

# Recommendations for Building and Strengthening Rural Poor Organizations

**R**ural poor organizations (RPOs) refer to a wide variety of community- or village-based groups that are formed in the course, or in aid of implementing particular components of development projects. RPOs generally go through distinct stages in their development. At each of these stages, and especially towards the end of the project, certain interventions are necessary to help sustain their continued growth and to enhance their prospects for sustaining themselves after project support ceases.

RPOs range from small groups of 10 to 15 members to federations or coalitions of such groups within the same community or beyond it. Within projects implemented by the International Fund for Agricultural Development (IFAD), a wide variety of

RPOs have been created in the course of project implementation. In her Review of IFAD Projects<sup>1</sup>, Cristina Liamzon identified two broad types of RPOs: participatory organizations, in which all beneficiaries take part; and representative organizations, whose members are elected by the beneficiaries to represent them. The Self-Help Groups (SHGs), gram sabhas, and various users' associations are the most common participatory organizations, while the Village Implementation Groups and Committees (VIGs and VACs) typify representative institutions (*see Tables 1 and 2*).

In the same review, Liamzon also identified the following stages<sup>2</sup> that generally characterize the development of IFAD-supported RPOs:

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<sup>1</sup> Liamzon, Cristina, 2006, STRENGTHENING CAPACITIES OF ORGANIZATIONS OF THE POOR: EXPERIENCES IN ASIA, IFAD's Experience in Building and Strengthening Rural Poor Organizations in Asia, International Fund for Agricultural Development (IFAD), Asian NGO Coalition for Agrarian Reform and Rural Development (ANGOC), and Centre on Integrated Rural Development for Asia and the Pacific (CIRDAP), page 18-20.

<sup>2</sup> Ibid., pages 23-24

**Table 1. Predominant Types of RPOs/Village Institutions in Selected Asian Countries**

COUNTRY	PREDOMINANT TYPE OF RPO/VILLAGE INSTITUTION
Bangladesh, Pakistan, India, Indonesia, Philippines	Direct participation/membership in RPOs: e.g., SHGs, Women’s Organizations, Water Users’ Organizations
China, Laos, Vietnam, India	Representational participation: e.g., VIG, VAC, VDC, VDB

Source: Liamzon, Cristina (2006), page 19.

1. *Struggling Phase.* RPOs build up their organizational capabilities and begin to receive various resources through the project, including credit and technical assistance. Group members receive initial orientation on the project as well as on the objectives and vision of the group. Members and leaders are trained in organizational and financial tasks.

Many such groups, SHGs and non-SHGs included, are unable to move beyond this phase and eventually become inactive.
2. *Emerging Phase.* RPOs gain access to more resources at this stage but their organizational capacities may not have developed apace. The capacity to monitor the progress of projects is usually not fully developed at this point, nor are financial systems securely in place. At the same time, members and leaders do not yet fully understand their roles and obligations nor fulfill them accordingly. As a result, groups in Phase 2 tend to become dependent on project resources even as they lack the maturity to effectively and efficiently handle such resources.
3. *Maturing Phase.* RPOs have been able to build up themselves sufficiently to manage project resources while avoiding the traps that befall groups that do not have proper systems in place. The focus at this stage is to ensure that members and leaders are fully aware of their group’s vision, objectives, and potential as a tool for empowerment. Links are formed with other RPOs, government agencies, NGOs and other sectors that can help them to obtain better information and more resources, etc. Thus, even if these groups do not have immediate access to project funds, they are able to mobilize resources through their linkages. Systems are in place to ensure that financial resources are properly monitored and that leadership is regularly rotated among the members.

4. *Generating Phase*. RPOs are able to mobilize their resources and have leaders able to expand and consolidate the group's capacities and resources. This organizational capability, coupled with strong links with other stakeholders and actors, gives the group a degree of credibility to access resources, to make claims, or to advocate for their rights and interests, if and when needed. Networking among similar groups for the purpose of federation or coalition-building becomes an important concern at this stage. Further, groups at this level of development are able to integrate their concerns and plans with those of local government units so that these become mainstreamed. Groups that have attained this level of maturity and development are most likely to survive and to become sustainable beyond the project (*see Table 3*).

