculture and Rural Development, Kenya
MLD	Ministry of Agriculture Livestock Development, Kenya

MOCD	Ministry of Cooperative Development, Kenya
MONAP	Mozambique Nordic Agricultural Programme, Mozambique
MTT	Agricultural Research Centre in Finland
NAP	National Agricultural Policy, Zambia
NGB	Nordic Gene Bank, Sweden
NGO	Non-governmental organisation
NPGRC	National Plant Genetic Resources Centre (several SADC countries)
NPDRP	Northern Province Rural Development Programme, South Africa
OECD	Organisation for Economic Cooperation and Development
PIDR	Integrated Rural Development Programme, Nicaragua
PNDR	Programa Nacional de Desarrollo Rural, Nicaragua
PRA	Participatory Rural Appraisal
PRSP	Poverty Reduction Strategy Programme
QTRDP	Quang Tri Rural Development Programme, Vietnam
RDDP	Rural Dairy Development Programme, Kenya
RIPS	Rural Integrated Project Support Programme, Tanzania
SACCAR	Southern Africa Centre for Cooperation in Agricultural Research and Training
SADC	Southern African Development Community
SATIM	Support to Agricultural Training in Mozambique
SEAGA	Socio-Economic and Gender Analysis Programme
SPGRC	SADC Plant Genetic Resources Centre, Zambia
TTHRDP	Thua Thien Hue Rural Development Programme, Vietnam

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1. Introduction

Over 70 percent of poor people in the world live in rural areas so success in rural development is a crucial precondition for the eradication of poverty at large. Poverty in rural areas is a complex issue that is influenced by many different factors, some of the most common being insufficient income and financial assets, weak infrastructure and communication networks, low levels of human capital, lack of empowerment, and vulnerability. Approaches and degrees of dedication to promoting rural development have varied widely along with the shifting emphasis of the debate. During recent decades rural development and agriculture have not been given high priority by the international donor community, and less traditional topics have received most of the attention and resources. Support for rural aid has fallen in real terms, and aid to agriculture in the late 1990s was only 35% of its value ten years earlier (IFAD 2001). The decline in funding has applied much more to agriculture than to any other sector (Ashley & Maxwell 2001). Agriculture and rural development are now gradually regaining their status as focal points of development and the importance of rural development has been recognised. The World Bank, the International Fund for Agricultural Development (IFAD) and the European Commission, amongst other organisations, have prepared or revised their rural development strategies in 2002 and 2003.

1.1 The importance of the agricultural sector in developing countries

The importance of agriculture and rural development in general becomes evident when we take a closer look at the situation prevailing in the countries where Finnish-funded rural development cooperation programmes are being undertaken (Figure 1). Agriculture is the main source of livelihood for at least half of the population in every one of these countries, except only Egypt (where the corresponding figure is slightly under one person in three) and possibly South Africa (where data are not presently available). In Zambia up to 85 per cent of the population depend on agriculture as their primary source of livelihood.

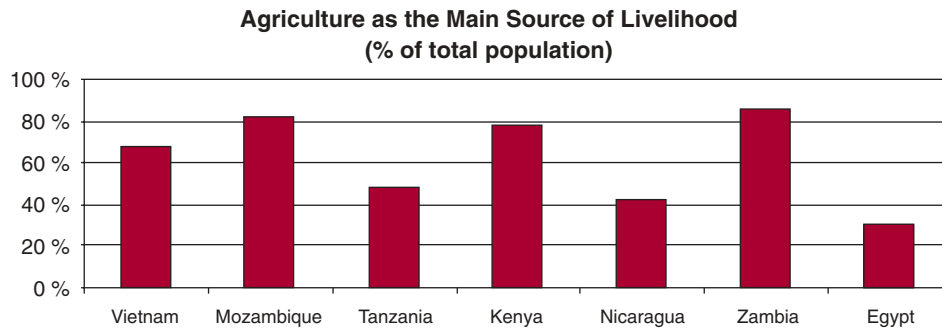


Figure 1: The percentage share of the total population having agriculture as their main source of livelihood. Source: Modified from statistics provided by FAO, World Bank and UNDP 2003.

Besides being crucially important for private households, agriculture plays a significant role in the national economy at large (see Figure 2). In Tanzania agriculture accounts for almost half of the country's total annual gross domestic product and in almost all other target countries¹ agriculture accounts for between a quarter and a third of annual GDP. Only in Egypt do other sectors clearly dominate, as agriculture accounts only for 15 per cent of GDP there. Furthermore, not only does agriculture contribute to the GDP of these countries, but it is also a significant source of their export revenues. The comparative advantage of the least developed countries often lies in agricultural production and in most of Finland's rural development cooperation partner countries, too, over half the export revenues come from agricultural production.

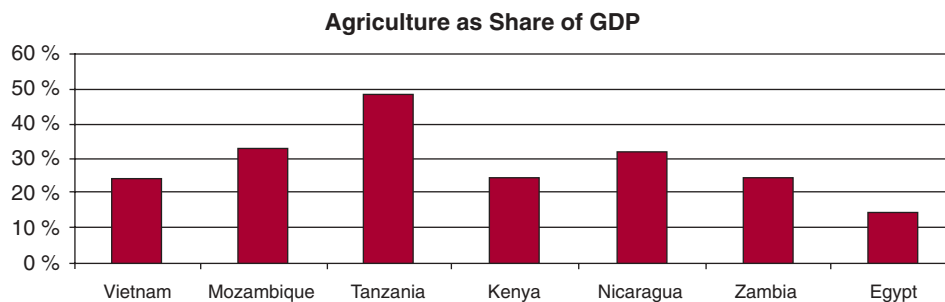


Figure 2: Agriculture as share of GDP in the target countries. Source: Modified from statistics provided by FAO, World Bank and UNDP 2003.

¹ The situation in South Africa cannot be assessed because of the lack of data.

1.2 Historical overview of the rural development dialogue

Rural hunger and poverty have been problems for decades but the solutions offered have varied widely as development thinking has passed through different phases. In the 1950s modernisation dominated the development dialogue and rural poverty was often explained by the backwardness of traditional smallholder agriculture and “lazy” farmers. The whole agricultural sector was considered to have practically no potential for development and its role was seen as a passive producer of resources for the modern sectors of the economy until the latter would eventually expand to replace it with large-scale ‘modern’ agriculture. The underlying assumptions of development belief at this time included the existence of economies of scale in agriculture, meaning that large farms could make more efficient use of resources and modern technologies than small farms (Ellis & Biggs 2001). Solutions offered to the rural poor were almost universally seen as being linked to urban growth, movement from the countryside to the cities, and community development. However, the promised elimination of rural poverty through migration to the cities has not materialised. On the contrary, the problem has become even more critical and much of the massive population transfer to the cities has been into slums and the informal sector, creating still more problems (Eicher & Staats 1998).

In the 1960s and 1970s the development paradigm shifted. The donor community reversed its previous assumptions and started to support rural smallholders, which were now seen as the real engine of growth and development. This ‘small-farm-first’ narrative began with the proposition that agriculture plays a key role in overall economic growth by providing labour, capital, food, foreign exchange and a market in consumer goods for the nascent industrial sector in a low-income country. Small farmers were seen as efficient and rational economic agents, the belief in economies of scale started to fade, and the green revolution was a much-discussed topic (Ellis & Biggs 2001). One of the explanations put forward for rural poverty was that poor potential farmers did not own land, so land reform programmes were debated. The political climate did not allow land reform to take place, however, and continuing small-farm growth within Integrated Rural Development (IRD) programmes was developed as a second-best strategy in the 1970s. The basic idea of these programmes was that a donor organisation would select an area in which to finance synergistic interventions in agricultural expansion, research, marketing, input supply, credit, rural roads, water supply, electricity infrastructure and small-scale irrigation. Technicians from the developing countries, often trained abroad, planned the projects and occasionally the beneficiaries were also consulted. The execution of the programme components was generally delegated to government organisations, often highly centralised ministries or parastatals. Nevertheless many of the IRD projects were unsuccessful as they encountered adverse policy

environments, lack of government (financial) commitment, lack of appropriate technology (as the local environment in the recipient countries was not fully understood, making coordination difficult), and neglect of institutional development (as the projects mostly set up separate project coordination units, often staffed by expatriates). These factors, together with the lack of beneficiary participation, led to inappropriate and unsustainable activities being undertaken (Eicher & Staats 1998).

After the IRDs were no longer seen to be a feasible option, a countermovement in development thinking led to intense decentralisation and greater involvement of beneficiaries in the 1980s and 1990s. State-led rural development was eclipsed by the market liberalisation advocated by the World Bank and the IMF. The provision of infrastructure and delivery of services was directed towards the private sector, even though partial or full government financing was required in order to guarantee adequate levels of implementation. The idea was to “get the prices right”, implement structural adjustment programmes and direct the poor countries to prosperous market-led growth. Donors also started to bypass the official government structures by channelling their aid partly through non-governmental organisations (NGOs) and made an effort to reach the grassroots level. Empowering the poor became a broader concept in the 1990s, and it was understood that merely consulting the beneficiaries is not sufficient for them truly to be empowered. The top-down or blueprint approach turned into a bottom-up, grassroots, or process approach, and new themes, such as gender sensitivity and the environment, were taken into the development debate. It was soon learned, however, that decentralisation is not a simple panacea. Decentralisation cannot work unless elected local governments are given adequate fiscal powers by higher government levels and unless political elites are committed to decentralising their power within the parastatals and lower levels of governance. Capacity building in order to achieve good governance became an important issue (Eicher & Staats 1998).

In the 2000s, the trend has turned back towards the integrated approach in the form of the Poverty Reduction Strategy Programmes (PRSPs). It is widely understood that rural development requires the development of multiple sectors simultaneously. Broad concepts, such as enhancing sustainable livelihoods and the eradication of poverty in the wide sense of the word, have been adopted as the leading goals of development. Development is no longer undertaken through a top-down approach but attention is focused on a participatory approach and capacity building to enable the developing countries themselves to implement growth-promoting policies. The question of land reform is still considered highly topical in some countries, even though it is not directly within the parameters of development aid.

These shifts in thinking about development should also be borne in mind when Finnish development aid is discussed. Even though development thinking has not always evolved as straightforwardly as presented above, the same main trends from a

top-down approach to more participatory methods can be discovered in the Finnish-funded projects that have been under way for a longer period of time. The Rural Integrated Project Support Programme in Tanzania is a particularly interesting example of this development, while the Vietnamese projects are very much in line with the latest integrated participatory poverty reduction thinking. The decisions that were made when the direction or emphasis of the programme activities changed are easier to understand when they are examined in the light of the prevailing policy context.

1.3 The Millennium Goals and Finnish aid in the past decade

Finland, along with 190 other countries, has committed itself to the United Nation's Millennium Development Goals². The very first of these goals is the eradication of extreme poverty and hunger. This goal consists of two parts: to halve, between 1990 and 2015, the proportion of people whose income is less than one dollar per day, and to halve, during the same period, the proportion of people who suffer from hunger. To achieve the goal means raising over 400 million people currently living in extreme hunger above the poverty line. If the challenge to the international community is immense, the ambitions are also high.

Since the majority of poor people in the world live in rural areas, more attention should be focused on development efforts in rural areas if the Millennium Development Goals are to be achieved. Rapid rural development in a broad sense – covering agriculture, off-farm development, forestry, water, education, and so on – is crucial for eradicating extreme poverty and hunger. The agricultural sector is at the very heart of rural development, firstly through its contribution to food security and secondly because it is generally the basis of livelihood for the majority of the rural poor. Although Finland has made a commitment to the Millennium Development Goals, it allocates rather little, both relatively and in absolute terms, for development cooperation in rural development and agriculture (see Figures 3 and 4). One should bear in mind, however, that programmes in other connected sectors, such as education, health, water, energy, and forestry, often reach and benefit the rural poor.

² The Millennium Development Goals are 1) Eradicate extreme poverty and hunger, 2) Achieve universal primary education, 3) Promote gender equality and empower women, 4) Reduce child mortality, 5) Improve maternal health, 6) Combat HIV/AIDS, malaria and other diseases, 7) Ensure environmental sustainability, and 8) Develop a global partnership for development.

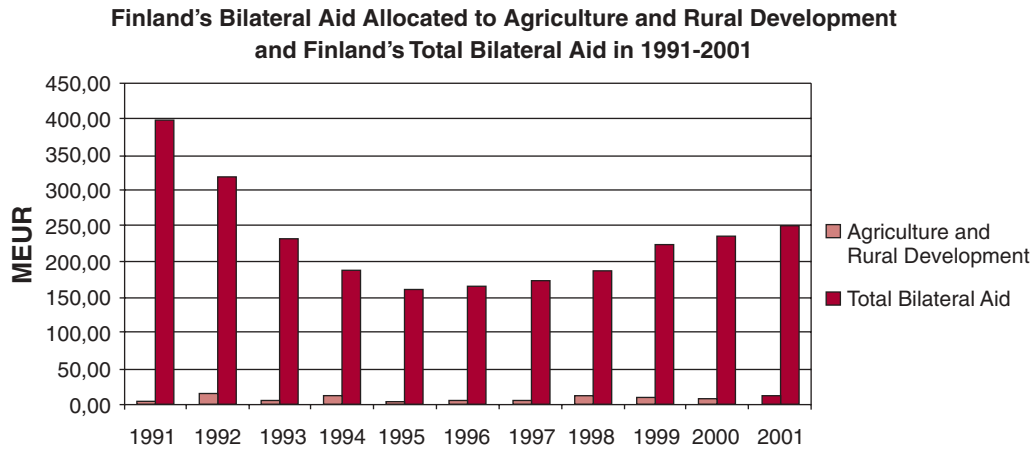


Figure 3: Finland's Bilateral Aid 1991–2001. (KYO 2002)

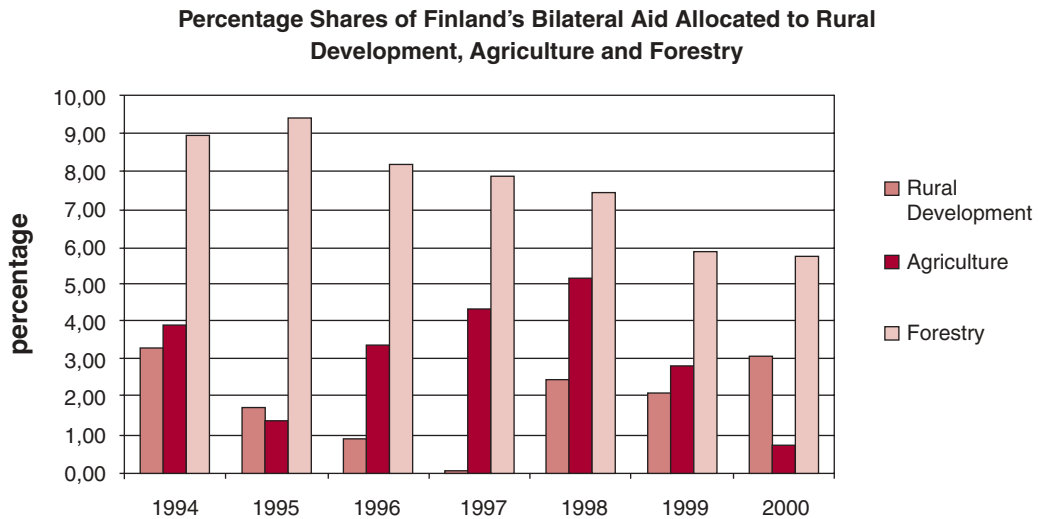


Figure 4: Percentage of Bilateral Aid allocated to Rural Development, Agriculture and Forestry. (KYO 2002)

1.4 The new strategy for rural development aid

The Ministry for Foreign Affairs of Finland is currently working on a new strategy that will provide guidelines for Finnish-funded activities in the field of rural development in the future. The strategic aim will be to guide the allocation of Finnish development funds into the eradication of extreme poverty and hunger as defined in the first of the Millennium Development Goals. The new strategy will identify the main issues that contribute to rural development and formulate Finland's approach to these themes. The strategy will also recommend the areas and issues on which Finland should focus. The strategy will be based on the commitments and decisions-in-principle made by the Government of Finland, as well as on discussions within the Ministry and with other interest groups, such as research institutes, NGOs and consultants. Discussions and data collection have already started and the new strategy should be finalised by the end of 2003.

1.5 The purpose and methodology of this report

This report has a twofold purpose. Firstly it provides a review of the past, collecting the main aspects of Finland's biggest rural development cooperation projects during the past decade into one report. It presents and discusses the main bilateral development projects involved, excluding such other forms of aid as Sectoral Programmes and Concessional Credits. Secondly, and at the same time, it is designed to form part of the foundation for a new rural development strategy by providing a clear view of Finnish aid projects in the rural sector to date. It looks at the decisions made in the past about the projects and discusses the lessons that have been learned and that could provide new insights for future strategy. The report aims to initiate fruitful discussions on different aspects of rural development, leading to a coherent and functional new strategy for Finnish-funded development aid.

Each project is presented here as a distinct entity in order to give clear descriptions of the individual projects and enable comparisons to be made between them. The presentations are based on the main documents relating to each project, which should be of similar types in all projects and include project documents, mid-term reviews and final reports, as well as other material relevant to each specific project. As some projects are bigger and longer-term than others, the material used for such larger projects is richer than for the smaller projects. The documents consulted are listed at the end of the report. One should bear in mind that descriptions based on the project documents do not always give a full picture of what actually happened in the respective countries. The fact that some aspect is not emphasised or even noted in a report does not necessarily

mean that it was absent from the project (even though it might indicate a lack of emphasis on the aspect involved). It should also be noted that the material used is restricted mainly to programme-specific material. National development plans, poverty reduction papers and the like, despite the fact that matters outside the scope of a programme are often crucial to the development outcome, have been only referred to in few cases where there were notably influencing the content or the scope of the programme. The gender aspect has been discussed as a crosscutting theme in every project where the documentation has permitted this to be done.

Ministry officials and advisors currently dealing with the programmes have been interviewed not only to help with the description of the programmes but also in order to gain a more profound view of the working environment typical to each project and further enlightenment as to the lessons learned. The consultants implementing the projects, who have been in the field and who best know the reality of each project, have also been interviewed in most cases. A number of Finnish embassies have provided additional insights from the field.

2. Finland's Development Cooperation Programmes

This report presents and discusses ten of the larger development cooperation programmes that are closely related to rural development and agriculture and have been funded by Finland during the past decade. Smaller Finnish contributions, for example through FAO or research institutions, are not included in this report. There are also some programmes, for example in the forestry sector, that are not included even though they take an approach very similar to that of programmes which are reviewed in this report. Each of the programmes is an entity, with its own history, changes of emphasis, and specific development goals. The scopes of the programmes vary from support for a specific agricultural institute to wide integrated rural development programmes. The means which are used to fight against poverty also range from collecting plant genetic resources to traditional livestock programmes and administrative reform programmes. Most of the programmes have been under way for longer periods of time and are currently being phased out but the report also presents a couple of recently started projects that represent development cooperation as it is today as well as in the near future. Geographically, the programmes are mostly concentrated in Africa (Egypt, Mozambique, Zambia, Kenya, Tanzania and South Africa). Vietnam and Nicaragua are the only representatives of other continents. Most of the countries are Finland's long-term partners in development cooperation.

2.1 Rural Integrated Project Support Programme (RIPS) – Tanzania

The Rural Integrated Project Support Programme (RIPS) is a cooperation programme in the Mtwara and Lindi Regions in Southern Tanzania. The programme has been under way since 1988 and has grown through the years to be the biggest rural development programme in which Finland has ever engaged in terms of total budget. The overall goal of the programme is to enhance the livelihoods of the rural population in the Mtwara and Lindi regions.

2.1.1 Phase I

In Phase I (1988–1993) project staff worked closely with the Regional authorities in order to find the best ways of improving the well-being of the inhabitants of the two regions. The overall programme objective was to improve the living conditions of the

rural population in Lindi and Mtwara through 1) increased agricultural production, 2) improved market access, 3) improvements in infrastructure, and 4) improvements in the capacities of the institutions serving small-scale farmers (Final Report, Phase I 1993). The main emphasis of activities was on building physical infrastructure, such as roads and smaller water schemes. During Phase I Finland invested 61 million Finnish marks in the different activities (RIPS Programme, Phase II 1994). This type of infrastructure-based project was well in line with the development thinking that prevailed in the 1980s, namely Integrated Rural Development. According to the spirit of the times, the idea was to tackle the problem of poverty by investing in water projects, roads and education simultaneously, so the combined results would be greater than the those of the individual components alone. The major constraint was thus the lack of investment and the solution was to enable the countries to implement infrastructure projects, often with top-down planning. In Tanzania the provinces were divided between different donors who then financed infrastructure development programmes planned by the provinces.

In the Mid-term Review of 1991, the project's objectives were thought to be correct but the programme was strongly criticised for being ineffective, taking too long to get started, being too heavy on administration, becoming involved in other activities than those planned in the original budget, and allocating only ten percent of the budget to activities that directly benefited the target group (Mid-term Review, Mission Report 1991). The original idea of supporting the provinces' plans turned into a "shopping list" practice whereby Finland financed various investments without sharing in control over the selection or identification of the development objectives of those investments. Despite the fact that the Final Report gave the project much credit for its "excellent" approach and strategy, even the consultant agency admitted that the approach and working methods had been too bureaucratic and that the scope of the programme was unrealistically ambitious (Final Report, Phase I 1993).

As Phase I was judged to be expensive and ineffective, the new phase was designed to be more efficient and to adopt a different approach to the challenge of development. Because Phase I was criticised for its centralised planning and exclusion of local people from the projects, leading to minimal ownership of the activities, Phase II was planned to emphasise the importance of the beneficiaries' participation.

2.1.2 Phase II

The second phase of RIPS started with a preparatory phase in 1993, when a completely new participatory approach to development cooperation was adopted. The programme team went directly to the villages to implement a participatory planning process and start small projects which, it was thought, would lead eventually to a component-

based project document at the end of the participatory period. The small projects worked so well, however, that when the actual project document was written, the project team ended up suggesting similar types of village projects on a much larger scale at the core of Phase II. As noted in the Programme Completion Report in 2000, Phase II of the project (1994–1999) was not just an improved version of Phase I but actually in all major respects a completely different programme. The official overall objective was still to contribute to the sustainable livelihoods of the people in Mtwara and Lindi but this was to be done by strengthening both the formal and the informal rural institutions. Activities concentrated on five key areas of operation: 1) health and water; 2) natural resources, land use and tenure, agriculture; 3) education; 4) rural transport and markets; and 5) rural savings and credit. The activities emerged from the villages, with the central planning office of the programme operating merely as a facilitator, and various pilot projects were defined and implemented in the villages by the local people themselves (Programme Document, Phase II 1996).

