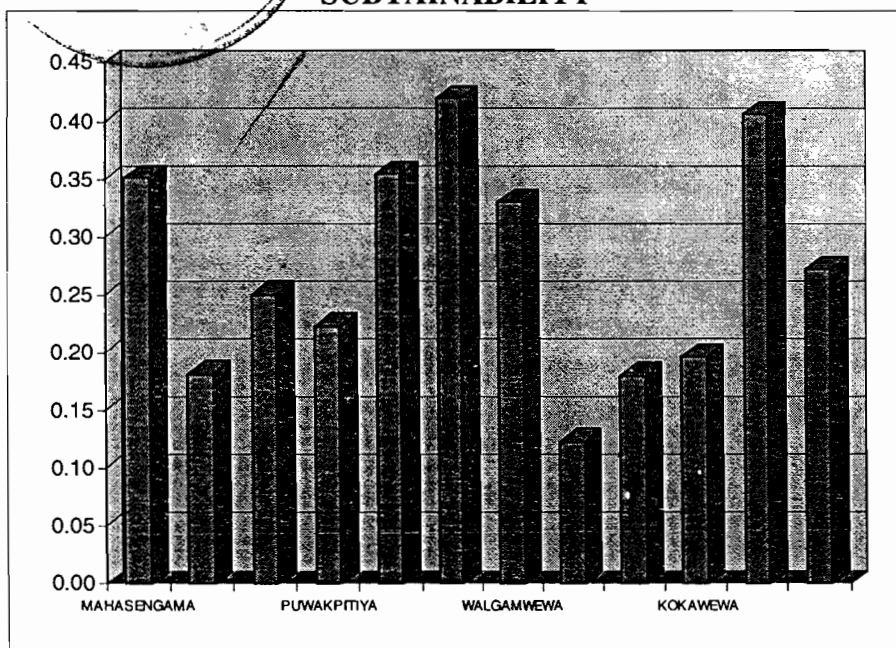


# DEVELOPMENT OF ORGANIZATIONS & INSTITUTIONS IN HURULUWEWA

26 SEP 2001

## SUBTAINABILITY



REFERENCE  
ONLY

## EVALUATION REPORT

By

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DECEMBER 1997

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## **TABLE OF CONTENTS**

	page
Abbreviations -	-
Chapter one - Introduction	1
Chapter Two - SCOR concepts, Strategies and Approaches for Organizational and Institutional Development	3
Chapter Three - Methods and Techniques for Data Collection and Analysis	7
Chapter Four - Sample Locations and their Baseline Situation with Regard to Organizational Development	16
Chapter Five - Organizational and Financial Performance of Resource User Groups	25
Chapter Six - Performance of Resource User Organizations	42
Chapter Seven - Sub Councils, Zone Organizations and Farmer Federations	90
Chapter Eight - Sub Water Resource Management Teams (WRMTS) and Farmer Companies	101
Chapter Nine - Conclusions	113
Annexure 1 - Indicators for M&E Study - User Groups	i
Annexure 2 - Indicators for M&E Study - User Organizations	ii
Annexure 3 - Evaluation of Resource User Organizations (Up to December 1995)	xvii
Annexure 4 - Indicator Values (Organization Development) (From 1/7/96 to 31/12/96)	xviii

## ABBREVIATIONS

1.	ASD	-	Agrarian Service Department
2.	AI	-	Agricultural Instructor
3.	AO	-	Agricultural Officer
4.	CCB	-	Coconut Cultivation Board
5.	CO	-	Colonization Officer
6.	CS	-	Conservation Specialist
7.	DCO	-	Distributary Canal Organization
8.	DO	-	Divisional Officer
9.	DOA	-	Department of Agriculturs
10.	DS	-	Divisional Secreary
11.	DTL	-	Deputy Team Leader
12.	FD	-	Forest Department
13.	GA	-	Government Agent
14.	FC	-	Field Channel
15.	FO	-	Farmer Organization
16.	HS	-	Horticultuarl Specialist
17.	ID	-	Irrigation Department
18.	IE	-	Irrigation Engineer
19.	IMD	-	Irrigation Management Division
20.	IO	-	Institutional Organizer
21.	LDD	-	Liyestock Development Department
22.	LDI	-	Livestock Development Inspector
23.	MEA	-	Mahaweli Economic Agency
21.	NGO	-	Non-Government Organizations
22.	RUG	-	Resource User Groups
23.	RUO	-	Resource User Organizations
24.	Sub WRMT	-	Sub Water Resorce Management Teams
25.	WRMT	-	Water Resource Management Teams
26.	TL	-	Team Leader
27.	WMC	-	Watershed Management Coordinator
28.	WYC	-	Youth and Women Development Coordinator
29.	PM	-	Project Manager

## **CHAPTER ONE**

### **INTRODUCTION**

#### **1. INTRODUCTION AND TERMS OF REFERENCE**

##### **1.1. Introduction**

This report is submitted as a partial fulfilment of requirements of a consultancy offered by the International Irrigation Management Institute (IIMI) to monitor and evaluate the organizational and institutional development aspects of the Shared Control of Natural Resource (SCOR) project, implemented by IIMI with the collaboration of participating agencies in Huruluwewa watershed. Though the main focus of this report is on the resource user groups, organizations, Sub Councils and Federations, the institutional mechanisms like Sub Water Resource Management Teams (Sub WRMTs), Water Resource Management Teams (WRMTs) and Farmer Companies will be dealt with in order to analyze their impact on resource user groups and organizations. The status of affairs in the organizations and institutions towards mid 1997 will be highlighted in this report paying special attention to the development process of these organizations under SCOR interventions.

##### **1.2. Objectives**

The tasks on which the consultant were asked to focus under this consultancy were:

- \* To be responsible for developing and application of the Monitoring and Evaluation (M&E) indicators to assess; (1) Organizational Management Performance, (2) Organizational Financial Viability, (3) Member Benefiting Activities, and (4) Organizational Sustainability, which are relevant to the organizational and institutional development aspects of SCOR Project.
- \* To produce reports on assessment of organizational and institutional development based on the specific indicators referred above.

However, the consultant felt in the course of data collection that the indicators alone would not be able to explain the performance of the organizations. Therefore, qualitative information collected through participant observation in the community and data collected from the organization members using questionnaire surveys have been used for the evaluation. Also, to have a deeper understanding on the underlying causes for the performance level of a particular organization, data collected on the organization development process too have been used in the analysis.

### **1.3. Overview of the Report**

Chapter two of this report describes in detail the SCOR conceptual framework and strategies and approaches for institutional and organizational development depending on SCOR Technical Report, other relevant documents and views and ideas expressed by SCOR project leader who provided the necessary guidance for project development activities. Chapter three presents the Methods and Techniques adopted in M&E research activities and their limitations as well as attempt by the consultant to overcome them. Chapter four provides information on socio economic conditions of the sample communities paying special attention to the base line situation with regard to the institutional and organizational development. In Chapter five, groups formed or strengthened by SCOR will be evaluated using M&E criteria used by the project and the indicators developed by the consultant. Details on various kind of activities implemented through these groups also will be discussed in this chapter. Chapter six is devoted to the presentation of M&E values for organizational performance and analysis thereof. Chapter seven presents a qualitative information on the performance of Sub Councils/ Zone Organizations and Farmer Federations. Chapter eight is on Sub WRMTs, WRMTs and Farmer Companies. Chapter nine draws some conclusions and discusses the lessons learnt.

## **CHAPTER TWO**

### **SCOR CONCEPTS, STRATEGIES AND APPROACHES FOR ORGANIZATIONAL AND INSTITUTIONAL DEVELOPMENT**

#### **2.1. SCOR Concepts and Assumptions**

Technical Report for Phase II of SCOR defines SCOR as "a participatory action research project aimed at developing and testing a holistic interdisciplinary approach to integrate environmental and conservation concerns with production goals in the watershed context". It recognizes the human element as a major factor influencing watershed management efforts. Therefore, increasing the user control over natural resources through group action and their active participation in decision making is stressed.

SCOR identified the following institutional constraints which are of special relevance to the objective of balancing production and protection:

- (a) Institutional environment inadequate to foster new, sustainable production opportunities.
- (b) User groups non-existent or too weak to participate in planning, management and control of natural resources.
- (c) Resource tenure arrangements that inhibit adoption of sustainable production and conservation.
- (d) Lack of coordination among agencies, donors, projects, levels of government and resource users with respect to the use of natural resources.
- (e) Lack of supporting services for the identification and implementation of sustainable production practices.
- (f) Inadequate environmental consciousness with respect to potential impacts of agricultural and non-agricultural production decisions at various levels.

SCOR strategies are directly aimed at reducing and/ or removing these constraints. (SCOR Technical Report 10 November 1995). This study attempts to grasp SCOR activities to remove some constraints, specially absence of strong resource user groups or organizations at community level to plan and implement watershed management activities and lack of coordination among agencies.

## **2.2. SCOR Strategies and Approaches for Organizational and Institutional Building**

### **2.2.1. Farmer Level Organization Building**

The organization structure or framework proposed by SCOR to address the issues related to inadequate institutional and organizational environment at farmer level was a multi-tier organization structure comprising of Resource User Groups (RUGs) at the primary level, Resource User Organizations (RUOs) at the secondary level, Sub Councils represented by several RUOs at tertiary level, and the Farmer Federations bringing together all the RUOs at a system level in the apex. With this kind of an organization set up, SCOR proposed to test methods for community participation in the planning for resource use and local management of natural resources available to the community. The following were the activities listed in the SCOR Technical Report to form, expand and strengthen the farmer level organizations.

- \* Assessing existing local organizations in target areas to determine their willingness and suitability to work with SCOR. SCOR understanding at the beginning was that there are functional organizations focused on water management in Huruluwewa command area. The project plan for upland areas and drainage areas was to form new organizations for sustainable production and protection activities.
- \* Conducting constrain analysis with individuals, user groups, officials and NGO representatives on potential status and uses of resources in the area to identify factors that prevent resource users from managing and utilizing land and water resources to best advantage.
- \* Helping user groups to organize, register and formalize agreements with the government. Working through catalysts and NGOs to promote organizations, orient them to sustainability considerations and to the benefit of organizing. Registration or legalization and obtain legal status and powers for recognition and access to financial and other services.
- \* Training user group representatives in skills such as leadership, group dynamics, resource planning, sustainable practices, resource monitoring and reporting, financial management, assessing local skills and services, enterprise development, and marketing.
- \* Providing small grants for existing and new user groups for production and protection activities, enterprise development as well as building up of their own funds through group action.
- \* Provision of information and education materials and facilitating access to specialized services available from private firms, NGOs or government agencies.

- \* Strengthening of user groups and organizing a few associations or councils of user groups along geographic or functional lines to improve coordination and cooperation not only among users but also between government agencies and user groups.

### **2.2.2. Farmer Companies**

In addition to the RUGs, RUOs, Sub Councils and Federations at farmer level, SCOR pays a particular attention to form several Farmer Companies as an attempt to find solutions to farmers marketing problems and also to enable small land holding farmer communities to bargain and compete within the open market system. Though this is not much elaborated in project documents, a major assumption made by SCOR is that the real empowerment of farmers is thoroughly dependent on the success of the farmer companies which provide them assistance and guidance for agricultural development through market linkages and forward contract agreement etc. The concept of farmer company receives special attention in this study due to this reason.

### **2.2.3. Institutions for Project Level Coordination**

The institutional mechanisms proposed by SCOR to coordinate different department activities at watershed level and Sub Watershed levels are Sub Water Resource Management Teams and Water Resource Management Teams comprising the representatives of the principal line agencies responsible for irrigation, forestry, land, agriculture, and agrarian services and NGOs, private sector organizations and RUOs. Testing and establishing SCOR development models for increasing the sustainable productivity of natural resources were supposed to be done through these management bodies. It was expected that the sub-watershed development plans known as Mini-Projects would be developed, implemented, monitored and evaluated with the participation of line agencies mainly through institutional mechanisms such as WRMT and Sub WRMT.

SCOR Technical Report for Phase II proposed further strengthening of WRMTs and Sub WRMTs through collaborative linkages and inter-institutional sharing of knowledge and skills, in all the different watershed management models of SCOR. SCOR assumes that these efforts will lead to a gradual withdrawal of SCOR professional staff in favour of increased responsibilities being undertaken on a shared basis by above governmental and non-governmental agencies. Therefore, WRMT and Sub WRMTs can be considered very important in institutionalizing the SCOR interventions for watershed management.



### **2.3. SCOR Model for Farmer Level Organizational Development as Reflected in SCOR M&E for Phase I**

The M&E indicators or criteria developed by the SCOR M&E specialist to monitor and evaluate grass root level organizations throws light on the assumptions made by SCOR on the development trend that would be adopted by groups. SCOR had not developed such criteria for M&E of organizations at its early phase. The M&E criteria or ranking system for groups are described below.

For qualifying themselves under Status A, B, C and D in the ranking system the groups need to have fulfilled certain requirements listed below.

1. Forms the group for better resource use
2. Has a recognized form of leadership
3. Meets regularly with participation at greater than 60%
4. Records minutes of meeting and status of group action
5. Has a group fund
6. Has agreed targets to achieve
7. Invests money, labour and time on activities for production and protection of land and water resources
8. Monitor own activities through self monitoring and assessment
9. Has institutional recognition
10. Has affiliation with other organizations

When a group has characteristics number 1, 2, 3 and 4, it is regarded as having achieved Status D, the lowest performance level of a functional group. When a group has a group fund and agreed targets in addition to the four characteristics mentioned above, the group is regarded as having achieved status C. When a group invest money on production and protection activities and has a self monitoring system in addition to characteristics 1 - 6, the group qualifies for status B. When a group has all the 10 features mentioned above, it qualifies for status A which is the highest performance level for a group. A group in status A is considered as functioning under an organization to which it is affiliated. As explained in SCOR progress reports "a group that skipped several criteria and meets a higher order criteria is not considered as having achieved the corresponding status since the group should have a sustainable footing by meeting each criterion as they have been carefully articulated."

## **CHAPTER 3**

### **METHODS AND TECHNIQUES FOR DATA COLLECTION AND ANALYSIS**

#### **3.1. Introduction**

Variety of methods and techniques were used for data collection and analysis in this report. As many organizational scientists do, the consultant preferred to present a lot of qualitative and quantitative information on the organizations and institutions and finally to provide his analyses. But the project management needed rigorous kind of quantitative analysis for which indicators and sub indicators had to be developed. Therefore, the consultant had to develop a set of indicators and sub indicators. However, since the organizational behavior can not just be reduced to numbers, a lot of qualitative information were collected and presented to explain what the indicator values really indicate and why they are sometimes low and sometimes high. However, the consultant feel that the qualitative information presented here are more useful to have an understanding on organizations' present performance level and the process that contributed to it.

#### **3.2. Data Collection Methodologies**

The methods and techniques used in this research include the following:

##### **3.2.1. Participant observations in selected samples -**

Data collectors who received training under the consultant to make participant observations were employed to collect data. This was the main strategy used for collection of more reliable information and data using other techniques like questionnaire survey and interviewing. The data collectors lived in the community or spent most of their time in the field to attend meetings, make observations and do formal and informal interviewing. The consultants too made field visits himself as and when he could have transport facilities. The data collectors maintained diaries, and submitted field notes every two weeks on the activities implemented by SCOR in field sites with resource users and their organizations.

##### **3.2.2. Semi-structured Interviewing -**

The data collectors were provided with interview guides after providing a training on basic principles and methods for interviewing people. Also, they were exposed to the basic approaches and strategies of the project, the activities planned and implemented etc. through the members of the implementing team. Each and every monthly meeting held with them were used as a forum for their capacity building as data collectors. This provided them necessary skill to do semi-structured interviewing on a given topic without the direct involvement of the consultant.

### **3.2.3. Structured Interviewing**

Questionnaire surveys were conducted in sample locations to get the farmers flavor in to this evaluation study. These surveys too were conducted by the data collectors who collected other qualitative information in the field.

### **3.2.4. Secondary Data and Information**

The data available with the organizations, groups, Sub Councils, Federations and companies were used for application of some indicators on membership participation and financial aspects etc. Also, the data and information provided by catalysts were also tallied with those at organizations when agreement could not be arrived at on the reliability and accuracy of information.

## **3.3. Samples and Sampling Methods**

Eight sub watersheds representing Huruluwewa watershed was selected by the members of research team prior to the commencement of M&E data collection. The following simple random samples were selected from each of the RUOs in these sub watersheds for the questionnaire survey. Only the members were considered for this evaluation mainly because non-members can not answer many of the questions in the questionnaire.

1.	Walgamwewa	25 (17%)
2.	Polattawa	35 (33%)
3.	Puwakpitiya	40 (62%)
4.	Mahameegaswewa	20 (57%)
5.	Padikaramaduwa (Mahasengama)	41 (91%)
6.	Kubukwewa (Garandiyaulpotha)	45 (85%)
7.	Tittallawa	36 (86%)
8.	Nagalawewa	35 (80%)
9.	Kelenikawewa	28 (44%)

## **3.3. Indicators and Sub Indicators for Evaluation of Organization**

Since the main concentration of this study was on the user group and organizations' performance evaluation, the organizations management performance, financial performance and the activities implemented by the organization or institution to bring benefits to members were considered in this indicator marking system. Because of various limitations, socio- economic variables such as nature of the community and community dynamics, level of incorporation of the communities to the markets as well as national ideologies, and level of social stratification etc., which affect organization performance have not been considered in this study. It is expected that baseline studies on socio- economic conditions of these communities would throw light on these aspect

and help explain socio economic reasons for location specific variations of performances and development of the organizations.

The main indicators used here are the following four developed by the consultant himself.

1. Organizational Management Performance Index (OMPI)
2. Financial Viability Index (FVI)
3. Member Benefiting Activities Index (MBAI)
4. Sustainability Index (SI)

(Please see Annex 1 for details of calculations of the indicators and sub indicators.)

### 3.3.1. Organizational Management Performance Index

$$\text{OMPI} = \frac{\text{SI}_1 \text{ W}_1 + \text{SI}_2 \text{ W}_2 + \dots + \text{SI}_{10} \text{ W}_{10}}{\text{W}_1 + \text{W}_2 + \text{W}_3 + \dots + \text{W}_{10}}$$

The organizational management performance index is composite index of the following 10 sub indicators (SIs). Weights ascribed to them are given below:

	<u>Sub-Indicator</u>	<u>Weights</u>
1.	SI1. Membership Strength Index	8
2.	SI2. Participation in Meetings Index	6
3.	SI3. Participation in Activities Index	4
4.	SI4. Collection of Fee Index	2
5.	SI5. Record Keeping Index	5
6.	SI6. Institutional Recognition Index	5
7.	SI7. Legal Recognition Index	7
8.	SI8. Vertical Linkage Index	3
9.	SI9. Horizontal Linkage Index	3
10.	SI10. Communication Index	7

#### 3.3.1.1. Membership strength

In a watershed management project stressing the necessity for adopting environmental friendly production and protection practices, it is required to incorporate all the members in a given community or location or a sub watershed to an organization through which they can be influenced and encouraged for such activities. The organizations and institutions are hypothesized here as bodies capable of influencing their members through formal and informal means. A higher weight has been given to this mainly because organizations can influence more on their members than on non-members to adopt certain practices and behavior patterns.

#### **3.3.1.2. Participation at meetings**

Participation of members at meetings within a period of six months were considered under this for evaluating the organization performance.

#### **3.3.1.3. Participation in Activities**

Participation of members in common property management activities like planting trees in reservations, temple gardens, school premises and grave yards etc. and self-help and other form of labor mobilization for maintaining irrigation canals, tank bunds and other irrigation structures and also for activities implemented by RUO for tank eco-system regeneration, repair of roads and other community assets is considered in this evaluation.

#### **3.3.1.4. Collection of membership and other fee**

Collection of fees such as membership fee, seasonal fees, membership shares etc. were hypothesized as vital for building up of funds in the organization and its sustainability.

#### **3.3.1.5. Record Keeping**

Since these organizations are formal and are supposed to handle complex operations through proper record keeping, this was considered as important in this evaluation.

#### **3.3.1.6. Institutional Recognition**

Linkages with the Government Institutes like Agrarian Service Department (ASD), Irrigation Management Division (IMD), Forest Department (FD), Irrigation Department (ID), Department of Agriculture (DOA), Coconut Cultivation Board (CCB) and State banks as well as private banks were considered in this evaluation. If the organizations implemented programs with the relevant agency or agencies were involved in the RUO activities in some other way to provide services and inputs etc. it was considered as a linkage.

#### **3.3.1.7. Legal Recognition**

Registration at ASD either under section 56 A or and 56 B is considered here as obtaining legal recognition. However, registration under 56 B is considered more important in this evaluation.

### 3.3.1.8. Horizontal Linkages

Horizontal linkages are those that an organization establishes with other farmer level organizations like RUOs, Sub Councils and Farmer Federations. Establishment of this type of linkages are required to engage in certain economic and organizing activities which should be large in scale to be profitable or to be influential. SCOR emphasizes RUO forming linkages with Sub Councils by federating organizations in a sub watershed or several sub watersheds to Sub Councils and Sub Councils into Farmer Federations.

### 3.3.1.9. Vertical Linkages

Vertical linkages are those that organizations establish with hierarchical committee systems like IMD Project Committee, Ama Committee, Sub Water Resource Management Teams and Provincial Steering Committees. RUOs are supposed to get necessary guidance, assistance and also support through policy interventions to implement their field level activities from these higher level committees.

### 3.3.1.10. Communication

It is examined whether RUO holds meetings and committee meetings regularly to establish a two way communication between farmers and line agencies involved under this sub indicator.

## 3.3.2. Financial Viability Index (FVI)

$$FVI = \frac{SI_1 W_1 + SI_2 W_2 + \dots + SI_5 W_5}{W_1 + W_2 + W_3 + \dots + W_5}$$

The Financial Viability Index (FVI) is composite index of the following 5 sub indicators (SIs). They are given equal weights.

1. SI1. Fund Availability and composition Index
2. SI2. Fund Utilization Index
3. SI3. Credit recovery index
4. SI4. Financial Record Keeping Index
5. SI5. Transparency Index

### 3.3.2.1. Fund Availability and Composition

The strength of the fund and its composition (whether the fund is self-earned or grants) is considered under this sub indicator for calculating this sub indicator.

### **3.3.2.2. Fund Utilization**

The amount invested by the RUO on profit making activities and profit actually made is considered in calculating this sub indicator value.

### **3.3.2.3. Credit Recovery**

The loans provided to members by the RUO and the amounts recovered are used for calculation of this sub indicator values. The strength of the organization to recover credit is an important factor contributing to its sustainability.

### **3.3.2.4. Financial Record Keeping**

Since the organization is engaged in complex operations such as providing credit to members, business activities etc. they need to maintain necessary records. This sub indicator looks into the record maintained and their quality for evaluating RUOs.

### **3.3.2.5. Transparency**

Whether the RUO leaders present the account on expenditure and receipts to their members and committee members on a regular basis is examined under this indicator.

### **3.3.3. Membership Benefiting Activities Index (MBAI)**

The services provided by the RUO and their effectiveness is considered in calculating this indicator.

### **3.3.4. Sustainability Index**

$$SI = \frac{OMPI + FVI + API}{3}$$

The Sustainability Index (SI) is composite index of the following three Indicators. They are given equal weights.

1. SI1. Total marks for OMP Index
2. SI2. Total marks for FV Index
3. SI3. Total marks for MBA Index

All other particulars relevant to this indicator are as same as for the three indicators mentioned above.

### 3.3.5. Rating System

The rating system applicable to all the indicators and sub indicators in this report is as follows:

0.01	-	0.19	-	Very Weak
0.20	-	0.39	-	Weak
0.40	-	0.59	-	Average
0.60	-	0.79	-	Good
0.80	-	1.00	-	Very Good

## 3.4. Indicators and Sub Indicators for Evaluation of Groups

### 3.4.1. Group Sustainability Index (GSI)

Group Sustainability Index (GSI) comprising of following 10 Sub Indicators was used for evaluation of Groups.

$$\text{GMPI} = \frac{\text{SI}_1 W_1 + \text{SI}_2 W_2 + \dots + \text{SI}_{11} W_{11}}{W_1 + W_2 + W_3 + \dots + W_{11}}$$

	<u>Sub Indicator</u>	<u>Weights</u>
1.	SI1. Participation in Meetings Index	8
2.	SI2. Participation in Activities Index	4
3.	SI3. Fund collection Index	5
4.	SI4. Record Keeping Index	5
5.	SI5. Institutional Recognition Index	-
6.	SI6. Horizontal Linkage Index	3
7.	SI7. Communication Index	5
8.	SI8. Fund Availability and composition Index	5
9.	SI9. Credit recovery index	5
10.	SI10. Transparency Index	3
11.	SI11. Member benefiting Activities Index (MBAI)	5

(Please see Annex 2 for details of data requirements and calculations.)

All these sub indicators are similar to the ones used for evaluating the organizations. Therefore, they will not be described here in detail.



### 3.4.2. Samples

The data collection too was done in the same samples described under organizations.

### 3.4.3. Rating

Rating system applicable to this is as follows:

0.01	-	0.19	-	Very Weak
0.20	-	0.39	-	Weak
0.40	-	0.59	-	Average
0.60	-	0.79	-	Good
0.80	-	1.00	-	Very Good

### 3.5. Limitations

The following major obstacles created problems which seriously affected the progress of data collection and analysis.

1. Serious misunderstanding in the part of implementing team that this M&E research activity is aimed at finding faults at field level was a major constraint encountered by the consultant. An accusation always directed at the consultant was that he always looked only at the failures and not at the successes. Various attempts were made by the consultant to win the confidence of the catalysts by explaining them the indicators. Also, the suggestions of the catalysts too were incorporated into the indicator marking system. Even a workshop was held to ascribe weights to the sub indicators. The catalysts tended to think that when RUOs were evaluated, it was they who were evaluated and not RUOs. In spite of all the efforts of the consultant, this attitude could not be changed. However, due to this attitude, the consultant was always on alert to prevent he or his data collectors being biased. This attitude, as the consultant understand, is mainly due to the fact that SCOR initially started its activities as a development project with an implementing team, most of the members of which had never been exposed to operating project in an action research mode. At a later stage, though the project management tried to make it an action research project employing researchers, it could not be done due to the lack of understanding in the part of most of the senior members of the team of this particular kind of research activity. They expected the researchers to write about the success of the project and its activities rather than testing replicable organizational and institutional models as well as various kind of interventions aiming at bringing about sustainable production and protection practices among the farming communities.
2. On many occasions, consultant was accused for being unjust in his evaluation on groups and organizations and was asked to discuss with catalysts and use their

data for calculation of sub indicator and indicator values. Even with these type of exercises, the consultant could see that values remain unchanged. However, there were prolonged delays due to consulting each and every catalysts for their data to be incorporated into index marking system.