## **RECOMMENDATIONS FOR BUILDING AND STRENGTHENING RPOS**

The challenges and constraints that RPOs face at various stages of development also point to the factors that can help build and strengthen these groups. The following recommendations for building and strengthening RPOs is drawn

from Liamzon's Review of IFAD Projects and from the results of an e-discussion on RPO sustainability supported by the International Fund for Agricultural Development through its Knowledge Networking for Rural Development for Asia and the Pacific Region (ENRAP) Program, and convened and moderated by ANGOC from 26 February to 16 April 2007<sup>3</sup>.

### 1. For Project Funders

- Project design which incorporates a clear and doable exit strategy for RPOs, which is defined as early as possible in the design of projects, and which comes with adequate budget allocations. This exit strategy must provide for:
  - i. Adequate incentive systems to build and maintain organizational capacities, including assisting RPOs to generate their own resources and thereby sustain themselves;
  - ii. Development of dynamic and effective social mobilizers from within the community who can continue to assist the RPOs in their organizational processes once the project ends; and

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<sup>3</sup> Over 300 members of ENRAP, representing a variety of IFAD partners and institutions involved in IFAD projects, along with international and local government and non-government organizations, signed up for this e-discussion. A record of this e-discussion may be found at <http://www.enrap.org>.

**Table 2. Different Types of RPOs/Institutions Established through the Intervention of IFAD Projects in Selected Countries**

COUNTRY	TYPES OF RPOs/ VILLAGE INSTITUTIONS	COUNTRY	TYPES OF RPOs/ VILLAGE INSTITUTIONS
<b>Bangladesh</b>	Community Development Groups; Pond Aquaculture Groups; Lake Fishing Groups; Fingerling Producer Groups; Labor Contracting Societies; Marginal and Landless Groups; Small Farmers Groups; Marginal Farmers Groups; Market Operating Groups; Savings/Credit Groups	<b>Mongolia</b>	Women’s Associations; Cooperatives; Rangeland Management and Monitoring Committees
<b>Cambodia</b>	Farmers Organizations; Village Animal Health Workers Associations	<b>Nepal</b>	Community Organizations
<b>China</b>	Village Implementation Groups	<b>Pakistan</b>	Village Organizations; Women’s Organizations
<b>India</b>	SHGs; Gram Sabhas; Milk Cooperative Societies; Cluster Groups; Associations of Cluster Groups; Natural Resource Management Groups; Village Development Committees; Watershed Development Committees; Dairy Cooperatives; District Associations	<b>Philippines</b>	People’s Organizations; Irrigators Associations; Reforestation Groups; Barangay Development Teams
<b>Indonesia</b>	SHGs; Village Infrastructure Development Associations; Watershed Management Associations; Farmer-Led Research Groups; Federations of SHGs	<b>Vietnam</b>	Users Groups; Village Development Boards; Savings and Credit Groups; Self-Management Boards
<b>Laos</b>	Village Development Committees; Village Administrative Committees		

Source: Liamzon, Cristina (2006), page 20.

- support for these mobilizers/ facilitators during the transition period;
    - iii. Lobbying governments to adopt policies that are favorable to RPOs and to support these RPOs after the project period;
  - Project design that provides for:
    - i. Timely and sufficient provision of resources to support the organizational processes of RPOs;
    - ii. Inclusion of the poorest and most vulnerable in credit and microfinance activities;
    - iii. Closer and more responsive supervision of Flexible Lending Mechanism (FLM) projects, thus ensuring quick project response.
  - Support for capacity-building of project staff to increase their awareness of the importance of RPOs to reducing poverty and sustaining project gains. This can take the form of exposure programs that demonstrate the effective functioning of these RPOs.
2. For Rural Poor Organizations:
- Regular and closely spaced meetings (e.g., weekly);
  - Clear organizational vision, mission and goals which are known and understood by all members;
  - Clear set of rules which are known and understood by all members;
  - Programs to build and enhance group cohesion;
  - Capacity building of leaders and members towards the following goals:
    - i. Levelling off of basic information on the organization;
    - ii. Development of basic organizational skills;
    - iii. Improvement of governance mechanisms;
    - iv. Conflict resolution;
    - v. Leadership rotation/formation, etc.
3. For Project Staff and Community Development Facilitators:
- Full-time presence in the community/ village, or recruit-ment of facilitators/ community mobilizers who can live in the community, to ensure timely response to problems of the RPO;
  - Deployment of more women facilitators, especially when forming women's groups;
  - Provision of training programs and capacity-building based on the actual needs of the RPO, at particular stages of its development, and to help it move to the next organizational phase, rather than according to a set curriculum;