Success stories of participatory rural appraisal (PRA) methods used, for example in fishing projects, in RIPS II are well known and they were praised even in the Mid-term Review. The Programme Evaluation team, too, gave the programme credit for making “enormous progress” in changing attitudes and behaviour from the command tradition into a more participatory culture. The evaluation report went on to judge the programme to be relevant to the needs of its clients, to have made a considerable impact and to have been highly effective in strengthening local institutions despite the relatively modest budget compared with the budget for Phase I (Programme Evaluation, Phase II 1998). The fact that the new participatory approach was welcomed in the villages and resulted in new experimental and well-functioning projects was also noted by the implementers.

As the programme was so wide-ranging, however, the Mid-term Review of 1995 criticised Phase II for its lack of organised management and lack of communication between the different activities. The lack of transparency, communication and coordination between RIPS and the Government of Tanzania, particularly at the district level, was assessed as threatening the sustainability of the project. Furthermore, the indicators for the programme’s development goals were said to be poorly identified, and the programme itself was seen to be difficult to monitor and gender sensibility impossible to verify (Mid-term Review, Phase II 1995).

Phase II could actually be divided into two sub-projects, with the Mid-term Review of 1995 seen as marking the turning point between them. In the first half of Phase II, all the village projects were managed by the Resource Unit where the technical advisors were based and which provided support services to small projects according to their needs. However, as noted in the Mid-term Review, financial control of the ever-growing number of projects became particularly difficult, and in the latter part of Phase II,

project management was re-organised to include a separate financial division, and management, monitoring and evaluation functions as well as expert services. The advice about improving communication between RIPS and the government officials was taken seriously and the village projects were introduced to the Districts. All the same, in the Phase II the main responsibility for project management lay with the RIPS staff.

The Final Report noted that there was a need for further action before the development goals could be achieved. In order to enhance the use of participatory methods and good governance, it was necessary to expand training so that it involved the district officials as well, and to obtain the commitment of district-level decision-making to the use of participatory methods. The main idea was to make village planning a basic building block for district planning.

2.1.3 Phase III

Phase III (1999–2005) is still in progress, continuing the work of Phase II by expanding PRA training from the villages to the districts and thus raising the programme to an entirely new level. "Yet Phase III is the largest rural integrated project funded by Finland. It [has] an overall budget of ... 11.1 million euros over a programme life span of six years" (Programme Document, Phase III 1999). Finland is bearing the great majority of the costs, with 7.48 million euros, as the Tanzanian government is mostly providing local work force (KYO 2001).

The overall objective of Phase III is still to improve sustainable livelihoods in the 11 districts of the two regions. The Project Purpose, on the other hand, is to encourage local government and civil society to use participatory methods for collaborating with communities in the analysis of development needs and opportunities, the mobilisation of community and external resources, and the implementation and monitoring of development activities. All this is planned to be effected by 1) strengthening public services, 2) supporting participatory planning at local level and 3) enhancing small enterprise development (Programme Document, Phase III 1999). Phase III responds to the demands that emerged regarding Tanzanian governance as the Government of Tanzania started its Local Government Reform Programme (LGRP) in 1996. The purpose of the LGRP is to decentralise governance and budget responsibility to lower levels, so districts have also been allocated more decision-making power and resources to implement new projects without direct control by the central governance. Since the districts did not have the capacity to function fully, Phase III of RIPS has been found to be extremely relevant. Phase III also benefited from the results obtained in Phase II, by proceeding from community development to participatory local democracy building.

In Phase III the village projects that had started with PRA methods in Phase II

were given to district officials to manage and training was provided for the officials to help them adopt a new participatory approach. However the programme faced the same difficulties as in the very beginning when PRA training was first started in the villages: officials who already had settled routines and ways of working did not immediately embrace the new projects coming from outside but continued the top-down management of their own old projects just as they had done before. Civic education and PRA training have nevertheless started to pay off and the link between the district and the villages is constantly improving.

The programme was evaluated in the Phase III Mid-term Review in 2002. Here, too, Phase III was assessed as having a high degree of relevance as it is well in line with Finland's development goals and supports activities that are priorities in Tanzania's Poverty Reduction Strategy Programme (PRSP). On the other hand the effectiveness of the project, i.e. the extent to which its purpose is likely to be achieved by its actual activities, was questioned as some of the project activities were found to be unsustainable or impossible to transfer to local stakeholders. As far as efficiency is concerned, the existence of such a huge budget justifies the demand for substantial results. In the Mid-term Review the use of PRA methods was assessed as professional and widespread, even though it was noted that much remains to be done before thorough penetration of the approach is achieved. The Review also had doubts about the efficiency and management of the different components of the programme. Phase III was considered to have had an impact on the way local decision-making has been carried out, even though more work and practice is necessary to ensure complete adoption of the new methods. However the Review found that the main goals outlined in the logical framework of the project document were not in line with the current activities. It therefore recommended that the stated goals should be changed to reflect the actual activities. The logical framework was, indeed, modified after the Mid-term Review and it now binds the programme activities more closely to the LGRP. Instead of aiming at rural development and sustainable livelihoods at large, the programme now concentrates on capacity building and strengthening good governance (RIPS Phase III, Logical Framework). The sustainability of the results, however, very much depends on the LGRP being executed simultaneously. RIPS has an important complementary role to play but it cannot succeed without successful implementation of the LGRP.

2.1.4 RIPS as a whole – the main lessons learned

Even though tactics have changed, the overall objective of RIPS has remained the same. The goal is still to improve sustainable livelihoods in the Mtwara and Lindi regions. The emphasis of action has changed, however, from the centrally planned road construction and water projects of Phase I to participatory village programmes in

Phase II, and then to participatory capacity building at district level in Phase III. As support programmes, the second and third phases of RIPS have not implemented the projects themselves, but supported project design, development, implementation and evaluation carried out by local organisations. The emphasis has been on participatory approaches with the help of PRA as well as other tools and techniques.

All three phases of the programme share some common principles. RIPS takes a broad view of rural development and only a small part of the programme is directed towards increased production. Although production is one of the keys to increased well-being in the region, other parts of the agricultural chain and other livelihood strategies are strongly supported by the programme. Access to markets, diversification and entrepreneurship thus gain due importance in the programme activities. The goal of these activities is to activate and utilise local knowledge in local development projects. The final impact of RIPS is yet to be seen, but already, as the Phase III Mid-term Review points out, the project staff have produced a vast amount of research and study material that should be shared with, and made easily accessible for, a wider audience in Tanzania and elsewhere. Distributing such information would also be in line with the main principles of PRA.

Despite the lack of sufficient gender sensitivity in Phase I, a long-term approach to integrating gender issues in the programme was adopted, especially in Phases II and III. Different types of gender training were carried out throughout the programme and the staff of the resource unit included equal numbers of women and men. The project staff also arranged for FAO's Socio-Economic and Gender Analysis (SEAGA) Programme to give socio-economic and gender sensitivity training on two occasions, in 1998 and 1999, after which the project created its own gender strategy in order to enhance the status of women. A specific gender study was conducted in 2001 to monitor how well the strategy had been operationalised. The study resulted in many recommendations for improvement. Even though some criticism regarding insufficient gender sensitivity was raised in the Mid-term Review of Phase II, the Phase III Mid-term Review noted that gender sensitivity still did not fully penetrate the programme. One real challenge with regard to achieving gender equality is that RIPS does not implement the projects itself, but only acts as their facilitator. Gender awareness should thus be awakened at the grassroots level in a slowly changing, historically patriarchal society (Paths for Change II 2002).

One critical concern about the programme is that it has become a large-scale parallel organisation, operating as "local FINNIDA" in the area. The RIPS organisation is huge compared to the resources otherwise available in the region, and as the programme has been in operation for decades, its internal management arrangements have developed into a cumbersome management organism employing a large number of people. The organisation should therefore be simplified and transferred to the local authorities,

and the RIPS organisation itself should be finally abolished by the end of 2005. Even though the development process in Mtwara and Lindi is not nearly finished, the cut-off lines for development assistance have to be drawn at some level of achievement, otherwise there would be development goals still unachieved decades from now. As RIPS has been such a long-lasting programme, phasing it out is unlikely to be a painless process and preliminary action should be taken years in advance.

Thanks to Tanzania's LGRP the political climate has been favourable for RIPS, and the strengthening of community-level decision-making capacity, which used to lag behind other changes in Tanzanian governance, has set a good example for other communities in Tanzania. The new ways of working promoted by RIPS activities have already opened the way for nation-wide changes in a number of sectors. Tanzania's PRSP has been the other guiding principle for RIPS activities, ensuring the relevance of the programme and also helping to create a favourable working environment. RIPS is well known and highly appreciated by the Tanzanian authorities, and the lessons learned in the programme are also spreading to other areas. Even though the big overall budget, and the large share of it allocated to technical assistance in particular, leave room for criticism, if the change in attitudes that has taken place during RIPS is permanent the effort has been worthwhile. Attitudinal change requires long-term effort, sufficient resources and a continuous presence in the area in order to ensure sustainable results. Even though the overall budget has been large, the field of operations has also been wide. Furthermore, the good results from, for example ending dynamite fishing, implementing prosperous goat-rotation schemes and enhancing cashew production, will pay back the investment in RIPS many times over.

RIPS has been a good example of an experimental development project that was given an unusually high degree of freedom to try out different approaches leading to the adoption of new and effective working practices. As the implementers note, the roles played by experimental area development projects as sources of good practice are becoming ever more important. Trying something new might not always work, but failures should be turned into learning experiences and tolerance and new approaches should be embraced.

2.2 Egypt-Finland Agricultural Research Project (EFARP) – Egypt

The Egypt-Finland Agricultural Research Project (EFARP) started with a short preparatory phase already in 1989 and the project is still continuing. An institution-twinning model was adopted and the Egyptian Agricultural Research Centre (ARC) and Ismailia Agricultural Research Station (IARS) were twinned with Finland's Agricultural Research Centre (MTT). Their collaboration has also included a number

of training programmes in Finland. The project was divided into three main phases, each of which has had different objectives (Ministry for Foreign Affairs 2001a).

As one of the overall goals of the whole programme, the project aims at improving small-scale farming efficiency in newly reclaimed areas through adaptive research. Another aim is to promote interactive linkages between researchers, extension service workers and farmers. Further aims include the promotion of interdisciplinary research and extension services. The programme concentrates on five areas of research: 1) soil, water and environment, 2) crop production, 3) plant protection and plant pathology, 4) animal production, and 5) animal health (Ministry for Foreign Affairs 2001a).

2.2.1 Phase I

Phase I (1990–1994) focused closely on research, including both farm-level and station-level research. It concentrated on building up the institutional capacity of both the Ismailia Research Station and the Ismailia Veterinary Laboratory. The development objective of Phase I was to improve agricultural production, and thus increase the income of the local farmers, by strengthening applied agricultural research. Its main immediate objectives included 1) renovation of physical infrastructure (buildings and laboratories), the establishment of experimental fields and the purchase and installation of equipment; 2) human resource development and the training of researchers and technical staff; and 3) implementation of applied research. During Phase I, research concentrated on establishing baseline data for the cultivation conditions in the new areas (Ministry for Foreign Affairs 2001a).

In the Final Report, the project coordinator considered that crucial elements for the programmes's success so far included the early participation of all the implementing parties in the planning process and in establishing a capable and efficient coordination committee. The lack of coordination in the plans for renovation work and purchase operations gave rise to considerable problems in starting up laboratory work. The report emphasised the need for arranging good maintenance services for sophisticated equipment and the proper training of personnel to ensure the sustainability of the programme. Although the follow-up of Phase I was seen to be one of the main tasks for Phase II, the strong commitment of all participants was considered to be the backbone of continuous cooperation even after termination of Finnish funding. Commitment was further boosted by, for example, trying to build up curricula for key personnel aimed at providing awards and promotions for the scientists (Final Report 1994).

2.2.2 Phase II

Phase II (1994–1997) continued the institutional capacity building and simultaneously focused on the output of the research programme. It became obvious by the end of Phase II that proper attention must be paid to the links for exchanging information and know-how between farmers, extension service workers and researchers. It was noted that the land reclaimed from the desert was producing at levels far below its potential and that livestock production levels were also sub-optimal. There were still considerable unutilised reserves available for increasing agricultural production by improving fertility, reducing salinity and water logging, and adopting better soil conservation measures, as well as by improving livestock production through overcoming critical nutritional and health constraints. Many of the obstacles to higher agricultural production were seen to be due to lack of suitable know-how: the know-how did not exist or it was not properly disseminated. Remedying this situation was taken as the main objective of Phase II: small-scale farming was to be boosted by upgrading applied research at the local research stations and strengthening the research-extension service-farmer linkages in order to improve the socio-economic position of the small-scale farmers. The immediate goal of Phase II was to develop and strengthen IERS and the Ismailia Veterinary Laboratory (IVL) so they would conduct research work of a good standard, in terms of both quality and quantity. Phase II was divided into three sub-projects covering 1) capacity building in IARS and IVL, 2) development of appropriate research programmes, and 3) support to the extension service (Project Document, Phase II 1994).

In the Mid-term Review, support to IARS and IVL was considered to be well under way. Upgrading and renovation of the laboratories was almost complete, but the evaluation team considered that a potential threat to the programme lay in the shortage of well-educated personnel to take responsibility for the necessary maintenance work. In competence building, too, successful training in the project called for good preliminary preparation and careful selection of candidates, in terms of competence both in fields of knowledge required and in the English language. Better communication between coordinators, and better transfer of information between individual disciplines and the coordination unit, were crucial challenges. Interdisciplinary research was seen to be problematic as there were clear gaps in collaboration between disciplines, threatening the overall result of component outputs. Interviews conducted by the evaluation team revealed lack of collaboration in planning as well as in practical performance, coordination and cooperation in agreed activities, and in the subsequent release of data to others. The role of component leader was seen to be unclear or not accepted by everyone, and serious concerns were expressed as to the overall success of the interdisciplinary research outputs by both of the EFARP coordinators and by all

discipline leaders. The lack of communication, commitment, follow-up and data documentation, together with the poorly defined tasks and responsibilities of key people, clearly disturbed the component output. At the time when the Mid-term Review was carried out farming activities were just starting and no definitive judgments could be made as to the final success of the programme in general, or the ability to integrate women in the programme as planned (Mid-term Review 1996).

In the Final Report of Phase II, it was made clear that on the whole the project had succeeded in producing results and supporting human capacity building in a cost-effective way. The project coordinator nevertheless emphasised that the project could have benefited from having two expatriate staff members permanently on the site in order to be better able to manage the overall administration as well as the scientific coordination (Final Report 1998).

2.2.3 Phase III

Phase III was initially foreseen for 1998–2001 but was granted an extension up to the end of June 2003. It has concentrated on consolidating the research results and utilising the human capacity that was built up during the project. The knowledge generated in the first two phases has now been put into practice by focusing on the development of agriculture extension services. In Phase III the research findings are used to formulate integrated recommendation packages to help the extension organisation provide services to the smallholder households involved in mixed crop and livestock farming. The packages cover the three main components of the production chain on mixed crop and livestock farms: soil, crops and forage, and livestock. These packages are then transformed into interdisciplinary recommendation packages to respond to the various needs of small-scale farmers. Research programmes that were developed in the earlier phases of EFARP are supported, maintained and further developed to respond to emerging research needs and to ensure the full use of data that already exists. Support is also provided to develop the research to internationally recognised levels and to help in publishing the data produced. A Special Unit is supported to help ensure the financial sustainability of the project results. One of the tasks of this unit is to generate money for research purposes by selling various inputs to farmers, analyzing soil and water samples, and making specific recommendations about good agricultural practice.

Phase III activities are based on a participatory extension approach and demand-driven adaptive research. Gender aspects are also taken into account and women (who play an important role especially in livestock farming in the area) have participated widely in the planning process. All the activities are carried out in close collaboration between researchers, extension services and the farmers in contact with the programme, and continuous dialogues are promoted.

In the Phase III Mid-term Report (2001), EFARP's strategy was judged to be well in line with Egyptian preferences as well as with Finnish development policy. After all, about one third of Egypt's population is employed in or through agriculture but the country is still one of the largest food importers in the world. The project was praised for its long-lasting and smooth collaboration with the twinned institutions, Egypt's ARC and Finland's MTT, which have effectively supported the project's research activities and the publishing of its results, making the project more effective and efficient. Powerful motivation and commitment; high personal skills; full-season programmes for farmers; responsiveness to changing needs; practical demonstrations and two-way information flow; interdisciplinary, long-term support for researchers; and regular contacts with other projects in Egypt were all considered as critical success factors for the project.

Phase III was initially planned to last until March 2001, but as experience from the project's extension programme was encouraging, and the implementation time considered to be too short, it was decided to extend Phase III by three more years, two years funded by the Ministry for Foreign Affairs of Finland and one year funded locally. The phasing-out of the programme is currently being planned. This would ensure the sustainability of EFARP, and ease the transition to institutional cooperation, by allocating the project management and advisor posts to Egyptians supported by Finnish experts. Crucial aspects of the three-year extension include ensuring the future financing of research activities and facilitating a smooth transition to normal, research-based cooperation between IARS and MTT.

2.2.4 EFARP as a whole – the main lessons learned

EFARP has been a dynamic process with several different emphases. Phase I started with the emphasis on physical capacity building in IARS and IVL, based on the individual scientific disciplines involved. The emphasis in Phase II was on the establishment of interdisciplinary research, aimed at solving the problems identified in small-scale farming as well as at enhancing the credibility of the research work. Phase III in turn emphasises the utilisation of the research findings by producing integrated recommendation packages and training extension service personnel to use and disseminate the latest research information.

The programme has provided extensive international exposure and capacity building means for Egyptian and Finnish researchers. "Especially for the Egyptian researchers the participation in international work and conferences has been considered as an important gain" (Ministry for Foreign Affairs 2001a). Good personal contacts and relationships have been a critical factor and one of the keys to success throughout the process. Know-how has been the centrepiece of the project and the importance of human capital was made clear in all project documents. Success in motivating and

supporting the personnel and participants, and obtaining their commitment, has been the main challenge for the implementers and its importance continues as it is seen as the only way of ensuring the sustainability of the results. The main risk cited in the Project Document for the Extension of Phase III was, indeed, the lack of motivation and commitment to interdisciplinary cooperation which had already been identified in Phase II. Interdisciplinary cooperation is not encouraged by a tradition, in Egypt as often elsewhere, of having separate budgets and allocations of resources for each discipline. Researchers and extension service staff work for two different ministries so it has taken time to establish close cooperation. Even though EFARP has succeeded in its efforts to encourage more open cooperation in IARS, sustainable results require permanent changes in attitudes and resource allocation systems.

The officials of the Finnish Ministry for Foreign Affairs and the researchers who participated in project consider EFARP to have achieved good results. The research conducted in Egypt's ARC is now at a level completely different from that at the beginning of the programme. The development of close personal contacts and mutual trust has been one of the main accomplishments of the project, particularly since personal contacts are crucial in Egyptian culture and the development of long-standing relationships has taken both time and effort. The main challenge that now remains is to ensure a smooth phasing-out of Finnish support, and continuing sustainability of the results already achieved, during the one-year phasing-out period scheduled to begin in July 2003. After that IARS and MTT will continue to cooperate on a normal research basis.

2.3 The Luapula Livelihood and Food Security Programme – Zambia

Finnish development assistance in Luapula Province is the largest Finnish-funded development programme in the Zambian rural sector in terms of duration and resource inputs. An obvious need for assistance emerged in this sparsely populated province where until recently the abundant availability of land facilitated a type of slash-and-burn shifting agriculture that was triggered by the low fertility of the soil. With an annual population increase of approximately three per cent this ceased to be a viable option and caused deforestation of large areas of the province. Finnish cooperation in the area has gone through various phases in attempting to address farming production constraints (low soil fertility, dependency on family labour and hand tools for cultivation, and shortage of draught-animal power), marketing difficulties and, although to a lesser extent, infrastructure problems (Ministry for Foreign Affairs 2001b). The programme was implemented in cooperation with Zambia's Ministry of Agriculture, Food and Fisheries (MAFF).

2.3.1 Background: Finnish Support until 1992

In the 1970s, the Green Revolution was a key term in development discourse, and encouraging experiences, for example in India, accelerated the development of “smart packages” that included hybrid seeds, fertilisers, new technologies and practically everything that was considered necessary to multiply agricultural productivity in the developing countries. Cooperation between Finland and Luapula Province started in 1980 when Finland started to deliver Finnish fertilisers to the area and to support the LIMA Programme, which aimed at the introduction of new methods among small-scale farmers. The LIMA Programme, mainly financed by the World Bank, was a “smart package” for increasing maize yields and it was intended to cover the whole country. Finland’s fertiliser deliveries soon developed into an Agricultural Extension Programme (AEP), which operated from 1980 to 1992. The immediate objectives of AEP, reflecting the spirit of the Green Revolution, were to 1) implement a field demonstration programme on the use of fertilisers and other inputs, 2) train agricultural extension staff, 3) develop facilities for farm input supply and crop marketing, and 4) introduce a seasonal credit programme for short-term financing of inputs. The programme was first evaluated already in 1982, and received positive feedback for its promise and relevance. The evaluation team nevertheless refrained from giving an opinion as to the sustainability and efficiency of the project as it was judged that this would be premature after only two years of operations. The team still recommended that future Finnish support should respond to the wider range of constraints faced by farmers in their transition from subsistence farming level to more productive cultivation using oxen as draught animals. “The constraints identified included the poor availability of animal draught power, deficient performance of the input supply and crop marketing system operated by the Luapula Cooperative Union and its affiliates, and the difficulties faced by LIMA farmers in obtaining production credit after the first year of free inputs” (Ministry for Foreign Affairs 2001b). These constraints also had adverse effects on the farmers’ ability to benefit from training in new technologies and the use of new inputs.