3. Since M&E activity was seen as secondary and less important than the implementing activities by the project management, the consultant as well as other researchers found it difficult to have transport facilities to make regular visits to the field and supervise data collection. He could do this activity satisfactorily towards the end of his consultancy during which a separate vehicle was allocated to the researchers for their operations.
4. Also, the data collection program was disturbed from time to time due to data collectors trained by the consultant and other researchers leaving the project to continue their studies at the university or to find permanent employment in government organizations and institutions. About 4 data collectors left the project this way and the new people had to be recruited and trained to fill these vacancies .

## **CHAPTER FOUR**

### **SAMPLE LOCATIONS AND THEIR BASELINE SITUATION WITH REGARD TO ORGANIZATIONAL DEVELOPMENT**

#### **4.1. Description of Sample locations and their baseline situation with regard to organizational development**

The eight sub watersheds selected for this study represent different hydrological situations, production practices and production relations and human settlement patterns. There are communities dependent on rain alone or agro-wells for their farming activities. There are farmers cultivating with water from minor tank systems, major irrigation schemes or with illegal tapping of water from irrigation canal systems. There are production practices such as slash and burn cultivations which involve no outside inputs but have serious impacts on the forests as well as on environment as it is practised today. There are various kind of production relations such as 'ande' (share cropping), 'tractor ande', reciprocal exchange of labour etc. As settlements, there are (Purana) or traditional villages, new irrigated settlement schemes and squatters' residential and farming areas on encroached crown lands. This description provides a brief description of the socio economic characteristics of the eight sub watersheds studied.

##### **4.1.1. Walgamwewa**

Walgamwewa village is situated in Grama Niladari area E under Dambulla Divisional Secretary's division in Matale district. It can be accessed from Pannapitiya junction on Dambulla Matale road. The distance to Walgamwewa from Pannapitiya junction is 2.5 km along Kiralassa road.

There are 138 families organized in 128 households in this village. The total population of this village is 1030. The village still retains some characteristics of a traditional village. The community in Walgamwewa is related to each other through kinship ties. The resources in the village include natural streams from the adjoining hilly areas, forest reserves, village tanks with 99 acres of irrigated lands under them. There are 440 acres of land irrigated from the Huruluwewa Feeder canal in this village. Nineteen agro-wells in the village are used for crop cultivation in both low-land and high-land areas. The farmers cultivating from Feeder Canal have abundant supply of water during the season because of its favourable location above Kandalama bifurcation on Hurulu Feeder canal.

Unlike other communities studied, a social stratification based on size of holding, income and access to irrigation water can be observed emerging in this society, mainly due to income from cash crops like big onions cultivated in yala seasons in feeder canal area. About 240 people make farming their main income source. Ten people in the village hold different kind of positions in government service. All these are lower level positions. Thirteen women in the village have gone to Middle East countries to serve as housemaids while 15 girls work in garment factories in

free trade zone areas in the country. There are 5 soldiers and 15 people working in private enterprises in the area.

The farmers in the area have joined the farmer organization established on 29 August 1992 under the initiation of the Irrigation Management Division (IMD). The organization has been registered at IMD. All the farmers cultivating irrigated lands under the Feeder Canal are considered as members of this organization. The organizing farmer groups for irrigation management activities including holding cultivation meeting etc. had been done by IMD catalyst working in the area at that time. The organization had been collecting membership and kanna levy (Kanna badu) but this activities too showed a decline after the withdrawal of catalysts.

The organization though supposed to hold meeting annually to select its leaders, there are no records of such meeting other than a meeting held on 4 September 1993. However, there are minutes of committee members meetings held irregularly prior to SCOR interventions. The organization has been initiated to hold regular committee meetings, seasonal cultivation meetings etc. after the SCOR attempts to strengthen this organization in collaboration with IMD. However, no improvement in farmers' participation in meetings etc. could be observed throughout the whole period including that of SCOR interventions. Conflicts, contradictions and divisions based on politics have harmfully affected the solidarity of this community.

#### **4.1.2. Polattawa**

Polattawa is located in the extreme tail end part of Hurulu Feeder Canal. This village also comes under DS division, Dambulla. The area is in close proximity to Seegiriya, an ancient rock cave famous for its frescoes. There are about 106 farmer households in this village. Total population is 408. Nearly about 35% of farming families have employment in the Cultural Triangle Project in Seegiriya.

Most of the families including those who work in the Cultural Triangle Project in Seegiriya make their living from farming activities. Unlike the farmers in Walgamwewa, the farmers in this village have serious water problems as their land is located in the tail-end of Feeder Canal. They have a small tank system which was rehabilitated recently under World Food Program. The irrigated area in this village is about 107 acres. Farmers in the area cultivate paddy in maha season if water is issued to Huruluwewa. In Yala seasons, they cultivate OFCs depending on water availability.

SCOR started to work with this community in early part of 1995. By that time there had been a farmer organization formed by ASD to manage small tank system in the village. After the arrival of SCOR, an organization based on Hurulu Feeder Canal command was established by IMD on SCOR initiation. Since the president of this RUO is a well accepted person in the community, he has been able to get the participation of the people in the activities of the organization. This village too is inhabited by people having close kinship ties. There could not be observed serious conflicts over politics in this village in contrast to many other villages where political faction have an adverse impact on village life.

### 4.1.3. Puwakpitiya

Puwakpitiya is a small tank village in Palugaswewa D.S. division, Anuradhapura. It can be accessed from Laksirigama junction on Habarana - Anuradhapura road. The distance from Habarana town to this village is about 6 km. There are about 84 families in the village. They make their living from farming. About 30 people in the village have full time employment in public and private sector organizations outside village. It has a small tank with a command area of 51 acres.

The farmers cultivate paddy with water from tank in maha seasons. Some farmers who cultivate paddy from tank have agro-wells too in their allotments to provide supplementary irrigation in case of water scarcity. Some farmers whose irrigated allotments are located in the embankment of Yan Oya, use its water for supplementary irrigation. In Yala, farmers cultivate OFCs with water from agro-wells. In addition, some farmers have lands in Habarana tank which is water abundant as it receives Mahaweli water issued to Huruluwewa.

In addition to paddy cultivation, the main income source of farmers is chena and highland cultivation. The farmers in the area grow variety of vegetable crops, chilies, onions and different kind of grains in maha season. They have contributed significantly to the reduction of forest lands in the area through this practice.

SCOR started its activities in this village in early part of 1994. The RUO in Puwakpitiya was formed by ASD in July 1994 on SCOR initiation. It was later registered in ASD under section 56 A. The major problem faced by this organization too is divisions in the community based on politics.

### 4.1.3. Mahameegaswewa

Mahameegaswewa villages is located in Palugaswewa Divisional secretary's division in Anuradhapura. The village can be accessed from Palugaswewa junction on Anuradhapura - Habarana main highway. The motorable road from Palugaswewa to Padikaramaduwa links this village situated some 8 km away from Palugaswewa junction to neighbouring townships and administrative centres.

The number of household in the village is 58 with 61 families living in them. The total population in the village is 275. The members of this community belong to 'vedda variga', a sub caste in the caste hierarchy in the North Central province of Sri-Lanka. The whole village community is a kin-group. These type of social groups are generally characterized by group solidarity, inter-dependence and group cohesiveness. However, because of intrusion of politics and change in the agrarian economic structure, the village community has become less harmonious and less cohesive. When compared with the other neighbouring communities belonging to 'Govigama' and other castes, the community in Mahameegaswewa is less educated and socially and economically backward.

The village has two small tanks, Mahameegaswewa and Madugaswewa with a total irrigated land area of 52 acres and 11 acres respectively. The homestead area of the village is nearly about 57 acres. The main economic activities of the community is cultivation of paddy lands in maha (wet) season and Yala (dry) season depending on the water availability in the tank and slash and burn cultivation in scrub jungle areas surrounding the village. In addition, hunting and collection of bee-honey in the surrounding jungles too form a part of their economic activities. The farmers sell their agricultural produce to the private traders in neighbouring townships like Kekirawa. However, with the decline of arable forests for chena cultivation, there is a tendency among some household heads and family members to migrate to more prosperous areas in Anuradhapura district during cultivation season to work as agricultural wage labourers. With the intensification of fights between LTTE and the Government of Sri Lanka, 2 young men in the village have joined armed forces and have become employees of government service. There about five girls working in garment factories outside the village. Another two young men are in government employment. One work in the village as a Samurdhi Niyamaka who is responsible to work with the families receiving assistance under government poverty alleviation program known as Samurdhi. More than 90% of the families live miserable lives due to extreme poverty.

The community is less exposed to formal organization culture. Velvidane system was the main mechanism to deal with irrigation matters at tank level. The villagers deal with Divisional Secretaries through Grama Niladari over land and other administrative matters. The involvement of officers other than the Grama Niladari in matters related to agricultural and other development activities was marginal prior to SCOR interventions.

The Divisional Officer of the Department of Agrarian Services (DAS) initiated to form a Farmer Organization in the village in 1990 and 25 farmers had even paid their membership fee to get membership. However, it had not been able to establish the organization. When SCOR started its work in the village, there were no any organizations dealing directly with matters related to agriculture and agricultural production. Velvidane system which is the institution responsible for the management of small village tank systems too did not function properly even though a Velvidane had been appointed by the ASD.

#### **4.1.4. Padikaramaduwa**

Land area in Padikaramaduwa sub watershed is under two Divisional Secretaries division, Palugaswewa and Galenbindunuwewa in Anuradhapura district. The main tank in this sub watershed is Padikaramaduwa tank. This sub-watershed area can be accessed from Huruluwewa right bank main canal road running through Padikaramaduwa settlement area. It is located some one and half miles away from Padikaramaduwa settlement area on the right bank of the canal. This sub watershed includes:

- Kawarakkulama
- Methgama
- Mahasengama, Ichchankottama
- Padikaramaduwa old village including Puwakpitiya

The tank cascade system in this sub watershed includes Padikaramaduwa tank and three other tanks, namely Puwakpitiya, Ichchankottama and Methgamawewa (Weerawewa).

Padikaramaduwa tank area comes under Galenbindunuwewa while other three tanks come under Palugaswewa Divisional Secretary's division. Since SCOR interventions have been implemented only in Mahasengama, Methgama and Padikaramaduwa, a brief description on these locations will be presented here.

#### **4.1.4.1. Mahasengama**

Mahasengama is a squatter settlement area on the immediate catchment of Padikaramaduwa tank. There are 45 families living in 45 homesteads in the village. Homestead area is 68 3/4 acres in extent. However, Only 45 families are resident in these lands in Mahasengama while the others still live in their original settlement in Padikaramaduwa. The total population in Mahasengama is 190. The villagers depend mainly on rain-fed farming using these lands and scrub jungle in the surrounding areas because they do not have their own irrigated lands. However, when water is issued to Huruluwewa command area, these farmers either lease in some lands there or cultivate their parent's lands on share cropping basis. There are 13 agro-wells used by farmers to provide supplementary irrigation to crops raised in highlands in maha seasons. In Yala seasons, they cultivate small areas in highlands using agro-wells.

As for outside employment of villagers, there are three people employed in public sector, three in armed forces, three in private sector employment while 8 girls work in garment factories in Free Trade Zone areas in the vicinity of Colombo. Three women have migrated to Middle east countries for employment as housemaids.

Originally, settlers in Padikaramaduwa cultivated chenas in the Mahasengama area which was a thick jungle at that time. Later they became residential areas of their children when there were pressure in settlement areas for lands for the members of second and third generation of settler families. Unlike the old village farmers, Mahasengama farmers are land hungry people trying to make the encroached lands regularized. They have been exposed to the formal organization culture in Huruluwewa settlement scheme where one finds a large number of organizations which include Distributary Canal Organizations (DCOs), Funeral Associations, Rural Development Societies and so on. Even prior to the intervention by SCOR, the families in Mahasengama had organized into four groups under the influence of Integrated Rural Development Project (IRDP) implemented in Anuradhapura district. These groups functioned mainly for reciprocal exchange of labour but started lending small amount of money to their members after raising group funds through their own effort. The criterion for selection of members for the groups has always been to have people who work together, exchange labour etc. as members of the groups. However, after withdrawal of IRDP, two groups had become less functional. Mahasengama being a rain-fed and encroached area did not receive the attention of government agencies. There was no organization to deal with village level agricultural planning when SCOR started its activities.

#### **4.1.4.2. Methgama**

Methgama is a planned settlement under Dry Zone Agricultural Development Project. There are 63 households in the village with a total membership of 270. Extent of homestead is 130 1/2 acres. acres of paddy lands, 113 acres of other highlands and 35 acres of scrub jungle. The paddy lands are under Methgama tank (50 acres) and Ichchantottama (11) tanks. However, Methgama tank does not receive sufficient water to cultivate the entire extent under the command area of the tank.

Each farmer had been given three acres of highlands (homesteads) in this settlement area. They cultivate seasonal crops in Maha seasons. In Yala cultivation is restricted to the lands with agrowells which are 26 in number. Also, the farmers do chena cultivation too using scrub jungle areas surrounding the village.

The main occupation in Methgama villagers is also farming. The number of people in outside employment are one clerk and 7 soldiers, 12 girls in garment factories, 3 men in private sector and 2 women serving as housemaids in Middle East countries. Some farmers work as agricultural wage labourers on part time basis.

There was a farmer organization established in the village when the village was established under the Anuradhapura Dry zone Agricultural Project (ADZAP). The organization was very weak by the time SCOR started its activities. As in many other villages intrusion of politics has brought about spilt in the community. SCOR catalyst mobilized this village community for conservation and various kind of production programs and finally developed a Mini-Project for the area. Organization was also registered at ASD in 1996 to have legal recognition.

#### **4.1.4.3. Padikaramaduwa**

Padikaramaduwa Old village is a traditional village in Padikaramaduwa sub watershed. There are 76 families living in 62 households in this village. Population in the village is 317. This village has three small tank systems named Padikaramaduwa old tank (65 acres), Dambagahawewa (26 acres) and Puwakpitiya (23 acres). The extent of homestead area under this village is 92 1/2 acres.

The main employment of the people in this village is farming. About 182 people make their living through farming activities. About 4 people are in public sector employment while 14 girls work in garment factories outside the village. Another 2 people are in private sector employment while two women have migrated to Middle East countries for employment as housemaids.

There is a farmer organization initiated by ASD in Padikaramaduwa old village where SCOR initially started its activities. The main activities handled by the organization is tank rehabilitation work under contract from the government. The organization was very weak in both organizational and financial management aspects due to problems with leadership, internal conflicts within the village, characteristics of the community and village level politics. SCOR



could not involve much in the village level activities until 1996 due to problems in this organization and its leadership.

#### **4.1.6. Garandiyaulpotha, Kubukwewa and Rathmalwatiya**

The RUO in Kubukwewa has been organized by bringing together three communities living in Rathmalwatiya, Kubukwewa and Garandiyaulpotha together. All the three locations are in No. 175, Kubukwewa Grama Niladari division. There are 116 families organized in 106 households. While Kubukwewa is an Old Village, both Rathmalwatiya and Garandiyaulpotha are occupied by the second and third generation members of settler families. Garandiyaulpotha is a squatter settlement area in the border of Nikawewa settlement. SCOR activities were intensively implemented in Garandiyaulpotha at the beginning and later expanded into other areas. After Garandiyaulpotha Swarnabhoomi FO formed for implementation of Participatory Forestry Program became defunct, Catalyst formed the new organization in Kubukwewa.

The major portion of land area in this village is highland. There is only one tank named Pitiwewa with a command area of 5 acres. There are 133 acres of homestead lands, 43 acres of highland area used for highland cultivation in every Maha season, 105 acres of scrub jungle and 80 acres of forest. 39 agro-wells which are being effectively used by farmers can be found in this area.

As in many other villages in dry zone, villagers in Kubukwewa too live by farming. Only 9 people are in public sector employment. 6 people work in private sector while 11 girls are employed at Garment factories in urban centres. 6 women have migrated to Middle east countries for employment.

The majority of people are rain-fed farmers cultivating their lands in Maha using rain. In Yala the farmers cultivate different kind of crops depending on water availability in agro-wells. The agro-wells in some parts of this sub watershed is water rich.

#### **4.1.7. Kokawewa**

Kokawewa sub watershed comprises of more than 10 RUOs. However, we have selected Tittallawa, a rain-fed area in which SCOR worked during Phase I and Nagalawewa small tank village coming under SCOR Phase II. Both Villages come under Galenbindunuwewa DS division.

##### **4.1.7.1. Tittallawa**

Tittallawa is a newly settled rain-fed area. The area has been encroached by 30 families. Most of them are second and third generation members of settler families. several families from Old villages in the surrounding areas too live here permanently. The population in Tittallawa is 120. Tittallawa villagers depend mainly on highland and chena cultivation and also illicit felling of

timber during times of hardship. The women in the village started migrating to Middle east Countries in 1997. majority of women in the village expect to find employment abroad.

Tittallawa FO was formed by SCOR in 1994. A grant was also issued to the organization to undertake production and protection activities. However, the organization became defunct towards the end of 1996 due to financial problems.

#### **4.1.7.2. Nagalawewa**

Nagalawewa is a small tank system rehabilitated recently under NIRP. There are 288 families living in 271 households in this village. There are only 68.5 acres lands under this tank. More than 1/3 of the command area in the tank is also highland areas with well drain soils. There are 160.5 acres homesteads and 2450 acres scrub jungle in the area belonging to this village. In addition to paddy lands under Nagalawewa, villagers have lands in Palugollagama tank which has 148 acres under its command area. There are 48 agro-wells too in the village.

The villagers main income source is farming. However, in addition to farming, 106 people in the village have employment in private and public sector organizations. 36 women have found employment in Middle east countries while 22 serve in government forces fighting in the north.

Nagalawewa RUO had been formed prior to SCOR activities implemented in the watershed in 1996. SCOR catalyst tried to introduce a zoning system to the farmers cultivating under this tank. Under this zoning system, farmers were expected to cultivate different kind of crops in different zones. Catalyst even prepared a mini-Project proposal for the area. However, since the farmers in the area did not settle their loans obtained from Tittallawa RUO was not settled, the grant approved by SCOR was not released. The organization became defunct towards the end of 1996.

#### **4.1.8. Kelenikawewa**

Kelenikawewa is a small village tank system in Kahatagasdigiliya D.S. division. There are 110 families in 97 households in this village. Total population in the village is 371. Extent of homestead in the village is 185 acres. About 250 acres of other highland areas are also used by farmers for cultivation of different kind of crops. There are three tanks in this village, namely Mahawewa, Meegaskada and Weliwewa with command areas of 69 acres, 8 acres and 20 acres respectively. Out of the total 17 agro-wells in the village 15 are in homesteads. farmers use the scrub jungle surrounding the village for slash and burn cultivation.

While the majority of villagers are dependent on farming, there are 23 people employed in public sector, 10 in private sector and 8 in Middle east countries.

Farmer organization in the village had been formed by ASD in 1991. During the initial stage only 36 farmers who hold paddy land under the main tank held membership in the organization. After SCOR started its activities 64 farmers joined the organization with the expectation of

benefits such as credit for cultivation, animal husbandry and permanent crops etc. The organization received a grant from SCOR recently to implement a mini-project. However, because of the political conflicts in the village, it is very difficult to implement any program with the participation of the majority of farmers.

## CHAPTER FIVE

### ORGANIZATIONAL AND FINANCIAL PERFORMANCE OF RESOURCE USER GROUPS

#### 5.1. Background

By the time the evaluation of groups and organizations commenced in Huruluwewa watershed under a separate contract by the consultant at the beginning of 1995, the group database maintained at SCOR, Huruluwewa office showed that 99 groups effectively function and are engaged in production and protection activities initiated and organized by SCOR. 51 group out of this had been assessed as status "D" groups, 19 as status "C" groups, 9 as status "B" groups and 6 as status "A" groups as per the M&E criteria referred to in Chapter two of this study. These status had been conferred on groups by the catalysts who had been instrumental in forming and strengthening them. The activities of these groups are presented in Table No. 1, Group activities.

SCOR needed some organizations at field level to start their activities. Therefore, SCOR catalysts organized new groups when there were no groups in the areas to which they were assigned. In places where groups existed, they started to work with them to implement SCOR interventions. The main activity with which SCOR approached these groups were conservation. Attempts were made to introduce some production activities like planting coconut seedlings or banana, cultivation of seasonal crops or permanent crops or animal husbandry. Some women groups were even initiated to produce curd and do rice processing. Almost all these groups were single purpose groups. For e.g. members of homestead development groups constructed some contour bunds and drains in their lands and planted coconut seedlings arranged by SCOR through Coconut Cultivation Board (CCB). Members of these groups planted various kind of tree crops provided by SCOR catalysts to the groups and organizations, using small grants released to them by SCOR. In Maha seasons, these groups engaged in seasonal crops and vegetable cultivation for which seed and other input supply arrangements were made through the Department of Agriculture (DOA) by SCOR. At initial stages these groups functioned to some extent. However, as the interviews with these farmer groups highlighted, they had various kind of expectations such as credit arrangements for their agricultural activities, animal husbandry, assistance for agro-well improvement or construction etc. By participating in conservation and other activities, they anticipated that these expectation would be fulfilled by SCOR. It was evident from the interviews with them that some project officials have promised them to provide assistance for these activities through Mini-Projects.

Table No. 1, Group Activities in 1994

TYPE OF ACTIVITY	# OF GROUPS	# OF MEMBERS
Homestead Development	26	355
Homestead conservation farming	9	108
Animal husbandry	20	214
Bio-farming	1	5
Chena stabilization	8	92
Homestead and cultivation under agro-wells	8	87
Bamboo trees planting	3	62
Cashew cultivation	2	22
Fruit cultivation	4	39
Women's activities for income generation	12	129
Milk production	2	17
Nurseries	3	20
Rice processing	1	5
<b>Total</b>	<b>99</b>	<b>1,155</b>

Group database - Huruluwewa WS

More than 50 groups out of these had been organized in Tract 6 area considered in the past as a model for women and youth development activities. The groups formed in Tract 6 area included those in Ellewewa, Hinguruwewagama, and 21 Colony. The members holding membership in one group sometimes held membership in several other groups to acquire more and more benefits from these groups. The other locations where groups had been organized were Puwakpitiya, Mahasengama, Kokawewa, Garandiyaulpotha, Ulpathgama, Maradankalla and Walgamwewa. Contrary to this, in some locations like Mahameegaswewa and most of the areas in Feeder Canal, tendency was to base their activities on existing organizations or form new organizations instead of groups.

## 5.2. M&E of Groups by the Consultant using M&E Criteria of the Project

These groups and organizations were assessed quarterly as a part of this study from June 1995 onwards. At the assessment made at the end of September 1995 with the participation of catalysts, it appeared that 58 groups out of the 99 referred to above, have ceased to exist for the following reasons:

- Twenty three groups have either failed to realize group objectives or members were not satisfied with the achievements of the groups
- Twenty five groups dispersed after realization of groups short term objectives. It should be noted that there were three goat farming groups, which have been successful in obtaining goats with credit facilities provided by the Bank of Ceylon, among them. They had even failed to settle their loan instalments to the bank.

- c. Four groups ceased to exist as they had no activity during Yala due to adverse water conditions.
- d. One chena farming group gave up chena farming done in the immediate catchment of a tank after realizing its adverse impact on the eco-system.
- e. Five groups ceased to exist as the members of these groups joined other organizations leaving the groups.

It was revealed at these participatory assessments that some catalysts have ranked groups in their areas conferring them a higher status level than they really are, due to their lack of understanding on SCOR M&E indicators and also due to the problems associated in defining some criteria used for evaluation. Majority of groups in Tract 6 area appeared to be namesake groups that had never met after initial meetings to receive some training on conservation or plants distributed by SCOR catalysts.

These resource user groups were again assessed by the consultant in December 1995. The number of groups existed at this time is given in Table No. 2, Activities of Resource User Groups. It was revealed at this assessment that there were 32 groups out of which only 23 met the SCOR M&E criteria to be considered as functional groups. Out of this 23 groups 2 had achieved status B level, 6 groups status C and 15 status D level. However, 2 groups in Tract 6, 2 groups in Garandiyaulpotha and four groups in Kokawewa and one in Maradankalla though did not meet M&E criteria were still considered as functional groups as some group activities could be observed in them.

Table No. 2, Group Activities as at 31 December 1995

TYPE OF ACTIVITY	# OF GROUPS	# OF MEMBERS
Homestead Development	23	249
Animal husbandry	2	24
Chena stabilization	2	26
Homestead and cultivation under agro-wells	2	14
Fruit cultivation	1	24
Nurseries	2	20
Total	32	357

Source - SCOR Quarterly Reports

The consultant observed a continued trend in the decline of groups in his quarterly assessment of groups and reported the same to the management. The groups were finally evaluated by the consultant in June 1997. The performance of the groups as at the end of June is given below in Table No.3 and 4. The number of groups had dropped down to 32 by this time. It was only 23 groups out of this 32 which actually qualified themselves to be called functional groups according to project M&E criteria.

Table No.3, Group Activities in June 1997

TYPE OF ACTIVITY	# OF GROUPS	# OF MEMBERS
Homestead Development	6	74
Animal husbandry	22	208
Forestry Groups	1	20
Homestead and cultivation under agro-wells	1	11
Fruit cultivation	2	29
Nurseries	32	342

Source - SCOR Quarterly Reports

Table No. 4, Group Status in June 1997

STATUS	# OF GROUPS	# OF MEMBERS
1. Below status D	9	103
2. Status D Group meeting criteria 1 - 4	18	167
3. Status C Group meeting criteria 1 - 6	4	59
4. Status B Group meeting criteria 1 - 8	1	13
5. Status A Group meeting criteria 1 - 10	0	0
Total	32	342

Source - SCOR Quarterly Reports

It could also be observed that most of the catalysts have given up forming new groups by this time even though the project had promised targets to be achieved during its life time. They have concentrated much on forming organizations or working with existing groups to bring about a change in the landscape by introducing various kind of technologies to these communities. The reason for the relatively weak performance of resource user groups and their disappearance without leaving a significant impact on the communities will be explained at the end of this chapter. To draw conclusions on the development of groups in the entire project area, the data collected on groups from 8 sample locations will be analyzed and presented below, giving details on activities implemented with the groups by SCOR to strengthen them.