**Table 3. Phases of Development of RPOs and Major Indicators of Organizational Development and Level of Resources**

INDICATORS	PHASE			
	STRUGGLING	EMERGING	MATURING	GENERATING
Membership	Start-up	Fluctuating membership	Stable membership	Active and knowledgeable of VMGs, policies, etc.
Meetings/ activities; participation	Start-up	Uneven participation	More stable participation	Active/regular participation
Systems/Books	Start-up	Develops adequate systems and mechanisms	Maintains and enforces adequate systems and mechanisms	Rules, systems in place and enforced, with sanctions if needed
Leadership	Identification of group leaders	Training of leaders	Leaders gain experience and confidence	Expanded and effective rotating leadership
Savings/Assets	Starts savings	Develops adequate systems and mechanisms	Continues savings/ initiates loans	Builds asset base; expands loan base
Funding	Relies on external sources	Relies on external sources	Explores internal sources	Generates internal and external sources
Linkages	Relies on external help for links, e.g., NGOs	Develops, maintains links with other RPOs or resource agencies	Develops, maintains links even without external help; forms networks/ alliances	Active search/ maintenance; forms and maintains networks/alliances
Training/Capacity-building	Start-up; more organizational	Project-driven; more technical	More technical	Ongoing, based on needs

Source: Liamzon, Cristina (2006), page 23.

- Building linkages to community institutions, government agencies, NGOs, the private sector and other groups that can improve the RPO's access to financial resources and that can eventually wean the RPO from its dependence on project funds;
- Facilitating linkages to other RPOs in preparation for federation or coalition-building; and
- Development of indicators of RPO growth and development which the RPOs themselves can use to monitor and assess themselves regularly.

### **ISSUES RELATED TO FEDERATION- AND COALITION-BUILDING**

Smaller RPOs that federate, form coalitions, or network with other RPOs and/or other organizations and institutions do so generally to increase their bargaining power with institutions from which they access resources, including credit, information and technical assistance, or to “create a critical mass to induce change—whether that change is physical (as in building a road) or policy/political (as in policy or institutional reforms<sup>4</sup>”. Such external linkages greatly enhance their prospects for sustaining themselves beyond the project.

However, not many RPOs develop far enough or fast enough to move on to this higher level of organization. The socio-political environment also determines the likelihood of such RPO expansion and consolidation.

Capacity-building is indispensable to the formation of federations, coalitions and networks. Beyond the training which the RPOs had undergone in their respective formation processes, capacity-building towards the formation of federations and coalitions should focus on the following:

- Orientation on the differences between membership in an unaffiliated RPO and membership in a coalition/federation/network;
- Orientation on the changing/evolving role of the RPO as member of a coalition/federation/network;
- Management of coalitions, federations and networks, as opposed to that of unaffiliated RPOs;
- Negotiation with partner organizations, including external institutions, like government agencies, to ensure the autonomy of individual RPO members;
- Conflict resolution. □

by **Teresa Lingan-Debuque**

<sup>4</sup> Moran, Melissa Y., “Scaling Up: Forming Coalitions, Federations and Networks of the Poor,” IFAD, ANGOC and CIRDAP. 2006. CSO EXPERIENCES IN STRENGTHENING RURAL POOR ORGANIZATIONS IN ASIA. International Fund for Agricultural Development (IFAD), Asian NGO Coalition for Agrarian Reform and Rural Development (ANGOC), and Centre on Integrated Rural Development for Asia and the Pacific (CIRDAP), page 49.

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E-discussion on RPO sustainability supported by the International Fund for Agricultural Development through its Knowledge Networking for Rural Development for Asia/Pacific Region (ENRAP) Program, and convened and moderated by ANGOC from 26 February to 16 April 2007. (A record of this e-discussion may be found at <http://www.enrap.org>).

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