CAPACITY BUILDING PROGRAM IN BURKINA FASO

I. Abstract

Burkina Faso was one of the five poorest countries in the world during the late 1990s. The formation of local Rural Producer Organizations (RPOs) has been a positive step in empowering the farming community, which can be expected to contribute to the development of the overall economy, given the importance of the country’s agricultural sector. The RPO capacity-building program in Burkina Faso is part of the National Agricultural Services Development Project, phase II (PNDSA II), approved by the World Bank in 1997. The PNDSA II “user funding” concept allows end users, such as RPOs, to apply funds disbursed for agricultural services according to their needs and priorities. After getting their subprojects approved by the national financial management unit (FMU), local RPOs can contract with their preferred agriculture service providers.

Although the impact of RPOs at the grassroots is not yet clear, the interest generated by the programs since the two-year pilot has yielded positive outcomes. For example, over 200 subproject proposals by RPOs have been funded by the FMU and are being implemented. However, it has not been possible for the World Bank and the government to grant funds for all accepted proposals due to high number of proposals and administrative constraints.

II. Background

Burkina Faso is experiencing rapid population growth and is identified as one of the five world’s poorest states in terms of gross domestic product (GDP) and the Human Development Index (HDI). The environmental constraints to production are multiple. In the north, rainfall is irregular and insufficient; the country’s soil quality is poor, and the land is highly populated.

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* This case study was prepared by a team comprising Prof. Deepti Bhatnagar and Animesh Rathore at the Indian Institute of Management (Ahmedabad) and Magüi Moreno Torres and Parameeta Kanungo at the World Bank (Washington DC).


2 “User funding” or reversing financing flows: Past research and extension investments of the World Bank have been through core funding of the service providers. With user funds, the idea is to reverse the financing flow through demand funding, that is, making funds available to the users so that they can contract with the service providers of their choice. The objective of user funds is to empower producers to deal with service providers, ensuring that service providers are responsive to users’ needs. Like the research or extension funds, user funding promotes the privatization of services and encourages multiple service providers. These funds are used mainly for advisory services, training, farmer-to-farmer exchange, on-farm research, and as seed money for innovative activities, but not so much for research. User funds, in the case of less advanced countries like Burkina Faso, usually operate through RPOs.
Rural Producer Organizations (RPOs) are created by and serve the producers. The RPO capacity-building program in Burkina Faso is a component of the second phase of the National Agricultural Services Development Project (PNDSA II), which was approved by the World Bank in 1997 with a commitment of $47.3 million over six years. The capacity-building program was planned with a community-driven development approach in 9 pilot provinces (out of 45), and encouraged the formation of regional forums comprising provincial RPOs. Members of the RPO forum are RPO leaders, selected by their peers.

Within the regional forums, RPOs were intended to carry out several activities, including:

- sharing experiences and discussing issues of common interest;
- prioritizing investment or services; and
- selecting capacity-building subprojects identified and prepared by various regional RPOs, to be financed on a cost-sharing basis.

Once accepted by the regional forums, projects are implemented by the individual RPOs with funds transferred directly to them. They may contract with service providers of their choice when necessary.

The local RPOs need legal status and a bank account to receive project benefits. To this end, the PNDSA II supported the following efforts of Ministry of Agriculture:

- revise the prevailing laws on cooperatives and local groupements (organizations) so that these traditional farmers’ groups could be registered as legal entities;
- translate the new law into local languages and disseminate it; and
- facilitate the registration of RPOs.

The demand-driven services fund is part of a support component for RPOs in the PNDSA II project. The key responsibilities, with regard to funding, among various groups involved in the program implementation are distributed as follows:

**Local RPOs**

Local RPOs prepare capacity-building subproject proposals based on a theme of their choice, and select one of the following instruments: training, advisory services, communication, participation in a national or international RPO meeting, small productive investments, or on-farm research and development. These proposals are submitted to the RPO regional forum. If a proposal is accepted, the local RPO is

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3 RPOs differ from service nongovernmental organizations (NGOs), which provide services to producers but are not necessarily membership organizations. RPOs perform advocacy or policy functions (syndicates or unions), economic and technical functions (cooperatives or associations), and occasionally local development functions (especially when decentralization has not yet taken place and local governments do not exist). Although many RPOs address these three functions to various degrees, the organizations are diverse in scale: they can be local and serve only at village and inter-village levels, or be represented up to regional and national levels (unions and federations). Functions and level of organization are often related. (Source: *Investing in Rural Producer Organizations*, Agriculture Technology Notes, No. 28, Rural Development Department, The World Bank, September 2001.)
supposed to implement the subproject activities based on a contract with the project management unit, and reports implementation progress to the RPO provincial forum.