### **5.3. Groups in Sample Locations, their base line situations and activities implemented with them**

The group concept is not a new thing to the farmers in the project area. There had been groups formed by the Integrated Development Project (IRD), Janasaviya, Sarvodaya which is an NGO and many other organizations in some villages in the watershed. But by the time SCOR started its activities in the sample areas, most of these groups had either ceased to function or had badly deteriorated due to socio-economic and various other reasons. Some of them had left some impacts on the group members. For example, the farmers in some areas had the practice of building up of a group fund for them to take loans when required. Also they functioned as "attam" (reciprocal labour exchange) groups. Since these groups did not maintain records of their meetings and activities etc. and functioned as informal groups, it is not possible to measure their performance by using SCOR M&E criteria or the indicators developed by the consultant. However, qualitative information on their performance prior to the project and development thereafter will be described in detail in this section based on data collected during the period from June 1995 to June 1997.

#### **5.3.1. Groups in Walgamwewa**

There had not been groups other than the Field Channel groups (FC groups) formed by IMD for water management activities in the Hurulu Feeder Canal (HFC) prior to SCOR. These groups as well as Walgamwewa Farmer Organization was not functioning at the time SCOR started its activities. Therefore, SCOR had to form two groups for canal conservation and banana cultivation, which were the initial activities implemented in this area by SCOR. They ceased to function after the members obtained planting materials from FO on credit basis with SCOR grants issued to the FO to use as a revolving fund. These groups had become defunct even by mid 1995. There are several farmers whose income has increased due to banana cultivation. However loan repayment has not been made yet. Now the office bearers of the organization are trying hard to recover the money given to the members of these defunct groups.

#### **5.3.2. Groups in Polattawa**

There had not been any functional groups in Polattawa, a Phase II area of SCOR, prior to SCOR interventions. Several women's groups were therefore initiated by SCOR for homestead development in 1996. These groups disappeared even without being entered into SCOR data base. Twenty fire efficient stoves have been distributed among twenty women participants of these groups.

#### **5.3.3. Groups in Puwakpitiya**

Groups did not exist in Puwakpitiya prior to SCOR interventions. Therefore, three groups, namely Nursery Group, Agro-well group, Mango Cultivation Group were formed during Phase I



and another two women's groups during Phase II to implement some activities in Puwakpitiya. Nursery Group was comprised of five members. Initially they started a small nursery to provide plant requirements of the farmers. Later it gave up this initial activity as the members could not have a good income from it. This group started a coconut nursery on the initiation of catalyst in 1996/97 Maha. It planted 1000 coconuts and sold each coconut seedling at Rs. 15.00. It gave Rs. 1.00 to the FO for each plant it sold out as the coconuts have been provided to the RUO by the Coconut Cultivation Board free of charge. After selling the plants, the group has now ceased to function.

The Mango Cultivation Group comprising of 6 members were formed by the catalysts to do a mango demonstration in the village on the assistance provided by the DOA. According to the farmers in this group, the lands cultivated were encroached lands to which they had no ownership rights. Because of this reason, they could not build permanent houses in these lands and settle down there to raise a permanent crop like mango. As the farmers could not look after the plants due to this reason, the elephants destroyed some plants while some plants were stolen. The group came to an end without benefiting the farmers concerned.

The Agro-well group was formed to organize the group members themselves for marketing their crops, acquisition of inputs and other services required by them. It had been assumed that marketing as well as acquisition of better quality inputs especially seeds could be handled to the benefit of the farmers through collective efforts. However, the group could not do any of these things as expected since these activities are beyond the capacity of a small group. This group too deteriorated within a short period after its formation.

SCOR project seeks women's participation in all aspect of watershed management. Homestead development is a special area to which the women's participation is much sought by the project. Women and Youth Development Coordinator (WYC) has formed two women's group in Puwakpitiya to implement homestead development programs including compose making and animal husbandry. The members of these groups have been trained to use fire efficient stoves, to manage their kitchen well and also on nutritional foods by DOA officers on the initiation of WYC. 20 households in the village have been provided with fire efficient stoves. These recently formed two groups are the only functional groups in Puwakpitiya at present.

#### **5.3.4. Groups in Mahameegaswewa**

Attempts were not made in Mahameegaswewa to form groups. The catalyst worked with the organization to implement SCOR interventions.

#### **5.3.5. Groups in Padikaramaduwa and Mahasengama**

The groups in Mahasengama, a rain-fed area in Padikaramaduwa sub watershed had been formed by IRDP prior to SCOR activities. There were four groups, namely Pubudu, Pragathi, Ekamuthu and Wiriya. The membership and fund availability of these groups as at the end of December 1995 is given below in Table No. 5.

Table No. 5, Membership and Fund Availability in Mahasengama Groups

Group Name	Date of Establishment	Membership	Fund Rs.	Loans Rs.
Pubudu	25.4.1994	10	9,343.00	2,500.00
Pragathi	14.4.1994	10	4,063.00	2,650.00
Ekamuthu	15.3.1994	10	12,590.00	5,000.00
Wiriya	14.3.1992	6	2,088.50	3,735.00

From the data available with Pubudu group, it is evident that the group had held weekly or bi-weekly meetings up to mid 1995. The attendance at these meetings have been above 90% during this period. The meetings had been held to discuss plans for fund raising, providing credit to members, credit recovery and labour mobilization for the group members' individual farming activities. As shown in the table, this group has raised substantial amounts as group fund through brick making, metal production etc. prior to SCOR. However, it can be observed that the group efforts to raise group funds and members' interest to attend meetings, pay the membership fee and settle the loans taken from group fund etc. declined in mid 1995 in which SCOR provided some small grants and a substantial amount, to a newly formed RUO in this village, for implementation of Mini-project activities.

A similar kind of a trend is observed in all other groups. Pragathi which had held irregular meetings in the first six months of 1995 ceased to hold meetings in the next six months. The group's fund raising attempts through reaping harvest on contract basis, brick making etc. too stopped during the same period. Also, the farmers stopped membership fee payment in this year. However, members were given some small loans as indicated in the Table above.

Ekamuthu was the best group among the four. It stopped holding regular weekly meeting that it had been used to hold previously. It had Rs. 12,590.00 deposited in a savings account, in addition to loans of Rs. 5,000.00 given to the members in 1995. However, the attempts by the members of the group to raise group fund, and interest to pay the membership fee and settle the loans taken from the group fund, disappeared towards the end of 1995.

Wiriya group which is a women's group had become defunct even by early 1995. Its membership had dropped down to 6 from the original 10. The activities such as brick making and rope making which they did as a group to raise group funds, had been totally abandoned by the early part of 1995. The group leader leaving the village for outside employment towards the end of 1995, had been one main reason for its deterioration.

It should be noted however that the four groups in Mahasengama, though deteriorated after the formation of the Mahasengama RUO, have been instrumental in implementing conservation programs in Mahasengama. With the small grants provided to these groups, they have been able to initiate farmers to grow permanent crops and banana in their homesteads. Though banana cultivation failed, the tree cover in the home gardens have substantially increased and

conservation measures have been adopted to certain extent due to the involvement of these groups.

Prior to their deterioration, the four groups were characterized by the following:

- regular weekly meetings
- reciprocal labour exchange activities
- activities to raise group funds
- thrift and credit component - the attempts by the group to raise funds through savings are clearly visible. Immediate access to credit from the group in case of necessity, was a very attractive benefit that the members had from these groups.
- mutual help and cooperation - It has become a norm among the group members to help their fellow members in occasions such as funerals, illness etc.
- self-reliance - the groups dependence on its own resources

In addition to these groups, there was an another small group in Padikaramaduwa old village in the vicinity of Mahasengama. It had been formed on the initiation of SCOR catalysts to provide technical know how to some village youths to undertake organic farming. The group comprising of five members started an organic farm in a small piece of land. They had problems due to pest attacks which could not be controlled without using pesticide. They did not use pesticide with the anticipation of selling the crop at a higher price. However, this could not be done because their harvest had been badly damaged by insects. This group too ceased to function after this initial attempt.

### **5.3.6. Groups in Garandiyaulpotha**

SCOR activities in Garandiyaulpotha started with the existing groups as well as with new ones. The existing groups with which SCOR catalyst started his activities, had badly been deteriorated by this time. Garandiyaulpotha A group was originally formed for implementing homestead development activities in Garandiyaulpotha micro watershed. It had about eight people who were settled in the area as members. However, for the implementation of the participatory forestry program (PFP), FD required another 18 farmers. Therefore, the catalysts had to get the involvement of some non-settled farmers, cultivating lands in Garandiyaulpotha and some farmers living in Janasirigama area for this program. As a result, the number of members in Garandiyaulpotha A group increased to 13. Garandiyaulpotha B group was formed with the involvement of 13 farmers from Janasirigama. 25 Acres of land was distributed among them for the PFP in 1994/95 Maha. Major activities implemented with these two groups were the conservation of forest lands and homesteads in Garandiyaulpotha micro watershed. In addition, various kind of production programmes such as soya and pigeon pea cultivation was attempted with them. SCOR made credit available to these groups for soya cultivation in 1994/95 Maha through Nikawewa FO which received a grant from SCOR. Later the two groups joined together and formed Garandiyaulpotha Swarnabhumi Farmer Organization and purchased soya and made

a profit of Rs. 25,000.00. The profit made was distributed among the members to settle the loan taken from Nikawewa FO. After these initial activities, there were no much activities in the group demanding collective action. Later funds for a nursery was provided to the members of the RUO. The two groups had problems over the sharing of its benefit. Finally, some members of A group ran this nursery and provided plants to FD. They made a profit which was distributed among the members who participated in this activity. Any group activities could not be observed thereafter. However, the members of Garandiyaulpotha A group continued most of conservation activities in their homesteads even though the group ceased to function. SCOR assisted them by providing plants etc. through its coordination with FD and CCB.

Yan Oya conservation Group was started with 15 farmers in Nikawewa area. Most of them hold membership in Nikawewa FO which is a DCO in Hurulu Command area. The purpose of the group was to plant bamboo trees along Yan Oya embankment for conservation purposes. However, producing bamboo products for the market too has been a long term objective of the group. The members of this group too were provided with credit from Nikawewa FO during Maha seasons to initiate them for conservation activities in Yan Oya reservations. 25 members of this group has been provided with 250 coconut seedlings, 10 farmers with 144 bamboo plants in 1994/95 and 100 coconut seedlings for 6 farmers in 1995/96. This group never functioned of its own and was there to serve as an instrument for implementing SCOR activities.

Cattle Farming Group in Rathmalgahawewa was also a newly formed group by the catalyst. The initial activities implemented with the six members in this group have been conservation of lands. Plants and seedlings provided by CCB and FD have been distributed among the 15 members of this group as well as to non-members in the area to initiate them for conserving their lands. Also an artificial insemination programme for the cattle owned by this group was implemented for upgrading them. However, this program was not successful. This group too had become almost defunct by the end of 1995.

Goat rearing group had existed prior to the commencement of SCOR activities in the field. By the time SCOR started its activities, group had been defunct. This group members too had been initially initiated for conservation activities by providing them about 40 plants to each homestead. Bank loans amounting to Rs. 5,000.00 have been arranged for 11 members in this group by WYC of SCOR. When the farmers were interviewed in 1995 by the consultant, they accused that the animals provided to them by the LDI were of inferior quality and therefore, they failed to settle bank loans. This transaction caused a lot of sensation and farmers criticised even SCOR for putting them in to trouble by providing these low quality animals. Groups ceased to function after this activity. However, catalysts had meetings with the groups members from time to time to recover bank loans.

Homestead Development Group in Kumbukwewa comprising of 12 members were formed initially for implementing SCOR conservation activities. Planting materials have been distributed among 31 homesteads through this group. 18 farmer families in this group have been provided with fire efficient stoves by WYC. She has implemented health and nutrition programs too with the members of this group. Catalyst is in the view that he can mobilize the group when there are activities to initiate them. However, this group too does not function of its own.

### 5.3.7. Groups in Tittallawa

A large number of Chena Stabilization Groups and Homestead Developments Groups had been initiated at the beginning of the project by SCOR catalyst working in this area. However, when the consultant started his work in 1995, he could not find any effective groups in this sub-watershed. The four groups formed for homestead development in Tittallawa had joined together and formed an organization by this time and groups had been withered away thereafter.

### 5.3.8. Groups in Kelenikawewa

Attempts had been made to initiate some women's groups in Kelenikawewa by WYC to implement her kitchen management, homestead development, health and nutrition programs. The members of these groups have been given initial training on these aspect by an AI of DOA. Some women have been provided with fire efficient stoves and their kitchens improved. No activities could be observed in these groups thereafter. These groups were not even reported to SCOR database by the catalyst because he himself had realized that they are very weak.

## 5.4. Evaluation of Groups in Sample locations using M&E Indicators

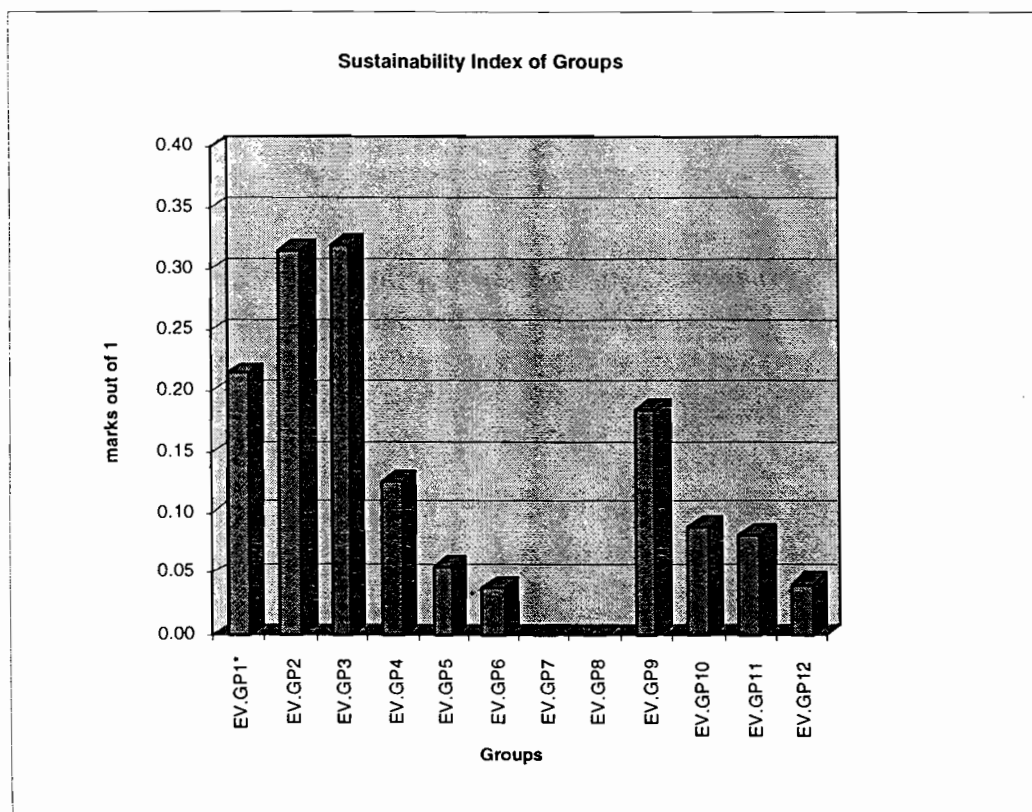
In the eight sample locations studied, there were groups only in Puwakpitiya, Padikaramaduwa (Mahasengama), and Garandiyaulpotha as seen in Table No. 6 and Graph No. 1, Evaluation of Groups 1996. These groups were evaluated at the end of 1996 considering their performance during the period from 1.6.1996 to 31.12.1996, using the indicators described in Chapter 3 of this report. However, the consultant realized that it is futile to waste time on this exercise mainly because SCOR had given up or at the verge of giving up of group building activities by this time. Its focus has been shifted to forming larger organizations or working with existing ones which they thought as the most useful for implementing their interventions at large scale. Groups which had once been the corner stone of SCOR, had become less important or SCOR which was in a haste for bringing about changes in land management practices in unprecedented scale through institutions like farmer companies.

Table No. 6, Evaluation of Groups (1996)

SUB INDI.	DESCRIPTION	SI WEIGHTS	1	2	3	4	5	6	7	8	9	10	11	12
OMPISI2	PARTICIPATION IN MEETING SI	8	0.53	0.92	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OMPISI3	PARTICIPATION IN ACTIVITY SI	4	0.43	0.71	0.61	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OMPISI4	FUND COLLECTION SI	5	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OMPISI5	RECORD KEEPING SI	5	0.06	0.19	0.19	0.38	0.25	0.31	0.00	0.00	0.13	0.00	0.00	0.00
OMPISI6	INSTITUTIONAL RECOGNITION SI	no considering	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OMPISI9	HORIZONTAL LINKAGES SI	3	1.00	1.00	1.00	1.00	0.00	0.00	0.00	0.00	0.50	0.50	0.50	0.50
OMPISI11	COMMUNICATION SI	5	0.20	0.20	0.20	0.20	0.20	0.00	0.00	0.00	0.20	0.20	0.20	0.00
FIVSI1	FUND COMPOSITION SI	5	0.00	0.00	0.00	0.03	0.09	0.06	0.00	0.00	0.99	0.20	0.28	0.10
FIVSI3	CREDIT RECOVERING SI	5	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FIVSI5	TRANSPARENCY SI	3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
APISI1	MEMBERS BENE. ACTI. SI	5	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.15	0.15	0.00	0.00
SI	SUSTAINABILITY INDEX		0.21	0.31	0.32	0.13	0.06	0.04	0.00	0.00	0.18	0.09	0.08	0.04

GROUP CODE	GROUP NAME	GROUP CODE	GROUP NAME
1	NURSERY GROUP - PUWAKPITIYA	7	GERANDIYAULPOTHA GROUP I
2	WOMEN'S GROUP A - PUWAKPITIYA	8	GERANDIYAULPOTHA GROUP II
3	WOMEN'S GROUP B - PUWAKPITIYA	9	EKAMUTHU - MAHASENGAMA
4	YAN OYA CONSERVATION GROUP	10	PRAGATHI - MAHASENGAMA
5	IHALAGAMA HOMESTEAD DEVELOPMENT GROUP	11	PUBUDU - MAHASENGAMA
6	CATTLE FARMING GROUP RATHMALWATIYA	12	WIRIYE - MAHASENGAMA

Graph No. 1, Evaluation of Groups, 1996



#### 5.4.1. Participation in Meetings

Only the groups in Puwakpitiya had meetings during the last six months in year 1996. The other groups had no meetings at all during this period. The rating they obtained for this indicator is given below in Table No. 7 below.

Table No. 7, Participation in Group Meetings - 1996

Rating	# of Groups
Very weak	9
Weak	0
Average	1
Good	0
Very Good	2
Total	12

The two women's group in Puwakpitiya established in December 1996 have held their first meeting and get higher marks for the performances for participation, due to this reason. This was because the calculation was based on the attendance at this particular meeting and not on six months attendance used in this study for calculation of sub indicator value. The nursery group that held number of meetings to discuss matters related to the coconut nursery run by the group on the initiation of catalyst gets an average value for participation.

#### 5.4.2. Participation in activities

Table No. 8, Participation in Group Activities

Rating	# of Groups
Very weak	9
Weak	0
Average	1
Good	2
Very Good	0
Total	12

It could be observed that the same groups in Puwakpitiya have involved in activities with the participation of their members. In nursery group, the activities have been weeding and watering etc. The women's groups have got together to go on an educational tour to Weragala, a neighbouring sub watershed and to undergo a training on kitchen management and use of fire efficient stoves.

#### 5.4.3. Fund collection

None of the twelve groups collect funds and are therefore very weak in this aspect.

#### 5.4.4. Record Keeping

Table No.9, Record Keeping by RUGs

Rating	# of Groups
Very weak	9
Weak	3
Average	0
Good	0
Very Good	0
Total	12

As indicated in the Table No.9 above, all the groups fall into the category of weak or very weak because they do not maintain records properly or do not maintain record at all. Since they have no activities of their own, there is no necessity for them to maintain records.

#### 5.4.5. Institutional Recognition

None of the groups are institutionally recognized.

#### 5.4.6. Horizontal Linkages

The members of the groups held membership in organizations while holding membership in the groups. They considered that the linkage established this way is useful and considered it as group's linkage with their village organization. However, there was no any mechanism such as group representatives representing the groups at organization's executive committee level. The rating for the horizontal linkages is given below in Table No. 10.

Table No. 10, Horizontal linkages of groups

Rating	# of Groups
Very weak	4
Weak	0
Average	4
Good	0
Very Good	4
Total	12



The group members as well as the leaders of organizations think that the groups in Puwakpitiya are linked to the FO and that linkage is useful to members. They have been given a very good rating due this reason. Yan Oya group in Garandiyaulpotha was linked to Nikawewa FO at the time of this survey and getting their credit requirements from Nikawewa FO. It too has been given a very good rating. Four groups in Mahasengama though linked to the FO according to group leaders, they did not consider the linkage as a useful one, hence an average rating is given.

#### **5.4.7. Communication**

How often meetings of the group are held and the success of the group as a forum for communication within the group and with the FO is considered in this indicator. All the twelve groups get a weak rating for communication.

#### **5.4.8. Fund composition**

Table No. 11, Fund Composition of Groups

Rating	# of Groups
Very weak	9
Weak	2
Average	0
Good	0
Very Good	1
Total	12

Only one group, Ekamuthu in Mahasengama can be ranked as very good. However, it gets a higher rating for the fund raised in the past. Since there is no fund raising attempt now, the fund in their possession will not grow.

#### **5.4.9. Credit Recovery**

Only the groups in Mahasengama have provided credit to make recoveries. Other groups get zero values for this sub-indicator due to this reason. The four groups in Mahasengama have failed to recover credit and get zero ratings for credit recovery.

#### **5.4.10. Transparency in Financial Transactions**

The four groups in Mahasengama get zero ratings because they have not presented details of their financial transactions to their members during this period. Other groups get zero ratings as they are not engaged in financial transactions.

#### **5.4.11. Member Benefiting Activities**

Only two groups in Mahasengama gets marks for member benefiting activities. They are two groups in Mahasengama which have provided small loans to their members during this period. They too get a very weak rating. It is evident that none of these groups have member benefiting activities to attract them to the groups now.

#### **5.4.12. Sustainability of Groups**

Table No. 12, Sustainability Index

Rating	# of Groups
Very weak	9
Weak	3
Average	0
Good	0
Very Good	0
Total	12

Almost all the groups get weak and very weak ratings for sustainability. They have become defunct during the project period itself.

### **5.5. Conclusions**

1. The major objectives of SCOR has been to initiate as many people as possible to take up soil and water conservation and environmentally friendly production practices within a short period in order to achieve project targets. The nature of the activities implemented with the groups, as described above, reflects this effort of SCOR. Even the training provided to the groups has mainly been aimed at transfer of conservation and production technologies by SCOR specialists in the relevant disciplines or by the departmental officers hired for such activities on holidays. There have not been serious attempts in the part of SCOR for institutional development at the grassroots level by activities such as initiating leaders for leadership roles, members for collective action and building up of group funds etc., mainly because SCOR viewed it as a slow process not

worthwhile as the main thrust of SCOR was the realization of production and protection targets. As some catalysts put it "What we were told was to bring about changes in the land management practices so that one who looks at the project from the sky could be able to identify the SCOR patches (the areas where SCOR interventions were implemented) separately. Now researchers who come after several years try to find sustainable groups. We were not told about those things at that time". Now the question is whether such vast changes have been brought about by the project and if so whether the farmers can continue adopting such innovations without collective efforts of the community members.

2. Though groups are not the only mechanism for watershed management, it is easier for an organization handling watershed management to coordinate activities in the field when such small groups with intensive face to face interactions exist in localities. The success of SCOR interventions in Mahasengama in Padikaramaduwa largely depended on the four groups formed initially by the Integrated Rural Development Project (IRDP). Though these groups performed well in the past, their performance has been reduced after the formation of the Mahasengama Farmer Organization. Collective action for building up of group fund which the group used for providing credit to members is no more seen in any of the four groups now, after the members have access to the credit from the Farmer Organizations as individuals. A fundamental question raised by the cessation of these groups is that whether groups can co-exist with organizations in a smaller community like that of Mahasengama when organizations take over some important activities handled by groups. A similar kind of process with regard to groups are seen in Tittallawa in Kokawewa sub watershed. This type of a process in lower level institutional development may be largely due to the fact that the drudgery of participation in groups through activities like self-help, working as wage labourers to raise group fund etc. is not required in these organizations because of their access to credit institutions with the help of SCOR grant. However, it is not yet very clear how such linkages would affect members own effort for building up and management of fund as well as their relationship with their own fellow members. The observation of the consultant is that the interactions between the members of the organization is much more weaker than that in the groups when they functioned effectively in the past. Their interest at building group fund and managing it was at a very satisfactory level due to the fact that it was their money earned with hard work, even though the amount was not so big as SCOR grant.
3. Another main reason for the deterioration of the groups is very dry weather conditions prevailed through out Maha season 1996/97. Since there were no agricultural activities, the groups and organizations concerned only with production and protection could not provide benefits to their members. But organizations and groups with their own fund to provide credit and assistance in time of need had an attraction for the members even during this period.

4. It was expected to provide incentives and assistance to group members through mini-projects. However, the delay in implementation of mini-projects has an adverse impacts on the performance of groups as well as organizations as the members got discouraged due to long delays in mini-project implementation.
5. One main reason for deterioration of groups is that they have been formed mainly for the purpose of implementing SCOR interventions, especially transfer of soil and water conservation and some production technologies to highland farmers. If this is the only objective, this can be done even without groups. At this stage, there can not be observed any functional requirement for the group members to have regular group meetings, close interaction among them to implement many of the activities implemented with them by SCOR. However, if such functional requirements are there, as observed in some women's groups who do reciprocal labour exchange etc. such groups can be effectively used for implementing SCOR type production and protection activities.
6. Obtaining legal or institutional recognition for a small group from the government organizations like ASD is not possible under present rules and regulations. It is also extremely difficult to get number of groups with different needs and interest to get together and form into organizations. These are limitations for groups to become organizations with legal recognition to provide services to members. In organizations like IRDP and Sarvodaya, the practice was to provide technical and other assistance direct to the groups. Under such circumstances, groups can exist without becoming organizations. This too was one reason for some groups formed by SCOR to disappear. The group members leave groups and join organizations on such circumstances to have access to credit through these formal organizations legally recognized by banks and credit institutions as in the case of many groups in Garandiyalulpotha.
7. Based on the above, it could be concluded that SCOR need to concentrate much on formal organizations rather than small groups, if it is striving for sustainability. This is because there is no institutional environment favourable to the sustenance of groups. However, this does not totally negate the group concept. When there exist some location specific conditions favourable to form groups, that opportunity need not be given up. Where functional groups exist, attempts need to be made to get their involvement in project activities with maximum care not to ruin them through interventions aiming at short term successes. The catalysts should have the capacity to understand where he should have groups and where not.