Following these guidelines, the programme’s direction was changed and a new, more diversified cooperation framework included four components: 1) agricultural training and extension (as in AEP); 2) support to the Luapula Cooperative Union (LCU) in providing marketing, input supply and seasonal credit services to farmers; 3) support to the Provincial Planning Unit in developing a regional development strategy for the province; and 4) draught animal and cattle development. The new programme operated under the umbrella of the Support Programme for Regional and Rural Development in Luapula for the period 1985–1987. During the following period, 1988–1992, the same components continued to be implemented, but under a new name: the Luapula Rural Development Programme (LRDP).

Right from the beginning of LRDP, the government policy of promoting cooperatives, such as the LCU, as a principal link in the subsidised, government-controlled marketing and input supply system, was under severe strain and the LCU itself was in great financial difficulties. In 1990 the Finnish delegation expressed concern about the sustainability of the Luapula projects, and it turned out that this concern was justified. The LCU and its grassroots affiliates collapsed soon after the withdrawal of external support in 1992–93. Other components of LRDP, which had been implemented through government departments, also came to a virtual standstill as external support ceased. One major reason for this was the structural adjustment programme implemented in Zambia in the early 1990s. The government budget was cut substantially, the structures through which LRDP operated became obsolete or severely weakened, the programme activities initiated in the previous policy context could not continue operating without external assistance, and the majority of the programme results were lost (Ministry for Foreign Affairs 2001b). On top of that there was an extensive drought in Zambia at the beginning of the 1990s, leading to persistent famine and the end of the belief in the power of efficient maize production.

2.3.2 The years from 1992 to 2000

Planning of a new enhanced programme started in the same year that the LRDP was closed down. The participatory planning period extended over 18 months, 1992–94 and resulted in the drawing up of the Luapula Livelihood and Food Security Programme (LLFSP). As its overall objective LLFSP aimed at improving the livelihood and food and nutritional security of the rural population through a participatory approach to rural development. The programme-specific purpose was to increase agricultural production and to enhance opportunities for income generation. LLFSP included four main components: 1) participatory extension and adaptive research, 2) soil fertility improvement, 3) seed multiplication, and 4) livestock development and farm power and mechanisation. The Project Document included a plan, which was not considered as an official component of the programme, for a development fund for lending to agricultural producers and traders in order to create more flexibility to operate and assure the achievement of the overall objective (Project Document 1994). A clear distinction was made in the LLFSP Project Document between the earlier phases of cooperation and the new approach emphasising extensive participatory processes. As one of the keys to sustainability the Project Document highlighted a significant shift from the top-down, blueprint management characteristic of the 1980s to continuous dialogues with rural communities through a continuing planning and monitoring process (Ministry for Foreign Affairs 2001b). The relevance of the project was also boosted by other donor-assisted programmes operating in the area, and it was considered

that LLFSP had an important role to play in facilitating local inter-agency coordination (Project Document 1994).

A Mid-term Review of LLFSP was carried out in 1996 and an Impact Evaluation was completed in 1998. The overall assessment of the programme was positive. The Impact Evaluation noted that “the Programme [had] been doing approximately the right things in an approximately right way”, despite the fact that the economic situation in the area had been deteriorating during the programme period. LLFSP was noted to have had a clear positive impact on livelihood and food and nutrition security in the area. Availability of food had increased, adaptive soil improvement research had introduced promising green manure systems and agroforestry species, nutrition-related education for both men and women had increased awareness of nutrition and child health, and labour-saving technologies for food production had been developed. The greatest achievement of the programme was thought to be the development of a participatory approach to agricultural extension, which also created an extraordinary sense of ownership among the stakeholders. The new participatory approach was considered to be much more effective, and to respond much better to the felt needs of the stakeholders, from village level up through the various levels of provincial bureaucracy (Impact Evaluation 1998).

On the other hand, both the Mid-term Review and the Impact Evaluation were severely critical of some of the implementation constraints and failures. “The Programme was initially negatively affected by delays in disbursement of Finnish implementation funds and by failure by the Zambian side to meet its co-financing obligations and to assign sufficient staff to participate in programme implementation” (Ministry for Foreign Affairs 2001b). The decision of the Finnish donor to sharpen its financial scrutiny shortly after the start of the programme in an effort to “enhance the sustainability of the programme in the long run” was judged to have crucially damaged the project as it caused the programme management to lose authority and had a harmful effect on overall progress as well as on the motivation and commitment of the staff (Mid-term Review 1996). According to the “Evaluation of the Bilateral Development Cooperation between Finland and Zambia” the credit sub-component was the biggest failure of all: after a short period of satisfactory loan recovery rates, the credit programme crumbled away due to loan recovery problems and poor programme design and management. As a result the entire loan fund was lost (Ministry for Foreign Affairs 2001b).

At the end of 1998 a 15-month Extension Phase was implemented, during which LLFSP was phased out and planning and facilitation for a new Agricultural Sector Support Programme (ASP) component was included (Project Document, Extension Phase 1999). In the Completion Report this Extension Phase was considered to be successful and completed by highly motivated experts and officials, even though neither

the overall objective of the programme nor all of its components were fully achieved. As the main lesson learned, the Report emphasised the importance of involving beneficiaries in project design and implementation in order to guarantee the success and sustainability of results.

2.3.3 Future Development of the Project

LLFSP was also criticised for its lack of attention to the demand side of agricultural production. The lack of effective linkages between farms and markets severely limited the ability of the producers to exploit the production potential offered by the new improved practices and technologies. A response was made to this criticism in the form of a proposed Luapula Agribusiness Promotion Programme (LAPP), which is the outcome of a thorough two-year planning and phasing-out process implemented after completion of the main part of LLFSP in 1998. The rationale of the programme lies in the fact that smallholder economies cannot profitably expand or improve their productivity without significant growth in the effective demand for surplus production. The policy of the Zambian government, initiated by the IMF structural adjustment programme, is that private traders should provide this linkage, but poor infrastructure, low productivity and high transaction costs have limited the capabilities of private market intermediaries. LAPP seeks to improve the conditions for rural employment creation and income generation through economic growth stimulated by agricultural commercialisation and the enhancement of productivity in the agricultural sector (Ministry for Foreign Affairs 2001b).

The proposed programme includes three main components. Firstly, the programme is designed to support the establishment of a provincial commercial development agency, the Luapula Commercial Development Agency (LCDA), that would promote commercialisation by facilitating the formation of viable commercial partnerships between upstream investors and local businesses. In order to achieve this, the provincial development agency would provide, at commercial rates, basic contract management services to agribusiness investors. The Agency is expected to become financially self-sustaining in four years, after an initial period of donor support. Secondly, LAPP would cooperate closely with the Luapula Agricultural Sector Support Office (LASSO), whose role is to facilitate agricultural commercialisation and improve the productivity and competitiveness of agricultural production. It is planned that LASSO, in partnership with governmental agencies, will provide support services in the areas of research and development, market analysis, capacity building among agribusiness operators as well as primary producers, and the renovation of infrastructure. LASSO is planned to be a temporary institution with a lifespan equivalent to that of the support programme as a whole. Thirdly, the programme is designed to improve the capacity of Zambia's

MAFF to coordinate, monitor and analyse agricultural sector development. This component would operate within the Policy and Planning Branch of MAFF at national level and would thus help in identifying and removing structural and policy-related constraints on agricultural commercialisation (Project Document 2001).

However, as the success of the prior phases of the project has been doubtful, and political and structural conditions in Zambia are still unstable, no decision about implementing this planned extension phase has yet been made.

2.3.4 Luapula cooperation as a whole – the main lessons learned

The Luapula Project has been going on for over two decades with varying degrees of success for its ever-changing activities. “Initiated back in 1980 as a ‘fertiliser project’ benefiting from Finnish fertiliser deliveries, it evolved in 1982 into the Agricultural Extension Programme and subsequently into three additional phases which were implemented under different programme names up to year 2000 when the most recent phase, i.e. the Luapula Livelihood and Food Security Programme ended” (Ministry for Foreign Affairs 2001b).

The programme’s implementation coincided with major changes in the Zambian agricultural scene. The liberalisation and restructuring of agricultural markets in 1991 radically changed the production environment of producers, which meant a difficult adjustment period and the need to develop new production and food security strategies (Impact Assessment 1998). Furthermore, the ever-increasing spread of HIV/Aids in the country has put agricultural production and the well-being of the rural population at risk and poses a serious challenge to rural development in the future. It is the political environment in the country, however, along with partly unsuccessful planning and management, that has been the main factor in the modest impact of the programme and the decision not to implement the next phase of the project. Even though the programme was intended to assist adjustment and enhance the livelihoods of the local people, there is very little that a single programme can do in an otherwise unstable environment. The operational environment has to enable the programme to work if success is to be achieved. Long-lasting government control of the markets has seriously damaged agribusiness in Zambia and recovery has only just begun. The continuation of the programme, like other rural development assistance in general, awaits a better political environment and clear priorities from the Zambian authorities. Zambia in fact formulated a National Agricultural Policy (NAP) in 2000. Its overall objectives are to ensure food security, protect the existing agricultural resource base, and generate income and employment. The main strategies of the NAP include further development of agricultural markets through promoting private sector involvement; strengthening and facilitating the provision of agricultural services by MAFF and the private sector;

reviewing institutional and legislative arrangements; developing infrastructure in productive areas; promoting appropriate production technology; promoting gender equality in resource allocation and access to agricultural services; promoting environmentally sound agricultural practices; and maintaining biodiversity (Ministry for Foreign Affairs 2001b). The same strategies are also reflected in Zambia's Poverty Reduction Strategy Paper, which underlines the prime importance of agriculture as a vehicle for poverty reduction by generating income and employment opportunities, providing agro-based raw materials, and ensuring national and household food security. Agriculture is thus prioritised by the Zambian government as the locomotive of development because agriculturally productive natural resources are abundant in the country. As the NAP has still not been formally accepted by the government of Zambia, however, the future role of Finnish aid to rural development in Zambia also remains to be seen.

2.4 SADC Plant Genetic Resources Centre (SPGRC)

Preservation of plant genetic resources in the Southern African Development Community (SADC) area is the aim of a Nordic programme in which Finland is acting as a co-donor. The programme is based on the experience of the Nordic Gene Bank (NGB), which is a regional gene bank taking care of gene collection in the Nordic countries. The primary objective of the SADC Regional Plant Genetic Resources Centre (SPGRC) is to preserve, first of all, the indigenous cultivated plant genetic resources material and natural crops heritage of the region. The SPGRC programme is in line with SADC's strategy for agricultural research, the main objective of which is to increase *per capita* production of agricultural products. The programme is to be carried out over a 20-year period including a phased take-over by SADC from the tenth year onwards (Plan of Operation 1989).

The programme includes the following countries, all sharing the same broad ecological zone: Angola, Botswana, Lesotho, Malawi, Mozambique, Swaziland, Tanzania, Zambia and Zimbabwe. There is a National Plant Genetic Resources Centre (NPGRC) in each of these countries and the main Regional Gene Bank is located at Lusaka, Zambia. The institutional set-up of the programme is rather complex: the countries are the owners of the programme while Botswana acts as a sector-coordinating country for agricultural research and training, and the Southern Africa Centre for Cooperation in Agricultural Research and Training (SACCAR) is the SADC institution responsible for coordination of agricultural research and training. The NGB acts as a technical advisor and the Nordic countries and their official development organisations act as the main donors of the project. Sweden's SIDA has been empowered to act on behalf of the donors (Review and Vision Mission 1997).

2.4.1 Phase I

The SPGRC project started already in 1989 following a recommendation from a consultation arranged by the International Board for Plant Genetic Resources in 1986. The project was based on the rationale that besides such chronic threats to genetic resources as drought, deforestation, and desertification, the impetus of rapid agricultural development introduces the threat of eradication of locally adapted genetic resources through their replacement with modern cultivars. This replacement is, however, a necessity to improve farm yields and achieve the objective of increased per capita production. Furthermore, since the prevailing climatic and topographical conditions are specific to the area, it is unlikely that the region will make extensive use of exotic plant genetic resources except in an extensive programme of recombination with indigenous material. It was therefore thought likely that the SADC region would be extremely dependent on its indigenous genetic resources and that it is correspondingly important to preserve the indigenous germ plasm.

The project aim was to “prevent loss and guarantee safe preservation of irreplaceable plant genetic resources, document material of the region, ensure efficient utilisation of the material and provide a forum for exchange of scientific as well as cultural knowledge and experience” (Plan of Operation, 1989). The direct objectives were to 1) establish over a 20-year period a SADC Regional Gene bank and network of local germ plasm programmes to support plant research in the region, 2) conserve indigenous plants genetic resources and crop genetic resources, and 3) train plant genetic resource personnel for the region. Phase I was mostly characterised by SPGRC institutional building, recruitment of staff and initiation of plant genetic resources activities (Programme Description 1999). The first Phase was originally planned to last from 1989 to 1992 but it was later extended until 1993.

2.4.2 Phase II

Phase II started directly after the end of Phase I in 1994 and was supposed to continue until 1997 but, like Phase I it was extended by a year, until 1998. In the absence of the original project document it is assumed that the main objectives and activities did not differ radically from those of Phase I. As the Final Report of the Review and Vision Mission (1997) points out, however, the original concept and rationale for developing a Gene Bank and using the material for plant breeding and plant research had to be revised, as political changes (mentioned in Section 2.3.4 above) were taking place in the region. These changes affected the seed sector in SADC countries since they included the introduction of economic structural programmes, market deregulation, and commercialisation of parastatal seed companies. Questions were thus raised as to the

future sustainability of the project, the value of the SPGRC base collections and, particularly, who would use these collections.

All in all the programme was still thought to be a worthwhile undertaking and an essential component in the holistic approach to plant genetic resources conservation. The role of NGB in particular as a technical advisor was considered to be fundamental for bringing SPGRC onto a sound footing already in Phase II. With regard to financing, however, most NPGRCs had difficulties in covering the operational costs and as an alternative source SIDA special funds were used to keep functioning. Salaries and other forms of remuneration were determined in accordance with SADC Terms and Conditions for Service. The donors declined, however, to cover these costs at levels exceeding those of 1993 because of their concern for the sustainability of the programme. It was then decided that the SADC member states should start to contribute to SPGRC costs earlier than planned in order to demonstrate their commitment and thereby also close the gap between the actual staff costs and those accepted by the donors. It was also agreed that the member states would gradually take over the funding of SPGRC from 1999 (Programme Year 11) and carry the full cost for the operations by 2008 (Programme Year 20). With regard to implementation, the regeneration of accessions was only just above the expected lower limit over the review period of three years. It was also stressed that even though the current activities were running well, future plans and priorities should be identified and the experts' energies channelled accordingly while old and established activities, like the library, should be left to administrative staff (Review and Vision Mission 1997).

2.4.3 Phase III

Phase III, implemented from 1999 to 2002, continued in line with the original mandate set out at the start of the programme, but also expanded it to embrace development in the Plant Genetic Resources (PGR) domain at global level and to take multinational agreements into consideration, such as the Convention on Biological Diversity. The focus of operation thus included not only cultivated plants but also all plant genetic material of actual and potential value. SPGRC had to deal with the socio-economic, cultural and political issues of plant genetic resources conservation in addition to the core PGR activities. The main objectives of Phase III were to complete and publish the priority list which had been raised as an issue in the Review of Phase II; provide further training for SPGRC staff; support multicrop, rescue and gap-filling collection missions; promote the establishment of field gene banks and on-site and on-farm conservation; maintain SPGRC base and safety collections; provide technical backstopping; publish the SPGRC newsletter; maintain the library; participate in international, regional and national forums on PGR; and attend SADC meetings (Mid-term Review 2002).

The Mid-term Review was carried out in 2002 in order to assess the programme's performance to date and recommend activities for Phase IV. Overall performance was judged to be satisfactory. During Phase III, aggregate collections amounted to around 4000 accessions and NPGRCs were assessed to fulfill adequate basic requirements for *ex situ* conservation even though capacity varied widely between countries. The SPGRC network was assessed as having developed well and generated a strong sense of regional ownership. In 2002 the SADC region was contributing 45% of the operating budget and was committed to continue funding the regional institution. Technical backstopping by the NGB was found to be useful and appreciated both by the SPGRC and the NPGRCs. All in all, SPGRC was assessed to have operated effectively with respect to financial and technical matters, but future pressures due to globalisation and the lack of a legal framework were recognised to pose a challenge (Mid-term Review 2002). In Finland the Mid-term Review was considered to be rather optimistic and it was noted that the Review Team failed to analyse the programme's sustainability and effectiveness critically.

2.4.4 Phase IV

Phase IV is supposed to continue the SPGRC project from 2003 to 2006. The Phase III Mid-term Review recommended that SPGRC should increase collaboration with the private and NGO sectors and continue to strengthen the NPGRCs. SPGRC would also need to promote the introduction of a legal framework at the national level and to have access to legal expertise in this field. Among other recommendations for action, it was stressed that further training in the form of short courses and the training of trainers and students at post-graduate level would be favourable for the programme (Mid-term Review 2002). These suggestions have been embraced in the current ambitious plans for Phase IV. The idea is to strengthen already existing activities and include further additional aspects in the programme, such as on-site and on-farm activities and immaterial property rights, patents and the rights of plant breeders. The programme also suggests the extension of activities to new areas, but Finland has been doubtful about this, as the current activities still need strengthening in order to be able to operate on their own. Finland is calling for stronger financial commitment from the SADC countries according to the original plan made at the start of the project, particularly at the country level, which would better ensure the sustainability of the activities. On the whole, Finland regards the project positively and continues to co-finance this Nordic project which seems to be developing well.

2.4.5 SPGRC Programme as a whole – the main lessons learned

The possibility of drawing conclusions about the development of the programme and the lessons learned is considerably weakened by the fact that the Project Documents for all phases, the Mid-term Reviews for the first and second phases, and the Final Reports for all phases were unavailable for this report. The project seems to be continuing more or less as was originally planned and the whole process has succeeded reasonably well. It is important, however, to ensure the financial sustainability of the programme after external financing has been phased out. SADC is already contributing to the maintenance of the programme but future contributions in cash rather than in kind should also be ensured. The capability of the SPGRC to act as an independent support and organisational facility for the NPGRCs should also be enhanced before external financing is phased out, and scientific cooperation and twinning should be encouraged, between Nordic and SADC institutions as well as within SADC institutions. As noted in the Mid-term Review (2002) the national, regional and global significance of the programme is difficult to quantify because of the enormity and potential value of the biological resources of the SADC area. The future benefit of the programme in terms of food security achieved by securing the survival of the genetic heritage and improving the genetic potential of the crops is an accomplishment in the advance towards the eradication of hunger. The central question is, however, how well the information can be utilised and taken into productive use in the future. At present the mere fact that the information has been gathered and documented for future generations is valuable as such.

2.5 Quang Tri Rural Development Programme (QTRDP) – Vietnam

The Quang Tri Rural Development Programme (QTRDP) of cooperation between Vietnam and Finland started in 1997 with the overall objective of improving the standard of living of the poor in Quang Tri Province. Quang Tri is located in central Vietnam and it is one of the poorest provinces in the country. The main problems there are low agricultural productivity, lack of off-farm employment, poor rural infrastructure and recurrent natural disasters such as typhoons and floods. The programme aims at addressing the problems by improving people's access to means and materials, knowledge and education, and reasonable public infrastructure and services, as well as their ability to manage their own well-being (Annual Work Plan 2000).

The institutional framework of the country supports the programme. Since 1989 Vietnam has been carrying out an adjustment and reform programme, "Doi Moi" (renovation). Vietnam's fundamental policies are based on three underlying principles:

1) the shift from a centrally-planned economy to a market-oriented economy under state management; 2) the democratisation of society with the aim of developing the rule of law; and 3) the implementation of an “open door” policy and the promotion of cooperation with all countries. The government’s long-term aims of modernisation and industrialisation of the country are based on the principles of sustainable economic growth, stability, equality and people-centred development (Project Framework Document 2001). The government’s five-year plans, which set national priorities, have been taken into consideration when planning the QTRDP programme.

2.5.1 Phase I

Phase I of the programme was implemented during the four years 1997–2000 and in the beginning it included 14 of the 21 communes in Hai Lang District. In order to fulfill the overall objective of enhancing the standard of living of the poor in Quang Tri Province, the project’s specific purpose was to be a “strengthened development process to achieve a progressing household economy through a diversity of income sources, and improved basic conditions and infrastructure enabling rural economic development in an environmentally sustainable manner” (Annual Work Plan 2000). The results needed to fulfill that purpose included 1) appropriate access for the rural poor to resources for income generation (25% of the budget); 2) improved physical conditions and institutional capacity for production, market access and social development (60% of the budget); 3) reduced environmental pollution and thereby reduced health and economic risks (9% of the budget); and 4) strengthened capacity of the institutions involved in rural development to support the rural poor (6% of the budget). According to the Annual Work Plan of 2000, the programme aimed to increase the income level of as many of the identified poor beneficiaries as possible in order for them to rise above the poverty line; remove the worst constraints experienced by the beneficiaries in their communes; alleviate the many environmental problems; and provide support to improved government services both at district and at provincial levels.

A Mid-term Review was carried out in 1999 in order to assess the activities to date, and to guide future development of the programme. The review team was impressed by the level of activity that had been reached after just two years of operation: “the response, uptake and commitment from the target group, as well as by the implementers, appear impressive and promise well for the future sustainable attainment of the objectives” (Mid-term Review 1999). The success story was in fact mainly due to the enormous dynamism after the Doi Moi programme and the privatisation of land that gave new incentives for the local population to invest time and energy in developing their land. QTRDP supported this change and in general terms the objectives of the

programme were assessed as highly relevant in the prevailing policy context. Still, better targeting and increasing the availability of rural credit and training for the poorer groups in particular as parts of the income generating component would have been important. The commune development component, which was mainly concerned with infrastructure investments, had also made good progress and the activities undertaken appeared cost-effective. The environmental rehabilitation component, on the other hand, concentrated mainly on activities connected with water supply and sanitation, stabilisation of sand dune areas, and environmental awareness. In most of these respects progress was assessed to have been slow and it was noted that the programme had not found suitable policies and implementation arrangements to enable the component to meet its objectives. The institution-building component was seen as important for safeguarding the management capabilities of the province, district, commune and other programme-implementing agents. The review team noted that institution building should not concentrate merely on conducting training courses but should also address wider issues of establishing organisations, operational systems and funds and recruiting qualified people for the right positions. On the whole the review team recommended an extension of the programme and its expansion to the other seven communes in the Hai Lang district, and to other districts in Quang Tri Province, based on the good progress achieved and the likely benefits to be gained from the expansion (Mid-term Review Report 1999).