**RPO Provincial Forums**

The RPO provincial forum adopts the proposed procurement and disbursement manual; organizes sessions to discuss RPOs’ priorities, exchange experiences, and review and select proposals made by RPOs; and monitors implementation of financed subproject proposals.

**Nongovernmental Organizations**

A professional nongovernmental organization (NGO) is recruited to act as a facilitator and help RPOs form regional forums. The NGO’s functions include the following:

- locally disseminating information related to the project, such as its objectives, the procurement and disbursement mechanisms, and total amount of funds available for RPOs per zone;
- helping RPOs select their representatives at the local and provincial levels;
- elaborating governing rules for the provincial forum;
- working on the revision and adaptation of a simplified procurement and disbursement manual with RPOs leaders;
- training RPO leaders and members of the regional and local forums in their roles in reviewing and selecting the subprojects, and their subsequent monitoring; and
- Drawing lessons for the future.

**Financial Management Unit**

Subproject proposals selected by RPO regional forums are sent to a national financial management unit (FMU). Documents submitted include the subproject proposal, the approval from the RPO regional forum, and the RPO’s bank account statement. On the basis of the documentation received, the FMU prepares a contract with the RPO and transfers funds according to the contract. The FMU also organizes technical and financial audits of financed subprojects on a random basis.

**III. Impact/Results**

Two years after implementation, approximately 1,480 local RPOs (out of 4,009 eligible RPOs) have submitted subproject proposals, and the regional forum has approved 908 of them. The project financial management unit has signed 201 contracts as of mid-2001, and has transferred approximately US$351,000 to 201 RPOs, (an average of US$1,700 per project per RPO). RPOs contributed up to 20 percent of the total cost of subprojects. Some of the approved subprojects are shown in the following table, organized by theme.
Table 1: Subprojects Approved by Theme

<table>
<thead>
<tr>
<th>Subproject theme</th>
<th>Approved subprojects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small irrigation</td>
<td>28</td>
</tr>
<tr>
<td>Training (includes classroom rehabilitation)</td>
<td>26</td>
</tr>
<tr>
<td>Improve soil fertility</td>
<td>17</td>
</tr>
<tr>
<td>Soil and water conservation techniques</td>
<td>16</td>
</tr>
<tr>
<td>Wells and dikes</td>
<td>7</td>
</tr>
<tr>
<td>Collective production tools</td>
<td>6</td>
</tr>
</tbody>
</table>


Most subprojects complemented other existing investments. For instance, women’s groups financed wells in their gardens where they already had fences; and several RPOs decided to build classrooms because some members were already trained to teach reading and writing skills in their own languages but had no room in which to hold classes.

The RPOs in Burkina Faso have demonstrated their capacity to identify and formulate subproject proposals, select service providers, and implement their subprojects. The Burkina Faso government and the donor community have decided to expand this approach to RPOs across the whole country. The same approach has also been tested in Senegal with similar results.

IV. Key Elements of Empowerment

Access to Information

The information related to the revised law on cooperatives and local groups was disseminated in vernacular language, which proved significant in reaching various provincial RPOs.

Information on demand-driven service provision was effectively disseminated. The procedure handbook and information sessions, provided by the regional RPO forums, helped producers to formally submit project proposals through RPOs, which illustrates the motivation and interest among the producers and their RPOs regarding this new approach.

The RPO regional forum’s documentation helps the national financial management unit (FMU) understand requirements at the grassroots level, prepare fund allocation contracts with RPOs, and transfer funds to their bank accounts.

Inclusion/Participation

“User funding,” or “demand-driven RPO funding,” involves responsible and active participation by RPOs. The inclusion of various entities, including local RPOs, provincial and regional forums, NGOs, and the FMU, and the sharing of key responsibilities among
them has helped in empowering RPOs and bringing transparency in the resource allocation process. The inclusion of NGOs has helped in information dissemination and in supporting the RPOs in taking decisions on their own.

Accountability

Accountability is strengthened by the distribution of functions and responsibilities among different groups. The financing plan in the subproject proposal prepared by a local RPO includes RPO’s share of the cost. The proposal also shows that the service provider identified by the RPO is accredited. The proposal is reviewed and approved by the RPO forum and is sent to the FMU. If approved by the FMU, a contract for implementation is drawn between the entity managing the fund and the RPO. The RPO forum monitors the implementation by the service agency and later the fund-managing entity pays for financial and technical audits. The provision of monitoring has enabled RPOs to hold the service agencies accountable.

Local Organizational Capacity

RPOs appear to have succeeded to some degree in challenging the state service providers to respond to farmer priorities and demands. RPOs can now voice their demands and priorities, which facilitates the allocation of funds and resources by the FMU to RPOs. Once the funds are received, RPOs can directly contract with their preferred service providers. RPOs have established contractual partnerships with public-sector service providers and raised sufficient resources to purchase those services.