## CHAPTER SIX

### PERFORMANCE OF RESOURCE USER ORGANIZATIONS

#### 6.1. Introduction

At the initial stage of the project implementation, SCOR emphasis was on the formation and strengthening of groups rather than organizations. It can be understood from M&E criteria developed by the M&E specialist that the path the project perceived for groups to take and develop to become organizations. In this hypothetical organizational development model, the groups which reach status A were supposed to build up horizontal linkages with other groups and develop into organizations. The organizations in sub-watershed were supposed to federate into sub councils and sub councils into system level farmer federations or councils. These federations were expected to form farmer companies which help farmer organizations, sub councils and councils to engage in sustainable production and protection activities and thereby sustain themselves through their regular interaction with the farmer company. However, the catalysts and WMCs who worked in the field experienced that the groups formed by them for implementation of SCOR activities could not sustain themselves to become organizations. Reasons such as difficulty in getting different groups with different interest and needs to form into one organization and inability to have legal recognition for small groups under the existing rules and regulations led them to turn to work with the existing organizations or to form new organizations instead of groups.

Table No. 13, Resource User Organizations in Huruluwewa

Farmer Organizations	# of Organizations	# of Memberships
1. Walgamwewa	4	518
2. Nayakumbura	1	35
3. Angunawelpellessa	1	103
4. Kalundawa	2	259
5. Eravula	2	185
6. Welangolla	1	103
7. Polattawa	5	373
8. Puwakpitiya	3	150
9. Kudarabawewa	2	101
10. Weheragala	1	106
11. Mahameegaswewa	1	63
12. Madawala	3	194
13. Padikaramaduwa	1	63
14. Kokawewa	9	490
15. Tikkanpothana	1	50
16. Tract 6	3	299
17. Kelanikawewa	1	33
18. Ulpthagama	1	22
19. Maradankalla	2	188
Total	44	3,335

With the initial failures experienced with groups, the shift of the SCOR to work with the existing larger farmer organizations formed either by the Irrigation Management Division (IMD) or Agrarian Service Department (ASD) is evident with the increase of the number of organization to 44 by the end of December from 24 reported at the end of September 1995. Out of this 44 organizations, 16 were in Hurulu Feeder Canal area, 4 in Huruluwewa command area and 24 under minor tanks and rain-fed areas. Though 29 organizations out of the 44 had been registered under ASD, their performances were at a very low level. Out of the 44 organizations, only two recently formed organizations in rain-fed area had reached status B. 11 organizations had reached status C while 27 had reached the required standard to classify under status D. 5 organizations were below status D.

These organization were again evaluated by the end of June 1997 and SCOR could be observed working with 54 farmer organizations in rain-fed areas, major or minor irrigation systems. The total membership of these organizations exceeded 4500 farm families as shown in Table No. 14, Farmer Organizations. 17 out of these organizations were in Feeder Canal area, 8 in Palugaswewa area and the rest in Galenbindunuwewa and Kahatagasdigiliya areas. Out of the 54 organizations 44 had been registered under section 56 A in the Department of Agrarian Services (ASD). Only Mahameegaswewa Farmer Organization had been registered under 56 B out of these legally recognized 44 organizations. The other 10 organizations had not been registered at ASD by the end of December 1996.

Table No. 14, Farmer Organizations

Sub watershed	# of Organizations	# of Members
1. Walgamwewa	5	440
2. Nayakubura	1	45
3. Angunawelpellessa	1	100
4. Kalundawa	2	265
5. Eravula	2	216
6. Welangolla	1	113
7. Polattawa	5	499
8. Puwakpitiya Laksirigama	2	162
9. Kudarabawewa Kubukwewa	2	109
10. Weragala	1	80
11. Mahameegaswewa	1	48
12. Madawala Halmillawa	2	153
13. Padikaramaduwa	2	92
14. Dutuwewa Katarampura	5	465
15. Kubukwewa Ratmalgahawewa	2	69
16. Kokawewa	10	952
17. Tract 6 Kunugonawa	2	211
18. Kelenikawewa	1	53
19. Ulpathgama Telambugaswewa	2	143
20. Maradankalla	3	207
21. Kaluwaragaswewa	2	94
Total	54	4,516

It was revealed in this evaluation that 8 organizations out of 54 did not meet criteria 1 - 4 to qualify themselves to become even status D organizations. 28 organizations were at status D, 15 at status C and 3 at status B according to this evaluation. Interviews with farmer leaders revealed that the water scarcity for crop production is one of the main reasons for the poor performance of many of the organizations. However, because of the activities such as participatory forestry programme which bring benefit to the members, the farmers could be observed involving themselves in organizations activities to qualify themselves for such benefits.

## **6.2. Proposed Activities for strengthening of Organizations**

For SCOR, the organizations were a mean to achieve project's production and protection targets. SCOR expected RUOs to learn from working with catalysts and continue SCOR efforts after their withdrawal. However, to initiate farmers for production and protection activities, the organizations need to have resources, access to credits and inputs and also necessary institutional and legal recognition and linkages with public and private sector organizations as well as the farmer level institutions themselves. Therefore, the main areas considered as important in SCOR institutional development program included the following.

1. Building up of institutional linkages between RUOs and government and non-government organizations - SCOR expected RUOs to work independently with government organizations like ASD, DOA, FD, LDD, CCB, Government Banks, private sector banks and non-government organizations like SANASA, Sarvodaya, World Vision operating in the area. It was assumed that RUOs could be able to implement resource management activities with the assistance and guidance of these organizations.
2. Legal recognition - To register RUOs in ASD was considered as very important for them to become acceptable to credit institutions, public and private sector organizations. The organizations were expected to be registered both under section 56A and 56 B.
3. Horizontal linkages - Building up of linkages between and among RUOs were one major area of the institutional development program. The RUOs were supposed to federate into Sub Councils and farmer federations (Councils).
4. Vertical linkages - Establishment of higher level committees like SWRMTs, WRMTs and Farmer Companies and building up of linkages between RUOs and these management bodies were considered as important. At the initial stages of the project, the role expected from WRMTs, and Sub WRMTs were to provide guidance and assistance for implementing various kind of production and protection innovations through coordination of the activities of various line agencies. Farmer Companies were supposed to help RUOs to continue these efforts in a sustainable manner.

5. Financial strengthening of RUOs - Providing grants to be used as revolving funds for implementing production and protection programs as well as to engage in enterprise development activities was a key area in SCOR institutional development program.
6. Training - Providing training to FRs on leadership and management skill development

While paying some attention to these kind of institutional development activities to a certain extent, the project concentrated more on achieving its targets using the catalysts to play the role of the community leader. The activities implemented this way with the resource users in 12 RUO areas will be discussed below to introduce the reader to the institutional development effort of SCOR.

### **6.3. Activities Implemented with Organizations**

#### **6.3.1. Activities Implemented in Walgamwewa**

Walgamwewa RUO had been established by IMD in August 1992. The initial Membership of the organization had been 145. The farmers in the area had joined the organization to find solutions to their water problems as they were considered by Mahaweli as encroachers illegally tapping Mahaweli water issued to Huruluwewa and Kandalama. SCOR started to work with this Organization towards the end of 1993. A catalyst was appointed to the area in early part of 1994. However, prior to SCOR, there had been Institutional Organizers (IOs) appointed to this area by IMD. The activities implemented by the organization at that time was holding meetings to inform kanna meeting decisions. The interventions attempted by SCOR with this community is given below.

##### **6.3.1.1. Integrated Water Management**

A major interventions attempted by SCOR in Walgamwewa in the upper part of the Feeder Canal area relate to irrigation management. At the initial stage, SCOR aimed at reducing water consumption in Feeder Canal area in order to bring more water to Huruluwewa. For this purpose, major interventions attempted were maximum use of rain fall during land preparation period, introduction of seasonal crops and perennial in paddy allotments and highland in irrigated areas with irrigation difficulties. Also, attempts were made to reduce the number of pipes used by farmers to tap water in the Feeder Canal. SCOR initiated holding timely pre-kanna meetings and kanna meetings with farmers and agency officials to implement these programs. The area cultivated and the number of farmers involved and the role played by SCOR is given in Table No. 15, Area cultivated in Walgamawewa Command.



Table No. 15, Area cultivated in Walgamawewa Command.

Season	Crops Cultivated		Number of Farmers		SCOR Role
	Paddy	OFCs	Paddy	OFCs	
1993/94 Maha	435	-	260	-	1,2
1994 Yala	50	300	20	180	1,2
1994/95 Maha	430	-	265	-	1,2
1995 Yala	50	225	22	210	1,2,3
1995/96 Maha	410	-	190	-	1,2
1996 Yala	53	-	-	80	-
1996/97 Maha	239	-	120	-	1,2
1997 Yala	35	130	25	70	4

#### Key to the Table

1. Initiating Kanna meetings
2. Water Management activities
3. Assist in allocation of bethma lands
4. Making credit arrangements

The major functions of SCOR in Walgamwewa has been to initiate kanna meetings and implement water management activities. SCOR took the leading role in implementing these innovations at field level with the participation of some farmer leaders in the farmer organizations. In 1994/95 Maha some SCOR members went to the extent to remove the pipes installed along the canal by farmers to tap water in the Feeder Canal and had conflict with some farmer organizations in the area over this. However, the president of Walgamwewa farmer organizations remained very faithful to SCOR and took lead in implementing water management activities as well as other SCOR activities. SCOR catalysts played a major implementing role and when bethma land allocation was done in Yala 1995, they had to help farmer leaders to allocate land in the absence of line agency support. In spite of the fact that the catalysts worked hard to achieve project goals and objectives, it led the farmers in the area to believe that SCOR activities are aimed at issuing more water to Huruluwewa. This was aggravated by the fact that SCOR could not intervene at times of water crisis due to canal closure by Mahaweli and problems associated with main system operation. Though the implementing agencies were involved in forums like kanna meetings, their active involvement could not be observed in actual field implementation during first two years of the project.

#### 6.3.1.2. Credit facilities for OFCs and Perennial

SCOR prepared a watershed development plan (Mini-project Report) for Walgamwewa and made a grant of Rs. 366,750.00 to the farmer organization. Mini-Project could not be operationalized according to the plan for various reasons. However, the following activities were implemented in the field by withdrawing money deposited in the bank for operationalizing the Mini-Project.

Table No. 16, Activities implemented in Walgamwewa with Mini-Project Funds

Season	Purpose	Number of Farmers	Extent Acres	Amount
1994/95 Maha	Credit for plants in the Feeder Canal reservation	44	15	35,670.00
1994/95 Maha	Banana Cultivation	17	20	60,000.00
1997 Yala	OFCs in Korakahawewa	18	-	18,000.00

Planting of trees along the reservation in the Feeder Canal is a conservation activity initiated by SCOR. The plants were given to the farmers by SCOR catalysts with the involvement of some farmer leaders on credit basis. Some farmers report that the plants still survive and would bear fruits after some time but some report that their plants have died. Such farmers are unwilling to pay back the loans. As for the Banana cultivation, some farmer leaders are in the view that the loans were given to farmers by SCOR without consulting the RUO and, therefore, they can not be responsible for loan recovery, Only Rs. 5,000.00 had been recovered by the end of June 1997 out of the total amount given for banana cultivation. No proper kind of monitoring has been done with regard to the survival of plants or the economic performance of these crops, to know exactly whether farmers have been benefitted. Though it is true that several farmers have been able to get a good income from banana, the number of farmers benefitted from this activity is marginal as shown in Table No.16 above. Credit has been provided only to a few farmers for seasonal crops in Yala 1997 with the use of grant to take a bank loan . In all other occasions, grant money lie idle with the bank without being used to provide incentives for farmers to take up watershed management activities. Also, Rs. 130,000.00 had been released to two farmer organizations by Walgamwewa FO on the request of SCOR officials and this too became a serious problem for them to operationalize Mini-Project to provide benefits to farmers, according to some farmer representatives.

#### 6.3.1.3. Other Activities Implemented

The other activities implemented are given in Table No. 17, Other Activities Implemented in Walgamwewa.

Table No. 17, Other Activities Implemented in Walgamwewa

Season	Activity	Farmers	Acres	Lots	SCOR Function
1994/95 Maha	Conservation bunds in homesteads	33	-	33	1
1994/95 maha	Supply of 3 coconut seedlings to each farmer	52	-	52	2
1994/95 Maha	Supply of 40 plants to each homestead from Forest Dept.	40	-	40	3
1995/96 Maha	-do-	47	-	47	3
1995/96 Maha	Forestry Program in the reserved hilly areas	28	25	25	3
1996/97 Maha	-do-	32	25	25	3

#### Key to the Table

1. Training and providing the service of A.I. for marking contour bunds
2. Coordination of Coconut Cultivation Board
3. Coordination of Forest Department

In addition to this, direct fertilizer was supplied to the FO from Hurulu Farmer Company by the intervention of catalyst. Also planting of trees in common properties like the temple, school and the church was initiated and 40 plants to each location were supplied from FD. Other major activity has been awareness creation for environmental friendly production practices and conservation through village level meetings attended by SCOR conservation specialist (CS).

#### 6.3.2. Activities Implemented in Samanthalayaya

Samanthalayaya RUO is formed on 12.9.1996 on farmers' request by SCOR catalysts. Prior to the formation of this organization, its members held membership in Walgamwewa RUO. They wanted a separate organization mainly because their water problems were different from those in Walgamwewa. Some of their lands located away from Feeder Canal had acute water problems because field canals have not been constructed to irrigate them. Since this is a newly formed organization, SCOR activities implemented here are limited to cultivation of banana in irrigated areas with irrigation difficulties. This too had been done when they were members of Walgamwewa organization. Due to water problems and many other socio economic reasons majority of land holding people are not permanently settled here. They migrate to the area during cultivation seasons for raising crops.

However, new TL has introduced sun flower to several farmers here while YWC and MA has initiated "gotukola" and passion fruits in small scale in the area. The entire area planned for these crops in Yala 1997 has been about 87 acres. However, they have been able to achieve only 30 3/4 acres.

### **6.3.3. Activities Implemented in Polattawa**

Polattawa RUO is formed by IMD on the initiation of SCOR on 3.5.1995. Though there had been a RUO formed by ASD prior to this organization, it had been defunct by the time SCOR started its activities. Its initial membership is 106. This has increased to 160 by now. The activities implemented by SCOR with this organization is given below:

#### **6.3.3.1. Integrated Water Management**

The major interventions attempted in Polattawa in the tail-end of Hurulu Feeder Canal was irrigation management related activities. Holding timely cultivation meetings, awareness creation etc. were the initial activities with the farming community. The farmers were initiated to do OFCs on bethma basis in Yala 1995, and attempts were made in 1995/96 Maha to reduce the number of pipes used by farmers. Though these initial activities did not show much success, the farmer organization formed in the area on SCOR initiation performed well later and the leadership could therefore, influence the farmers through the organization to adhere to the cultivation meeting decisions in Maha 1996/97. The farmers strictly adhered to the cultivation meeting decisions in this season while their fellow farmers in other DCO areas violated decisions and tapped water illegally. Polattawa farmers who cultivated according to the cultivation meeting decisions had serious water problems towards the end of the season. This led to a yield reduction and crop failure in the season. SCOR or IMD could not do anything to help farmers to get water from Mahaweli. Therefore, the farmers in the area have lost trust of SCOR as well as most other line agencies like ID and IMD.

#### **6.3.3.2. Other Activities implemented in Polattawa**

Polattawa belongs to the Phase II area of SCOR. It was provided with a grant amounting to Rs. 372,500.00 very recently for operationalizing the Mini-Project proposal prepared in mid 1996. The following activities have been implemented in the area on the initiation of SCOR.

Table No. 18, Other Activities Implemented in Polattawa

Season	Activity	Farmers	Acres	Lots	SCOR Function
1995/96 Maha	Conservation bunds in homesteads	15	-	15	1
1996/97 maha	Conservation bunds in homesteads	11	-	11	1
1995/96 Maha	Supply of 40 plants to each homestead from Forest Dept.	100	-	100	3

#### Key to the Table

1. Training and providing the service of A.I. for marking contour bunds
2. Coordination of Coconut Cultivation Board
3. Coordination of Forest Department

In addition, the farmers have been able to get 600 coconut seedlings from the Coconut Cultivation Board and assistance for 20 mango demonstrations from DOA in 1995/96 through SCOR coordination. SCOR has been able to initiate farmers to plant trees in 1 km distance along the roads in the village. In 1996/97 Maha, 10 farmers have been provided with 935 coconuts for coconut nurseries, 3 farmers have been provided facilities from FD to run nurseries for various kind of forestry programmes in the area, through SCOR coordination. 20 household have been provided with fire-efficient stoves to reduce fuel wood consumption. In 1997 Yala, sunflower demonstrations have been done with 3 farmers in the area on the initiation of the team leader who took a keen interest in this extension activity. 12 farmers also have been encouraged to grow gingerly on 3 acres as demonstration during the same period. Farmer organization in the area was initially linked to Keels Company Ltd. to collect and supply fruits to the company. However, this failed later as the RUO could not provide the fruits of the required quality standards.

### 6.3.4. Activities Implemented in Puwakpitiya

#### 6.3.4.1. Integrated Water Management

The major activities implemented in Puwakpitiya, a small tank system in the up-stream area of Huruluwewa under integrated water management, was maximum use of rain-fall for land preparation, holding timely cultivation meetings, initiate farmers to adhere to cultivation calendar, cultivation of OFCs and kakulan (dry land paddy cultivation) and water management activities at tank level. To implement these programs catalyst needed to have a farmer organization in the village. Though there was a farmer organization, it was not functioning

properly. It had not even been registered at ASD. Therefore, the catalyst had to set up farmer organization and register it at ASD. At the same time catalyst started to work with the community. Table below shows the activities implemented under Puwakpitiya tank with the involvement of SCOR.

Table No. 19, Area cultivated in Puwakpitiya

Season	Crops Cultivated		Number of Farmers		SCOR Role
	Paddy	OFCs	Paddy	OFCs	
1994 Yala		13			1,2
1994/95 Maha	54	-	67	-	1,2
1995 Yala	-	16	-	-	1,2
1995/96 Maha	54	-	67	-	1,2
1996 Yala		15	-	25	-
1996/97 Maha	9	-	10	-	-

#### Key to the Table

1. Initiating Kanna meetings
2. Water Management activities
3. Assist in allocation of bethma lands
4. Making credit arrangements

Catalyst started to work with the community in Yala 1994 in which farmers had cultivated some chillies under the tank. The farmers were faced with a severe water scarcity for the crop as water level in the tank had dropped down by this time. The catalyst proposed mulching as a solution to the water scarcity problem and was able to increase the length of the irrigation interval by use of straw for mulching and save the crop. After this initial success, he mobilized farmers for kanna meetings and initiated farmers to do dry land ploughing and also took step to control water issues from the tank sluice. He played the role of community leader at times to implement these activities. The farmers tried to practice dry land ploughing in two seasons and later did not want to continue with it. In their point of view, weeds can not be easily controlled when they do dry land ploughing and establish the crop. When there is no sufficient water in the tank to be used later for weed controlling (they need water after spraying weedicide) the farmers who cultivate kakulan, can not control weed at all. Therefore, the farmers now tend to start cultivation when there is sufficient water in the tank at least to do ploughing and weed control activities with the use of tank water.

#### 6.3.4.2. Other activities implemented in Puwakpitiya

Activities in Puwakpitiya was not supported through a Mini-project. However, at the time conservation activities were introduced to the community, farmer organization was given a small grant of Rs. 19,530.00 to purchase seedlings for the farmers who put contour bunds and adopt various kind of conservation measures recommended by the project. Catalyst expected the

organization to use this money as a revolving fund by recovering the value of the plants distributed among the farmers.

Table No. 20, Other Activities Implemented in Puwakpitiya

Season	Activity	Farmers	Acres	Lots	SCOR Function
1994/95 Maha	Conservation in homesteads	23	17	23	1,3
1995/96 maha	Conservation in homesteads	3	2	3	1
1995/96 Maha	Supply of 40 plants to each homestead from Forest Dept.	40	20	40	2
1996/97 Maha	-do-	50	25	50	2
1996/97 Maha	Conservation of chena	28	14	28	1,2

#### Key to the Table

1. Training
2. Coordination of CCB and FD
3. Credit for plants and seedlings

At the initial stage, the attempt to initiate farmers to adopt conservation practices did not show much success. In many cases it was limited to bunds and drains or buds alone. However, the farmers were provided with seedlings and plants through the small grants given to the RUO by SCOR as well as coordinating arrangements with CCB and FD that had their own programs in the area. This has contributed to increase the number of trees in the sub watershed. In 1996/97, the conservation specialist wanted to cover at least a limited area of the sub-watershed with a maximum number of possible conservation technologies (out of the ten technologies recommended by him). Therefore, 14 acres of chena land was allocated to farmers with the involvement of DS, Palugaswewa to develop them as homesteads. Adopting various conservation practices recommended by the project was a must for them to have ownership rights (deeds) for the lands. Also, farmers in these allotments were encouraged to raise maize for Thripasha Company by providing fertilizer and seed on credit basis through Huruluwewa company. Because of the germination problems and insufficient rain, farmers could not get a better yield as expected by SCOR.

#### 6.3.5. Activities Implemented in Mahameegaswewa

SCOR started its activities in Mahameegaswewa in early part of 1994. Though ASD had tried to initiate a farmer organization in the village previously, it has not been successful. The

management activities in the tank was implemented by ASD through a Velvidane who himself was a farmer living in the village. SCOR catalysts who worked in the village formed a RUO to implement project activities. The organization was registered under section 56 A and 56 B. For a period of one year, Mahameegaswewa was SCOR's most successful sub-watershed as far as implementation of its soil and water conservation technologies.

### 6.3.5.1. Integrated Water Management

The activities implemented in Mahameegaswewa under integrated water management were land preparation with maximum use of rainfall, OFC cultivation in Yala and water short Maha seasons and adhering to the cultivation calendar agreed upon at kanna meetings. The area cultivated and the SCOR involvement in these activities are given below in Table No. 21, Area Cultivated under Mahameegaswewa.

Table No. 21, Area cultivated in Mahameegaswewa tank

Season	Crops Cultivated		Number of Farmers	SCOR Role
	Paddy Acres	OFCs Acres		
1994 Yala	-	6	30	1,2,3
1994/95 Maha	60	-	48	1,2,4
1995 Yala	22	8	52	1,2,3,4
1995/96 Maha	32	-	24	1,2,4
1996 Yala	-	-	-	-
1996/97 Maha	-	-	-	-
1997 Yala	-	3	17	1,2,4

#### Key to the Table

1. Initiating Kanna meetings
2. Water Management activities
3. Assist in allocation of bethma lands
4. Making credit arrangements

As seen in this table, the major activities of SCOR were to plan and implement seasonal activities, provide credit through banks, initiate water management activities and assist farmers to share land for bethma cultivation. The FO was able to arrange credit to farmers through banks using SCOR grant amounting to Rs. 326,500.00 for operationalizing Mini-Project.



Table No. 22, Credit Arrangements to Meegaswewa Farmers through SCOR Grant

Season	Purpose	Number of Farmers	Extent Acres	Amount
1994/95 Maha	Credit for paddy cultivation	48	60	11,3302.47
1994/95 Maha	Credit for seedlings	42		8,783.00
1995 Yala	Credit for OFC and Paddy	52	30	41,491.43
1995/96 Maha	Credit for Paddy	24	32	42,062.24
1995/96 Maha	Credit for seedlings	10		1,428.00
1996/97 Maha (late maha)	Credit for OFCs	9	8	16,500.00
1997 Yala	No water for cultivation	-	-	-
1997 Yala	Credit for animal husbandry	10	-	50,000.00

However, dry weather conditions, crop failures etc. from 1995 Yala onward gradually reduced the number of farmers who could obtain loans from the organization. RUO had to take legal action against those who failed to settle loans and this led to conflicts between some community members and the organization office bearers. Membership of the organization dropped down to 8 in early part of 1996 from 62 reported in 1994. After the second season, the organizations could not get loans from the banks and, therefore, had to withdraw money from the grant to provide credit to members in subsequent seasons. But towards the end of Yala 1997, the bank has agreed to provide loans equal to the amount in the fixed deposit. However, farmers are not prepared to take loans for animal husbandry on the conditions laid down by the banks for credit recovery. As a result catalysts had to withdraw money from the grant and issue loans to ten farmers to kindle hopes in farmers of the possible benefits from the organization. It is after this move to issue loans for animal husbandry that the membership in the organization began to grow from 8. The farmers are in the view that the failure of chillie cultivation undertaken by them on SCOR initiation in Yala 1995 made them defaulters. There is repentance in the community over this.

### 6.3.5.2. Other Activities implemented in Mahameegaswewa

Table No. 23, Other Activities Implemented in Mahameegaswewa

Season	Activity	Farmers	Acres	Lots	SCOR Function
1994/95 Maha	Conservation bunds in homesteads	40	40	40	1
1994/95 maha	Chena stabilization	55	55	55	1
1995/96 Maha	Participatory Forestry Program	17	25	17	2

#### Key to the Table

1. Training and providing the service of A.I. for marking contour bunds
2. Coordination of Forest Department

Conservation of homesteads and chena stabilization was one of the major interventions attempted in Mahameegaswewa at the beginning. For encouraging farmers to put bunds and drains in their lands, plants were given to them on credit basis by the farmer organization which has received a small grant from SCOR at the initial stage. Chena stabilization was an intervention aimed at confining farmers to one piece of land in order to discourage farmers doing slash and burn cultivation which contributes to deforestation. Farmers had been explained that by adopting all the technologies recommended by SCOR in these chena lands, they can go on cultivating the same piece of land over and over again without having problems like yield reduction. However, farmers could not be confined to the same piece of land. They went on practising slash and burn cultivation in the neighbouring scrub jungles. SCOR through its coordination provided seedlings and plants for homesteads and other high lands from the Department of Forest and Coconut Cultivation Board. Number of trees in homegardens increased due to these interventions. In 1996/97, participatory forestry programme implemented by FD was introduced to Mahameegaswewa with SCOR coordination. This provides both short term and long term benefits to the farmers. However, the benefit of the programme went only to those who hold membership in the organization. Membership of the organization was limited to a very few farmers during this period as majority of the members had left the organization as a result of conflicts they had with the leadership as well as SCOR by this time.