As can be seen from the proportions of the planned activities in the budget, the main financial focus was on building physical infrastructure. Furthermore, the Programme Completion Report (2000) showed that the community development (infrastructure) budget was exceeded by 17 percentage points from 60% to 77% while all other components received less than planned. For example institution building received only 2% instead of the already low 6% budgeted. Still, the high spending on infrastructure was judged to be justified as most of the investments had been of benefit to all the people in the villages, including the poorest. "The programme also wanted to follow the flow of the project proposals coming from the grassroots level and the number of the infrastructure project proposals has been huge" (Programme Completion Report 2000). However, no special attention was paid to ensuring the full participation of the most disadvantaged groups. Despite the fact that the means used differed from those that had been planned, the programme achieved most of the aims that had been set in its Logical Framework. The main results of the programme were a reduction in the number and proportion of poor households, increased rice production and improved access to the communal services. The proportion of poor households was reduced by 4.8 percentage points, from 17.3% in 1998 to 12.5% in 2000. This result is 1.4 percentage points higher than in the communities that were not included in the programme. No information is available about whether there are differences in poverty

levels between women and men. Furthermore, rice production increased in terms of per hectare yield by 31% compared to 18% in the other communes. The impact of the infrastructure projects was judged to be significant in the participating communes (Programme Document, Phase II 2002). The overall effectiveness of the programme was noted to be impressive, its efficiency on an acceptable level, and operation and maintenance responsibility ensured in most investments.

2.5.2 Phase II

Due to delayed planning of Phase II, there was a six-month bridging period from January to June 2001. Phase II began with a 12-month planning phase and has now been in operation since June 2002. It will continue until June 2005. The overall objective of Phase II is poverty eradication in Quang Tri Province. The programme purpose is, quite logically, sustainably reduced poverty in the area of influence. There are three interlinked programme components: sustainable livelihoods (30% of the planned budget), rural infrastructure (50% of the planned budget), and institution and capacity building (20% of the planned budget). These components were already included in Phase I. In addition, and as crosscutting themes, environmental aspects are taken into consideration in the planning and implementation of all programme activities, equality between men and women affected by the programme is safeguarded, and a participatory approach is used. Sustainability, ownership, good governance and transparency are other guiding principles of the programme. (Programme Document, Phase II 2002) The programme will expand its activities to the seven communes of Hai Lang not yet included in Phase I, and activities will continue in the original 14 communes to strengthen the results already achieved (Programme Framework Document, Phase II 2001). In addition two more districts, Cam Lo and Dakrong, have been included in the programme area. Only two pilot communes out of ten have been included in the programme's activities in Cam Lo, and in Dakrong the programme has started up in only a few communes, but the Programme Document has already outlined plans for expanding the geographical area of operation.

2.5.3 QTRDP to date and onwards

Based on the experience gained in Phase I, QTRDP has been successful in contributing to the fight against poverty. Thus Phase II has continued with approximately the same framework for action. However there were some lessons to be learned from Phase I experience. For example in programme activities where households had to make their own contributions the poorest households were excluded because they had no money to contribute (Programme Document, Phase II, 2002). Furthermore, it was considered

important to ease some of the constraints that the poor face by establishing a special credit programme for the most disadvantaged groups and including the poor in credit programme planning (Programme Completion Report 2000). In addition, only a few steps were taken to improve decision-making mechanisms, decentralise management as planned and carry out human resource studies. When promoting new optional income sources there should also be better safeguards concerning the market situation (Programme Document, Phase II 2002).

The decision to expand the area of operations in Phase II contributed to the programme's poverty reduction aim. The whole province of Quang Tri suffered heavy damage during the long war and it is still among the poorest provinces in Vietnam. The district of Hai Lang, selected for the programme target area for Phase I, was not in fact one of the poorest districts in the province. Nonetheless the choice can be considered relevant in view of Hai Lang's considerable potential for early development implementation and for acting as a pilot for further expansion, even though experience gained from Hai Lang could not be directly transferred to the districts of Dakrong and Cam Lo in Phase II. "These mountainous districts are a considerably poorer area with a large minority population. Extending the Programme to these districts in Phase II [was] highly relevant from the poverty reduction point of view" (Ministry for Foreign Affairs of Finland 2001c).

Environmental issues would require more attention and mainstreaming into all other components. Some criticism has arisen to the effect that environmental protection currently refers only to flood control, but as Finland's resources are limited, prioritising flood control in the areas where floods appear to occur at shorter intervals might be well justified. The Programme Document of Phase II (2002) emphasised that all the infrastructure built should also be made flood-proof in order to avoid losses of newly built roads and bridges during the next flood. The emphasis of the programme so far has been clearly on physical infrastructure, as was outlined already in the Project Document. There seems to be a need to underline the importance of ensuring that the other components in the document are followed through as well and that a broader approach to poverty eradication could be applied in QTRDP. It is important to bear in mind that the emphasis of action is based on negotiations and cooperation between Finland and the counterpart organisations, and that negotiating and working together is itself a worthy result of such action. Even though institutional capacity building has been rather modest, the Vietnamese ownership of QTRDP is high (Ministry for Foreign Affairs of Finland 2001c) and the efficient bureaucracy has obtained impressive results, above all in implementing the infrastructure projects. The programme has not created parallel structures, as happened in the case of RIPS, but has worked through the existing governmental and mass organisations. Existing gender inequalities have been quite well taken into account in the project planning and documentation. The best

achievements in terms of empowering women have been in the QTRDP credit schemes and business planning. As attitudes change slowly, development cooperation in Vietnam is a long-term commitment.

2.6 Thua Thien Hue Rural Development Programme (TTHRDP) – Vietnam

Based on the encouraging experience in Quang Tri, development cooperation was extended to a new rural development project in Thua Thien Hue Province, in Phong Dien District, where no major donors were operating at the time. Thua Thien Hue Province is located right next to Quang Tri, which facilitates cooperation and programme planning because the areas have many common characteristics in terms of climate, geography and social structure. The programme operates in all 15 communes and one town in the Phong Dien district, which is considered to be one of the poorest of the province's eight districts. The programme does not, however, limit its activities only to the households that are defined as poor by Vietnamese standards (Ministry for Foreign Affairs of Finland 2001c). TTHRDP, like QTRDP, has been prepared and established in accordance with the rural development strategy of the Vietnamese government.

2.6.1 The Programme to date

On the whole TTHRDP plans for the period 1999–2003 are very similar to those for QTRDP. The overall objective of TTHRDP is reach a situation where the conditions for poverty alleviation are in place. The project purpose is to increase rural incomes and empower local people. The results aimed at are: 1) increased participation by local people, 2) increased agricultural productivity, 3) non-farm income expansion, 4) improved infrastructure, 5) environmental protection, and 6) enhanced institutional capacity. The programme as a whole has four components: 1) institution building and contribution to policy dialogue, 2) rural income expansion, 3) improved infrastructure, and 4) environmental protection. The largest part (60%) of the project implementation budget is to be allocated to infrastructure projects. The rural income expansion component includes a credit sub-component. Three crosscutting themes are also included in the programme: a participatory approach, environmental protection, and gender mainstreaming (Programme Framework Document 1999).

A Mid-term Review of TTHRDP was carried out in 2001. In general the review team found that the programme had been progressing well. The analyses and studies carried out by the programme had mostly been of high quality and the progress on

concrete activities had started reasonably well, compared to the relatively short time the programme had been implemented. Many valid approaches for development cooperation had been developed, establishing a sound basis for future development, but the rethinking of some strategic and several detailed issues was called for. It was recommended, for example, that the share of beneficiary contributions in cash be increased substantially for all productive investments. (As previously mentioned, contributions in cash were seen as a problem in QTRDP as they excluded the poorest people from programme activities. This contradictory advice underlines the complexity of designing activities that should both involve the poorest ones and also have their commitment. The implementers consider it important to ensure ownership by the beneficiaries through requiring them to make some kind of contribution themselves, even if not in cash.) In the cause of efficiency it was also recommended that “Vietnamese resources should always be utilised unless there is a specific and highly justified reason to recruit international experts” (Mid-term Review 2001), which was not the case, for example, with regard to the credit and savings component. On the other hand it is often considered important to have international experts on the spot to facilitate the desired change in attitudes towards participatory planning and to negotiate different ways of addressing poverty reduction in everyday work. The programme has been working on the assumption that it will be concluded at the end of 2003, which has led to the exclusion of trials requiring longer-term approaches. This evidently created a risk that some highly relevant long-term commitments were not examined. The review team made it clear, that the “programme should not limit its activities to short-term development actions only but also work on longer-term processes in case they involve high development potential especially for the poor households” (Mid-term Review 2001), despite the fact that the results/impacts may not be realised within the lifetime of the current programme.

2.6.2 Future of TTHRDP

Preliminary planning for TTHRDP Phase II has been initiated in line with the preceding recommendations, and it seems rather probable that Phase II itself will start up in the future. In fact, TTHRDP Phase I is almost like an improved version of QTRDP Phase I, and QTRDP Phase II is an improved version of TTHRDP Phase I. There are still some differences in the emphases of activities because the projects operate as separate entities. For example, according to the implementers TTHRDP has adapted a range of activities in environmental issues that is more broad-based than that of QTRDP. Furthermore, the micro-credit programme operating in Quang Tri allocated loans according to the poverty of the village but did not pay attention to how the funds were allocated within the village. In Thua Thien Hue, on the other hand, loans

are allocated according to the poverty of individual households. In both projects, however, the rules of the credit component are still under debate. A dilemma arises when the demand for micro-credit is high as investments are needed to implement many of the income-generating components promoted by the programme, but there are no readily available credit institutions in the area that could take responsibility for allocating loans. On the whole the repayment rates in QTRDP Phase I were high and it is too early to make any judgments on the final success of the credit component in TTHRDP.³

The Vietnamese government has particularly appreciated the fact that Finnish development workers have gone to the countryside to work with the communes themselves rather than managing the projects from Hanoi. This also provides better opportunities for promoting attitudinal changes. As many Vietnamese authorities see rural infrastructure as the primary precondition for rural economic development and for poverty reduction in general, both TTHRDP and QTRDP have been positively acknowledged by the Vietnamese authorities (Ministry for Foreign Affairs of Finland 2001c). Even though progress seems to be positive, the project has only been operational for a couple of years so it is too early to draw definite conclusions about its true impact as the project aims at long-term goals.

2.7 Livestock Development Programme (LDP) – Kenya

Finland's development cooperation in Kenya started already in 1979 with a Rural Dairy Development Programme (RDDP), which came to a close at the end of 1989 (Project Document, Phase I 1990). Cooperation continued and during the 1990s Finland implemented a Livestock Development Programme (LDP) that has grown to cover the Western, Nyanza and Rift Valley Provinces. The programme was divided into three successive phases, each lasting three or four years. At present there is a phasing-out period, from January 2002 to mid-2003. The programme started as a joint effort between the Ministry of Agriculture Livestock Development (MLD) and Ministry of Cooperative Development (MOCD), but following a major restructuring of the implementing ministries in 2000, LDP is now being implemented under the Ministry of Agriculture and Rural Development (MARD) (Ministry for Foreign Affairs 2002a).

³ Finland had been considering supporting a separate micro-credit project for central Vietnam, rather than having micro-credit sub-components incorporated into both TTHRDP and QTRDP, but this proposed project was put on hold as the European Union recommended that no further micro-credit projects be supported in Vietnam until the Vietnamese government's policies of subsidising credit rates are revised (Ministry for foreign Affairs 2001c).

The major constraints on primary milk production in the area were identified as being the low genetic potential of animals, high incidence of disease, poor nutrition, and low level of dairy management. Limitations with regard to milk collection, marketing and the thoroughness of cooperative management, together with lack of related inputs, further restricted farmers' accessibility to the milk markets. Furthermore, socio-cultural constraints, especially regarding women's participation in farm production, were noted as being serious (Mid-term Review, Phase I 1993). In order to address these problems, the primary objective of LDP was "to improve the living conditions of small-scale farmers and strengthen their income-generating activities through intensified dairy farming and milk marketing" (Ministry for Foreign Affairs 2002a). LDP focused on the development of primary milk production by small-scale farmers, especially women farmers, and the marketing of milk through cooperatives. The programme covers a wide variety of activities that address the needs of farmers, right through the dairy distribution chain from production to marketing. In line with official Kenyan policy, LDP has emphasised the development of farms as viable economic enterprises (Ministry for Foreign Affairs 2002a). One of Finland's goals is also to promote private sector development, for example by helping the poor farmers to develop their activities as businesses.

LDC operates in two main sectors: livestock and cooperative development. The programme's design has changed slightly between the phases, but in its overall and final form the programme is divided into nine sub-components: 1) upgrading and improved management of local cattle, 2) disease control, 3) fodder production, 4) agroforestry, 5) training of farmers, 6) support to women groups, 7) milk marketing, 8) support to cooperatives, and 9) programme administration and support to MARD. All these components include training as an integral element (Ministry for Foreign Affairs 2002a).

2.7.1 Phase I

Phase I of the programme was implemented from 1991 to 1995. The initial emphasis of the programme was on the intensification of dairy farming and the marketing of milk through dairy cooperative societies (Ministry for Foreign Affairs 2002a). In the Programme Document (1990), the long-term development objectives were defined as 1) increased income and improved standards of living of the main target group, 2) achievement of self-sufficiency in milk production in the programme area, 3) creation of employment opportunities through intensive dairy farming, 4) foreign exchange saving and/or increased foreign exchange earnings, and 5) production of raw materials for industries. The immediate objectives were outlined as: improved animal husbandry through improved breeding, better nutrition and more effective disease control

measures; achievement of an effective extension service for MLD and MOCD; support to womens groups and individual women in dairy farming; and strengthening of the managerial and financial capability of cooperative societies (Programme Document, Phase I 1990). A “Cow-from-Cow” Rotation Scheme (CFCRS) was developed to work as an “in kind” micro-credit that would train women and enable them to have access to cows and their own income, and thus improve their social status.

In the Mid-term Review of 1993, it was noted that four years was far too short a period to achieve all the goals identified in the Programme Document, but that the activities so far had mainly been successful. The marketing of milk was seen as a lesser problem and more weight was given to enhancing milk production. In addition, women farmers and their groups were noted to have contributed greatly to the success of the programme. The Mid-term Review also noted that the programme should be geographically restricted in order to achieve the desired results. This recommendation was ignored, however, and an additional district was added in Phase II (Ministry for Foreign Affairs 2002a). It is also important to note, that the long-term LDP development objective of foreign exchange savings and earnings, boosting national foreign export trade, national self-sufficiency and strategic national reserves, was judged to be unrealistic and in need of revision already in Phase I. The Project Completion Report for Phase I (1995) adopted a much brighter view of the future, however, by stating that “sustainability has been in-built into the LDP from the beginning” and that “the cost-sharing element has ensured the full commitment of the target groups” (Project Completion Report, Phase I 1995).

At the end of Phase I, the programme was evaluated again in an Appraisal Report, which found the programme concept and its objectives, strategies and activities to be basically very sound and sustainable. The appraisal team recommended already in 1995 that Phase II should be extended by a further year to cover 1995–1998 and the planned funds should be increased by an additional two million Finnish marks to the planned amount of FIM 10.0 million and KShs 22.5 million (Appraisal Report 1995).

2.7.2 Phase II

Phase II started up immediately on the completion of Phase I. It was originally planned to cover the period 1995–1997 but following the appraisal teams recommendations it was extended to mid-1998. In the absence of the Project Document for Phase II, it is assumed that the programme continued as outlined in the introduction.

A Mid-term Review was carried out in 1996 and it presented a positive overall view. The project was noted to have achieved the targets set in the project document reasonably well. The institutional setting was judged as appropriate and the large number of women employed by LDP was praised. The project culture was characterised by

“excellent teamwork, disciplined administrative and financial systems and methods as well as by a functional coordination” (Mid-term Review, Phase II 1996). However, it was noted in the Evaluation of the Bilateral Development Cooperation Programme between Kenya and Finland (Ministry for Foreign Affairs, 2002), that the implementation of the programme did not reach full speed until Phase II, when the results from the CFCRS were encouraging and the number of women groups running these schemes was growing rapidly. The bull schemes run by individual (often male) farmers were also growing, and the upgrading of dairy cattle and fodder production was intensified to respond to the ever-growing demand. One of the major changes carried out in Phase II was the introduction of a participatory approach, and increased emphasis was placed on participatory training of the beneficiaries (Ministry for Foreign Affairs 2002a). Participation was now defined as being at the very core of the LDP. There was also evidence that the participatory approach itself had an impact on gender relationships within families (Mid-term Review, Phase II 1996).

The Review Team noted that considering the nature and the coverage of the programme, the level of Finland’s financing was too low. In 1996 extra funds were allocated to the project but there was a similar request again in 1997 (Mid-term Review, Phase II 1996). In the end the total Finnish contribution during Phase II was FIM 21 million instead of the initially budgeted FIM 10–12 million. It was still thought that LDP placed great emphasis on the economic sustainability of its achievements, and the concept of critical mass had become a central issue in ensuring the economic feasibility of the dairy sector (Project Completion Report for Phase II 1999).

Already at that time the Mid-term Review Team recommended that the Governments of Finland and Kenya should finance Phase III of LDP. This Phase should start, as it in fact did, in 1998 and last for four years (Mid-term Review, Phase II 1996).

2.7.3 Phase III

One of the justifications put forward for Phase III was that even though many positive results had already been achieved, the sustainability of these results could not yet be guaranteed, so the new phase began in 1998 with a planned budget of FIM 20 million. Phase III was originally planned to be the final one and to end in mid 2001, but it was eventually extended to the end of 2001, with the purpose of bridging over to a phasing-out period. In line with the programme’s principle of participation, the Project Document (1998) was the result of participatory planning at 18 district workshops. Improvement of the nutritional status of the community in the programme area, by improving the productivity of dairy animals and through the realisation of more efficient performance by dairy cooperative societies, was stated to be the overall objective of the

programme. As this was planned to be the final phase, the efforts to promote sustainability were focused on training farmers and handing over programme activities to the local stakeholders (Project Document, Phase III 1998). The Project Appraisal recommended Phase III to be implemented, but noted also that “the task of improving the well-being of the more than one million smallholder households in the programme area through the development of dairy industry is a continuous one, and will not be reached during the lifespan of a third or even fourth phase, even with increased resources allocated to LDP” (Project Appraisal). LDP should thus decide on the various priorities of the sub-categories, and poor female-headed households were recommended as the group on which to focus. The appraisal mission also found that the Kenyan Government’s policy of launching an Agricultural Sector Investment Programme (ASIP) was not reflected in the Programme Document and that the relation between LDP and ASIP remained unclear (Project Appraisal).

In the Mid-term Review of 1999, it was noted that LDP had made a significant contribution to the dairy industry in western Kenya, especially at the village level. In addition the programme had been shown to have a measurable multiplier effect on improving nutrition and incomes for the participants (Mid-term Review, Phase III 1999). The livestock component as a whole was considered to be successful but the cooperative component showed slow progress despite increased training activities in the sector. The marketing of milk through cooperatives was facing particularly severe problems, and was not in line with the recommendations made in the Mid-term Review for Phase I (1993). The review team was also sceptical about the critical mass concept created by LDP and about the effectiveness of the CF CRS programme due to its slow cow-rotation cycle. Furthermore, the review team repeated the recommendation to restrict the geographical area of operation in order to achieve sustainable results with the current budget, but this recommendation was, once again, ignored. The review mission concluded that the programme was likely to meet its development goals if it continued on its chosen course but that sufficient sustainability would not be reached by the end of 2001. It was nevertheless recommended that LDP in its present form should come to an end as originally planned. In formulating a phasing-out strategy it was recommended that discussions be opened with NGOs, CBOs and other organisations about their possibly taking over some of the LDP activities (Ministry for Foreign Affairs 2002a).

2.7.4 Phasing out the programme

Despite the recommendations of the Mid-term Review team, negotiations led to an additional phase for LDP. An expert team started planning the phasing-out at the project site in 2001. The programme document, which included the same districts as

in Phase III and the same activities as in previous phases, was accepted in 2002. No specific action plan for phasing-out and handing over the activities to the beneficiaries was formulated and, in fact, it was noted already in the project document that the 18 months programme period would not be sufficient. Another extension of LDP was recommended already in 2001, with additional funding from Finland for strengthening of animal health services in particular (Ministry for Foreign Affairs 2002a). The decision as to further Finnish financing was not made in 2001 as the Kenyan Government had not kept to its financing obligation. In the end of 2002, however, it was recommended that financing of EUR 450,000 be provided to enable continuation of the planned activities after mid-2003.

2.7.5 LDP as a whole – the main lessons learned

The activities of LDP have worked towards the goal of improving livelihoods by enhancing milk production and marketing throughout the programme period, even though in the last phases more emphasis has been placed on improving the nutritional status of the beneficiaries. The emphases placed on particular activities have varied however according to, and even despite, the occasionally contradictory recommendations of several appraisals, and activities have been reoriented on the basis of lessons learned in earlier phases. In the beginning the promotion of production was considered to be the core issue, but later on the importance of the existing market opportunities for the milk produced was understood and emphasised. The number of people targeted has risen during the programme as the geographic area of activities has been expanded to create the “critical mass” that was considered important for sustainability in Phase II. In retrospect it might be considered a mistake that the programme activities were extended to 22 districts, making activities too widespread and difficult to manage, and stretching the limited resources over too wide an area. The degree of participation of relevant stakeholders increased during the various phases of the programme. Participatory methods were not in use at the start of the programme but were soon adopted throughout LDP. The involvement and participation of target groups has been strengthened by the cost-sharing principle being applied since the very beginning (Ministry for Foreign Affairs 2002a).

Taken overall the programme has been operating in a rapidly changing environment that has affected the success of the programme activities. In accordance with the structural adjustment programme that Kenya has been implementing since the 1980s, the Government of Kenya has gradually withdrawn as the main supplier of services and public goods to agricultural sector and private sector participation has been encouraged. The process has often been poorly sequenced, with negative effects in some of the sub-sectors, such as veterinary services. “On the other hand, the private

sector has been slow or lacks the capacity to meet the challenges resulting from liberalisation” (Ministry for Foreign Affairs 2002a). Alongside the privatisation of veterinary clinics, tick control and artificial insemination services in 1991, animal health was adopted as part of LDP. However, as a result of weakened enforcement of the Animal Disease Act and declining government services in the field of livestock production in Kenya there has been a resurgence of cattle diseases affecting both beef and dairy sectors. Annual losses attributed to diseases are estimated as EUR 14 million (Ministry for Foreign Affairs 2002a). Even though the animal health component has been an important part of the programme from the very beginning it has not received enough attention and resources to achieve the sustainable and sufficient results needed to ensure the outcomes of other programme components and enhance the development of cattle farming in general.