The NGOs provide crucial support to RPOs, including the following:

- identifying constraints and opportunities;
- preparing proposals;
- learning about technical and marketing opportunities and potential service providers;
- forming reviewing committees;
- training the RPO representatives;
- monitoring and evaluating the services received; and
- maintaining a record of accredited service providers.

RPOs have the potential to empower individuals (members) and strengthen a community’s relations with a wide range of organizations (including international agencies, political authorities, and central government). RPOs can provide social and political “capital,” as well as economic benefit, for rural people. They are a resource in themselves and also mediate access to resources (such as physical capital—mills, presses, and so forth).

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V. Issues and Lessons

Critical Issues/Challenges

- It took 8 months for RPOs to form regional forums in nine pilot provinces. After two years of implementation, it was found that the World Bank and the FMU could not keep up with the pace of project proposals. In 2001, 707 RPO subproject proposals, out of the 908 approved by regional forums, were awaiting contracts and initial disbursement of an estimated US$1.2 million. The FMU could not disburse funds quickly enough due to administrative problems within the World Bank and national administration.\(^5\)

- Although it is early to make a conclusive assessment, producer participation seems to have been insufficient when setting priorities setting and selecting subprojects. The insufficiencies reveal that RPOs’ institutional and strategic capacities at present do not allow them to play their role in “self-development,” which is essential in a demand-driven service provision system. RPOs need to develop organizational capacities that aid analysis of their environment and assist in the formulation of progressive projects for their members.\(^6\)

- The limited number of service providers working in the agriculture sector is another issue that needs attention. Development and diversity of providers would provide more options to producers and would help improve the quality of the services offered.\(^7\)

- In spite of reductions in burdensome procedures and improvements in disbursing funds to targeted recipients, some RPOs are unable to manage funds, which suggests the need for training to develop necessary managerial skills among RPOs.\(^8\)

- Funding services through RPOs can raise issues of inclusion and exclusion. Producer groups are less likely to include all producers, particularly the poorest. Also, not all the producer groups are registered. Mechanisms ensuring inclusion of all need to be introduced in the program.\(^9\)

- The allocation of funds to 201 proposals (out of the 908 approved) indicates that there is a lack of necessary flexibility in the disbursement procedures. The government may also find it difficult to enhance rather than control subproject selection and funding.\(^10\)

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Lessons Learned

- Collaboration among various actors, such as producer representatives, policymakers, development organizations, and service providers is essential to strengthen accountability and maintain a transparent fund-allocation mechanism.

- Experience with ongoing user funds in countries like Burkina Faso show that a facilitating and professional NGO can play a pivotal role. Establishing well-informed local committees of RPO representatives is a delicate process that requires the support of an experienced and qualified NGO. Such an entity is also needed to support RPOs in various other activities like monitoring subproject implementation.

- Sometimes resource allocation decisions are made by a project management unit or committee in which producers do not participate. However, user empowerment is most effective when resource allocation decisions are made by RPOs themselves through their representatives. Such arrangements are not easy to put in place, as governments may be reluctant to withdraw their control over the decision making process.\(^{11}\)

- RPOs often represent specific interest groups that do not necessarily represent the poor, marginalized groups, or women. Representation for groups that have been traditionally ignored needs to be ensured, either within existing organizations or through alternative channels.

- Opportunities for RPOs are enhanced by a conducive and enabling political and institutional environment, including the following provisions:
  - legislation guaranteeing freedom of association and encouraging the formation of groups for economic and social activities and giving them legal recognition;
  - decentralization of political authorities and central technical ministries (agriculture, research, extension); and
  - effective local, regional and national coordination bodies—perhaps linked to local, decentralized government authorities—that bring together, and give equal voice to, representatives of all the actors concerned with rural development. However, the ways in which RPOs are represented in these structures must be clarified.

- The most effective RPO linkages tend to be formal, such as between the FMU and the local RPOs. Such linkages are also the strongest mechanisms for ensuring downward accountability of agricultural service providers to farmers.\(^{12}\)

- RPOs that develop their own objectives and dynamics, thereby gaining access to secure and diverse funds, often gain the power to request or demand agricultural services that are appropriate to their needs.

- RPOs contribute in improving lives of their members through increased livelihood security, levels of production, wealth, and influence. Where such organizations

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are weak or nonexistent, the access of poor people to external resources and knowledge tends to be more limited, indicating a direct impact on livelihood opportunities. Therefore, RPOs need to be strengthened, so that they can become effective channels of communication among the members, who otherwise are isolated and lack power to influence the agricultural service providers. The RPOs can be effective vehicles for empowerment of their members, where empowerment refers to people taking control of the process of economic development.

VI. Further Information: References and World Wide Web Resources