The other major interventions attempted by SCOR in this location is the establishment of a market centre run by the organization. The centre was financed through the SCOR grant given for the Mini-Project. The activities of the centre started on 27 January 1995 for which Rs. 79,227.00 was initially issued from the grant. Its main task at the beginning was to supply agricultural inputs such as seeds, fertilizer and agro-chemicals. But SCOR officials wanted to address many other farmer level problems like marketing of their agricultural produce, processing of some cereals like kurakkan etc. to have a better price for farmers. These activities were initially started at small scale by employing a manager for the centre who was paid a monthly allowance of Rs. 1,500.00. It purchased mustard and margoza seeds to be supplied to a

Farmer Company named "Green Path" which too had been initiated by SCOR. The company did not purchase these seeds as it did not start its operation for some unknown reason. The farmer organization was at a loss due to these business activities. Also processing of grains etc. was given up as the farmer organization could not find markets or facilities to process cereals. The centre was finally closed down to avoid further losses from grant. A loss and profit account has not yet been prepared to know exactly how much was lost due to the operation of the centre.

It was also attempted to grow some herbal of medicinal value (e.g. katuwalbatu) which are imported to the country annually by the government of Sri-Lanka. Farmers were issued seed free of charge and some farmers were ready to grow them. As the seed issued to them did not germinate, the farmers gave it up in the first season itself.

In addition, farmers had been assured support for construction of agro-wells with the funds from Mini-Project grant. This too could not materialize as banks were not prepared to issue loans for agro-wells on their bitter experience in investing on them. This too created ill feeling in the community towards SCOR. The membership in the RUO reduced to 8 after these incidence. However, catalyst again organized members for the participatory forestry program. After this the membership rose again to 35. But a sharp division could be observed between the members and non-members in this community over the access to credit and other resources at the command of the members of the organization.

#### **6.3.6. Activities Implemented in Padikaramaduwa**

Padikaramaduwa Sub watershed consists of several micro watersheds. SCOR interventions during Phase I was implemented mainly in Mahasengama. During Phase II activities were extended to Padikaramaduwa Old Village and Methgama. The activities implemented in three villages will be taken separately as each village has a separate farmer organization.

##### **6.3.6.1. Activities implemented in Mahasengama**

SCOR interventions Started in Mahasengama in May 1994. There was no farmer organization in the village. As IRDP had implemented its activities in the village previously, there were four small groups established by the project. Catalysts started his work with these groups. Initial activities implemented was conservation of homesteads and highlands. To encourage farmers to adopt soil and water conservation technologies, they were provided with a small grant of Rs. 21,000.00 and later 13608.00 to buy plants and seedling of perennial crops and also seeds for soya bean and banana seedlings to be planted in conserved lands. The activities implemented in Mahasengama is given below in Table No. 24.

Table No. 24, Activities implemented in Mahasengama

Season	Activity	Farmers	Acres	Lots	SCOR Function
1994/95 1995/96 1996/97 Maha	Conservation (homesteads and highlands)	55	75	55	1,2,3,4
1995/96 Maha	Participatory Forestry Program i	50	50	50	3,4

## Key to the Table

1. Training and providing the service of A.I. for marking contour bunds
2. Coordination of Coconut Cultivation Board
3. Coordination of Forest Department
4. Credit for plants and seedlings

In addition, production activities such as cultivation of soya, maize and chillies was initiated by SCOR in homesteads, chenas and lands under participatory forestry program in Mahasengama from 1994/95 Maha season onward. Most of these activities have been implemented with the involvement of small groups which have been very effective during this period. However, after the formation of a new farmer organization, SCOR activities have been implemented through the organization to which SCOR made a grant of Rs. 285,500.00 for operationalization of Mini-Project. By depositing this money in the bank, credit arrangements were made to Mahasengama Organization as shown in Table No. 25, below. Also the farmers attraction to this RUO grew as they had access to participatory forestry program which provide them short term and long term benefits.

Table No. 25, Credit Arrangements with Mini-Project Funds - Mahasengama

Season	Purpose	Number of Farmers	Extent Acres	Amount
1996 Yala	Chilli and B onion cultivation	21	-	42,000.00
1996/97 Maha	Chilli and black gram cultivation	37	-	79,000.00

There were problems in recovering the credit in 1996/97 because of poor yields due to drought condition. In order to recover credit provided to the farmers, the organization purchased chillies produced by them at Rs. 75.00 per kilo with the anticipation of making a profit later. However, they had to sell it at a very low price after several months because chilly price had dropped down in the market. In addition to the loss through chilly business in 1997, the organization had a loss of nearly about Rs. 38,000.00 in handling soya business with the Huruluwewa Farmer Federation in 1995 Yala. The RUO leaders are in the opinion that they made a profit but the

Federation deprived them of it. This has led the RUO to be suspicious about the company and its leading FRs. This moved them to handle chilly purchasing activities independently in 1997 without the involvement of the company.

In spite of SCOR's attempt to help this community through grants etc., farmers are not much satisfied with its work. This is mainly due to the fact that SCOR has failed to fulfil the promises made to farmers through mini-project. For example, the farmers have been awaiting long to have loans from banks using SCOR grant as a revolving fund. Though this has been discussed with farmers from 1994 onward, it has not yet materialized. "Just like IIMI's milk cows" is an idiomatic expression in the community for an unfulfilled promise.

#### **6.3.6.2. Activities implemented in Padikaramaduwa Old Village**

SCOR started its activities in Padikaramaduwa old village in 1994/95 Maha season and attempted to initiate farmers for water management activities in the tank by organizing cultivation meetings etc. This village had a RUO established and registered by ASD by this time. However, SCOR could not have the support of village level traditional leadership to implement its program. Also, SCOR could not offer much incentives to the farming community to get them to adopt recommended soil and water conservation technologies. Though the catalyst could initiate farmers to put up contour bunds in 46.5 acres and stabilize bunds in 5.25 acres of land in Padikaramaduwa, the community could not be initiated to adopt technologies in a successful manner.

Though the catalyst tried to intervene by organizing cultivation meetings, getting farmers to cultivate OFCs etc. the majority of the community could not be won over to SCOR programme. There was resistance from some farmer leaders too. Due to these reasons, catalysts concentrated much on his activities in Mahasengama, an adjoining squatter settlement. In 1996/97 Maha he started to work with the organization and provided Rs. 50,000.00 as credit to some farmers from Mahasengama FO to cultivate paddy. Because of this assistance, there was a good response from a section of the farming community. In the same season he could implement an integrated pest management program with the involvement of DOA in Padikaramaduwa tank command area.

#### **6.3.6.3. Activities implemented in Methgama**

There was a farmer organization in Methgama when SCOR started its activities. However, this had not been registered at ASD. The organization was just a namesake one incapable in providing any service to the farming community. SCOR activities in Methgama started in 1996/97 Maha season with putting up of conservation bunds in 52 acres of land. SCOR has initiated farmers for homestead development under which 0.5 acres of land in each 3 acre allotment is to be planted with perennial, especially fruit trees like mango, oranges etc. in coming seasons. In 1996/97 Maha SCOR catalyst provided maize seed and fertilizer from Hurulu Farmer Company on credit basis to encourage farmers to produce maize for Thriposha Company.

In 1996 the RUO on the village was registered at ASD on SCOR initiation. In 1997 a Mini-Project Report was developed for Methgama by SCOR catalyst with the involvement of the RUO. SCOR has by now made a grant amounting to Rs. 364,000.00 to this RUO.

### 6.3.7. Activities Implemented in Garandiyaulpotha

When SCOR started its activities in Garandiyaulpotha, there were no farmer organizations in this area. SCOR catalyst organized new groups and also worked with the existing groups. Later, an organization was formed in Garandiyaulpotha area to implement the Participatory Forestry program activities. Since this was a small group, it could not be registered at ASD. Therefore, catalyst formed a new organization in the area with the involvement of some families in Rathmalwetiya, Garandiyaulpotha and Kubukwewa.

As in many other locations SCOR approached the community in Garandiyaulpotha with a package of conservation technologies. The conservation activities were implemented through groups. The conservation activities implemented in the project are given in Table No. 26, below.

Table No. 26, Conservation Activities in Garandiyaulpotha

Season	Activity	Farmers	Acres	Lots	SCOR Function
1994/95 Maha	Conservation bunds in homesteads	66	94.25	66	1,2,3
1994/95 maha	Conservation of newly established forest lands	26	25	26	1,2,3
1995/96 Maha	Conservation of newly established forest lands	25	25	25	1,2,3
1996/97 Maha	Conservation of homestead	59	44	59	1,2,3,

#### Key to the Table

1. Training and providing the service of A.I. for marking contour bunds
2. Coordination of FD and CCB
3. Small scale credit arrangements through RUOs

Garandiyaulpotha farmers could also be initiated to establish 350 plants along Garandiyaulpotha stream in 1994/95 Maha and later in 1996/97 Maha. They planted around 200 trees in common properties like grave yards and schools in 1995/96 Maha season. Garandiyaulpotha farmers were involved in the participatory forestry program and because of the benefits this program offered them, catalyst could get them to implement some conservation programs in their homesteads. Initial success of conservation activities in Garandiyaulpotha is largely due to the impact of linking farmers to the participatory forestry program. Number of beneficiaries of participatory forestry program is given below in Table No. 27.

Table No. 27, Beneficiaries of the Participatory Forestry Program

Season	Activity	Farmers	Acres	Lots	SCOR Function
1994/95 maha	Participatory Forestry program	26	25	26	1,2,3
1995/96 Maha	Participatory Forestry program	25	25	25	1,2,3

#### Key to the Table

1. Training and providing the service of A.I. for marking contour bunds
2. Coordination of FD
3. Small scale credit arrangements through RUOs

Also 10 ha of lands in Garandiyaulpotha hill have been conserved by FD with the involvement of farmers in Garandiyaulpotha. 13800 plants have been established in this reserved forest area.

In 1994/95 Maha soya was cultivated in forest lands by the farmers. Credit arrangements for soya cultivation was made to Garandiyaulpotha forestry groups through Nikawewa FO. In the same season Garandiyaulpotha Swarnabuhmi FO purchased some soya and sold it to Thripasha Company and made a profit of Rs. 25,000.00. This money was later divided among the members to settle the loan taken from Nikawewa FO for soya seed purchase. Pigeon pea too was cultivated in one acre of land in this season but the crop failed due to attacks by insects. However, production activities in these forest lands were not much successful mainly due to soil deterioration in many lands.

Maize was cultivated in the lands which came under forestry programme in 1995/96 Maha. Seed requirements etc. was provided to the farmers on credit basis on SCOR initiation in this season. Maize was produced to be supplied to Thripasha through the Huruluwewa Farmer Company. Majority of farmers who cultivated maize reported poor yields due to drought conditions, seed germination problems etc. Also, forestry programs in homesteads have been implemented with the involvement of small groups scattered all over the sub watershed from 1994 to 1997.

A Mini-project proposal was developed for Garandiyaulpotha in 1996 and the organization received a Mini-Grant of Rs. 264,024.00 in 1997. It has not started activities using mini-project funds by end of June 1997.

#### 6.3.8. Activities Implemented in Kokawewa

Out of the 9 organizations in Kokawewa Sub Watershed, Tittallawa which comes under SCOR Phase I and Nagalawewa under Phase II were evaluated in this study.

#### **6.3.8.1. Activities implemented in Tittallawa**

Originally SCOR tried to initiate farmers in Kokawewa Old village to adopt SCOR conservation and other technologies. Kokawewa village was approached with interventions such as tank eco system regeneration, cultivation of OFCs to increase cropping intensity etc. Catalysts prepared a mini-project proposal for the area with the involvement of Kokawewa farmers. He wanted to give membership in the organization to members of Tittallawa, a rain-fed farming community in the area. Kokawewa farmers opposed this. As a result, catalyst formed a new RUO in Tittallawa in May 1994 and deposited the Mini-Project grant in its account.

The initial activities implemented with this community is conservation of homestead and high lands. In 1994/95 Maha, 44 farmers in this RUO put contour bunds in 44 allotments. The area conserved by them was about 60 acres. 2166 plants which included mango, cashew, coconut, jack and teak were established in these high land areas. Mini-Project had allocation for the cultivation of seasonal crops as well as perennial in the highlands. However, banks were not prepared to provide credit for perennial at this stage. Catalyst had plans to provide credit for animal husbandry. On the assurance given by catalyst, some farmers had even built small sheds for the goats. Due to funding problems, catalysts could not provide credit to the farmers to purchase goats.

However, he was successful in obtaining loans for the farmers from the bank for seasonal crop cultivation using SCOR grant as a revolving fund. Catalyst was not satisfied with his success in Tittallawa alone. He wanted to spread SCOR technologies in entire Kokawewa watershed. For this purpose, he formed a Sub Council federating 9 RUOs in the area. Since Sub Council had no legal recognition or its own fund he got Tittallawa organizations to use its funds to provide credit to the members of other RUOs. The details of these activities are given in Chapter 7, Sub councils, Zone Organizations and Farmer Federations. Tittallawa organization was financially ruined because member organizations under Sub Council failed to settle loans.

Sub council also ran a farmer service centre (Farmer Shop) with funds from Tittallawa organizations. The loss from this business was reported as Rs. 88,075.75 after one year of transaction. This too contributed to the financial breakdown of the RUO.

The members of Tittallawa farmer organization accuse farmer leaders as well as catalyst for misappropriation of organization funds. Some financial transaction of the organization raises question about the financial transparency not only of the organization leaders but also of the particular catalyst.

#### **6.3.8.2. Activities implemented in Nagalawewa**

Nagalawewa, a small tank village had a farmer organization before SCOR started its activities. The organization was so weak that it could not mobilize labour to provide its 10% labour contribution to the tank rehabilitation activity implemented by ASD under NIRP project. By the time the tank rehabilitation was completed, SCOR started its activities in the field. This was a unique opportunity for SCOR catalyst to prepare a water management plan for the newly



rehabilitated tank. So, a development plan was prepared towards mid 1996 for the command area of Nagalawewa tank by the catalyst with the participation of some farmers. The consultant too had the opportunity to participate in some of these planning meetings. The meeting were attended by 14 farmers out of a total of 44. In this plan Nagalawewa command was divided into three zones. The first zone is the old paddy field area where OFCs can not be cultivated in both seasons. Plan for the intermediate area was to cultivate OFCs in both Yala and Maha. The farmers in this zone can go for paddy if there is enough water in the tank, according to the plan. The third zone was the highland areas with irrigation difficulties. Banana and perennial were proposed for this zone. Though the farmers consent for the plan could not be obtained, catalyst did not give up his idea. With the support of the president of the organization, he was successful in getting several farmers under this tank to cultivate banana and perennial. He provided loans for this activity from Tittallawa RUO through the sub councils with the anticipation of Mini-project grant from SCOR. Farmers who cultivated banana has been assured various kind of assistance such as funds for barbed wire, agro-wells etc. by the catalyst. Farmers had spent Rs. 95,000.00 borrowed from Tittallawa RUO for cultivation of banana and related activities such as fencing. However, most of the banana seedlings died due to water shortage as farmers did not receive assistance for the construction of agro-wells. Finally, Nagalawewa RUO was not provided with the mini-grant because of the financial disaster faced by Tittallawa RUO. The mini-project activity in Nagalawewa came to an end this way. Tittallawa RUO could not recover the loan provided to Nagalawewa RUO. Farmers who cultivated perennial accuse SCOR for putting them into a difficult situation by making false promises. They refuse to settle the loan as they could not make an income from the SCOR initiated activity.

However, prior to these incidents catalyst has initiated following activities in Nagalawewa area through his own efforts. The support of the organization for these activities has been marginal in the point of view of catalyst.

Table No. 28, Conservation activities in Nagalawewa

Season	Activity	Farmers	Acres	Lots	SCOR Function
1995/96 Maha	Conservation in homesteads/highlands	32	53	32	1,2,3
1995/96 maha	Participatory Forestry	25	25	25	3
1996/97 Maha	Conservation in homesteads/highlands	37	57	37	1,2,3

#### Key to the Table

1. Training and providing the service of A.I. for marking contour bunds
2. Coordination of Coconut Cultivation Board
3. Coordination of Forest Department

### 6.3.9. Activities Implemented in Kelenikawewa

SCOR started its activities in Kelenikawewa area in mid 1995. By that time there was a farmer organization in the village. It had been registered under 56 A in ASD. As in other sub watershed initial activities in Kelenikawewa too have been initiating farmers to conserve their lands. Also, participatory forestry programs were introduced. Table below shows the conservation activities implemented so far in this village by SCOR.

Table No. 29, Conservation activities in Kelenikawewa

Season	Activity	Farmers	Acres	Lots	SCOR Function
1994/95 Maha	Conservation in homesteads/highlands	30	52	30	1,2
1995/96 maha	Conservation in homesteads/highlands	12	25	12	1,2
1996/97	Conservation in homesteads/highlands	8	16	8	1,2
1996/97 Maha	Participatory Forestry	17	25	14	3

#### Key to the Table

1. Training and providing the service of A.I. for marking contour bunds
2. Coordination of Coconut Cultivation Board
3. Coordination of Forest Department

Catalyst initiated planting of trees along roadside in 1996/97 Maha. Under this activity 400 trees were planted 1 1/2 k.m. distance along Kelenikawewa main road. Also trees were planted in school and temple premises under this program.

In 1996/97 Maha 22 farmers were initiated to cultivate paddy in old paddy field area of the tank. Since there was a water scarcity in this season, catalyst initiated farmers for water management activities. In the same season farmers in the area were provided with maize seed and fertilizer from Hurulu Farmer Company to produce maize for Thripasha Company. Though farmers cultivated about 170 acres of maize, they sold their produce to the private traders row.

A Mini-project proposal was developed for the area by the catalyst with the participation of farmers in 1995. This was finalized in 1996. A grant of Rs. 325,270.00 was made to the RUO by SCOR. No activity was implemented with the use of this fund up to the end of June 1997.

## 6.4. Evaluation of Organizations using M&E Indicators

Table No. 30, Indicator Values (Organization Development)

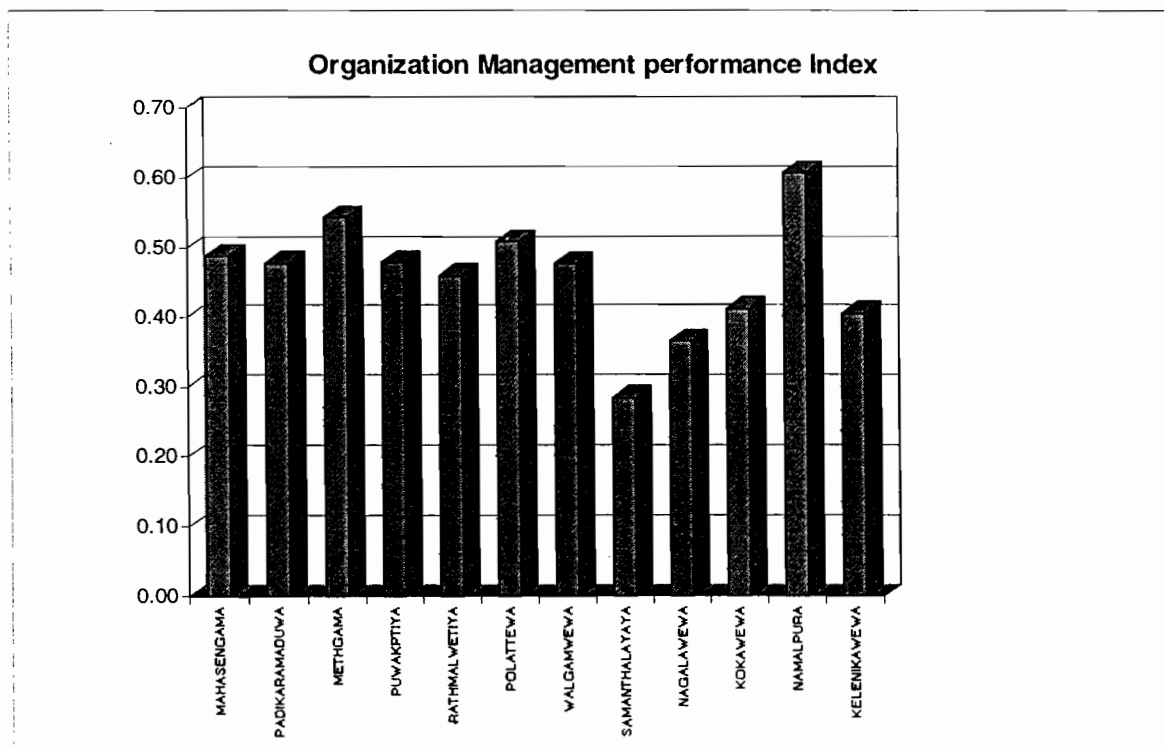
PERIOD : FROM 01/01/1997 TO 30/06/1997

SUB INDI.	DESCRIPTION	SI WEIGHTS	EV. OR1	EV. OR2	EV. OR3	EV. OR4	EV. OR5	EV. OR6	EV. OR7	EV. OR8	EV. OR9	EV. OR10	EV. OR11	EV. OR12
			MAHA SEN GAMA	PADI KARAMA DUWA	METH GAMA	PUWAK PITIYA	RATH MAL WETIYA	POLLAT TAWA	WAL GAM WEWA	SAMAN THALA YAYA	NAGALA WEWA	KOKA WEWA	NAMAL PURA	KELE NIKA WEWA
MPIS11	MEMBERSHIP STRENGTH SIO	8	1.000	0.800	0.800	1.000	0.381	0.821	0.915	0.513	0.733	0.933	0.522	0.593
OMPIS12	PATICIPATION IN MEETING SI	6	0.019	0.145	0.248	0.137	0.302	0.165	0.002	0.006	0.000	0.036	0.657	0.143
OMPIS13	PATICIPATION IN ACTIVITY SI	4	0.000	0.797	0.357	0.500	0.000	0.000	0.000	0.000	0.000	0.333	0.429	0.000
OMPIS14	FUND COLLECTION SI	2	0.411	0.000	0.457	0.013	0.650	0.070	0.000	0.057	0.000	0.000	0.500	0.320
OMPIS15	RECORD KEEPING SI	5	0.750	0.450	0.600	0.575	0.500	0.600	0.550	0.400	0.250	0.250	0.600	0.500
OMPIS16	INSTITUTIONAL RCOGNITION SI	5	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
OMPIS17	LEGAL RECOGNITION SI	7	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.000	0.500	0.500	1.000	0.500
OMPIS18	VERTICAL LINKAGES SI	3	0.567	0.400	0.400	0.100	0.533	0.667	0.833	0.500	0.100	0.033	0.100	0.533
OMPIS19	HORINSONTAL LINKAGES SI	3	0.031	0.031	0.000	0.000	0.010	0.250	0.458	0.250	0.313	0.104	0.000	0.000
OMPIS111	COMINICATION SI	7	0.200	0.200	0.600	0.200	0.600	0.500	0.200	0.100	0.200	0.200	0.600	0.200
FIVS11	FUND COMPOSITION SI	1	0.707	0.056	0.042	0.097	0.563	0.840	0.837	0.006	0.030	0.469	0.705	0.679
FIVS12	FUND UTILIZATION SI	1	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	-0.601	0.000	0.000
FIVS13	CREDIT RECOVERING SI	1	0.224	0.000	0.000	0.000	0.535	0.574	0.123	0.000	0.000	0.293	0.463	0.397
FIVS14	RECOVERED PROPOTION	1	0.320	0.000	0.000	0.000	1.000	0.923	0.199	0.000	0.000	0.260	0.850	0.753
FIVS15	RECORD KEEPING SI	1	0.500	0.100	0.200	0.350	0.333	0.500	0.600	0.083	0.083	0.133	0.333	0.167
FIVS15	TRANSPARANCY SI	1	0.467	0.000	0.467	0.000	1.000	1.000	0.333	0.000	0.000	0.000	0.467	0.467
APIS11	MEMBERS BENE. ACTI. SI		0.183	0.033	0.067	0.100	0.117	0.167	0.133	0.067	0.150	0.117	0.217	0.067
OMPI-OMPIS16			0.43	0.35	0.42	0.36	0.38	0.43	0.38	0.17	0.25	0.29	0.51	0.31
OMPI	Org. Mana. Prerformance Index		0.49	0.48	0.54	0.48	0.46	0.51	0.48	0.28	0.37	0.41	0.61	0.40
FVI	Financial Viability Index		0.38	0.03	0.14	0.09	0.49	0.58	0.38	0.02	0.02	0.06	0.39	0.34
MBAI	MEMBERS BENE. ACTI.		0.18	0.03	0.07	0.10	0.12	0.17	0.13	0.07	0.15	0.12	0.22	0.07
SI	SUSTANABILITY INDEX		0.35	0.18	0.25	0.22	0.35	0.42	0.33	0.12	0.18	0.20	0.41	0.27
SI-OMPIS116			0.33	0.14	0.21	0.18	0.33	0.39	0.30	0.09	0.14	0.16	0.37	0.24

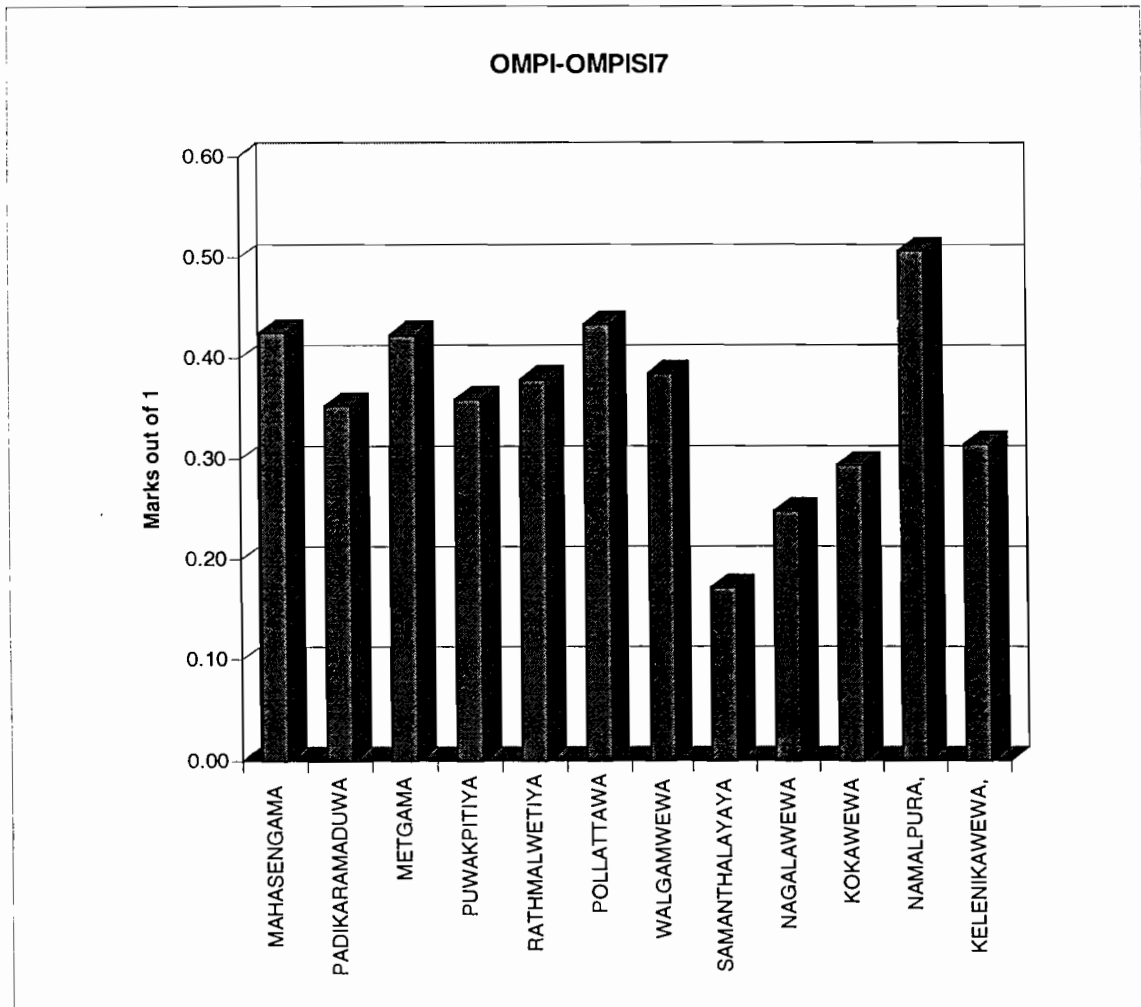
The RUOs in the eight sub watersheds were evaluated by the end of December 1995 and again in December 1996 and finally by the end of June 1997 using M&E indicators described in Chapter Three of this report. The values in the final evaluations is presented in Table No. 30, Indicator Values (Organizational Development) - Period from 1.1.1997 to 30.6.1997 above and Graphs No. 2, 3, 4, and 5 below, as they reflect the present status of RUOs. The values in previous evaluations are attached as Annexes 3 and 4 for those who are interested to know more about their performance in the past. The indicators used here have been developed not only to measure the organization performance alone, it is supposed to reflect whether SCOR institutional development efforts yield expected results.