A highly positive aspect of the programme has been the raising of women to be a special target group, ensuring their participation and achieving positive impact with this strategy. A surprisingly high number of women participated in the project’s activities as gender training was provided through the cooperatives and CFCRS was established as a relatively new source of income for women. In an otherwise very patriarchal society, enabling women to increase their assets is also likely to increase their independence and well-being. Women’s self-esteem and status in society have been enhanced, and according to the implementers the beneficiaries themselves have considered the change highly significant. CFCRS, operated mainly by women, is also likely to be one of the most sustainable results of the programme. Product marketing and animal health services, on the other hand, are already unable to answer to current demand, despite the fact that the programme is still continuing. Problems with animal health are likely to also have an impact on the otherwise well-functioning CFCRS.

On the whole LDP has achieved most of the targets set for livestock activities, but cooperatives in Kenya in general are going through a massive reform. A distinctive feature in Kenya has been the close involvement of the government in the promotion and control of cooperative societies and unions. However, the perceived inefficiency of operations and numerous recorded cases of mismanagement of the cooperatives have raised a call for a thorough review of the existing legislation and provoked a policy reform in the sector. The reform was adopted in 1997 and was expected to change the working environment of the cooperative movement substantially and give cooperatives more freedom to run and develop their businesses. Government involvement in the education of cooperative staff and managers has ceased, however, and the training college has been transformed into an autonomous organisation that is expected to be self-financing in the near future (Ministry for Foreign Affairs 2002a). With the poorly developed cooperative sector in Kenya, LDP also had troubles with its cooperative component during the years of implementation.

All in all, further development of programme activities, even of the livestock component, is not possible without access to external financing mechanisms. In all the phases so far, additional financing on top of the original budget has been required in order to implement the activities properly. The main challenge for LDP today is to phase out foreign influence, hand over the activities and improve the sustainability of the results gained. The question has been raised in Finland, however, of whether the government officials in Kenya who are employed by the programme at present are going to stay and continue their current activities after such financial incentives as access to cars and so on, provided from outside, come to an end. This is not an issue only in Kenya but rather a common phenomenon at the end of any programme. An action plan for phasing out has now been formulated to reduce and eliminate dependency on external influence. The importance of improving the project planning with appropriate time-frames, so that decisions to end financial support would be effective, and phasing out and training of staff would be started in time, is one of the crucial lessons to be learned from LDP.

2.8 Northern Province Rural Development Programme (NPRDP) – South Africa

Finland and the Republic of South Africa identified a development cooperation project in negotiations between the two governments in 1995. The original project document was prepared jointly by South Africa's Department of Water Affairs and Forestry (DWAF) and Finland's Ministry for Foreign Affairs (MFA) and was originally entitled the "Joint Finnish/RSA Project in the Northern Province on Community Development Forestry". The document was identified as a Preliminary Project Document as it included a 6–9 months planning phase followed by an implementation phase. The project was to be carried out in a total of four years with a budget of FIM 12 million from Finland and R1.2 million from South Africa. The overall objective of the project was to empower individuals and communities and improve their quality of life, as well as to reduce environmental degradation through community forestry in the Northern Province. The purpose of the project was to provide replicable working models for sustainable community development forestry in the area. The original idea was to achieve the development objectives through 1) capacity building at community level, 2) the establishment of sustainable nurseries at community level, and 3) a community forestry fund to enable communities to initiate projects (Preliminary Project Document 1996). The project was started up and the implementing agent chosen on the basis of this project document. The first official project document that was prepared during the planning phase in 1996 turned out to be quite different however. The project's

name was changed to read “The DWAF – DIDC/MFA Community Development Programme in the Northern Province” and aim of the programme was redefined. This document was approved and programme implementation started in 1997 (Mid-term Review Report 1999).

2.8.1 Phase I – The DWAF – DIDC/MFA Community Development Programme in the Northern Province

The overall objective of Phase I, planned for 1997–2000, was stated as: “improved living conditions of people through increased productivity of land based practices” (Programme Document 1997). The programme was divided into two components: institutional strengthening and community development. In order to achieve these results, three programme purposes were defined: 1) to strengthen entrepreneurship and self-reliance in the target population, 2) to enable people to identify and access resources relevant for improved land-based production and processing (participation), and 3) to facilitate people’s access to information relevant for improved land-based production and processing (Programme Document 1997).

In the Mid-term Review, of 1999, the programme was praised for bringing together the various organisations working in the communities, providing the community extension staff and the directorates with a chance to get exposure to participatory development planning, encouraging participation and attempting an integrated approach. It was noted, however, that the project lacked a clear purpose and a proper logical framework. It was also criticised for tying down the scarce resources of the Community Forestry directorate in the Northern Province without dealing with the major challenges of DWAF. The approach adopted was judged to be too wide and largely input-driven as well as including many high-risk activities such as large-scale irrigation projects. A share of the criticism was also directed at the heavy reliance on external short-term consultancies, lack of direction from supervisory structure and lack of continuity. The evaluation team concluded that the programme would not achieve its initially defined results within the project framework and noted that an extension of time was proposed by the programme. (Mid-term Review Report 1999)

Along with the actual Mid-term Review made by outsiders, an Internal Mid-term Review was also carried out by workshops and internal assessment groups. This internal review was suggested by the South Africans as being in line with their normal practice and the idea was praised by the Finnish side. The Internal Mid-term Review was carried out in 1999. The key lesson learned was that the penetration of participatory methods took time as it was a whole new way of thinking. Training the governmental officials was also “by definition slow and bureaucratic” (Internal Mid-term Review 1999), especially when the officials did not have any incentives, like scholarships, to

learn new things and try them out. The role of the steering committee was seen as a rubber stamp that was not helping the programme. It was also noted that as the villages are different, one blueprint model could not be applied to all but a flexible approach to the development proposals should be adapted. As the first two years of the programme were spent in planning, it was estimated that at the end of the fourth year there would be about FIM 3.4 million of budget funds still unused. The timeframe was, as noted in the independent Mid-term Review (1999), proposed to be prolonged by two years, without any need for further allocation of resources in view of the unused financing remaining from the beginning of Phase I (Internal Mid-term Review 1999).

In the Programme Completion Report (1999), the overall performance of the programme so far was judged to be satisfactory. The logical framework was redefined according to the recommendations of the Mid-term Review (1999), but the likelihood of assumptions holding true was considered less than satisfactory. The budget underspending and delays in planning and implementation, particularly the late availability of gender analyses, were also considered to be programme failures. Furthermore the deficient communication between various parties (especially between the consultants and the Finnish government) and unsatisfactory cost-effectiveness of the activities to date were considered to be serious setbacks. Nevertheless the programme was seen to correspond with the beneficiaries' priority needs and positive impacts were to be expected once the project reached its production stage (Programme Completion Report 1999).

After Phase I ended it was critically assessed in the Post-Implementation Evaluation Review Report (2001). As the main lesson learned, the evaluation team highlighted the need to conduct a thorough and effective Strategic Contextual Evaluation in order to better contextualise the programme, which so far had been aloof. Had this been done already at the beginning of the pilot phase, the confusion and delays that initially characterised the programme would not have occurred and a more integrated and proactively structured programme would have resulted. Even though the programme was noted to have collaborated with other organisations, as was praised in the Mid-term Review (1999), the need to ensure that the key parties involved in the programme know, understand and execute their roles in a properly integrated manner remained a challenge to the programme itself. It was also thought strange that, despite the original idea and the planners' links to forestry, the plans that were actually produced were primarily related to agricultural land use. It was recommended that the current "rounding off" of Phase I be carried out with better management than so far, and that the programme's structure, subsidiary objectives, purposes and indicators be readjusted, as well as the programme's logical framework matrix and the evolving work plan (Post-Implementation Evaluation Review 2001).

2.8.2 Interim Period

A special interim period was arranged to round off Phase I so that Phase II could make a clean start. The interim period was planned to be for one year, in 2001, after which the new Phase would be operational. The programme framework for the interim period was as defined in the Mid-term Review of Phase I (1999). The overall objective was to improve the living conditions of rural communities in the former homelands of the Northern Province. The programme purpose was to create successful examples of land-based rural development under way in the province. In order to achieve the objective, the results required included 1) successful examples of integrated resource management planning in place; 2) examples of sustainable, community-driven land-based enterprises in place and operative; 3) maintenance of the capacity of the Government Department Facilitators for agriculture, water, forestry and the environment to support the communities' land-use development; and 4) improved access of communities to the necessary development resources. The emphasis during the interim period was on the first two components. The inputs for the interim phase consisted mainly of the labour contributions of the Government Development Facilitator teams. The total cost of the period was estimated as FIM 600 000, of which the South African government would cover 90%.

2.8.3 Phase II – Northern Province Rural Development Programme

Phase I was implemented by DWAF. During the course of programme, however, the major part of its activities dealt primarily with rural agricultural development so responsibility was transferred to the Department of Agriculture and Environment (DAE) in the Northern Province in Phase II, which was originally foreseen for 2001–2005. The name of the programme was changed to the more appropriate Northern Province Rural Development Programme (NPRDP) (Project Document 2001).

According to the Project Document the overall long-term objective of the programme is to improve the living conditions of low-income households in rural and “peri-urban” communities in the Northern Province. The purpose of the programme is to support low income households, as well as emerging small farmers, and to support access to viable and sustainable livelihood and income generating activities, applying Integrated Natural Resource Management techniques. The main components of the programme are: 1) Integrated Rural Management Planning, 2) Integrated Rural Development, 3) Institutional Strengthening, and 4) Coordination of Development Resources. The programme aims at a holistic perspective for rural development including crop production, animal husbandry, water management and agroforestry practices. “The aim is to promote an integrated farming approach to allow the small-holder to diversify production, increase income and spread risk” (Project Document 2001).

However the start of Phase II was delayed until 2002 and before it began a Revised Programme Document was produced to provide better guidance for the implementation. The name of the project was once again changed and it became the Limpopo Agricultural Development Programme (LAPED), reflecting the new name of the province and the project's emphasis on agriculture. The logical framework remained changed (Revised Programme Document 2002).

2.8.4 The programme as a whole – the main lessons learned

As noted already in the Mid-term Review of Phase I (1999), the programme has been very relevant to South Africa and in line with the development cooperation goals of the Finnish government. The programme has had to work in a demanding and changing environment. At the time when the programme was started, South Africa was going through great political changes and had not had time to set its own development priorities. When an opportunity to embark on development cooperation with Finland came, however, it was embraced without thoroughly thinking through the real development needs of the country in its new situation or the country's capacity to implement possible new projects. The Finnish rationale for action was simply that on one hand the Northern Province was poor and needed help and on the other hand Finland had expertise in forestry. As no Strategic Contextual Analysis had been carried out, South Africa was offered a project that the Finnish government thought was appropriate: a forestry development project. Looking back it has become clear that this was not in line with the true needs of the poor population in the area. Despite the initial focus on forestry, the majority of activities were still concentrated on agriculture, and this sector was later recognised to be the true priority of the beneficiaries and the proper focus of the programme.

The different phases and emphases of the programme have constituted an important learning process for the parties involved, both Finnish and South African. It is crucially important to bear in mind that one cannot embark on successful development cooperation without knowing the counterpart partner and that partner's needs and capabilities. The earliest phases might well have been necessary for this learning process even though it led to the slow and partially ineffective implementation of programme activities in the beginning. The main strength of Phase I was the introduction of PRA methods into everyday activities. South Africa lacked the experience of implementing larger development projects and there was a lot of room for improving the management of beneficiary-driven development. Attitude change and capacity building are slow processes so the implementation phase was delayed. Some of the activities from Phase I are still proceeding under the programme due to the late implementation of the participatory planning results. Since the beginning of the programme South Africa

has made clear progress in identifying priorities and made plans for development. Nowadays the country also has better capacity and personnel to carry out different activities. However, the current implementers have remarked, abolishing apartheid and restructuring the whole political system has been an enormous project and it is still continuing. The political machinery in the area went through a massive change as homeland governance was incorporated into general nationwide governance in the mid 1990s. Even though the change has been positive, building a whole new system of governance cannot be expected to happen overnight and sustained capacity building is still needed. Furthermore, as noted by the implementers, changing the old attitudes and ways of thinking that prevailed during apartheid is a demanding task. People who were told all their lives that they were worth less than others and should wait for orders are now required to make decisions and draw up budgets on their own responsibility. Capacity building and allowing sufficient time for planning and implementing is of particularly crucial importance in South Africa.

The programme implementers tried to include gender sensitivity in the programme right from the beginning but true participation of women was not achieved before Phase II. The fact that the majority of the farmers in the project area are female-headed households means that it is even more important to pay attention to the needs of women. Thanks to strong commitment from the South African side, gender issues have continued to hold a central position in planning the project. The assessment team in the tendering process for the Phase II paid particular attention to gender sensitivity and the capabilities of the tendering parties with regard gender issues.

The sustainability of the programme and its results depends on the future availability of qualified, motivated and committed staff and Government Development Facilitators, and this was raised as a concern in the Technical Proposal of Phase II. Sustainability also depends on developing appropriate financing mechanisms that are affordable and available to all groups of people. Thanks to the participatory planning process there is a good level of ownership of the activities. As the implementers noted, one of the lessons learned from the Phase I was that a programme cannot succeed in attaining sustainable results unless cooperation with the local institution works well and sufficient time is allowed for planning and capacity building. In Phase II the implementing ministry was different from that of Phase I and with some further capacity training the programme has every possibility of success. However it is not possible to make a definitive judgement at such an early stage of implementation.

2.9 Chimoio Agricultural Institute (IAC) – Mozambique

Finland's development cooperation programme in Mozambique provides technical agricultural training to the Chimoio Agricultural Institute (IAC), which was founded in 1967. IAC is one of just two middle-level agricultural institutes in Mozambique, and the only one training forest technicians (Project Document, Phase II 1994). The programme can be seen as the successor of another Finnish development cooperation project, the Support to Agricultural Training in Mozambique (SATIM) programme. SATIM was implemented in two phases from 1990 to 1999 and it concentrated on enhancing agricultural training facilities and human capacity. While SATIM served the southern part of Mozambique, IAC concentrates on serving the central part of the country. Another clear distinction is that IAC emphasises the administration of the institute rather than the pedagogical and administrative issues highlighted in SATIM. SATIM itself can be seen as a successor to the Mozambique Nordic Agricultural Programme (MONAP) which was carried out in cooperation with other Nordic countries. IAC also has a link to a regional SADC forestry project that was supported by Finland. That project supported the forestry component of the IAC's activities until the mid 1990s, when Finland initiated a new project to support the whole of the IAC on a bilateral basis. Development cooperation between Finland and Mozambique has thus been going on for a long time and one of the focal areas, agricultural education, has not changed (Ministry for Foreign Affairs 2002b).

The IAC programme addresses the low levels of agricultural productivity that give rise to widespread rural poverty. As poverty eradication is the goal of Finnish development cooperation and Mozambique has set policy targets to increase agricultural production as an integral component of reducing poverty, the IAC is considered to be relevant for both countries.

2.9.1 Phase I

Phase I of the programme began in 1998 with a budget of FIM 19.8 million and a planned duration of four years. In the end it was extended to the end of 2002. The purpose of the programme was to improve the efficiency of the management and administration of the Institute and enable it to provide effective training for middle-level agricultural technicians. The overall objective as defined in the Project Document (1997), however, was to increase agricultural production and ensure the efficient and sustainable use of natural resources at all levels. The project-specific objective was effective training for middle-level technicians in keeping with the sector's needs (Project Document 1997). The project's components included 1) the renovation and building up of the physical infrastructure of the institute, 2) support to the administration of the institute, and 3) teacher training (Ministry for Foreign Affairs 2002b).

In the Mid-term Review of 2000 the question was raised as to whether support to IAC was indeed the best and most efficient way of addressing the problem of low productivity. The Review suggested that increases in agricultural production could not be attributed directly to the training of agricultural technicians. The Review Team noted, however, that the programme is on course to achieve its objectives as defined in the project document, despite the fact that those objectives would only have a marginal impact on the actual development goal of increased agricultural productivity in the country (Ministry for Foreign Affairs 2002b). The Review recommended that supporting agricultural technical education should entail a long-term commitment to the institution and encouraged Finland to support Phase II in order to consolidate and facilitate the transition to a more sustainable IAC (Project Document, Phase II).

2.9.2 Phase II

Phase II is currently under final preparation. According to the wishes expressed in the Mid-term Review, the purpose of Phase II is to establish the means for IAC to 1) consolidate activities which are being carried out within the present financial arrangement, and 2) attain sustainability during the period 2003–2005. Current activities include the strengthening of agricultural and forestry training, as well as the consolidation and improved functioning of the wildlife course integrated into the forest course. Other functions of IAC that are supported are management and administration, including training of the school management committee; adaptation of the curriculum to the new requirements of the agricultural sector; an evaluation system based on clients (students); an efficient maintenance system for the infrastructure; and improved school-community relations. Looking at the wider picture, the overall objective of the project, towards which all the activities are aimed, is to support the training of high quality middle-level agricultural technicians in order to meet the growing needs of the agricultural sector and to contribute to increased productivity and the socio-economic development of Mozambique. The specific objective of Phase II is to improve the efficiency of the training of medium-level agricultural technicians to meet the needs of the agricultural sector of the country. The project-specific results required include: 1) adequate curriculum and teaching/learning materials to allow students to acquire the requisite skills and capabilities as well as a positive attitude towards the labour market, taking into consideration gender and environmental aspects as well as client satisfaction; 2) appropriate infrastructure, equipment and material in terms of the educational and social needs of IAC and sustainability; 3) efficient, effective and integrated management and administration systems with special consideration of gender aspects; and 4) establishment of both external and internal revenue generating opportunities, to increase the sustainability

of IAC. The school farm is to meet pedagogical needs, to function in a sustainable manner, and to contribute to improved nutrition for the students (Project Document, Phase II).

2.9.3 The future of the project – the main lessons learned

Management of the IAC project used to belong to the agricultural sector within the Ministry for Foreign Affairs of Finland but the project has now become part of the education sectoral programme and its management has also been transferred to the education sector. However, as the Finnish Embassy in Maputo has pointed out, this is basically only a question of project coordination: the project counterpart in Mozambique has always been the Ministry of Education and the curriculum has always concentrated on agriculture. In other words, the project objectives and activities have not changed and IAC continues to serve the agricultural sector by means of education just as before. This arrangement also serves the goal of concentrating development aid on a few larger sectors in order to rationalise its management. The main sectors for Finnish cooperation in Mozambique are education and health. Mozambique has also asked donors for funding for these sectors, especially now that HIV/Aids is a major problem in the country. IAC has even established its own HIV club, the members of which distribute free condoms and information.

The Chimoio project is also a good example of having a well-defined goal for promoting gender equality, as well as in documenting the process of achieving this goal. The numbers of female and male students and teachers have been documented and plans for developing indicators that include drop out-rates, for example, are on the way. The project has set clear objectives for increasing the number of female participants and the achieved improvements are being documented. At present 21% of the students are girls and the stated goal is to increase this proportion up to 32% by the end of 2005. As a future challenge gender issues should also be systematically included in the curricula alongside, and integrated with, other teaching materials.

The emphasis in the current negotiations is on ensuring the sustainability of the results and ensuring that Mozambique has the ability and willingness to take over financial responsibility for the activities after Phase II in 2005–2006. There is concern about the financial sustainability of IAC activities after foreign financing has been withdrawn. Mozambique is highly dependent on foreign aid, and IAC is only just starting to engage in income-generating activities, such as wildlife tourism. The project outline has thus not changed markedly from Phase I to Phase II, but more emphasis has been put on marketing and management training in order to ensure sustainability.

2.10 Integrated Rural Development Programme (PRODEGA) – Nicaragua

Nicaragua's Integrated Rural Development Programme (PRODEGA) is a rural development project with the emphasis on sustainable livestock production. The programme started already in 1990 and it is planned to end in 2003. Cattle farming has traditionally been an important means of livelihood and source of export earnings in Nicaragua. Even though milk production has historically played a subordinate role to meat production, milk has been increasingly important during the last decades, and small-scale farmers in particular have been involved in dairy farming. PRODEGA focuses on raising farm incomes and milk production, milk and cheese processing cooperatives, and rural self-help groups. Alongside these main activities PRODEGA has also built and repaired rural roads. The project has worked on the lines of further entrepreneurial development in cooperatives, especially to avoid disadvantaging the small producers. PRODEGA has also been active in coordinating its activities with those of other donors in the same area in Nicaragua (Ministry for Foreign Affairs 2002c).

2.10.1 Phase I

In 1990, Nicaragua's Ministry of Agriculture and Livestock (MAG) initiated an Integrated Rural Development Programme (PIDR) for a four-year period assisted by Finland. The programme was implemented in Nicaragua's Fifth Region, which produces 50% of the country's total domestic milk production. The Districts of Boaco and Camoapa in particular produce 20–25% of the total milk production, thanks to their favourable climatic and soil conditions. The area is thus of great economic importance to the country (Project Document, Phase II 1994).

The approach of Phase I was to promote milk production as the way to increase the profitability of small and medium-sized cattle farms in the project area. The programme aimed at tackling the main constraints of production: under-feeding of cattle in terms of both quantity and quality, particularly in the dry season; poor genetic potential of the cattle and inability to take the full advantage of the already existing potential; insufficient marketing of the products; poor access to markets due to poor road infrastructure; lack of coordination between farmers; lack of collection and cooling centres and pasteurization and processing of milk by farmers; inadequate hygiene on the farms; and poor availability of credit to finance the needed investments.

The overall objective of Phase I was to “improve, through increased milk and beef production, the standard of living of the Nicaraguan people in general, and that of the peasants and small and medium-size farmers of the Fifth Region in particular” (Project

Document, Phase I 1990). The programme was to pay special attention to maintaining and gradually improving the ecological and environmental conditions in the area, strengthening the capability of Nicaragua's own institutions to carry out the development activities, and ensuring the maximum sustainability of the achievements of the programme. The programme included eight interlinked components, namely 1) cattle feeding, 2) farm improvement, 3) milk collection, 4) rural road maintenance, 5) cheese manufacturing, 6) village forestation, 7) women's development, and 8) training and extension (Project Document, Phase I 1990).