#### 6.4.1. Organizational Management Performance Indicator

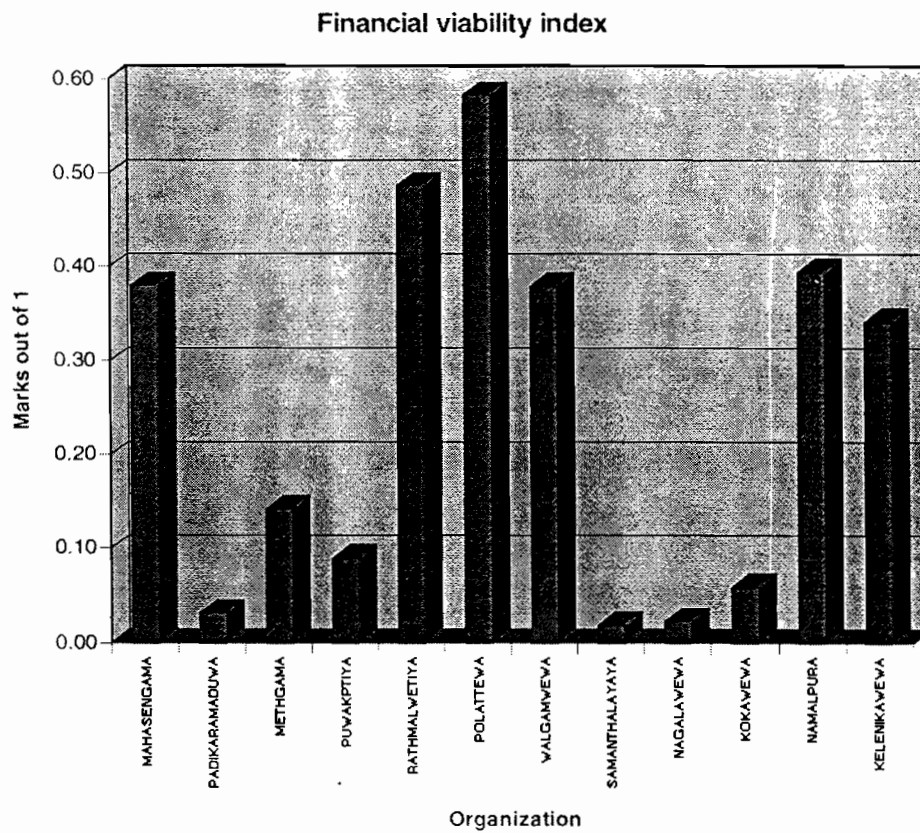
Graph No. 2, Organization Management Performance Index (With values for Institutional recognition)



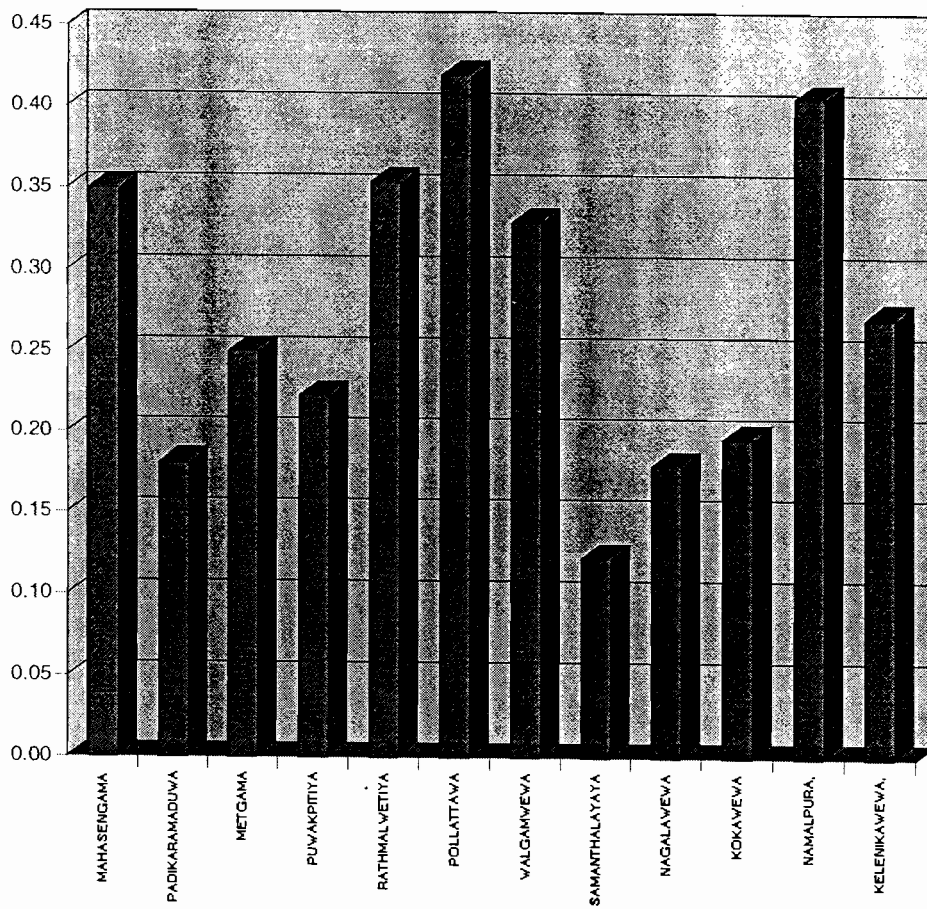
Graph No. 3, Organizational Management Performance Index (Without Values for Institutional Recognition)



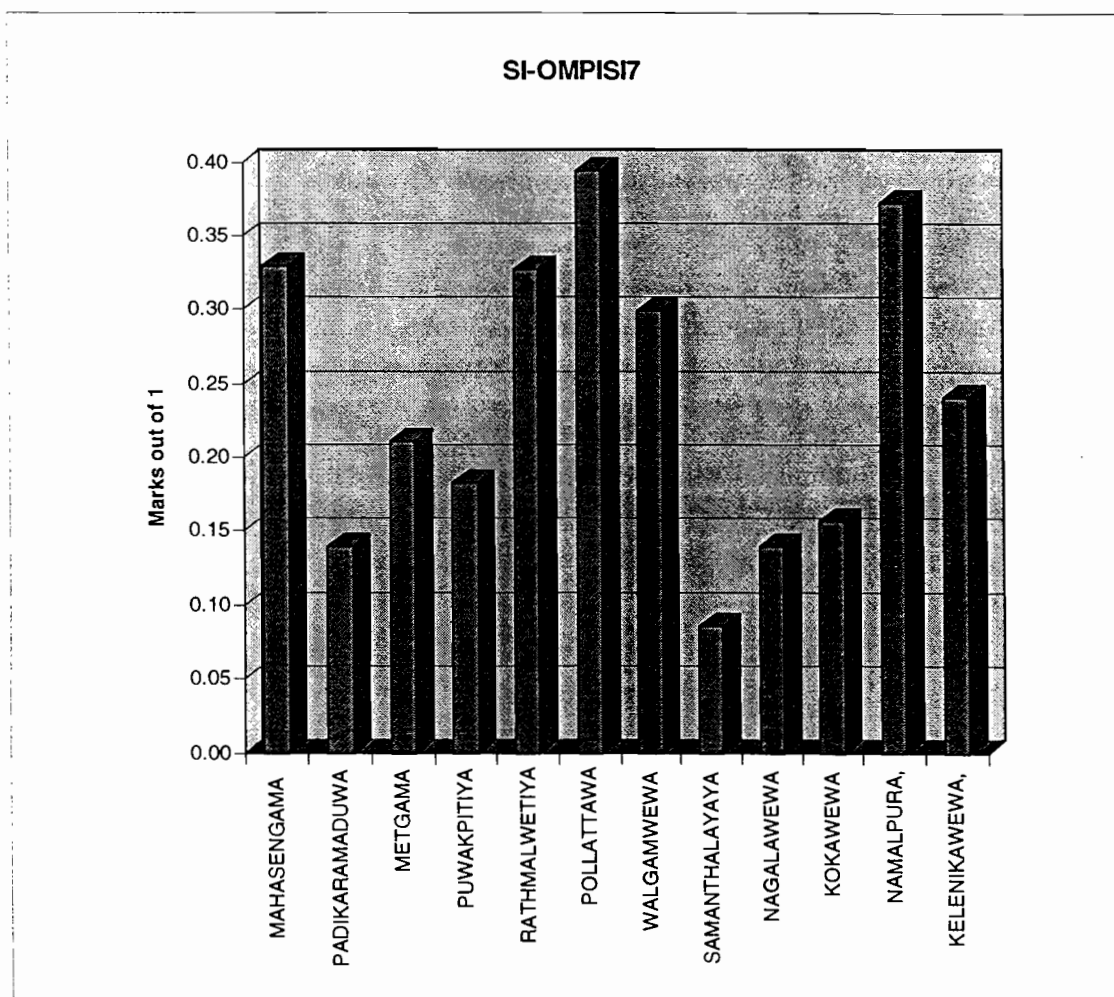
Graph No. 4 Financial Viability index



Graph No. 5, Sustainability Index (With Values for Institutional Recognition)



Graph No. 6, Sustainability Index (Without values for Institutional Recognition)



#### 6.4.1.1. Membership Strength Sub Indicator

Table No. 31, Membership Strength

Ratings	No. of FOs
Very weak	0
Weak	1
Average	3
Strong	1
Very Strong	7
Total	12



1. Mahasengama, Padikaramaduwa, Methgama, Puwakpitiya, Polattawa, Walgamwewa, Tittallawa RUOs are very strong in their membership strength. In Walgamwewa out of the total 165 families eligible for membership, 151 hold membership in the RUO. In Polattawa, out of the total 106 families eligible for membership, 96 hold membership in the organization. In Puwakpitiya RUO, membership grew from 63 in 1995 to 106 in 1996. A large number of members from household in Puwakpitiya village has got membership in the organizations to be entitled to the benefits of the World Food Program under which the tank was rehabilitated in 1996. Out of the 84 families in the village, all most all the families hold membership in the organization. Though the membership strength of Kokawewa (Tittallawa) and Nagalawewa RUOs are very strong and strong , one should not be misled by these values. Though their names appear in the organization membership registers, majority of farmers have stopped their interactions with the two organizations in 1997. This was highlighted in the section on Tittallawa and Nagalawewa in this Chapter.
2. Samanthalayaya, Mahameegaswewa and Kelenikawewa gets an average rating for membership strength. Out of the 150 land holding farmers in Samanthalayaya area only 39 had obtained membership in the RUO in 1996. This was mainly because farmers were not settled. Therefore in 1996, the organization gets a weak rating (0.25). As a result of SCOR attempt, Feeder Canal area was taken under Mahaweli Economic Agency (MEA) in 1977. SCOR told farmers thereafter that the area is going to be developed as a Mahaweli settlement and therefore more people started getting membership in the RUO. Because of this reason membership increased to 77 and the indicator value went up to average level (0.513). The membership strength of Mahameegaswewa RUO is at 0.754 (strong) in 1995. This dropped to 0.1 (very weak) after members left the organization due to the reasons mentioned above. The original membership of 64 dropped down to 8 in early part of 1996. This situation improved to some 35 towards mid 1977. This has been achieved through various kinds of strategies such as providing benefits under participatory forestry program, loans for animal husbandry etc. Benefits from the organizations were restricted to the non-members and heavy fines were levied to get the membership for those who left the RUO. Because of this reason, membership remains at 0.522 (average) at this stage. However, the memberships of the organization like this situation very much because they can share organization resource among a limited crowd. Out of the 102 households eligible for membership, 64 households in Kelenikawewa have obtained membership in the organization. The farmers with land in the tank command area tend to get membership while landless people are not interested in obtaining membership. The organization gets an average rating (0.593) for this indicator.
3. The membership strength of Garandiyaulpotha (Rathmalwetiya) RUO is weak (0.381) as only 53 families out of 153 in this area has obtained membership in the organization. Though some farmers are prepared to join the organization, the members of the organization think that extending membership to all would create resource constraints to the organization.

#### 6.4.1.2. Participation in Meetings Sub Indicator

Table No. 32, Participation at Meetings

Ratings	No. of FOs
Very weak	9
Weak	2
Average	0
Strong	1
Very Strong	0
Total	12

1. In 9 organizations out of the 12 studied, farmer participation at meetings is very weak. The reason for these weaknesses are discussed below:

In Walgamwewa organization, Participation was at zero on two occasions and 0.02 in 1997 when the organization was evaluated on this aspect. It has held only 3 general meetings up to January 1997 since its formation in 1992. There have not been any single meeting in 1994 and 1995. In 1996 it held a general meeting to form Dambulu farmer company. Only 23 farmers out of 145 attended this meeting. SCOR had held meetings only with a very marginal number of people as the number of people involved in SCOR activities were very few as evident from the above information. The main reason for this is the understanding among the farmers that RUO's main function is to reduce water use in the upstream area to take water to Huruluwewa. Also, the organization has failed to intervene and get water for them according to the agreed upon cultivation plan even at times they adopted the cultivation calendar. Farmers in this area have easy access to Mahaweli water as Walgamwewa is located above Kandalama bifurcation. This may be one reason for poor participation. Also political rivalries in Walgamwewa influence the participation of people. The president, the leading figure of the organization is a Sri Lanka Freedom Party (SLFP) supporter. He is considered by some farmers as getting maximum benefit from SCOR through his involvement in its activities. The lady catalyst who worked in the area lived in president's house and therefore, she could build up rapport only with the segment closely associated with the president and not with his opponents.

Non-residence of the majority of farmers and lack of benefit from the organization has reduced the members participation at meetings in Samanthalayaya. It is weak (0.25) in 1996 and very weak (0.006) 1997.

In Polattawa RUO, farmer participation at meetings is very weak with 0.16 rating. However, the organization holds meeting once a month with the members attending meetings. The attendance are poor mainly due to the reason that most of these villagers work in the Cultural Triangle project.

The farmer participation at meetings in Puwakpitiya RUO has dropped down to 0.137 (weak) from 0.45 (average) reported in 1996. Farmers do not find it necessary to hold meetings when there are no agricultural activities. Also, the organization has no other attraction such as thrift and credit or welfare arrangement for the members to hold meetings regularly. Two meetings have been held during this period to organize farmers for participatory Forestry program and another for selecting new leaders for the organization. Even a meeting attended by 6 members has been recorded here as a general meeting. But this was not considered for the calculation of indicator values.

The farmer participation at meetings is very weak in Mahasengama with which SCOR has worked for about 4 years. The problems associated with operationalizing the Mini-project to provide credit facilities for animal husbandry, delay in the part of SCOR to help the organization to dispose of the chilly purchased by the organization etc. has created an ill feeling among some members against SCOR. The members participation has dropped down to very weak (0.019) in 1997 from the average (0.40) reported in 1996. Also the farmers started criticising leaders during this period as each of the three leaders were given a cow free of charge by an agency. This has been initiated by the catalyst, however since this was not discussed at a farmer meetings, farmers were angry with the leaders. The farmers have been awaiting long to purchase cattle with credit from banks through SCOR grants. Farmers criticism led the president, a man who was committed so much to the organization, to leave the organization and go out of the village to find employment. In Padikaramaduwa village, the organization has nothing much to offer to its members as benefits. Even SCOR has not made a grant for them. Therefore, the participation is very weak (0.145).

Methgama in which rating for participation was at an average (0.50) in 1996, the values for the indicator has dropped down to 0.248 (weak) in 1997. Since there are no agricultural activities in this period due to dry weather condition, the farmers do not attend meetings. This is mainly because the members attend meetings to get credit and there are no other activities in the organization itself for the members to participate.

In Garandiyaulpotha (Rathmalwetiya) RUO, farmer participation at meetings during this period too is 0.302 (weak). It has held 4 meetings during this period. When compared with the other organizations studied, this is one of the best one as far as farmer participation in meeting is considered.

Both RUOs in Kokawewa get 0.00 values for farmer participation at meetings. The farmers do not attend meetings even when they are summoned by the leaders. The farmers are totally fed up with the leaders as well as SCOR project.

The farmer participation at meetings is very weak (0.143) in Kelenikawewa RUO. The organization has no attraction for its members.

2. Participation of the members in Mahameegaswewa RUO in meetings is at 0.657 (strong) in 1997 against 0.43 (average) reported in 1996. This is mainly due to the benefits such as lands under participatory forestry program and loans for animal husbandry provided through the RUO. However, a large number of farmers in the community have left the organization. Those who remain as members attend meetings regularly. The organization expels those who do not attend three consecutive meetings without some valid reason.

#### 6.4.1.3. Participation in Activities Sub Indicator

Table No. 33, Participation in Activities

Ratings	No. of FOs
Very weak	7
Weak	2
Average	2
Strong	1
Very Strong	0
Total	12

1. Participation in common property management activities are weak and very weak in 9 organizations, while it is average in 2 and strong in one.

On all the three occasions in which Walgamwewa RUO was evaluated, indicator value was at 0.20 in 1994, 0.37 in 1996 and 0.00 in 1997. This type of organization which has no attraction for members can not mobilize farmers for collective action for common resource management activities.

No common property management activities were implemented by Samanthalaya, Polattawa, Mahasengama, Garandiyaulpotha, Nagalawewa, Tittallawa and Kelenikawewa during this period. The farmers in Mahasengama have not participated in any common property management activity during this period because it has no common properties like tanks, tanks reservation etc. to be maintained by the community. However, they have road sides, immediate catchment of Huruluwewa and Padikaramaduwa tank systems on which they reside as common properties for management. In the point of view of catalyst in Garandiyaulpotha, there are many other organizations to attend to road repair and similar kind of activities which involve people's participation. However, consultant feels that conservation of road reservations and management of common properties can be undertaken by RUO if initiated. Nagalawewa and Kokawewa RUOs were at the verge of collapse, therefore they could not mobilize farmers for common property management activities.

Methgama RUO gets a weak rating (0.357) as they have engaged only in a one common property management activity during this period.

2. Farmers in Puwakpitiya and Mahameegaswewa get average rating for this indicator. Farmers in Mahameegaswewa RUO participated in allocating lands for "bethma" cultivation in Yala 1997. This was considered as a common property management activity. Puwakpitiya farmers cleaned the tank bund on self-help basis during this period.
3. Farmers in Padikaramaduwa participated in cleaning of the tank bund, construction of community hall and in a self-help campaign organized on the day of Independence to repair the road. They obtain a high rating (0.797) for this indicator.

#### 6.4.1.4. Fund Collection Sub Indicator

Table No. 34, Fund Collection

Ratings	No. of FOs
Very weak	7
Weak	1
Average	3
Strong	1
Very Strong	0
Total	12

1. Eight RUOs are either weak or very weak in their fund collection. Weak and very weak organizations include Walgamwewa, Samanthalayaya, Polattawa, Puwakpitiya, Padikaramaduwa Old village, Nagalawewa, Kokawewa and Kelenikawewa. In Walgamwewa, the funds being collected include only the seasonal fees (Kanna badu). To get membership in the organization, it charges Rs. 15.00 for the life time of the member. No any other fee is collected on monthly, seasonally or annually. The values given above shows that seasonal fee is not paid even in a successful cultivation season.

In 1996 when Samanthalayaya RUO was initially formed, membership fee has been collected. A life time fee of Rs. 15.00 was collected from each member. Therefore, rating for fund collection is at an average level (0.50). However this dropped down to zero in 1977. There is no fund collection attempt in this organization at present.

Polattawa RUO indicates a weak rating (0.070) for this indicator on the two occasions studied. However, though rating obtained by the organization for fund collection are weak now, it is at an average level in 1996. The self earned fund of

this organization is comparatively high in this organization. This indicates that the organization members contributes to the fund collection even though it is weak during this period.

Fund collection in Puwakpitiya RUO is very weak (0.013). Even the payment of membership fee has been neglected by many farmers. This is reflected in indicator values for 1996 too. In Padikaramaduwa old village, the RUO gets a 0.00 rating as no fund raising activities are observed in it.

2. Mahameegaswewa, Methgama and Mahasengama RUOs gets average ratings for this indicator. The membership fee of Rs. 100.00 per year is paid by all the members in Mahameegaswewa RUO. They had paid half of the annual fee by the end of June 1997. Therefore, the organization gets an average rating (0.50) for this indicator. This is an improvement when compared with the weak rating (0.35) obtained by the organization in 1996. Some members in Methgama and Mahasengama RUOs have paid their membership fee. This has brought the indicator value to average.
3. Rating for fund collection in Garandiyaulpotha RUO is strong (0.650). All the members have paid their membership fees and also building up shares in the organization.

#### 6.4.1.5. Record Keeping Sub Indicator

Table No. 35, Record Keeping

Ratings	No. of FOs
Very weak	0
Weak	2
Average	6
Strong	4
Very Strong	0
Total	12

1. Record keeping in Kokawewa and Nagalawewa are weak while it is at an average level in Walgamwewa, Samanthalayaya, Puwakpitiya, Padikaramaduwa old village Kelenikawewa and Garandiyaulpotha..
2. Record keeping in Polattawa, Mahameegaswewa, Mahasengama and Methgama RUOs is strong. The officers in the organizations show a keen interest to keep records properly. The catalysts who worked here have provided necessary guidance to the leaders for maintaining records.

#### 6.4.1.6. Institutional Recognition Sub Indicator

Table No. 36, Institutional Recognition

Ratings	No. of FOs
Very weak	0
Weak	0
Average	0
Strong	0
Very Strong	12
Total	12

1. All the RUOs get a very strong rating for this indicator because line agencies like ASD, DOA, FD, CCB, DS work closely with RUOs at present. However, this is mainly due to SCOR coordination and the presence of SCOR catalysts who initiate the officials to participate in implementation of various programs. Also, SCOR pays officials for their participation on weekends and holidays.

#### 6.4.1.7. Legal Recognition Sub Indicator

Table No. 37, Legal Recognition

Ratings	No. of FOs
Very weak	1
Weak	0
Average	11
Strong	0
Very Strong	1
Total	12

1. Mahameegaswewa RUO which had been registered at ASD under 56 B gets very strong rating while other RUOs which have registered only under 56 A get an average rating. Samanthalayaya, a newly established RUO gets a weak rating as it has not yet been registered at ASD.

#### 6.4.1.8. Vertical Linkages Sub Indicator

Table No. 38, Vertical Linkages

Ratings	No. of FOs
Very weak	4
Weak	0
Average	6
Strong	1
Very Strong	1
Total	12

1. Puwakpitiya, Mahameegaswewa, Nagalawewa and Tittallawa reports weak rating for vertical linkages. A main reason for obtaining weak ratings by Mahameegaswewa and Puwakpitiya organization for vertical linkages is that proposed hierarchical committees are not functioning properly for the organizations to participate in them. Though Palugaswewa Sub WRMT has been set up, there had not been attempts to get the participation of farmer representatives. Though some farmers attend committees like Ama once in a way, they are not effective in helping farmers to solve their resource management problems. Green Path Company does not function at all. Under these circumstances, RUOs in Palugaswewa DS division have not been able to establish vertical linkages. Nagalawewa and Tittallawa RUOs do not send their representatives to Ama committee, Sub WRMT or any other hierarchical body mainly because these RUOs are defunct.
2. Mahasengama, Padikaramaduwa, Methgama, Garandiyaulpotha, Kelenikawewa in Galenbindunuwewa DS division reports an average ratings for this indicator. This is because Ama Committee, Hurulu farmer Company and Sub WRMT functions to some extent though they are not much useful to the farmers as management bodies. Also, a vast gap between these management committees, Hurulu Company and RUOs exist. The gap between Hurulu farmer Company and RUOs are presently filled by the catalysts. Newly established Samanthalayaya RUO in Feeder Canal area gets an average rating mainly because committees like Sub WRMT, Ama are effective to some extent.
3. The effectiveness of hierarchical committees in Dambulla area is further substantiated by Walgamwewa and Polattawa farmer organizations which get high rating for this indicator. For farmer organization to be strong in establishing linkages with these committees, the committee system itself should function well to help solve farmer level problems.