Since the project's main objective was to increase milk production by transferring technologies to the farmers and by improving the marketing of collected milk, its activities were divided into three main areas of operation. The first of these was technical assistance to the selected reference farms in the project area in order to transfer relevant technology to the farmers, especially in the areas of improved livestock nutrition, animal health and farm management. Technical assistance to the farmers, particularly with regard to improving productivity at farm level and basic hygiene, was carried out directly by a project-managed extension service. The activity turned out to be successful in promoting improved nutrition. Milk yields, for example, were doubled at farm level and improved fertility was reflected in the reduction of calving intervals from 24 to 18 months. The second area of operations was the improvement of local infrastructure and services in order to support the increased production. This included the construction of four milk collection centres, the provision of milk trucks and tractors, the repair of local roads, and arrangements for micro-credits. The third area was the facilitation of the establishment of local organisations and institutions to manage the new developments, including service cooperatives in each development area and two unions (Project Document, Phase II 1994). With regard to milk marketing the objective of the programme was to set up farmers' service cooperatives as marketing tools. This involved considerable investment in training in cooperative principles and business management but it was still considered the best approach in encouraging farmers to make their own decisions about marketing their products and thereby increase project ownership.

A Mid-term Evaluation mission was implemented in 1992. Even though the programme had been operating only for a short time, it was noted to have made significant advances. The evaluation team recommended that Finland continue the project activities during a second phase in order to develop the production base and marketing capacities of the farmers as well as to further strengthen their cooperatives and turn them into sound, autonomous and self-sufficient institutions (Mid-term Evaluation, Phase I 1992).

2.10.2 Phase II

Following the recommendation of the Mid-term Review (1992), the project continued with Phase II in the period 1994–1998 and the project's name was changed from PIDR to PRODEGA. The programme area remained basically the same, the Fifth Region, but its area of influence was extended to two more districts in the north, which had climatic, topographic and economic conditions similar to those of the existing area of the project. This extension was carried out at the request of the farmers, many of whom already delivered their milk to collection centres established under the programme. During Phase II the project operated in five municipalities in the Department of Boaco, Central Nicaragua: Boaco, Camoapa, Santa Lucía, San Lorenzo and Teustepe. The budget for Finnish support for the four-year period was FIM 27 million (Project Document, Phase II 1994). The responsible partner in Nicaragua during Phase II was the “Programmea Nacional de Desarrollo Rural” (PNDR), which was established as an autonomous body of the Nicaraguan Government in 1995 to provide technical support, legal assistance, and management and budgetary support to projects working in the fields of rural development (Terms of Reference for Project Document Preparation for Phase III 1998).

The overall development objective of the programme was to reduce poverty and to reach a lasting improvement in the standard of living of small-scale male and female producers in the project area by means of an increase in production and marketing of milk, livestock and other agricultural products. In order to achieve this the programme was designed to “assist the small-scale farmers in their efforts to improve their conditions and standard of living and to contribute to the general development of the country by means of strengthening their independent Service Cooperative organisations” (Project Document, Phase II 1994). The programme was divided into four components: 1) livestock nutrition, genetic improvement, animal health, and farm mechanisation for farm improvement; 2) training, gender issue awareness and improvement, environmental protection encompassing the whole set of project activities; 3) an institutional development component, including service cooperatives and unions development; and 4) a business and management functional component covering milk collection and marketing, credit, and rural road maintenance (Project Document, Phase II 1994).

In order to help ensure sustainability of the achieved results, the project started to transfer the responsibilities, human resources, project assets and capital to the organised beneficiaries in a planned way already during the Phase II (Project Document, Phase II 1994). For example responsibility for the administration of the project credit funds was transferred to a local micro-financial organisation, so that at the end of Phase II total responsibility for the analysis of financial viability and the repayment of loans lay

with this organisation. Nevertheless the Mid-term Review of 1996, argued that “despite creating improvements in the living standards of the project beneficiaries, it is unlikely that the project and its effect will be wholly sustainable without external assistance beyond the second phase” (Mid-term Review, Phase II 1996). The cooperatives were the backbone of the project, and although a few were sufficiently well managed that they could operate efficiently as completely independent entities were assistance to cease, many of them would not be able to continue for reasons ranging from poor management to geographical location. It was thought that there could be adequate improvements in some of the currently weaker cooperatives if they were given more time and more assistance to increase their chances of surviving independently. Furthermore it was recommended that the focus of the programme should be redirected to the poorest farmers, who generally do not own cattle and that other forms of agricultural production should therefore also be promoted. In other respects PRODEGA was seen to have fulfilled most of the objectives set so far (Mid-term Review, Phase II 1996).

2.10.3 Phase III

In Phase III, 1999–2003, activities were based on the previous successes and the lessons learned in the first two phases. The programme area was also enlarged to include four new municipalities in the dry zone of the Department of Chontales. The overall objective of Phase III was to reduce poverty in the project area through lasting improvement in the standards of living for small and medium-scale farming families. The immediate objectives were to 1) improve milk production in Boaco and Chontales through raising productivity and milk quality at farm level and through farmer-owned local processing and marketing of milk, 2) improve the productivity of agricultural cooperative members, and 3) facilitate the agricultural cooperatives adoption of an adequate form of organisation (Project Document, Phase III 1999).

The main idea of the last phase was to continue the successful components of the project, discontinue the less successful ones, and integrate the activities into the local structures, relying more on existing local resources for implementation (Project Document, Phase III 1999). Of the seven milk-marketing cooperatives set up by the project, three could be considered to have been successful based on the fact that in 1999 they were processing and marketing considerable quantities of milk at local level on a profitable basis and were also able to provide improved, and relatively stable, prices to the small and medium-scale milk producers. In Boaco the emphasis was on concentrating all milk marketing and processing activities on these three successful cooperatives so they would have the capacity to pasteurise, process and market all their suppliers' milk and ensure a stable price above the national level. Two of the less

successful cooperatives merged with the successful ones.

As a way of ensuring that extension services remain sustainable and appropriate to the farmers' needs, responsibility for the services was transferred to the cooperatives in Boaco. Over the first year the services' financing was covered by the projects, but these responsibilities were also planned to be gradually transferred to local management during Phase III. In Chontales the extension service has always been the responsibility of the cooperatives. The programme has mainly concentrated on coordinating the training of the extension staff, the quality of the extension services, and the links to ensure transfer of the relevant technologies. With improved marketing systems in place, the increase in production at farm level would be the key to improved farm income in the future.

2.10.4 PRODEGA as a whole – the main lessons learned

The development cooperation programme began in 1990 as an integrated rural development project with the emphasis on milk production and marketing. In Phase II the area of intervention expanded and the scope of activities increased as more attention was paid to the poorest farmers, who rarely owned cattle. Still, the idea of enhancing livestock and especially milk production remained alive throughout Phase II. In Phase III, the area of operations was expanded to new, dry areas and the sustainability of the activities in the old areas was strengthened. The overall objective of support to milk producers and to the development of a sustainable system for marketing milk regained its predominant status in Phase III. It was noted in the Phase III Project Document (1999) that this objective had been lost sight of to a certain extent in Phase II, due to the inclusion of an increased number of project activities, mainly in the fields of gender and the environment. It was argued that gender should be mainstreamed in all activities and not implemented in isolation. The difficulty lay in the fact that livestock belongs to a masculine culture, and women do not traditionally own cattle in Nicaragua. The project operates in a conservative area of Nicaragua. The programme has engaged in some gender training activities and achieved some success in improving the lives of local women, but great challenges lie ahead before true gender mainstreaming is achieved.

There have been positive developments in Nicaragua during the project period. In the beginning the country was torn apart by the civil war of the 1980s, and producing a milk surplus was unheard of under the circumstances. The socialist regime was still in people's minds and cooperatives did not seem to be a promising option. Quite soon, however, the farmers realised the benefits that cooperatives could offer them, and now the cooperatives have joined forces to form a common lobbying body. Development has been impressive. At present farmers' are concerned about the possible

free trade agreement with North America, which many fear may seriously damage their competitiveness, instead of worrying about their basic assets as they did before. As one of the project beneficiaries described the significance of the project, “before PRODEGA our milk production was like a lying cow, but now the cow is standing”. Phasing-out has been planned in advance, and the aim is to ensure the sustainability of the results that have been achieved.

An event that was important for the milk sector in Nicaragua, and for the sustainability of PRODEGA, was the arrival of PARMALAT, a multinational company of Italian origin, to the market. It has rapidly established a firm foothold in Nicaragua, and the company is currently buying the milk from the farmers, offering a stable price throughout the seasons and doing much of the work that PRODEGA amongst others had financed earlier. The company is, for example, providing the cooperatives with cooling equipment on condition that the farmers sell their milk to PARMALAT. The present government sees much of the achievement in milk production to have been due to PARMALAT, which serves as a good example of the benefits of attracting private foreign investment to the country. It should be noted, however, that PARMALAT only entered the market when much of the basic extension, organisational and infrastructure work had already been done.

The aim of PRODEGA has been poverty reduction by economic growth through the farmers’ own efforts, and the results show considerable success in achieving that goal. The project has clearly contributed to the fight against poverty by increasing the productivity of the milk producers and, most importantly, led to the increase and stabilisation of the price paid for milk. The programme has also created new job opportunities at the cooperatives and thus relieved the problems of rural poverty in particular. The cost-benefit ratio of the project is highly positive: the increased income to the farmers from their increased milk production greatly exceeds all the investment costs of the project. However, as the Finnish reviewers note, the income distribution component has been more complex. It seems that in the end only a relatively small number of farmers have really been able to rise from poverty. Several efforts have been made to take complementary action to increase this number, e.g. by supporting diversification of cultivation, but many of these efforts have failed. The credit component of the programme also receives its share of criticism, as the loans have mostly been allocated to the big producers, which has increased income inequalities in the area. Better design of targeting mechanisms would have been good for PRODEGA. As project activities were open to all and the target group was the poor farmers in the area, the activities could have been designed so that they only attracted certain types of households. PRODEGA was in fact highly attractive to the large-scale cattle owners who benefited from the programme activities. The programme managed only gradually increase the share of the farmers with only one to two cows. The impact of the

programme to those farmers who did not own cattle was rather limited.

In addition to its economic aspects, PRODEGA has had important environmental implications. Previously transhumance was widely practiced, but the farmers were encouraged to go into settled year-round cattle farming by cultivating fodder for their cattle. There was also a practice in the central and eastern part of the country of clearing more land for pasture, advancing even into the virgin rain forest of the Atlantic Coast. This latter practice has been called “chontalenisation” from the name of Chontales, in the southern region of PRODEGA target area, changing wide areas of the landscape from forests to pastures, with quite small numbers of cattle, meaning that the economic value produced per hectare is in fact much less than that which the forest biomass would produce. The move from extensive to intensive cattle farming that PRODEGA has promoted would again increase biomass and value added per land hectare if practiced correctly. Thus as well as the economic aim of increased productivity of the cows the programme also has the environmental aim of more sustainable land use.

3. Development cooperation as a whole – Can we keep our promises?

3.1 Overall trends in Finnish development cooperation

In a wide perspective all the programmes discussed above are efforts to improve the well-being of their beneficiaries. The ways in which those efforts are made vary widely between the programmes, and even within them during their different phases, from doing research to building infrastructure, and from providing fertilisers to arranging cow-from-cow rotation schemes. In Table 1 the overall objectives, primary purposes and main activities of the programmes are summarised for comparison.

The changes in development thinking already described in Section 1.2 above can also be seen in the goals set and steps taken in the Finnish programmes. The main trends can be classified in four categories: changes in goal setting, changes in activities *per se*, changes in the scope of activities, and changes in the ways in which the activities are managed. While the programmes of the 1980s and 1990s aimed at enhancing living conditions, production and livelihoods, the most recent projects aim at poverty alleviation. EFARP, for example, aimed at improved production in Phase I while in the later phases the goal was changed to enhanced socio-economic status of the beneficiaries. PRODEGA, too reformulated its goal, from increased production to poverty reduction, following the shift in the development discourse.

Not only the goals themselves but also the activities undertaken to achieve them have changed during the programme life-cycles. At the beginning of the 1990s the emphasis was on improving living conditions in very concrete ways, such as providing fertilisers or building roads in specific areas. Later on more and more emphasis was given to capacity building and teaching participatory methods. Still today building institutional capacity and developing infrastructure are, along with training, the most basic and most dominant activities of Finnish development cooperation. This should come as no surprise, since not only are better infrastructure and enhanced capacity development achievements in themselves, but a certain level of achievement in these respects is necessary before other development programmes can be carried out. A marketing development programme, for example, requires that some sort of access to the market be already in place. A micro-credit component, too, has often been included in programmes throughout the years even though credit scheme management has not always proved successful. Current recommendations state that micro-credits should not be incorporated as part of a programme, as results are likely to be unsustainable when the project ends. If the credit scheme is too closely linked to an individual programme's activities there is a risk of the allocation of funds being influenced by the

Programme	Overall Objective	Programme Purpose	Emphasis of Action
RIPS	Phase I: Improve living conditions.	1) Increased agricultural production, 2) improved market access, 3) improvements in infrastructure, and 4) improvements in capacity of the institutions serving small-scale farmers.	Building infrastructure (roads, buildings etc.), shopping lists (trucks etc.), serving small-scale projects (bee-keeping etc.).
	Phase II: Contribute to the sustainable livelihoods.	Strengthening both formal and informal rural institutions.	1) Health and water; 2) natural resources, land use and tenure, agriculture (fishing projects, goat rotation, cashew farming, etc.); 3) education, training in PRA (village level); 4) rural transport and markets; and 5) rural savings and credit.
	Phase III (original logical framework): Improve sustainable livelihoods.	Encourage local government and civil society to use participatory methods to collaborate with communities in the analysis of development needs and opportunities, the mobilisation of community and external resources, and the implementation and monitoring of development activities.	1) Strengthening public services, training in PRA (district level); 2) supporting participatory planning at local level; and 3) enhancing small enterprise development.
EEARP	Phase I: Improve agricultural production and hence increase the income of the local farmers.	Strengthening applied agricultural research.	1) Building institutional capacity; renovations of physical infrastructure (buildings and laboratories), the establishment of experimental fields, and the purchase and installation of equipment; 2) capacity building: human resource development, and training of the researchers and technical staff; and 3) research focus: implementation of applied research.
	Phase II: Enhance the socio-economic status of small-scale farmers	Enhance small-scale farming by upgrading applied research at the local research stations and strengthening research-extension-farmer linkage.	1) Capacity building of IARS and IVL; 2) development of appropriate research programmes; and 3) support to extension service.
	Phase III: Enhance the socio-economic status of small-scale farmers.	Agriculture extension and provision of services to small-holder households involved in mixed crop and livestock farming.	Putting research into action, formulating integrated recommendation packages, developing agriculture extension services.
Luapula	-1992: Not clearly defined.	1) agricultural training and extension, 2) support to Luapula Cooperative Union (LCU), 3) support the Provincial Planning Unit with developing a regional development strategy for the province; 4) animal draught power and cattle development.	Provision of fertilisers and other inputs, training agricultural extension staff, developing facilities for farm input supply and crop marketing, credit programme.

	<p>1992–2002: Enhancing of livelihood and food and nutritional security of the rural population using a participatory approach.</p> <p>Phase I: prevent loss and guarantee safe preservation of irreplaceable plant genetic resources, document material of the region, ensure efficient utilisation of the material and provide a forum for exchange of scientific as well as cultural knowledge and experience.</p>	<p>Increase agricultural production and enhance opportunities for income generation.</p>	<p>1) Participatory extension and adaptive research, 2) soil fertility improvement, 3) seed multiplication, and 4) livestock development and farm power and mechanism, credit component.</p>
SADC Gene Bank	<p>Phase I: prevent loss and guarantee safe preservation of irreplaceable plant genetic resources, document material of the region, ensure efficient utilisation of the material and provide a forum for exchange of scientific as well as cultural knowledge and experience.</p> <p>Phases II–IV: As above.</p>	<p>1) Establish over a 20-year period a SADC Regional Gene bank and network of local germ plasm programmes to support plant research in the region; 2) conserve indigenous plants genetic resources and crop genetic resources; and 3) train plant genetic resource personnel for the region.</p>	<p>Institution building, recruitment of staff and initiation of plant genetic resources activities.</p>
	<p>Phases II–IV: As above.</p>	<p>As above.</p>	<p>Training staff further; supporting collection missions; promoting establishment of field gene banks; maintaining base and safety collections; providing technical backstopping; publishing the SPGRRC newsletter; maintaining the library; participating in international, regional and national forums on PGR, and attending SADC meetings; promoting introduction of legal framework, immaterial rights, patents and the rights of the plant breeder.</p>
QTRDP	<p>Phase I & II: Enhanced standard of living of the poor women and men in Quang Tri Province.</p> <p>Phase II: Poverty eradication in Quang Tri Province.</p>	<p>Strengthened development process to achieve a progressing household economy through a diversity of income sources, and improved basic conditions and infrastructure enabling rural economic development in an environmentally sustainable manner.</p> <p>Sustainably reduced poverty in the area of influence.</p>	<p>1) Income generation; 2) improved physical conditions and institutional capacity for production, market access and social development (building infrastructure); 3) environmental protection (flood control); and 4) strengthened capacity of the institutions.</p>
TTHRDP	<p>Phase I: Attainment of a situation where conditions for poverty alleviation exist.</p>	<p>Increased rural incomes and people's empowerment.</p>	<p>1) Sustainable livelihoods (income generation, credit scheme); 2) rural infrastructure; and 3) institution and capacity building (training).</p> <p>1) Institution building and contribution to policy dialogue; 2) rural income expansion facilitating small-scale village projects; 3) improved infrastructure; and 4) environmental protection (flood control, tying down dunes).</p>

LDP	<p>Phase I: Improve the living conditions of small-scale farmers and strengthen their income-generating activities through intensified dairy farming and milk marketing.</p> <p>Phase II: As above.</p>	<p>1) Increased income and improved standards of living of the main target group. 2) achievement of internal self-sufficiency in milk production in the programme area. 3) creation of employment opportunities through intensive dairy farming. 4) foreign exchange saving/ increased foreign exchange earnings, and 5) production of raw materials for industries.</p> <p>As above.</p>	<p>1) Livestock: Improving animal husbandry through improved breeding, better nutrition and more effective disease control measures, extension service, supporting women's groups and individual women in dairy farming (cow-from-cow rotation schemes); 2) Cooperatives: strengthening of the managerial and financial capability of cooperative societies.</p> <p>Participatory training, upgrading and improved management of local cattle, disease control, fodder production, agroforestry, training of farmers, support to women groups (cow-from-cow rotation schemes), milk marketing, support to cooperatives, programme administration and support to MARD.</p>
NPRDP	<p>Phase I: Improve the living conditions of people through increased productivity of land based practices.</p> <p>Phase II: Improve the living conditions of low-income households in rural and peri-urban communities in the Northern Province.</p>	<p>Institutional strengthening and community development.</p> <p>Support low income households, as well as emerging small farmers, to access support to viable and sustainable livelihood and income generating activities, applying Integrated Natural Resource Management techniques.</p>	<p>1) To strengthen entrepreneurship and self-reliance among the target population, 2) to enable people (participation) to identify and access resources relevant for improved land-based production and processing, and 3) to facilitate people's access to information relevant for improved land-based production and processing.</p> <p>1) Integrated Rural Management Planning, 2) Integrated Rural Development (crop production, animal husbandry, water management and agroforestry), 3) Institutional Strengthening, and 4) Coordination of Development Resources.</p>
IAC	<p>Phase I: Increase in agricultural production and ensuring the efficient and sustainable use of natural resources at all levels.</p> <p>Phase II: Support training of medium-level agricultural technicians of high quality in order to meet the growing needs of the agricultural sector and to contribute to increased productivity and the socio-economic development of Mozambique.</p>	<p>Improve efficiency of the management and administration of the institute and allow it to provide effective training for medium level agricultural technicians.</p> <p>Improve the efficiency of the training of middle-level agricultural technicians to meet the needs of the agricultural sector of the country.</p>	<p>1) Rehabilitation or building up of the physical infrastructure of the institute, 2) support to the administration of the institute, and 3) teacher training.</p> <p>1) Adequate curriculum and teaching/learning materials; 2) infrastructure, equipment; 3) supporting management and administration system with special consideration of gender aspects; and 4) external and internal revenue generating opportunities (consolidating of the wildlife course), adaptation of the curriculum to the new requirements of the agricultural sector, developing an evaluation system and an efficient maintenance system for the infrastructure, improving school-community relations.</p>

PRODEGA	Phase I: Improve, through increased milk and beef production, the standard of living of the Nicaraguan people in general, and that of the peasants and small and medium size farmers of region V in particular.	Maintaining and gradually improving the ecological/environmental conditions in the area; strengthening the capability of Nicaragua's own institutions to carry out the development activities; and ensuring the maximum sustainability of the achievements of the programme.	1) Cattle feeding; 2) farm improvement; 3) milk collection; 4) rural road maintenance; 5) cheese manufacturing; 6) village forestation; 7) women's development; and 8) training and extension.
	Phase II: Reduce poverty and reach a lasting improvement in the standard of living of small-scale male and female producers in the project area by means of an increase in production and marketing of milk, livestock and other agricultural products.	Assist the small-scale farmers in their efforts to improve their conditions and standard of living and to contribute to the general development of the country by means of strengthening their independent Service Cooperative organisations.	1) Livestock nutrition, genetic improvement, animal health, farm mechanisation for farm improvement; 2) training, gender issue awareness and improvement; environmental protection encompassing the whole set of project activities; 3) institutional development component, including service cooperatives and unions development; and 4) business and management functional component: milk collection and marketing, credit, rural road maintenance.
	Phase III: Reduce poverty in the project area through lasting improvement in the standard of living for small and medium-scale farming families.	To improve the milk-sector of small and medium sized producers of Boaco and Chonrales through improved production and quality of milk at the farm level, to promote its local processing to facilitate commercialisation. cooperatives to find an adequate form of organisation.	1) Improve milk production through increased productivity and milk quality at farm level and farmers owned local processing and marketing of milk; 2) improve the productivity of agricultural cooperative members; and 3) and facilitate the agricultural

Table 1: Emphases in development cooperation programmes

particular emphasis of the programme rather than being based on a real need for micro-credit. Still, there is a great demand for credit and new ways of implementing sustainable credit schemes are always being debated. Even though immaterial development goals, such as gender equality, are rarely presented as separate components, activities are often deliberately chosen that support these goals and affirmative action is undertaken to ensure the participation of both sexes. Gender and environment are often incorporated as crosscutting issues in programme components and they are also incorporated in approaches and in all the ways in which activities are carried out, although it is obvious that mainstreaming requires continuous effort and true commitment in order to succeed.

In general terms the scope of activities has shifted slowly from a narrow concentration, on infrastructure in the beginning and on village projects later, towards a broader perspective. The latest projects have adapted a more holistic view of development, incorporating physical infrastructure development as well as capacity building and empowerment. The scope of activities has also changed within the programmes themselves. When a programme has included a variety of activities in one phase, its second phase has usually emphasised the importance of concentrating on the most successful areas of operation in order to maximise results with the given resources. However, the varying scope of programme activities has had a tendency to bounce back from too narrow concentration into a wider perspective in the next phase. Such a shift in the scope of activities based on learning from the past has occurred in LDP, for example, where the programme started by supporting livestock production and marketing, concentrated mostly on production in Phase II, and in the end planned a whole new marketing strategy to support the increased production that had been achieved.

Finally, the ways in which the project activities have been managed have changed emphases as well. In the beginning, activities were most often top-down, state-led operations but as the results did not quite answer to the true needs of the targeted beneficiaries, and the bureaucratic and often corrupt systems became ever more difficult to manage, the focus changed from state-led programmes to programmes at grassroots levels. The village-level participatory methods adapted later on did in fact respond to the problem of corruption and they improved planning as well as ownership. Even at grassroots level, however, programmes need social structures to be able to operate efficiently, and it was realised that state-led governance could not be bypassed if substantial and sustainable results were to be achieved. Current programmes therefore have a tendency to involve both grassroots and state levels, and participatory methods have been promoted from the village level upwards.

3.2 What are we good at doing?

Every programme discussed in this report is a unique case with numerous individual features. However in each programme some features can be highlighted to characterise the project and the way it differs from the others. In Table 2 the programmes are analysed on the basis of their main characteristics. The “Strengths” and “Weaknesses” refer to the internal characteristics of the programmes while “Favourable Factors” and “Restricting Factors” refer to influential factors outside the scope of the programme. It is important to note, that the table does not present an exhaustive list of the projects’ characteristics but presents the most typical and distinctive features related to each programme, reflecting the wide spectrum of development activities.

The general strengths of Finnish cooperation reflect a certain way of working that has developed over the years. The strengths show the participatory and effective way in which the programmes are carried out nowadays. The programmes succeed in enhancing participation among the beneficiaries at the grassroots level, enhancing learning and capacity building, and, at least in some cases, paying attention to specific gender needs. Many of the projects have also succeeded well in fostering substantial increases in production capacity and efficiently strengthening the physical infrastructure needed for growth, and thus contributed to the overall objective of eradicating extreme poverty.

Even though programmes work well during implementation, sustainability of the results is a serious concern in almost all Finnish-funded programmes, as in those of the donor community at large. When aid is allocated through intensive programmes carried out in just a few years, attaining sustainable results and withdrawing the external funding creates difficulties almost by definition. The income needed to continue the activities after completion of the programme is not always ensured in time. Management responsibility and the skills required to carry out the tasks are not transferred to the local people and institutions, but the programme works under its own expatriate management, sometimes right up to the very end of the programme. It is crucially important to plan programmes so that their activities really respond to the true needs of the beneficiaries and involve the beneficiaries at all stages to ensure ownership, and also so that programme management is implemented in close cooperation with local institutions (whose capacity is strengthened during the implementation if needed), and plans for phasing out are thought through well in advance.

Along with doubtful sustainability, results with regard to enhancing gender equality have also been modest. The task of promoting gender equality is inevitably difficult as attitudes are deeply rooted and change usually requires personal experience of injustice and/or the sincere desire to implement and accept change in fundamental values. Difficulties in enhancing the status of women and minorities are naturally most severe

Programme	Strengths	Weaknesses	Favourable factors	Restricting factors
RIPS	Participatory methods, capacity building	Large parallel organisation, difficult to manage	Government reform LGRP	Hierarchical traditions
EFARP	Capacity building, personal networking	Interdisciplinary cooperation	High demand for programme activities	Local administration and fund allocation not organised to support interdisciplinary or research-extension linkages
Luapula	Participatory methods introduced	Sustainability, results (micro-credits)	PRSP in the future?	Structural adjustment programme, poor political governance in Zambia, HIV/Aids
SADC Gene Bank	Nordic cooperation, future benefits	Economic sustainability	International agreements on genetic resources	Lack of local capacity and legal framework
QTRDP	Infrastructure building, increasing production	Attitude change, socio-cultural sensitivity	Rapid economic growth in the area, "Doi Moi"	Hierarchical and patriarchal traditions
TTHRDP	Infrastructure building, increasing production	Attitude change, socio-cultural sensitivity	Rapid economic growth in the area, "Doi Moi"	Hierarchical and patriarchal traditions
LDP	Sustained effort to enhance the status of women	Sustainability, budget planning, too wide geographic area	Kenyan Government's prioritising of agriculture	Traditionally patriarchal norms, poorly developed cooperative sector
NPRDP	Learning process, PRA, capacity building	Not knowing the counterpart's needs, sustainability (Phase I)	Rapid development of South Africa	Major political changes happening simultaneously, legacy of apartheid in attitudes, HIV/Aids
IAC	Gender specific indicators and goals	Sustainability	Long history of similar projects in Mozambique	No major factors
PRODEGA	Notable increase in production, prices and employment opportunities	Socio-economic sensitivity (reaching the poor)	Economic reform and development	Traditionally patriarchal norms

Table 2: Analysis of the strengths and weaknesses of Finnish development cooperation programmes

in the cultures where patriarchal norms and traditions are dominant. As attitude change is a slow and difficult process, even small gains should be welcomed even though continuous effort is required. One should also bear in mind that the final impact of current activities may not be seen for many years to come.

On the whole, the greatest strengths and weaknesses of the programmes are directly linked to their overall environments. All the programmes that show impressive results in capacity building have been operating in motivated environments where local governments support the change; the most impressive gains in production are usually reached in countries going through rapid economic expansion; and the programmes with the severest problems with gender issues are operating in highly patriarchal cultures. This is not to say that external factors dictate the whole course of events, but to highlight the great importance of countries' economic and cultural environments – aspects that should be closely studied when planning and redirecting the programmes. A single development cooperation programme cannot be expected to change the whole culture or economy of a country, but even though the working environment has to be taken as given this does not mean that change is completely unattainable. On the contrary, the promotion of gender equality in an extremely patriarchal culture presents a challenge that should be addressed with all the more dedication.

3.3 Finland's assistance in relation to food security

When the success of aid programmes is assessed with regard to hunger eradication, conclusions can be directly linked to the indicators used to measure the multidimensional and widely debated concept of food security. Hoddinott (2002) argues that there are approximately 200 definitions and 450 indicators for food security. Roughly speaking the indicators can be divided into two groups: process indicators, which describe food supply and food access, and outcome indicators, which describe food consumption. Many studies have found, however, that process indicators are insufficient to characterise food security outcomes (Hoddinott 2002) but complement existing knowledge of the multifaceted problem of food security along with the more widely used outcome indicators.

The indicators used to measure achievement in the hunger reduction target of the first Millennium Development Goal are 1) the prevalence of underweight children under five years of age, and 2) the proportion of the population below the minimum level of dietary energy consumption. These indicators are outcome indicators and thus avoid many of the complex questions related to gaining access to food by simply measuring the end result of living in a specific society. However, even these indicators are rather ambiguous. The standards for normal weight and minimum level of dietary

energy vary, depending on ethnicity and living conditions. Furthermore, weight is connected with other problems, such as health. FAO, for example, uses somewhat different indicators to shed light on the food security situation. FAO's indicators include the proportion of people obtaining 70% or more of their diet from cereals, roots and tubers and changes in the production of crop and livestock. These indicators divide the goal into more operative and easily approachable sub-components. Even though these process indicators might give a better idea of enhancement in some respects, they cannot be used as a reliable proxy for the development of malnutrition.

Different indicators accord success to different projects and the variety of possible options means it is almost always possible to present results in a positive light. Most often the choice of indicator depends on the data that is available. In this report the development of food security is measured in terms of the proportion of malnourished people in the total population.

All in all, Finland can play only a modest part in the global field of development assistance. However, as Finland has committed itself to the development goals shared by the international donor community, Finnish development projects can be argued to reflect the overall struggle against hunger and poverty in the respective countries and thus also to reflect the effectiveness of aid.

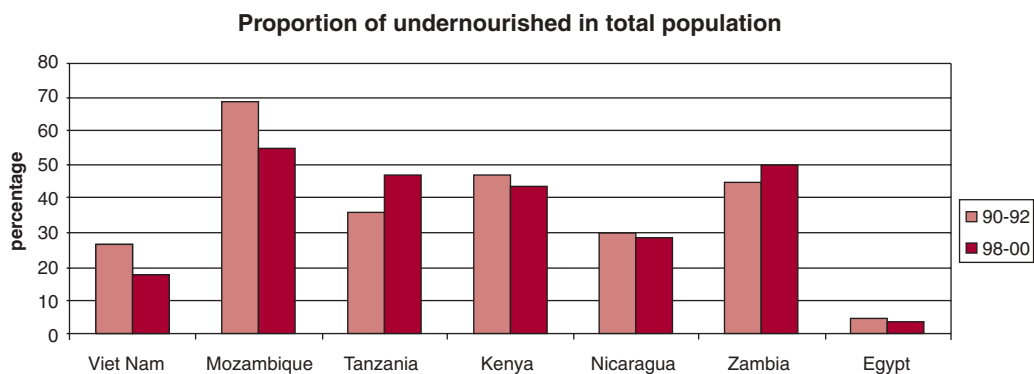


Figure 5: Proportion of malnourished people in total population. Source: FAO 2002

As far as food security is concerned, development in Vietnam has been a success story. The percentage of malnourished people in the population has diminished by 33% over a ten-year period. Even though the aid programmes have indeed had a positive impact on this development, the overall economic growth of the country is the major contributor to the change. The success in Mozambique is mostly due to the economic growth in the country after a long and severe civil war. In fact, the absolute number of malnourished people in Mozambique has slightly increased. The figures from Tanzania are alarming: despite long and expensive projects in the country, the percentage of malnourished people has increased by over 30% for such reasons as inefficient agricultural policy and insufficient access to markets. Even though the reliability of the data can be criticised, the figures are worrying. In Zambia, too, the trend has been discouraging, mainly due to bad governance in the rural sector, failure of economic policies, and general insecurity in the country. In Egypt, on the other hand, the percentage change in the proportion of malnourished people has been promising even though the absolute number of malnourished people is low. All in all, it is obvious that keeping the promises that have been given about eradicating severe hunger is still a huge challenge.

One should bear in mind, however, that enhancing food security has not been the direct aim of many of the rural development programmes that Finland has supported. Increasing the opportunities for income generation has often been chosen as the primary objective as this is considered to indirectly enhance access to food. Even if enhancing food security is chosen as one of the targets, greater beneficiary involvement in project selection, design and implementation may result in activities that do not address food security and nutrition concerns. As Hoddinott (2002) reminds us, the principal concern of the beneficiaries may relate to objectives that differ from those of the project designer who seeks to improve food security and nutrition. Thus the Finnish programmes are likely to be responding to the needs of beneficiaries, thanks to the participatory methods applied, even though they do not concentrate on food security. Furthermore, it is not always clear whether the constraining factor with regard to improved nutrition is poor access to food or, perhaps, weaknesses in the provision of health care and education. Improving the nutritional status of the beneficiaries requires a multidimensional approach.

Nevertheless, if all the other donors are also working for enhanced food security, however indirectly, the question obviously arises as to why so little progress has been made in the developing world in general and in sub-Saharan Africa in particular. If one assumes that the goals have been set correctly, the explanation for the lack of progress could be the relatively modest success achieved in trade policy issues and their crucial importance in the fight against hunger. As can be seen from the Finnish programmes, trade issues are not dealt with in rural development projects despite the

relevance of the trade environment to the rural population. The way to better success could possibly be through paying closer attention to the policies and distortions currently prevailing in global and domestic markets. Indeed, the subsidies provided by OECD countries to their own producers amount to some \$ 1 billion per day, an amount equivalent to the aggregate GDP of Africa, and six times the global volume of foreign aid (*The Economist*, 2 February 2002). On the other hand, in the light of accomplishments to date it is not self-evident that the goals declared actually contribute to the desired result of increased food safety. If the donors are really pursuing goals that are set correctly, why has food security gone down in some countries? The explanation might be that the goals are in fact not set properly, or that they are so broad that they allow all sorts of development projects without setting true priorities regarding the actions that effectively lead to food security.

Priorities for food security programmes are still difficult to identify, as the problem to be solved is wide and complex. Malnourishment can be caused by lack of income to buy food, or, even if the necessary money is available, access to markets might be restricted, or the money may be spent on other goods, such as tobacco. The productivity of subsistence farming might be too low and access to more effective techniques and production assets – oxen, for example – is often denied. Even if both the resources and access to food are available, there might not be sufficient knowledge about proper nourishment, leading to a monotonous diet that is likely to be unhealthy. Furthermore, inequalities within the household particularly affect the nutrition of women and children. The list of possible constraints on food security is endless, and development programmes should try to solve the specific nutritional problems involved in the context of each project. In order to take account of the complexity of food security in designing and implementing future programmes, a broad view of possible sources of deprivation should be adopted. As the problem to be addressed is so wide, small-scale local development programmes cannot be expected to provide all the answers. Trade relations and allocation of resources should be negotiated as a holistic nationwide issue and a variety of means should be employed to tackle persistent poverty.

3.4 Development cooperation in relation to interactive dimensions of poverty

The main goal of United Nations development cooperation, and hence also Finland's main development cooperation goal, is to fight against poverty. However, as the recent debate on development has demonstrated, poverty can be defined in a variety of ways. Besides the traditional income dimension of poverty, socio-cultural and other immaterial rights are nowadays also largely accepted as important aspects of human well-being,

and the lack of them as possible sources of poverty. The exact definition of poverty varies widely across countries, institutions and individuals, but, in the OECD's words, "an adequate concept of poverty should include all the most important areas in which people of either gender are deprived and perceived as incapacitated in different societies and local contexts" (OECD 2001). Furthermore, the concept should encompass the causal linkages between the core dimensions of poverty as every dimension affects, and is affected by, all the others. The OECD's Development Assistance Committee (DAC) has identified the commonly accepted core dimensions of poverty as shown in Figure 5 below.

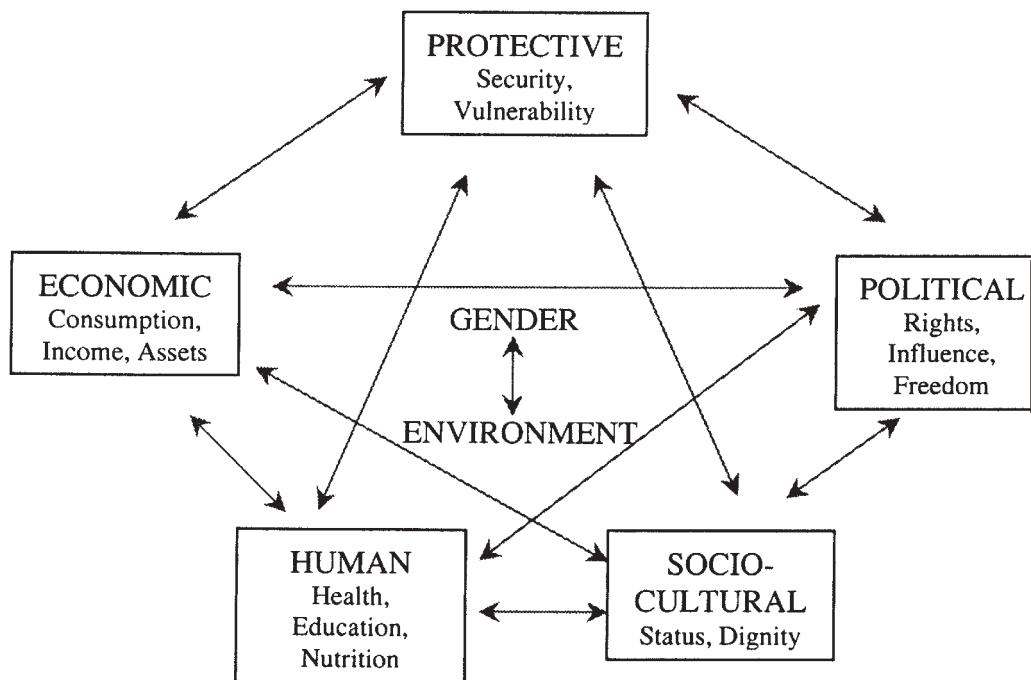


Figure 5: Interactive dimensions of poverty (OECD 2001)

When Finnish development cooperation programmes are ranked against these core dimensions of poverty, some dimensions turn out to be well represented while others have attracted less attention. Economic capabilities, meaning the ability to earn an income, to consume and to have assets, are supported in the majority of the programmes. For example, in PRODEGA, QTRDP and TTHRDP the creation of incomes and employment in the rural areas were central themes of the programmes. In LDP, moreover, the focus on increasing women's incomes also promoted their status in the local society. In other words, income poverty is well recognised as a problem and fighting against it is very often either a direct goal of the programme or part of the means of achieving other development goals. Lack of income has a very high correlation rate with other aspects of poverty, which makes success in raising levels of income all the more important in the fight against poverty at large.

Human capabilities refer to health, education, nutrition, clean water and shelter. This dimension is commonly involved in integrated development projects, such as RIPS, QTRDP and TTHRDP, as part of village projects resulting from PRA planning. Health and basic education are not dealt with as direct objectives in this report, as the programmes it discusses are those that are part of the rural development sector in the organisation of the Ministry for Foreign Affairs of Finland. Even though health, education and clean water are central aspects of human well-being in rural areas, these aims are primarily dealt with in other development cooperation sectors than agriculture and rural development. The relation between the programmes and food security was already discussed in Section 3.3 above. However it should be noted that, surprising as it may seem, enhanced nutrition is rarely mentioned as a goal of rural development programmes, except in Luapula, LDP and (partly) IAC.

Political capabilities include human rights and having a say in, and influence over, public policies and political priorities. The PRA training included in almost all Finnish-funded programmes is a good example of how to help the rural poor to make their views known and thus play a part in decision-making. RIPS has taken matters a step further by also training district officials in the use of PRA methods. However, the enhancement of human rights and promotion of political reforms are not raised as direct goals of the programmes. National reform programmes are supported by RIPS and NPRDP, for example, but the initiatives to support the changes occurring have come from the programme beneficiaries.

Socio-cultural capabilities concern the ability of individuals to participate as valued members of a community. According to the OECD (2001) they refer to social status, dignity and other cultural conditions for belonging to a society, which are highly valued by the poor themselves. It is difficult to evaluate whether Finnish aid programmes have directly contributed to socio-cultural capabilities because of their ambiguous nature. Enhancing economic capabilities, as the Finnish programmes have done, also

contributes to socio-cultural capabilities, but further research would be needed in order to make a solid judgement as to whether the programmes have succeeded in enhancing the status and dignity of the beneficiaries.

Finally, protective capabilities enable people to withstand economic and external shocks, such as natural disasters, economic crises and violent conflicts. Only some of today's poor are also tomorrow's poor and others live in temporary or transient poverty that can be alleviated by enhancing protective capabilities. The majority of Finnish-funded rural development projects contribute to the diversification of income sources at the household level. Enhancing shrimp cultivation, as in Vietnam, or providing cows, as in Kenya, are ways to increase the protective capabilities of people otherwise normally dependent on only one or two volatile sources of income. Furthermore, yield improvement, as supported by EFARP and IAC for example, increases the level of income from current sources and thus makes the beneficiaries less vulnerable to the fluctuations in income as their basic level of income no longer lies on or below the poverty line. Many Finnish-funded programmes, such as QTRDP and TTHRDP, include a credit component and thus they could be judged to work to alleviate temporary economic shocks. However in most cases loans are only granted for productive investments, in order to guarantee the sustainability of the programme, rather than for helping a poor family to survive a breadwinner's illness or for rebuilding a home. Temporary vulnerability, whether because of illness or for other reasons, might be best addressed by supporting local social security and not by binding the poor to loans they are unable to pay back as the money has not been invested in income generating activities. The productive investments made possible by micro-credits have better possibilities to be sustainable in the long run and are likely to increase the household's capacity to manage economic and external shocks in the future. Building flood-proof infrastructure and repairing flood damage in Vietnam are good examples of other types of effort to increase protective capabilities. Programme-based aid can do only a little to minimise the effects of violent conflicts on protective capabilities and such conflicts often have their roots in factors outside the scope of the programmes. But by supporting sustainable livelihoods, poverty eradication, and stability in the programme area, project activities can indirectly contribute to hindering violent conflicts as well.

The core dimensions of poverty, gender and environment, are mutually reinforcing, complementary and crosscutting aspects of sustainable development. Mainstreaming gender is one of the keys to reducing poverty in all its various dimensions, and also to improving the environment, while environmental factors influence gender relations as well as poverty outcomes, and vice versa. Poor people are usually unaware of environmental protection issues and/or do not have any choice about such matters as, for example, cutting down trees to obtain firewood. On the other hand, poorly maintained areas are not suitable for effective cultivation and are more vulnerable to

natural disasters such as floods, aggravating the problem of poverty. Furthermore, gender equity and environmental sustainability are international development goals in their own right (OECD 2001). The gender perspective in Finnish development programmes is discussed below in Section 3.5. Environment issues, on the other hand, have been recognised in practically all programmes even though they have rarely been the centre of attention. In the SADC gene bank programme, however, ensuring biodiversity has been at the very heart of the activities, contributing to the environmental protection and conservation of agricultural heritage. In QTRDP and TTHRDP the environment was treated as a specific component, but the scope of the related activities has been rather modest. PRODEGA also contributed to sustainable land use by promoting intensive farming instead of the extensive, environment-depleting methods practiced prior to the programme. In RIPS, too, tackling the problem of dynamite fishing is a good example of intervening with regard to an environmental problem that also affected the income-generating activities of the villagers. EFARP directed its research towards environmentally sustainable solutions, and in IAC environmental awareness was enhanced. In NPRDP as well, activities were designed to be implemented in ecologically sustainable ways. In sum, the means of environmental protection may vary, but the idea has been rather well understood and mainstreamed throughout the Finnish funded-development programmes.