#### 6.4.1.9. Horizontal Linkage sub indicator

Table No. 39, Horizontal Linkages

Ratings	No. of FOs
Very weak	8
Weak	3
Average	1
Strong	0
Very Strong	0
Total	12

1. Since RUOs have not established linkages with other RUOs, Sub Councils and farmer federations, 11 out of 12 organization evaluated in this study reports weak ratings. In Hurulu Feeder Canal area, these committees have been established even though they are not effective. Walgamwewa RUO gets an average rating because of its link with Nayakubura RUO, Zone No. 2 organization (Sub Council) and farmer federation.

#### 6.4.1.10. Communication Sub Indicator

Table No. 40, Communication

Ratings	No. of FOs
Very weak	1
Weak	7
Average	1
Strong	3
Very Strong	0
Total	12

1. 8 organizations get weak or very weak ratings for holding general meetings and committee meetings regularly to communicate with farmers. Garandiyaulpotha RUO indicates average while Mahameegaswewa, Methgama, Polattawa get strong rating for this indicator. General observation made is that effective organizations always hold regular meetings with their members to communicate with them. The RUOs that received Mini-Grants recently tend to have regular monthly meetings.

#### **6.4.1.11. Organizational Management Performance Indicator**

Though the line agency participation in the affairs of RUOs are very high at this stage due to the presence of SCOR and its incentives for officers, the consultant feels that this would not sustain after withdrawal of SCOR. Therefore, with and without values for institutional recognition sub indicator, values for this composite indicator was calculated.

#### **6.4.1.12. Organization Management Performance Indicator (with Values for Institutional Recognition Sub Indicator)**

Table No. 41, Organization Management Performance (with values for Institutional Recognition)

Ratings	No. of FOs
Very weak	0
Weak	2
Average	9
Strong	1
Very Strong	0
Total	12

With values for institutional recognition sub indicator, 9 organization get average values for this composite indicator. Nagalawewa and Samanthalayaya RUOs gets weak ratings. Mahameegaswewa with a limited number of members indicates strong.

#### **6.4.1.12. Organization Management Performance Indicator (without Values for Institutional Recognition Sub Indicator)**

Table No. 42, Organization Management Performance (without values for Institutional Recognition)

Ratings	No. of FOs
Very weak	1
Weak	7
Average	4
Strong	0
Very Strong	0
Total	12

Without values for institutional recognition, 8 organizations drops down to weak ratings. Mahameegaswewa, Polattawa, Mahasengama, Methgama get average rating.

### 6.4.2. Financial Viability

Financial viability of the organizations were calculated using following five Sub Indicators.

#### 6.4.2.1. Fund Composition Sub Indicator

Table No. 43, Fund Composition

Ratings	No. of FOs
Very weak	5
Weak	0
Average	2
Strong	3
Very Strong	2
Total	12

The five organizations which get strong and very strong ratings for this indicator have received SCOR grants for Mini projects. They are Mahasengama, Kelenikawewa, Polattawa, Mahameegaswewa and Walgamwewa. Garandiyaulpotha (Rathmalwatiya) RUO gets an average rating even though it has received a SCOR grant. But it is comparatively less than the grants received by other RUOs. Tittallawa (Kokawewa) which received a substantial amount as a SCOR grant is rated average as the funds have been spent up through mismanagement. The RUOs rated as weak are those that have not received SCOR grants.

#### 6.4.2.2. Fund Utilization Sub Indicator

Table No. 44, Fund Utilization

Ratings	No. of FOs
Very weak	12
Weak	0
Average	0
Strong	0
Very Strong	0
Total	12

None of the organization has invested their funds on profit making activities. Though Mahameegaswewa, Tittallawa opened up farmer sale centres at the beginning, they were closed down because of losses. The loss from Tittallawa RUO is around Rs. 85,000.00. Losses of Mahameegaswewa centre has not yet been accounted. Mahasengama RUO purchased farmer produce to be of a service to farmers but they too had losses through business.

### 6.4.2.3. Credit Recovery Sub Indicator

Table No. 45, Credit Recovery

Ratings	No. of FOs
Very weak	6
Weak	3
Average	3
Strong	0
Very Strong	0
Total	12

1. Out of the six organizations, namely Mahasengama, Walgamwewa, Polattawa, Tittallawa and Nagalawewa and Garandiyaulpotha which handled credit, only three organizations (Polattawa, Mahameegaswewa and Garandiyaulpotha) have been successful in recovering credit. They get average ratings for this indicator. In case of Nagalawewa, credit was arranged through Tittallawa RUO. Mahasengama RUO too could not pay back the credit due to a loss through marketing of chillies purchased by RUO.

In Walgamwewa, banana seedlings and plants were supplied to farmers on credit basis to implement SCOR key interventions in the area through Walgamwewa RUO. Rs. 95,670.00 has been spent from the grant for this purpose. Amount recovered up to the end of June 1997 is Rs. 19,069.00. Credit recovery has been difficult mainly due to the reason that credit has been given to implement SCOR programs without even consulting farmer leaders. Attempts for credit recovery is done through the voluntary catalyst. The rating obtained by this RUO for credit recovery is 0.09 and 0.123 (very weak) for 1996 and 1997 respectively.

In addition to this, Rs. 100,000.00 has been given to Kubukwewa RUO from Walgamwewa RUO as credit. This has been done on the request of a senior member of SCOR team and not on the request of the said farmer organization. The RUO leaders made request from SCOR catalyst after two years to recover this money from Kubukwewa organization. They expected that money would be paid back to them with an interest. The RUO leaders did not know for what purpose the money was borrowed from them. Finally, money was paid back in 1997. However, it was only Rs. 80,000.00 they received back at the organization. It was found that this money was given to Kubukwewa RUO not for its own purpose, but to make seed purchase for Green Path Company which had no funds by this time. A loss of Rs. 20,000.00 had occurred as the seed purchased by RUO could not be sold to the company. The company was not in operation by the time seed was purchased. It was further revealed that Kubukwewa, Puwakpitiya and several other RUOs in Palugaswewa have been issued grants amounting to one million rupees by SCOR to purchase shares in this non-existing Company. When inquired from Walgamwewa RUO President why they gave their money to

Kubukwewa RUO with which they have no any kind of link or agreement, he said "It is after all IIMI money, when Mahaththayas (Gentlemen) who gave this money come and ask, how can we refuse?". Similarly, Rs. 27,000.00 had been given to Nayakubura FOR on the request of a catalyst. Due to this reason, Walgamwewa RUO could not implement any member benefitting activities using Mini-Grant given to them.

2. Polattawa RUO obtained Rs. 97,500.00 for 13 members of the organization for their agricultural activities without any involvement of SCOR. Except one farmer, all other farmers settled their loans. The organization gets an average rating for this indicator. However, it scores higher rating (0.923) for recovering more than 90% of the loan granted.
- 3 Tittallawa RUO provided credit amounting to Rs. 500,000.00 to some RUOs in Maha 1996/97. Only a some of Rs. 130,000.00 has been recovered. It gets a weak (0.20) due to this reason. Nagalawewa RUO gets 0.00 (weak) rating because it too has failed to recover credit provided to its members through the sub council.

#### 6.4.2.3.1. Recovered proportion

Table No. 46, Recovered proportion of the Credit

Ratings	No. of FOs
Very weak	6
Weak	2
Average	0
Strong	1
Very Strong	3
Total	12

Polattawa has recovered 0.92 of the amount granted as credit, Meegaswewa 0.850, Garandiyaulpotha 1.00 and Kelenikawewa 0.753. They rank high in credit recovery.

#### 6.4.2.4. Financial Record Keeping Sub Indicator

Table No. 47, Financial Record Keeping

Ratings	No. of FOs
Very weak	5
Weak	4
Average	2
Strong	1
Very Strong	0
Total	12

Walgamwewa ranks strong in financial record keeping while Polattawa and Mahasengama gets average rating. All other organizations are weak in financial record keeping.

#### 6.4.2.5. Transparency Sub Indicator

Table No. 48, Financial Transparency in RUOs

Ratings	No. of FOs
Very weak	5
Weak	1
Average	4
Strong	0
Very Strong	2
Total	12

Polattawa and Garandiyaulpotha rank very strong in this respect. Mahasengama, Methgama, Kelenikawewa and Mahameegaswewa are at average level. Organization like Nagalawewa and Tittallawa gets 0.00 ratings. There are serious allegation by the farmers against the leaders of these two organizations over misappropriation and inequity in resource distribution.

#### 6.4.2.6. Financial Viability Indicator

Table No. 49, Financial Viability

Ratings	No. of FOs
Very weak	6
Weak	4
Average	2
Strong	0
Very Strong	0
Total	12

Polattawa and Garandiyaulpotha (Rathmalwatiya) gets average rating for financial viability. All other organizations are weak in this respect.

#### 6.4.3. Member Benefitting Activities Index

Table No. 50, Member Benefitting Activities

Ratings	No. of FOs
Very weak	11
Weak	1
Average	0
Strong	0
Very Strong	0
Total	12

All the organizations gets low values for this indicator. RUOs are not developed to provide essential services to the farmers.

#### 6.4.4. Sustainability Indicator

Sustainability Indicator was calculated with and without values for Institutional Recognition Sub Indicators for the reason explained above in 6.4.1.11.

#### **6.4.4.1. Sustainability Indicator (with values for Institutional Recognition Indicator)**

Table No. 51, Sustainability Of RUOs (with values for Institutional Recognition Indicator)

Ratings	No. of FOs
Very weak	3
Weak	7
Average	2
Strong	0
Very Strong	0
Total	12

Only Mahameegaswewa and Polattewa gets average rating for this indicator. Others get weak and very weak ratings. This indicates that there are threats to the sustainability of the organizations.

#### **6.4.4.2. Sustainability Indicator (without values for Institutional Recognition Indicator)**

Table No. 52, Sustainability Of RUOs (without values for Institutional Recognition Indicator)

Ratings	No. of FOs
Very weak	5
Weak	7
Average	0
Strong	0
Very Strong	0
Total	12

Without values for Institutional Recognition Sub Indicator, all the RUOs fall into the category of weak and very weak.

### **6.5. Impact of SCOR institutional development activities on the performance of RUOs and communities concerned**

The indicator values discussed in the previous section shows that overall performance of most of the organizations are weak or very weak in spite of the fact that they obtain high or average rating for certain sub indicators like Institutional recognition, fund composition, legal recognition and record keeping. A serious threat to financial viability and sustainability of the organization can be observed through these analysis. The analysis below attempt to highlight successes and failures of the institutional development activities of SCOR in Huruluwewa.



### 6.5.1. Successes

1. Before SCOR interventions, there had not been farmer organizations in 5 locations out of the 11 under this study. Even though the organizations existed in the other 6 locations, they were very weak in all respects. If we apply these indicator value system to those organizations existed prior to SCOR interventions, none would get values above 0.15 (very weak). In other places where there were no organizations, SCOR has established organizations. Though these organizations have not yet developed to fulfil the obligations of an ambitious project like SCOR, the activities implemented by SCOR in the watershed with the involvement of these organizations, have created an institutional environment for the farmers to engage in production and protection activities. Especially, in rain-fed areas like Mahasengama, Tittallawa, Garandiyaulpotha (Kubukwewa), the organizations are a new culture established solely on SCOR initiation. This has paved away for rain-fed farmers to organize themselves to make collective efforts to find solutions to their pressing resource management problems, in spite of various kind of management problems observed in them.
2. The resource poor farmers who had no access to credit institutions previously have been able to have credit from banks due to financial strengthening of their organizations by SCOR through grants issued to them to be used as revolving funds for Mini-Project operations.
3. Because of the emergence of large number of farmer organizations in village tank systems and rain-fed areas through SCOR initiation, it has become necessary for line agencies like the Department of Agriculture (DOA) and Agrarian service (ASD) to interact with farmers who had no access to agriculture related information system previously. SCOR catalysts and professionals have been successful in getting the line agency to work with RUOs. Especially, these organizations have provided the necessary institutional environment for organizations like FD and CCB to implement their national level programs like Participatory Forestry Program (PFP).
4. Farmers in small tank systems like Mahameegaswewa, Puwakpitiya and Padikaramaduwa where seasonal activities were implemented in haphazard manner prior to SCOR interventions, have been influenced to develop better management practices leading to water savings through the involvement of these organizations.
5. Environmental concern have been created in the farming communities.

### 6.5.2. Failures

1. Though all the RUOs get high rating for their linkages with line agencies like ASD, DOA, DS, FD and CCB, and line agency officers participate in RIO activities and provide necessary assistance to RUOs, the questions regarding their support after the withdrawal of SCOR arise. Since these officers participation has been obtained and maintained by making payments, it will be very difficult for RUOs to have the same support of the officers after withdrawal of catalyst. Instead of building up an interactive participation of officials by planning and developing intervention with them, SCOR has tried to disseminate their own intervention through line agency officials by making payments to them. SCOR may have required this kind of short cuts to achieve its targets but this has serious impact on organizations after the withdrawal of SCOR. On many occasions, knowledgeable farmer leaders too have expressed their concern over what would happen to this participation after withdrawal of SCOR which induces officer participation by making payments.

Since officer participation have been sought through payments, Getting line agency support through Sub WRMTs have not been attempted. SCOR effort to strengthen management bodies like Sub WRMT or organizations like DOA, ASD have been marginal. A continued support to farmers can be assured only through strengthening of the capacities of organizations and institutions at watershed provincial and national levels.

2. Though it is evident from the indicator values that the organizations which received SCOR grants are financially strong while others are weak, a tendency for withering away of funds are observed in some places. Especially, in Tittallawa, Mahameegaswewa and Mahasengama, there have been losses from enterprises due to lack of skills in the farming communities. The farmers have been encouraged to undertake various kind of enterprises without providing then necessary skills and also without studying the feasibility of such enterprises.

Instead of building up an organization culture to manage funds by the members of the organizations, SCOR has tried to control the RUO funds by themselves. Use of RUO money by SCOR officials to give loans to other RUOs etc. have generated a feeling among RUO representatives that money belongs to SCOR. Also, they await SCOR permission to take decisions regarding money. Though SCOR should guide RUOs to manage funds, it is not correct for them to have a upper hand in decision making as we could observe in many locations. Too much involvement of the catalyst in fund management affairs in Kokawewa has ruined the organization financially.

SCOR has not put efforts to build farmer representatives capacity through training. Though these type of training and capacity building attempts are seen under the first team leader of Huruluwewa, an expert in the field of institutional building, this has been submerged later in an extension culture very harmful to

this type of institutional building. Only a few training given by DOs in ASD on financial account keeping could be observed during this period. Leaders of the organizations lacked leadership qualities as well as necessary skills to manage the organizations due to less attention paid to these aspects by the project.

Though project was a watershed management project requiring the development of skill in local communities for certain kind of related activities like nursery management, no individuals or groups with such capacities could be identified even after 4 years of the project. SCOR had to purchase plants from outside nurseries by spending millions of rupees in 1997 to implement a massive tree planting program in some selected sub watersheds due to this reason. Also, project could be observed hiring AIs for marking contour bunds etc. even in 1977. In watershed management projects, village youths or farmers themselves are trained to disseminate technology because it is regarded as sustainable.

3. There are certain problems with regard to SCOR field level implementors approaches and strategies too. At the early stages of the project, the main emphasis have been on soil and water conservation technology transfer, an enormously difficult task even with a substantial incentive system. The farmers have been assured of incentives that the project would provide through mini-projects at the initial meetings held for the implementation of SCOR activities, specially those relevant to soil and water conservation. However, due to long delays in mini-project implementation, the unwillingness in the part of banks to grant loans for investment on mini-projects, have made SCOR a false promise maker in the eyes of farmers. The loss of trust on SCOR and criticism against it in some field sites are mainly due to this reason.
4. The tendency to introduce same interventions for all SCOR sites without having due consideration for location specific differences, especially for the socio-economic dimension.. This hardly affects the refutation of leaders when they try to impose them on farmers on SCOR initiation.
5. The belief that incentives such as supply of seedlings free of charge, writing off of a loan granted for taking up of a new technology or a practice would create dependency in the community. It should be noted that many successful watershed management project have invested heavily on physical rehabilitation work, improvement in physical system by constructing check dams etc. and also have paid incentives for activities leading to adaptation of soil and water conservation technologies. The contributions by farmers involved in a soil and watershed management are larger than in a general rural development project. Hence, the principal applicable to rural development project can not be applied to watershed management project with the same gravity.
6. The failure in part of some SCOR team members to learn from field experience. As a result of this tendency, a technology which was not adopted by farmers are again and again recommended. The reason for non-adoption may be due to some

socio-economic reasons or a problem in the physical system. However, when such problems are not considered, the farmers loss trust. This affect their participation in organizations. In a project like SCOR, everybody need to become action research partners who implement activities with a view to learn from field experience, adjust approaches and strategies and also the technology itself when it is required to do so.

#### **6.6. Socio economic and physical conditions harmfully affecting organizational performance**

1. Political factions in the villages like Puwakpitiya, Walgamwewa, Kelenikawewa had an impact of farmer participation in organizations.
2. Extreme poverty and backwardness in communities like the one in Mahameegaswewa. Selection of this type of village to start an enterprise development activity should have been seriously considered.
3. Farmers' unfavourable attitude towards SCOR as an agent trying to save water for Huruluwewa farmers. This could be observed in Feeder Canal area. Similar kind of an unfavourable attitude can be observed in the farmers of Hurulu command for not assisting their organizations through mini-project.
4. Water abundance in areas like Walgamwewa. Since the farmers can have access to water even without the assistance of organizations, there is a tendency in farmers to avoid participation as participation involves costs such as water saving for downstream farmers. The involvement of this type of farmers can be encouraged only through sufficient incentives.
5. Dry weather conditions prevailed in the area after Yala 1995.

## **CHAPTER SEVEN**

### **SUB COUNCILS, ZONE ORGANIZATIONS AND FARMER FEDERATIONS**

#### **7.1. Introduction**

Sub councils are the third tier of the institutional frame work of SCOR. Though the sub councils are an integral part of SCOR institutional framework, no serious attempts could be observed among SCOR members in Huruluwewa to form them. One major reason for less attention on this aspect was that the lower level institutions like RUGs and RUOs need to develop and function effectively prior to the establishment of Sub Councils based on them. The lower level institutions too were weak in many places. On the other hand, the farmer leaders too had not felt this necessary as they too had not been convinced of the benefits through federating in to Sub Councils or Federations. However, the catalyst who worked in Kokawewa wanted to translate this concept into reality in order to find solutions to some of his organizing problems. He established a Sub Council by federating 9 Resource User Organizations in Kokawewa in May 1995. Though this Sub Council has ceased to function now, it is important to learn through the experience gained in experimenting with this model. In addition to this, 4 zone organizations have been formed in Hurulu Feeder Canal area federating several RUOs in each Zone. Though these Zone Organizations too did not function as expected, the experience gained through them will be presented here.

Similarly, a need for federating RUOs into councils had not been felt by the farmer leaders and farmers in the area. Their experience with the two existing federations formed by IMD in Hurulu Command area and Hurulu Feeder Canal area too was not satisfactory. They did not function as expected even though SCOR started working with these two existing federations from the very beginning of the project.

#### **7.2. Kokawewa Sub Council**

The Sub Council of Kokawewa was established on 24.5.1995 federating RUOs in Tittallawa, Kokawewa Old village, Ihala Kokawewa, Palugollagama, Nagalawewa, Boralugodalla, Kivulekada Major Irrigation, Kivulekada minor tank system and Kokawewa DCO DC 9/10 in Huruluwewa scheme. The key officer bearers (president, secretary and treasurer) of each of these organizations were declared as members of the Sub Council. The main objective of the Sub Council was shared control of natural resources through participatory planning and implementation process in which both community members and line agencies are involved. The following were the specific objectives of the Sub Council, according to the catalysts who formed it.

- to strengthen the organizations which are deficient in funds, knowledge, labour and other resources to enable them to plan and implement sustainable production activities.

- to enable farmers for collective bargaining
- to supply good quality inputs like seed, fertilizer, agro-chemicals, plants etc. at reasonable prices as and when they are required by farmers
- to start agro-based industries
- to Establish linkages between and among farmers and FOs and line agency officials

The catalyst expected to have legal recognition for the Sub Council by registering it at ASD in order to have a Mini-Project grant for the sub council to implement his ambitious program. He expected that low land farmers and high land farmers would be united so much through this management body and share their land to do "bethma". Since the Sub Council had no funds of its own, the catalysts used the money belonging to Tittallawa RUO which had received a Mini-Project grant from SCOR. By depositing the Mini-Project fund in the Bank of Ceylon branch in Galenbindunuwewa, he obtained bank loans for the RUOs under Sub Councils using Tittallawa RUO as the borrowing organization. Though the Sub Council was there to take decisions regarding lending and implementing various kind of activities, it was Tittallawa FO which had the legal and institutional recognition at the bank to obtain loan and was responsible to banks over settlement of loans. The Sub Council was not a legally recognized body at this time and it could not obtain a Mini-Project grant for this reason. However, catalyst used this informal body as the main decision making body to take decisions on funds owned by Tittallawa RUO which was a member organization under this Sub Council. When the Sub Council was recognized by ASD in the early part of 1997 on SCOR initiation, it had already become defunct. This initial attempt though failed, has paved the way for this type of organizations to be legally accepted by ASD.

### **7.3. Activities implemented through Sub Council**

One major activity implemented by the Sub Council was the establishment of a Farmer Service Centre "(Alevi Sala)" to provide input requirement of the farmers and purchase farmer produce. The other main activity was providing credit requirement of the farmers of the 9 RUOs holding membership in the Sub Councils. The details of these activities are given below:

### 7.3.1. Farmer Service Centre

The main purpose of the Farmer Service Centre, in the point of view of the catalyst was to enhance collective bargaining power of the farmers. Catalyst had discussed his plans for the Service Centre with the farmers. However, since the responsible SCOR specialists failed to establish links between the Service Centre and the outside market, it could not serve the main purpose for which it was established, according to the catalyst. As the farmers could not sell their produce through the Sub Council, they lost their interest in it. In spite of this set back at the beginning, catalyst opened up the service centre in Kokawewa area on 23 May 1995. It handled services such as supply of inputs like agro-chemicals and fertilizer, seeds and plants. Originally Centre was given Rs. 49,000.00 which Tittallawa RUO obtained from Bank. Later it was issued Rs. 187,929.50 for purchase of fertilizer, equipment etc. Nearly about Rs. 300,000.00 had been issued by Tittallawa RUO for the Service Centre run by the Sub Council. A manager, a Supply officer and a salesman had been appointed to the Centre. Though the management decision regarding the Centre was taken by the Sub Council, it was Tittallawa FO which had to spend its money on the activities. As a result, the monitoring of its activities became nobody's responsibility.

After one year a loss and profit account was prepared for this enterprise by the Financial Officer of SCOR at IIMI Head Quarters and it was revealed that it had run at a loss. It was also revealed that the losses were due to management problems. Manager had pointed out that the weighing machines had some defects due to which losses had occurred when selling fertilizer to the farmers. The Sale Centre was temporarily closed down after this. By that time, there was a stock of agro-chemicals to the value of Rs. 96,035.00. The value of fertilizer issued to RUOs on credit basis by this time was Rs. 21,815.00. It was decided to sell the remaining fertilizer and agro-chemicals through the president of the Sub Council who had his own shop in the village. This was decided at a Sub Council meeting held towards the end of December 1996.

It was revealed that a considerable loss has occurred to the Centre through sale of plants. On the decision of the catalyst plants which were worth over some RS. 178,860.00 had been brought to the Centre. Since farmers did not buy these plants, it remained at the Centre and a farmer had to be hired to look after the plants by making a payment of Rs. 1,390.00 per day. He had been paid Rs. 1,390.00 for this work. However, these plants could not be sold out and the person who looked after them planted them in his home garden later. The comments of the farmers on this transaction is quoted below:

"Thousands of plants were brought here during "Nikini" (August) which is the driest month of the year. We did come to know about this only when the plants were brought in. No word was uttered with us about this before hand. Some wood apple plants were brought from Nikawewa area at Rs. 2.50 per plant. It was sold at Rs. 4.50 at the Centre. Do you expect the farmers in this area to buy wood apple plants at Rs. 4.50". (President, Nagalawewa RUO - Interviewed by the process documenter on 4 June 1997).

His accusations are directed at the catalyst for taking decisions without consulting the farmers or their representatives. These interviews reveal that catalyst influenced decision making and

implementation of Sub Council to a greater extent and losses were mainly due to the problems associated with decision making. The total loss from the Sale Centre was around Rs. 80,000.00 at the time of auditing. However, this loss and profit accounts had been prepared taking the stocks at hand and credit to be recovered in to consideration, however we understand that this is much more than Rs. 80,000.00 at present.

### 7.3.2. Credit arrangements to RUOs through Sub Council

The second main activity implemented by Sub Council using the funds of Tittallawa FO was providing credit for agricultural activities of the farmers in their member organizations. This activity started in Yala 1995 Tittallawa RUO obtained a loan of Rs. 110,000.00 from bank and provided credit to its members as well as the farmer organizations in Kokawewa Old Village and Ihala Kokawewa. This loan could be recovered without any difficulty and the RUO could win the confidence of the bank. In Maha 1995 on the decision of Sub Council, a bank loan amounting to Rs. 525,000.00 was obtained from bank and distributed among 6 RUOs under the Sub Council. The amount issued and the balance still outstanding is given below in Table No. 53.

Table No. 53, Loans issued and balance outstanding

Name of the Organization	Amount issued Rs.	Amount Outstanding Rs.
Palugollagama RUO	75,000.00	1,060.00
Nagalawewa RUO	75,000.00	3,360.00
Kokawewa RUO	75,000.00	1,050.00
Boralugodalla RUO	49,000.00	10,000.00
Ihala Kokawewa RUO	45,000.00	-
Farmer Sales Centre	58,000.00	49,000.00
Tittallawa RUO	148,000.00	28,000.00
Total	525,000.00	92,470.00

Though Sub Council took decisions regarding credits to be provided to the RUOs, it did not intervene in loan recovery. The president of Tittallawa RUO had to go from house to house of the members in other organizations to recover credit. Only 1.60% of interest was charged from he members for these loans. In spite of all the efforts of the president of Tittallawa RUO, Rs. 86,400.00 stood as unsettled loans by the end of 1996. Out of this Rs. 49,000.00 was from Farmer Service Centre mentioned above. This became a problem to arrange credit for Maha 1996/97.