It is impossible to overemphasise the fact that the core dimensions of poverty are interlinked. The Finnish aid programmes that contribute to economic capabilities also enhance the status, influence and security of the beneficiaries and increase their possibilities to acquire better nutrition, education and health. However the core components are not perfect substitutes for each other. High incomes do not guarantee the overcoming of physical vulnerability and increased influence in political decision-making. While a single development programme can rarely make a significant contribution in all areas of poverty, failure to address one of the core dimensions has a negative impact on the possibilities of success in all other dimensions. Poverty should thus be considered as a multidimensional concept whenever new development programmes are planned.

3.5 Gender as a crosscutting issue

The majority of the poorest people in the world are women and girls. The term “feminisation of poverty” is nowadays widely used in development discourse. It refers to the ever-increasing welfare gap between men and women, and the higher vulnerability of women and fewer means they possess to escape poverty and enhance their standards of living. Even though women are the main producers in the rural sector in many

developing countries, their labour goes unrewarded and unrecognised (Unifem web page). Finland has ratified the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) along with 178 other countries and is committed to the Beijing Platform for Action negotiated in the United Nations world conference in Beijing in 1995. Finland has also clearly stated its commitment to take gender issues into consideration in all Finnish-funded development projects, and all the main countries with which Finland engages in development cooperation have ratified CEDAW and planned their own national gender strategies. “Finland does not accept cultural relativism if it means violation to human rights. Equality, both between different social groups and between the sexes, is an integral part of human rights and must be promoted in all Finnish development cooperation” (Ministry for Foreign Affairs 2000). In Finnish development cooperation equality between men and women is promoted as a worthy cause in itself. Furthermore the participation of women is considered to be crucial to the success of development projects.

While the overall aim is to plan and implement gender-sensitive development programmes that would benefit both sexes equally, the extent to which gender has been taken into account in the Finnish development programmes in practice has varied widely. All the rural projects have indeed emphasised the need to take gender issues into account. But turning good intentions into action and including gender-related targets as concrete goals in annual work plans, is still a challenge as far as many projects are concerned. Merely stating that gender is to be mainstreamed throughout the project is not enough unless the concept is properly understood and operationalised. As mentioned above, all the countries in which Finland cooperates in development programmes have drawn up their own gender policy and these provide guidelines for the Finnish projects in those countries. Finland’s development cooperation should support and help to implement such policies in all its projects. How far the strategies are in fact adopted at the grassroots level is another question.

Most often the gender approach of Finnish-funded projects concentrates on practical gender needs in the culture-specific context. For example in Egypt, where women have traditionally been responsible for livestock, the special needs of women in relation to livestock have been taken into account in the planning process. However the extent to which men and women actually participate in the project activities is often not adequately reported, and it is practically impossible to know whether the women have been able to gain as much from the project as men. Even if indicators are disaggregated by sex, they often only measure easily verifiable improvements. For example in Mozambique, the numbers of participants were disaggregated by sex in an exemplary manner, but no indicator was developed to reflect the gender issues related to the curricula. One of the variables that is most difficult to operationalise but that particularly affects the well-being of women is change in strategic gender needs such as bargaining

power and the social status of women in the society. Some activities adopted by the programmes address strategic needs as well, such as promoting women's ownership of land and property rights in general, as far as it is possible to do so within the scope of an aid programme. Income generation projects aimed at benefiting women are likely to prove to be one of the most efficient indirect ways in which programmes can succeed in enhancing women's bargaining power. Before true equality is achieved, however, patriarchal attitudes and traditions have to be changed and so far the programmes have achieved only modest results in this respect.

Enhancing women's status through already existing cultural means is likely to answer the immediate needs of the beneficiaries, but consideration should also be given as to how the problems resulting from these cultural norms are to be addressed. Tampering with the deeply rooted norms and values of a society is often considered as taboo and to be avoided. But appeals to tradition can hardly justify the conditions under which many women live today. Change is a very delicate process that requires thorough understanding of the society concerned. Very rarely are the complex traditional power relationships between the sexes addressed in development programmes, partly because project lifetimes are short and sustained and long-term efforts are required to change attitudes. Altering deeply rooted cultural norms is often considered as an overwhelming task despite the genuine efforts that are made. As well as the difficulties related to cultural norms, other reasons for not challenging power relations in the programme area include lack of knowledge and reluctance to deal with the clearly problematic situations prevailing in many project countries. Sustained training in gender sensitivity among the development workers is thus needed to improve the quality of the Finnish aid.

There are nevertheless some very positive examples of addressing strategic gender needs in the Finnish projects. As noted above, the Kenyan LDP project has succeeded in its persistent endeavour to improve women's earning possibilities by targeting women as a special group of beneficiaries and creating a cow-from-cow rotation scheme. This conscious effort has paid off in positive results in the long run, enhancing the social status and independence of women and thus also having an impact on gender relations within the family. Changing power relationships within families is a highly sensitive issue, but sustained work, as in Kenya, and addressing the emerging conflicts are likely to provide results. It is important to include the men of the project area in gender awareness training as well, to avoid possible reactions against the eventual changes in power relations between the sexes.

At present the main responsibility for mainstreaming gender relies on the personal commitments of the project staff, managers and advisors. Even one enthusiastic person can make a difference, but if the leaders and managers do not feel the need to incorporate gender into the annual work plans, the integration of gender aspects may remain weak

or be ignored despite the official commitment of the Finnish Government. Further training in gender issues is needed to ensure that gender equality goals are truly integrated in project planning and implementation, both in the projects themselves and in the Ministry for Foreign Affairs, where the wide range of attitudes and high turnover of personnel present a challenge with regard to creating a common gender-sensitive working environment. It is important to make concrete plans and set specific goals, however modest, and to document and report the work done in the projects regarding women's empowerment and gender relations. As has been noticed in many development projects, attitude change is a slow process with regard to beneficiaries as well as to implementers. Current programmes have a lifespan of about four years so it is essential to make realistic assumptions concerning the prevailing conditions and the goals to be achieved in such short periods. Entire programmes cannot be expected to change all at once, but if some gender aspects and some goals to promote gender equality are truly acknowledged in each project, change is well on the way. Short-term small-scale programmes cannot realistically be expected to profoundly alter gender-related power structures in a society but the levels of ambition and of means should at least be in line. The more profound the change to be effected, the longer the time and the more the effort required.

4. Discussion – The Future of Finnish Rural Development Aid

4.1 Subgroups of beneficiaries

In recent rural development programmes, the complexity and variation of rural poverty has been acknowledged and a broader approach has been suggested. Alongside food production, income generation has become an ever more dominant aspect of development programmes in relation to both food security and poverty eradication at large. Agriculture is undeniably an important factor in reducing rural poverty. Empirical studies suggest that farming activities tend on average to correspond to 40–60% percent of the “livelihood package” of rural households in South Asia and sub-Saharan Africa (Ellis & Biggs 2001). However there is a need to take into account the remaining income sources too, so the scope of current programmes has been widened to include other sources of income besides agricultural production. The concept of livelihood now takes an open-ended view of the combination of assets and activities that together constitute a viable livelihood strategy for the rural family. The general trend seems to be a movement from problem-based programmes towards strengthening the solutions to be found in local communities through participatory methods.

Projects to promote a variety of production and/or employment opportunities are undoubtedly necessary and important ways of achieving development and increasing the well-being of large sections of the population in the target areas. This does not mean, however, that people who are unable to engage in productive activity should have no prospect of benefiting from development assistance. As argued by Farrington et al. (2002a) strategies to support the poor should be designed differently according to whether the beneficiaries can or cannot engage in productive activity. For those who cannot, strategies focusing on reduction in the cost of staple food and redistribution of income are likely to be more appropriate than those centred on the creation of employment opportunities or productive assets. However, redistribution of income requires a long-term commitment to financing social security networks that eventually has to be borne by the local government. “Donors are much less likely to engage with redistributive structures than with productive opportunity, not least because redistributive measures are seen as long-term social security type transfers with recurrent costs that states may be unable to bear” (Farrington et al. 2002a). Current practice in the Finnish development programmes presented in this report, and in donor-funded programmes in general, emphasises support for income-generating and productivity-enhancing activities, and pays much less attention to the most vulnerable groups who

cannot engage in productive activities. However this does not mean that the social security transfers are unnecessary. On the contrary, the demand for services for the most vulnerable groups is high, but the donors' means of addressing the problem are in short supply. Projects could be designed to combine social protection with productive interventions, even though this approach is still rarely practiced explicitly. Promoting economic growth and increased production whose benefits "trickle down" even to the most vulnerable groups who are unable to participate in production, has been suggested as a partial solution to the problem. However, according to a recent estimate (IFAD 2001) poverty will continue to be predominantly rural until 2025, and it is predominantly located in the more difficult areas. Farrington and Gill (Farrington et al. 2002a) argue that as the majority of the poor are to be found in areas that are weakly integrated with the markets (and in some cases this concerns entire countries, especially in Africa), the spreading effects of economic growth are only slowly reaching the poorest people. Thus, as the markets cannot provide sustained livelihoods, the challenge for development aid is to facilitate governments' abilities to enable their citizens to achieve acceptable levels of well-being even, and especially, in remote areas.

The goal of Finnish development cooperation is to promote poverty eradication that places special emphasis on the special needs of the most underprivileged groups, such as women and the disabled (Ministry for Foreign Affairs 2000). Reaching the most vulnerable subgroups in a target area requires careful planning, goal setting and monitoring in the future as well. Programme activities should be designed according to the special needs of the different subgroups and participation should be facilitated so that even the very poorest will benefit from the programme. The results expected from projects should be in line with the choice of specific target group. As already noted above, measuring only the production outcomes is not sufficient in the current logical frameworks and attention has also been paid also to such indicators as the extent of malnourishment of children in the programme area. Identifying the programme's influence on the most relevant indicators for the most vulnerable groups is still not a self-evident matter. For example food security in the programme area depends on so many other variables that estimating programme performance against general indicators is very difficult. One should not, however, be tempted to plan the activities and their evaluation based on easily measurable but misleading indicators, which fail to provide the information necessary to address broader objectives or enhance the effectiveness of rural development projects for the most vulnerable groups (Hoddinott 2002). As Hoddinott notes, poorly thought-out evaluations may often inadvertently act as an incentive to target better-off groups, which offer higher returns and promise faster disbursement of programme resources. The specific characteristics of the different subgroups of beneficiaries should therefore be taken into account in planning, implementing and monitoring the programmes also and especially in the future.

4.2 Outlining future ways of working

Looking at the changes that have taken place in the development discourse it is clear that what is assumed to be the best way of enhancing development now might not be considered the best in the future. In order to achieve new insights, experiments must be made in uncertain or unstable conditions and mistakes, too, are unavoidable. The important question is how these mistakes are to be confronted. Lessons learned from previous projects often provide very valuable material for designing new and better programmes. If an open learning environment is achieved, projects are better able to explore new ideas and fields for action and find new best practices for development. However, as the Ministry for Foreign Affairs of Finland is responsible for its spending to the Finnish Government and thus finally to the tax payers, mistakes and loss of control are not easily tolerated – for obvious reasons. This leads to a situation in which old sub-optimal practices are sometimes repeated. New ideas and learning experiences rarely surface because the implementing agencies, who know the projects the best, do not have any incentive to inform the financing party, the Ministry for Foreign Affairs, about the true situation and difficulties that arise at the site. Nor do they have any incentive to share their knowledge with other implementing agencies either, as all are competing for similar projects in the future. The same mistakes can therefore be repeated in a number of projects as no interactive learning takes place between them. However, in order for the benefits of experience to be transmitted across the boundaries between projects, they must first be identified and disseminated efficiently. It is still not sufficiently common practice to conduct a thorough baseline study at the very beginning and a comprehensive final evaluation after the programme has ended, despite the fact that identifying failures and successes and analysing the reasons for them is invaluable for other current and future programmes. Even though an increase in the budget would be required to conduct more thorough evaluations, if this produces more constructive recommendations it is well worth while. The timing of evaluations should be considered, too, so that each one takes place long enough after the end of the aid programme for the sustainability of the activities to be analysed, but not so long afterwards that the impacts of the programme can no longer be separated from changes that have occurred for other reasons.

Enhancing the utilisation of lessons learned should not be restricted merely to Finnish projects. Learning from and working with other donors present in the area of operation is a very valuable but currently under-utilised resource. Sharing information with bilateral and multilateral donor organisations should be encouraged to avoid unnecessary overlapping or repetition of the same mistakes, and to exploit synergies to reach common goals. Possible synergies are not, however, restricted to activities with other donors. Cooperation with Finnish and local research institutes is also likely to

add value to development projects by putting currently under-utilised resources to work for rural development and enhancing the capacities of the institutes to support development efforts.

As outlined in the final report of the Quantity and Quality of Development Aid Surveillance Team (hereafter referred to as the KATALA team), Finnish funds will be allocated in line with the common present trend in the international donor community and will thus be used to support poverty reduction strategies (PRS) designed and implemented by the developing countries themselves. These strategies emphasise a holistic approach to the development of the society and provide a framework in which profound changes beyond the scope of small-scale local projects are possible. As noted in Section 3.2 above, the environment in which development cooperation takes place is of the utmost importance to the success of the programme. Rural development depends on recipient countries proactively enhancing good governance and restricting undue government intervention in the market. Nationwide development strategies are aimed at the creation of favourable development environments and the challenge for Finnish development cooperation is to find ways of supporting this change in the negotiations with governments and with other donors. When all parties are committed to supporting large sector-wide programmes the synergies between the sectors, and thus the effectiveness of individual contributions, will be enhanced. It is important to emphasise rural development in the poverty reduction strategies, as this will open new possibilities to tackle the problems of rural areas with more holistic and determined approaches.

Shifting the emphasis to budget support and large sector-wide programmes does not, however, mean the end of smaller-scale grassroots-level area development programmes (ADP). On the contrary, the two types of programme can balance and support each other. As noted in a paper by Farrington et al. (2002b): “even if the shift in donor attention towards PRS processes and budgetary support proves successful, there will remain a strong case for ‘on-the-ground’ experimentation with new, local level approaches towards the design of service delivery and public investment, and this will undoubtedly become a stronger feature of ADP mandates in the future.” In other words, well-managed ADPs have direct experience of designing and implementing investments and service delivery in response to community priorities, and they should therefore be in a strong position to demonstrate what will and will not work, assuming of course that the lessons learned are identified and disseminated openly. The strengths of Finnish development cooperation, such as enhancing participation, could be extrapolated to common every-day practice in national governance and large sectoral programmes, adapting the way of doing things to suit the specific context of each local project. The role of ADPs would also be to offer a forum for “reality checks” when new development strategies are drawn up at higher levels of government. One

way of improving the response to new challenges was suggested in the interviews with civil servants and consultants, some of whom noted the possibility of facilitating and reinforcing Finnish embassy activities so that the local embassy could work to enhance the donor's knowledge of the situation at the project site and to act as an active link between the project and the Finnish government levels. The ADPs would continue to include experimental elements, possibly to an even greater extent, and the useful experience gained would be transmitted through the embassies for incorporation in the broad-based sectoral support pursued by the governments.

5. Conclusions

The field of development cooperation is changing and Finnish programmes are changing with it. Thus far the programmes have evolved from top-down managed infrastructure projects into broad-based rural development programmes that emphasise poverty reduction instead of merely increased production, and encourage cooperation between the grassroots level and the state. The results achieved in Finnish development projects have, indeed, been encouraging. The programmes have adopted participatory ways of implementing activities and have succeeded in obtaining impressive results in terms of income poverty reduction and enhancement of production. Most of the direct goals of the activities have been achieved and such slow processes as, for example, attitude change are under way. Problems of sustainability nevertheless seem to be endemic in the programmes almost by definition. The phasing out of substantial amounts of external funding after a short period of operation while still leaving sustainable results in place is always a challenge and it should be addressed more thoroughly in future. Gender equality, socio-economic sensitivity, and enhancing the status of the poor also seem to be immaterial dimensions of poverty where Finnish programmes sometimes achieve less than satisfactory results. A broad-based view of deprivation is thus to be encouraged in future activities. Even though at present the intentions and efforts may be praiseworthy, the tools and the dedication to tackle the problems in often demanding environments do not always exist. The development instruments and contexts of aid are changing, and there is a need to further improve the effectiveness of aid. Now that a new strategy for rural development is being formulated at the Ministry for Foreign Affairs, it is important to have open discussions as to what kind of development Finland wants to support in the future.

Lessons learned from the previous development cooperation projects should be borne in mind when planning new, more enhanced programmes. The importance of participation, raised in most of the development projects presented, cannot be over-emphasised. Learning from the beneficiaries themselves what their true needs are is the only way of planning appropriate projects to suit the socio-economic context. However, participatory methods should be used correctly throughout the project lifecycle, not merely in the planning process as a means to justify the chosen activities. Development is a matter of cooperation and exchanging ideas and knowledge. Thus it is important to design development goals in cooperation with national development goals and authorities, and to present new options and ways of thinking to the beneficiaries and counterparts, which they possibly do not know about and thus cannot take up of their own accord. Also, decentralising project management, and handing

over responsibilities and training the beneficiaries to manage the projects in due time, could help to avoid two important problems that come up in project descriptions. Firstly, having a cumbersome duplicate organisation to manage a programme should always be avoided, as it is a costly and usually unsustainable way of managing development cooperation. Secondly, empowering the beneficiaries and ensuring their financial commitment to the project would ease the often difficult part of phasing out and withdrawing the Finnish funds. Another aspect that is likely to help achieve sustainable results is limitation of the geographic scope of the programme. Investing in broad-based development in one region might be more desirable than expanding the activities to a wide and less manageable area. When the choice of the target region has been made, however, the results achieved should be evaluated in proportion to the programme's scope.

In order to facilitate learning from experience in future projects, more emphasis should be put on carrying out thorough baseline studies in the very beginning and final evaluations after the programmes have ended. Identifying the failures and successes and following up with analyses of the reasons for them would certainly be valuable when designing new programmes or reviewing and reorienting current ones. Taking even failures as valuable possibilities for learning after the reasons have been analysed would enhance the creation of the open learning environment that should be a part of common practice in the future. Lessons learned should also be openly disseminated to all the project and programme stakeholders.

Another important lesson to be learned from analysing the current programmes is that programme-based aid is a very limited tool for tackling the broad-based problem of poverty. For example trade policy issues, conflicts, and the lack of social security systems cannot be addressed by the current programme structure. As important as the programmes are for local development and as providers of new best practices, other means, including restructuring, are also needed in order to achieve the development goals to which Finland is committed. The donor community at large has attained very modest results in enhancing food security and reducing extreme poverty in the developing world, especially in sub-Saharan Africa and new means and efforts are therefore called for. Aid alone is unlikely to solve the wider problems of underdevelopment, and addressing poverty eradication in all political forums, especially in trade negotiations, is becoming ever more important. Aid has, however, an important role to play in alleviating the severe poverty of today's poor. The way in which aid is allocated should be carefully thought through in order to achieve results as efficiently as possible. Since Finland today underlines the importance of budget and sectoral programmes, special attention should be paid now and in the future to ensure that resources are not concentrated only on urban areas, where most of the decision-makers are to be found, but that rural development is also taken into account as a crosscutting

issue in all ministries. In the future, too, local projects will have important roles to play as means for reality checks and as sources of new best practices.

Rural development is a complex challenge, in which cooperation between different sectors is needed. For example, water projects and health, education, and forestry programmes in rural areas are closely linked to the well-being of the rural population. The rural development programmes themselves are also extending the scope of their activities, supporting a wide variety of income sources and more diversified production as well as marketing. In addition the enhancement of good governance, democracy and the fight against corruption are becoming more and more important crosscutting themes in rural development. It should nevertheless be noted that the role of agriculture requires further attention in rural development. Agriculture has been neglected in the allocation of attention and resources in recent decades, despite its important role as a key factor in enhancing food security, employment opportunities and income generation for the rural poor. In drawing up rural development strategy, the status of agriculture and rural development as a whole should be addressed anew. As the KATALA team emphasised in their recommendations, if the Millennium Development Goals are to be achieved the resources allocated to rural development and especially to agriculture should be increased and at the same time the quality of the programmes must be ensured.

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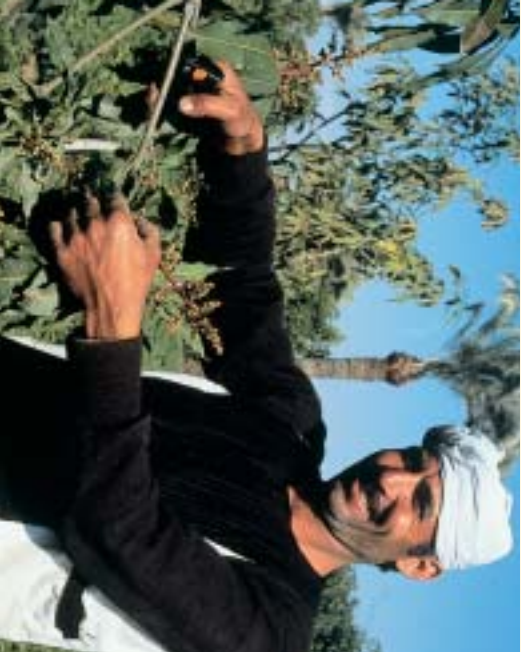
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Maputo
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Rome



Rural development requires long-term commitment and determined effort in a number of sectors simultaneously. Sustainable results can only be achieved by working patiently with all stakeholders, and even then success may be impeded by external factors. It is important to learn from past experience, and in particular from past failures, in order to continue to make progress in the right direction.

This report draws on a varied range of experience gained from the rural development projects and programmes that Finland has supported in the last decade. It provides an overall view of the efforts that have been made, and the strengths and weaknesses involved, and puts forward suggestions for improving rural development cooperation in the future.

The report encourages the Finnish development co-operation to continue in the direction chosen and underlines the need to strengthen the system of feedback from on-going programmes to ensure the process of continuous learning.

E L E M E N T S
for
DISCUSSION

MINISTRY FOR FOREIGN AFFAIRS OF FINLAND

Department for Development Policy