At a Sub Council executive meeting held on 24 December 1996, the problem of arranging credit was discussed and decision was taken to settle RS. 84,000.00 outstanding to banks by borrowing money from individuals (ether members of RUOs or non-members) on the assurance to them that they would be provided a loan equal to their contribution while their contribution would be paid back as soon as the bank loan is received. On this assurance, Rs. 84,000.00 was collected from the following organizations and personals. This decision to collect money was proposed to the members of Sub Council by the catalyst who attended this meeting. It was revealed that some of the people who contributed to settle the bank loan were non-members. Even the non-members had to be provided with credit against the Sub Council constitution due to this reason.

Table No. 54, Contributions for loan settlement

Organization	Persons	Amount Rs.
Palugollagama	Somapala	15,000.00
Nagalawewa	Jayawardana Siriwardana	15,000.00 11,500.00
Tittallawa	Nimal Dayananda Jayatissa Weerasinha	20,000.00 20,000.00 1,300.00
Kokawewa Old Village	Punchibanda	3,600.00
Total		86,400.00

Also, at this meeting it was decided to obtain a bank loan amounting to Rs. 300,000.00 from bank to provide credit to these organizations on the basis of Rs. 75,000.00 to each organizations. The president of Tittallawa FO told at this meeting that he would charge an interest of 2% for the loans to be issued in this season.

It should be noted however that the monsoon did not bring sufficient rain to fill up the tanks in this season. When the decision was taken to obtain loans, there were some water in Kokawewa Old tank and Palugollagama. Even Hurulu command area was abandoned due to water scarcity in the main reservoir. Therefore, the rationality of the decision to take a loan amounting to Rs. 300,000.00 or more is inviting a financial disaster for the Tittallawa RUO which was at the verge of ruin due to activities implemented on the initiation of catalyst and the Sub Council, a parasite on Tittallawa RUO. Finally, Tittallawa RUO obtained a bank loan of Rs. 500,000.00 to provide credit to other RUOs and give loans to those who contributed to settle the balance of the loan taken in the previous season. According to the president of Tittallawa RUO, the idea of borrowing Rs. 500,000.00 came from the catalyst.

When the president of Tittallawa RUO was interviewed on 6 February 1997 by the data collector, he had been informed that loans were issued to RUOs on the following basis:

Table No. 55, Tittallawa president's description on loan allocation - 1996/97 Maha

Name of FO	Amount Rs.
Nagalawewa FO	95,000.00
Kokawewa FO	75,000.00
Palugollagama FO	84,000.00
Tittallawa FO	73,326.00
Kumbukwewa FO	50,000.00
Kokawewa Dc 9/10	55,000.00
95/96 loan settlement	67,674.00
Total	500,000.00

Since Kumbukwewa is a RUO outside Kokawewa sub watershed, RUO leader was inquired about it. It was revealed that the president knew nothing about Kumbukwewa RUO or its whereabouts. He finally told us that he gave this money to Kumbukwewa through catalyst on the request of him. However, since accounts of Tittallawa FO had not been properly done by the RUO, catalyst had asked a clerk attached to ASD office, Galenbindunuwewa to prepare the accounts books. He had arranged to make payments for the work done. Catalysts had provided him a note on the loans issued to different organizations from Tittallawa RUO. According to this note, the following organizations had been given loans:

Table No. 56, catalyst's note to ASD clerk on 1996/97 Maha loan allocation

Name of FO	Amount Rs.
Nagalawewa FO	95,000.00
Kokawewa FO	75,000.00
Palugollagama FO	84,000.00
Tittallawa FO	54,600.00
Kumbukwewa FO	50,000.00
Kokawewa Dc 9/10	55,000.00
95/96 loan settlement	86,400.00
Total	500,000.00

The sharp difference between the figures provided by the catalyst and the president of the Tittallawa FO led us to pursue further on this matter. Also, when Mr. Jinapala (RA in charge of process documentation) interviewed the president during this period, he had told him that Rs. 60,000.00 was given to Ihalakokawewa FO. Our interviews with the leaders of the respective organizations showed that only the following organizations had obtained loans.

Palugollagama RUO	-	Rs. 84,000.00
Kokawewa old village	-	Rs. 75,000.00
Nagalawewa RUO	-	Rs. 95,000.00
Tittallawa RUO	-	Rs. 54,600.00
Total	=	<u>Rs. 308,600.00</u>

It was further revealed that Kumbukwewa RUO, Ihala Kokawewa RUO and DC 9/10 Organization in Hurulu Command have not obtained any loans. The president of the Sub Council also told us in these interviews that Sub Councils approved loans only to Nagalawewa, Tittallawa, Kokawewa old village and Palugollawa. He further told that the power and authority over loans are with Tittallawa RUO and it is possible for the RUO to give loans to other organizations. However, it was evident beyond doubt that the organization was misappropriating money. However, at a later stage signatures of some officials of Kokawewa DC 9/10 Organization and Ihalakokawewa Organizations had been obtained by the intervention of catalyst to prove that there was no misappropriation of fund. Ihala Kokawewa FO leader categorically denied to have taken a loan and said that when the Financial Assistant from IIMI Head Quarters went there for the inspection, catalyst personally came to him and explained that he took Rs. 50,000.00 for his use and requested him to sign a voucher indicating that Ihalakokawewa organization obtained Rs. 50,000.00. He said that he signed it to save the poor guy (catalyst). However, he did not forget to make the following remark. "Now this business of granting loans to farmers have taken a different turn. It is now Mahattayas (gentlemen) who

take loans and not the farmers. Now Mahattayas can not say anything even if Siri (President of Tittallawa FO) or we ourselves rob organization's funds because it is Mahattayas who have taught us to rob (misappropriate funds)."

As very recently reported to the consultant by the data collectors, the amount so far recovered from the loan of Rs. 500,000.00 is only some Rs. 130,000.00. Also the president of Tittallawa has made the following remark to the data collector, when he made further inquiries about loan recovery. "I understand that if we give money to Mahattayas (Gentlemen), we can easily recover them. Credit made to Mahattayas could be recovered to a larger extent. But farmers have failed to settle loans. "Tittallawa farmer leader knows who this Mahattayas (Gentlemen) are. The president of the RUO lamenting on the disaster occurred due to lending money to the members of other organizations said "I opposed the idea of sub council from the very beginning. We told Mahattaya (refers to the catalyst) that lending money to other organization would ruin us. Mahattaya in reply told me 'You are very selfish. If you are not prepared to give credit to other organizations, I would deposit this money in some other organization prepared to provide credit to other organizations' ". This is how Tittallawa organization as well as the Sub Council came to an end leaving a dark spot on SCOR organizational and institutional development experience. The consultant wishes to end this section on Kokawewa with a special remark made by a village youth drawing an example from mythology on the birth of the "Mahasona" (the demon of grave yard). "When Mihidiya (SCOR) came here, Mahattayas told us that they came to change people's head (to introduce attitudinal changes). Now see how pathetic the situation here is. Innocent people like Siri (refers to the president of Tittallawa) who knew nothing of frauds were taught to misappropriate funds, rob the money belonging to organizations and people. The change brought about in farmer leaders are really worthwhile!.

#### **7.4. Zone Organizations in Feeder Canal Area**

Just like Sub Councils, zone organizations too federate several RUOs in a sub locations. However, this sub location may not be a sub watershed. Zone Organizations were introduced to the irrigation command area under Hurulu Feeder Canal by the SCOR Watershed Management Coordinator (WMC) of the Upper watershed of Huruluwewa. However, he got the involvement of line agencies like IMD, ASD, DOA and DS to form these zone organizations. Inaugural meetings of these organizations have been held with their participation. The purpose of these organizations in the point of view of PM (IMD) who attended all the inaugural meetings of the four zone organizations is quoted below. "We federated 16 organizations in the Feeder Canal area and formed Hurulu Feeder Canal Organizations. Now there are certain coordination problems at DCO levels which can not be attended by the Farmer Federation successfully. Therefore, we decided to form 4 zone organizations federating 16 FOs into four zone organizations. The zone organization should solve the problems in a zone within its area. Water management activities as well as seasonal decisions should be implemented and monitored by the zone. This will make the coordination among the organizations easy." (IMD PM's speech at the Fourth Zone Organization's inaugural meeting held on 13 October 1996).

SCOR WMC of the Upper Watershed area too expressed his views. "The zone organization should decide the number of pipes to be used for irrigation. It should control and manage water. Any problems arising within the FOS in a given zone organization should be tackled by the zone organization. The zone organization will have the necessary guidance and assistance from IMD, DS, Garma Niladari, Samurdhi Niyamaka and Govi Sevana Niyamaka. This will give birth to a new administrative structure. In case of necessity, the zone organization will receive even the support of Police. The village level officers like Grama Niladari, Govi Sevana Niyamaka should involve in the activities in the zone organization and monitor its work. Now the farmers need not to depend on the decisions of the farmer Federation for decision regarding water." The Deputy Team Leader of SCOR addressing this meeting told farmers that the zone organization should decide the number of pipes to be used by the farmers in the area. It is the responsibility of the zone organizations to use water efficiently and share water with Huruluwewa farmers.

Based on SCOR initiation, the zone organizations prepared the water sharing schedules and were ready to implement it. However, because of water scarcity problems due to canal closure (even without informing FOs), the interest in water management was lost. Finally, some farmers in Feeder Canal damaged Mahaweli structures at head stream areas of Feeder Canal to bring water to down stream areas like Polattawa where crop faced a severe water stress towards the end of the season.

Interview at the beginning of 1997 showed that zone organization were no more active. In some places some zone organization leaders who held position in Dambulu farmer Company involved themselves in the paddy purchasing activities of the company. However, they were not really the activities of zone organizations. These leaders had the idea of turning the zone organizations into branches of Dambulu Farmer Company to provide farmers input requirements as well as purchase of farmer products. This had not become a reality by mid 1997 in which this study was completed. The leaders of the FOs regarded zone organizations as something proposed by SCOR and not of much relevance to find solutions to their problems. Some leaders in Walgamwewa FO were of the opinion that federating their organization in the head stream area above Kandalama bifurcation with those like Kalundawa and Angunawelpalassa in water shorts areas below it is not meaningful. In addition, they were interacting with the other FOs in the head stream area previously and they are their fellow kinsmen. Now to separate them and join them with Kalundawa arbitrarily by WMC was seen as not useful. This has even made the interaction between them difficult because of the physical distance between them.

Some farmer leaders told us that the idea of zone organization was introduced by WMC to get rid of the president of the Feeder Canal Farmer Federation who had created problems for SCOR activities by this time. It was well known that the leader who was very friendly with WMC at the beginning had developed some unfriendly feeling towards WMC for trying to impose his decisions and will on FOs. He represented Kalundawa area. Through the federation of Kalundawa FO with Walgamwewa where the leader was allied with SCOR WMC, it was expected to control the behaviour of the leader of the farmer Federation, according to some farmer representatives. Whatever the motives of WMC, the farmer federation which was already a weak organization became weaker after the formation of zone organizations. But the

leader of the farmer Federation who was a political figure himself, could be seen trying to influence some SCOR activities like formation of Dambulu farmer Company and selecting its director board.

## **7.5. Farmer Federations**

There were two farmer federations formed by IMD prior to SCOR implemented its programs in Huruluwewa. One was in the Feeder Canal area while the other was in Hurulu Command. They were not engaged in resource management activities effectively. SCOR tried to implement some programs through the leaders of these organizations. In feeder canal area water management activities and attempt to reduce the number of pipes used for irrigation was implemented with some of the leaders in the organization. However, it was not the organizations but some leaders who were really involved as the organization had become defunct due to misappropriation of funds and lack of farmers' acceptance.

Huruluwewa Farmer Federation too was not an effective body in 1995 when SCOR implemented soya program in Hurulu Command area with the involvement of this federation. Soya purchasing activities were handled by this organization with the heavy involvement of SCOR team members in the work. It could build up a share capital required for the company. Some of its leading FRs became the directors of Hurulu Farmer Company. SCOR provided a grant of Rs. 1 million to the Farmer Federation through several DCOs to start soya purchasing activity. Rs. 650,000.00 out of this grant was given back to the Huruluwewa Farmer Company. However, Farmer Federation retained some money with them and provided credit to some farmer leaders using this money. No activities could be observed in this federation thereafter.

A farmer federation was formed in Palugaswewa area federating RUOs in Palugaswewa DS division on SCOR initiation. This never met after its first meeting. Farmers and farmer leaders do not see any requirement for such an organization at present.

## **7.6. Conclusions**

1. Both Sub Councils and Zone Organizations have been initiated by SCOR to find solutions to SCOR field implementation problems rather than as a felt need of the farmers. In Feeder Canal area main task of the organizations formed was to control the number of pipes used by farmers to irrigate their lands in order to bring more water to Huruluwewa reservoir. Some farmer leaders helped SCOR to implement this program mainly because they too had serious water problems due to unreliability of supplies by Mahaweli. They expected that these problems would be reduced by adhering to cultivation meeting decisions and controlling the pipes in their areas. Farmers faced serious water problems in spite of their leaders' attempts to comply with SCOR requests to reduce number of pipes etc. Polattawa farmers who adhered to cultivation calendar strictly, had severe water scarcity which led to yield reduction and crop failure in the season. Sub

Council, SCOR or any other agency could not help them. Some farmers in Feeder Canal even went to the extent to damage the irrigation structures in head stream areas to get water to their crops. This failure in the part of management agencies to help farmers created a negative attitude towards the newly created Zone Organizations, the main function of which was water management.

2. In Kokawewa Sub council, the farmer leaders had not been properly trained to make participatory decisions, adopt transparent procedures in financial transactions and also for financial record keeping. Enterprises requiring some management skills have been introduced to the Sub Council without developing skills in farmer leaders to manage it. This has brought a financial disaster both on Tittallawa and Sub Council in Kokawewa.
3. Catalyst's intervening in affairs of Tittallawa and Kokawewa Sub Council's financial and other management decision making in a quite undemocratic way is against the basic principles advocated in participatory watershed management projects like SCOR. Instead of building the capacity of leaders, his involvement in organizations' affairs in an arbitrary way has weakened the leaders capacity to make participatory decisions with their members. Instead they have made decisions with catalyst and this has finally led some farmer leaders even to misappropriate funds.
4. The failure in the part of SCOR to monitor the activities of Sub council and provide necessary guidance to the leaders as well as to the catalyst to experiment with this new organizational model is at the core of the financial disaster in this organization.
5. Though the farmer federations established by IMD have been used by SCOR for implementation of some SCOR implementation activities like Soya purchasing in Hurulu Command area and control of pipes in Hurulu Feeder canal area in 1995 Yala, these organizations have almost become defunct by now. Though some leaders are working with some farmer companies as members of director board, an independent kind of existence, collective action for the benefit of members are not observed in them. These organizations have the least recognition among the members.
6. However, Sub Councils and Zone organizations can become effective management bodies to handle enterprises which are beyond the capacity of RUOs. For this purpose Sub Councils need to be linked to markets and marketing organizations. Also, the RUOs federated under Sub councils need to have some capacity to involve in Sub Council and monitor its activities. However, after the formation of Farmer Companies, it is very difficult to foresee a similar kind of activities for farmer federations in future even though they can give impetus to formation of farmer companies.

## **CHAPTER EIGHT**

### **SUB WATER RESOURCE MANAGEMENT TEAMS AND FARMER COMPANIES**

#### **8.1. Introduction**

Farmer companies, Sub Water Resource Management Teams (Sub WRMTs) and Water Resource Management Teams (WRMTs) are the institutions at the apex of SCOR's primordial committee structure at project level. Sub WRMTs and WRMTs are supposed to function as coordinating mechanisms at divisional levels (comprising of number of sub watersheds) and watershed levels respectively. These committee meetings are supposed to be attended by line agency officials, farmer representatives and SCOR team members as well as representatives of NGOs and private sector organizations. Farmer Companies formed with the share capital from farmers are supposed to address farmers' marketing problems and ensure better prices for their produce and thereby help them to continue their production and protection activities. SCOR had established three Sub WRMTs and three Farmer Companies by mid 1997. Attempts are made in this section to discuss the contributions by SWRMTs and Farmer Companies to strengthen the farmer level institutions like RUOs, Sub Councils and Farmer Federations and the sustainability of these two institutions after the withdrawal of SCOR project.

#### **8.2. WRMTs and Sub WRMTs**

Three Sub WRMTs had been formed with the involvement of the line agency officers working in the three main Divisional secretaries divisions coming under Huruluwewa watershed. Feeder Canal area comes under the Sub WRMT in Dambulla while areas like Puwakpitiya, Mahameegaswewa, Weragala and Kumbukwewa come under Palugaswewa Sub WRMT. Galenbindunuwewa area has a separate Sub WRMT. These Sub WRMTs are chaired by the Divisional Secretaries and attended by AIs, DOs, LDIs, RFOs, COs, Grama Niladaris and TAs. When there are major irrigation schemes or command areas under Mahaweli in the area, IMD project managers, IEs and Mahaweli officials too are supposed to attend these meetings. Though a WRMT was initially formed, this did not meet after its first meeting. WRMT was supposed to be attended by DSs and higher level officials like IE, PM (IMD), Mahaweli Officials and also some provincial level heads of line agencies. One major objective of WRMT in Huruluwewa was to build up linkages between upstream and down stream areas of Huruluwewa for watershed management.

The main objectives of Sub WRMTs as appeared in SCOR documents were:

1. To provide contributions of the professionals for project implementation
2. To facilitate to prepare plans for SCOR activities



3. To find approval for Mini-Projects to be implemented by RUOs and RUGs
4. To monitor the progress of the project
5. To prepare terms and conditions for consultancy services required by the project
6. To provide field information and necessary technological guidance to PSC and NSC over project activities
7. To establish linkages with NGOs and other organizations involved in land, water and environment related activities
8. To monitor the progress of project activities entrusted to NGOs
9. To carry out any other activities entrusted by PSC and NSC

However, it is not intended to evaluate Sub WRMTs based on their performance related to these activities in this report. Instead the Sub WRMTs interactions with the RUOs and its contribution to development of RUOs through this type of a vertical linkages and the sustainability of Sub WRMT as a management body is the subject of this section.

### **8.3. Some Comments on activities of Sub WRMTs and their interactions with RUOs**

1. The main function of Sub WRMTs were to discuss SCOR intervention with the Sub WRMT members, especially line agency officials to make them aware of SCOR and also to find their assistance for implementation of some of the interventions. On most of the instances, interactive participation of the officials were not sought through Sub WRMTs to plan and implement interventions. For example, at a recently held Sub WRMT meeting in Galenbindunuwewa, officials said that they know nothing about the Mini-Projects implemented during SCOR Phase I and grants released to them because they had been done without their involvement. Even when officials participated in some activities, their participation has been sought not through the Sub WRMT. Instead, they were paid by SCOR for the participation and had thereby developed a kind of thinking in the officers that the work is SCOR work and not the responsibility of relevant line agencies.
2. The activities discussed at Sub WRMT were limited to SCOR intervention areas which are small in scale and only segments of bigger areas handled by officers like DO and AI. Therefore, SCOR work was insignificant in their eyes. And also SCOR work was not of much help to them in implementation of their day to day field level activities. Since there were nor attempt by SCOR to expand their activities beyond their intervention areas through line agencies, Sub WRMT became a forum to discuss SCOR implementation program and not

agency programs. Therefore, the officials lacked enthusiasm to involve in a program which does not help them much in their general field implementation activities.

3. Up to very recent times, even the letter calling for the Sub WRMT meetings were prepared by SCOR officials and taken to DS for signature. Letters too were despatched by SCOR. This situation changed to some extent in Dambulla because the two Divisional Secretaries who served there after 1995 took an interest in SCOR activities. And also, Government Agent (G.A.), Matale was involved in Sub WRMT and monitored the progress of project activities. It was evident, however, that SCOR could not even initiate DSs in other locations to take the responsibility over calling this meetings held once in two months, after four years of project implementation. Therefore, a question arises whether it is worthwhile to discuss about monitoring or implementation of project activities through this management body. When we do not work for sustainability, we can not hope sustainability.
4. The participation of farmer representatives in Sub WRMTs were very weak on many instances. For example, Galenbindunuwewa Sub WRMT was attended only by some FRs from Hurulu Command area. Other areas were represented very rarely. Even when they come, they come to represent one organization and not to represent a sub watershed or an area comprising of number of organizations. This was mainly due to the fact that lower level institutions like Sub Councils and federations had not been developed to represent areas or sub watersheds at Sub WRMTs. Even in areas like Feeder Canal where there are Zone Organizations to represent RUOs at Sub WRMT, Zone organizations did not hold regular meetings to establish two way communication required. It should also be mentioned that FRs were selected for representation on ad-hoc manner. For example, WMC in lower watershed area in a letter addressed to catalysts had asked them to nominate FRs for Sub WRMT. Some catalysts nominated them and they were invited to meetings. In Palugaswewa, there were no procedure at all for selection of FRs for Sub WRMT. In Dambulla too a clear procedure could not be observed.
5. Farmers participation in Sub WRMTs were weak mainly because that they did not provide solutions to farmers' resource management problems or offer some benefits to farmers to engage in resource management activities. Participation in Dambulla was somewhat better because Sub WRMT coordinated programs like PFP at field level and provided benefits to farmers. It involved in activities related to the company. As it was evident from the discussion on vertical linkages in Chapter 6, the RUOs got very weak rating for this indicator as they have not built up strong linkages with these institutions. RUOs lack of interest is mainly due to the relative weakness of Sub WRMTs in providing necessary assistance to RUOs to find solutions to their resource management problems. The FRs interviewed told us that after participating in several meetings they lost interest and hope in Sub WRMT.

6. Some argue that most of the functions to be done by WRMT is now attended by PSC to which all the relevant officials attend and therefore, WRMT is not required. However, WRMT would have been an effective mechanism to build up down-stream and up-stream linkages required for irrigation system management as well as watershed management in Huruluwewa watershed. SCOR lost interest in building up these linkages through WRMT mainly because of the understanding that linkages along would not solve the problems. Handing over of the entire system to Mahaweli was the alternative arrangement initiated by SCOR to solve this problem. Even under Mahaweli, some kind of linkages may be required for the management of Feeder Canal, three tank systems and Huruluwewa.

#### **8.4. Farmer Companies**

Three farmer companies have so far been formed in Huruluwewa watershed. They are Huruluwewa People's Farmer Company, Dambulla People's Farmer Company and Green Path Company. Out of the three farmer companies, Green path company based on Palugaswewa area has not started producing herbal products from herbal, seeds etc. which was assumed to be in abundance by those who promoted the company. The consultant could not interview any of the directors of this company to get information on its activities, shares and share holders etc. Even those who were involved in it did not know much details. Only information available is that SCOR has made grants amounting to Rs. 1 million to several RUOs in Palugaswewa area for the farmers to buy shares in this company. Rs. 600.00 has been collected as farmers' shares for it. No activities are implemented by this company at present.

##### **8.4.1. Dambulu People's Farmer Company**

Dambulu Farmer Company was established in September 1996 on the initiation of SCOR. The farmers involved were those who cultivate lands in Feeder Canal area. The Farmer Federation in Hurulu Feeder Canal was the main organization which contributed to the establishment of this company. The director board for the company was selected in November 1996. Each RUO in the Feeder Canal area on the basis of one representative for each 20 farmers in the organization to represent them at the election held for selecting board members. 52 representatives were selected in this way from RUOs in the area for this purpose. There have been political interferences for selecting the president of the farmer company from the members of director board selected by share-holding farmers. One director (a leading FR in Feeder Canal area) influenced the company through a powerful politician in the area to select him as chairman, according to some members of the director board. However, they did not give in and selected some other person whom the members of director board trusted.

Company director board includes five directors from Feeder Canal area, four from small tank and ran-fed areas, two from government agencies (DS and AC of ASD) and one from SCOR. The officials as well SCOR representative are not eligible to vote at the director board

meetings. They are supposed to provide guidance and necessary assistance through coordination with the relevant line agencies for the company to function properly in its formative stage. Four directors to represent small tank and rain-fed areas have not yet been appointed. Also a person to represent SCOR had not been appointed by the time of this study.

#### **8.4.2. Concept and share capital**

The idea of the company was initially proposed to farmers by the project leader of SCOR. Thereafter, on a decision taken at Sub WRMT, Dambulla, a series of meetings had been held in Feeder Canal area with the involvement of line agency officials from 20 July 1996 to 20 August 1997 to make farmers aware of this company. Thereafter, shares amounting to Rs. 100,000.00 was collected by FRs as shares for the company. SCOR too contributed to the company fund by making grants amounting to Rs. 1,500,000.00 to several RUOs in Feeder Canal area to buy shares in the company.

According to the members of the director board of this company, the main objective of the company is to get a reasonable prize for farmer produce and thereby put an end to the exploitation of farmers by middlemen and "Mudalalis". The farmers wanted to have this type of an intervention because of their bad experience in the market. Also, some directors expressed their fear of the future threat to their very existence from multi-national interests. In their view, farmer company can be effectively used to safeguard farmers' interest. However, some farmer leaders were of the view that all the farmers are not yet well aware of the company and its program. Therefore, they stressed that an awareness program need to be implemented to make them more aware of the company and its benefits.

#### **8.4.2. Activities implemented by the company**

The only activity so far implemented by Dambulla Farmer company was purchasing of paddy. since the company had no funds of its own at this stage, Government Agent, Matale issued a loan amounting to Rs. 850,000.00 to enable the company to make credit arrangements for paddy purchase. However, the company could not compete with the private sector and buy its target as the private traders paid more than Rs. 8.00 for per kilo of nadu and Rs. 10.00 per kilo of samba, the prices decided by the company per kilo. In the point of view of farmers, the private traders paid higher prices in this season as the company had assured a minimum price for paddy. However, after paddy purchasing activities were over, price of paddy went down and the company had to keep it stored for some time to sell it at a profit. It had not been sold by the time data collection was completed for this study. It was apparent that company can not make a profit from this business because the quantity purchased was small and the company had to pay an interest for the bank loan obtained to purchase paddy.

### **8.4.3. Company plans for future**

On the guidance of marketing Assistant (SCOR), attempts were made to prepare a business plan for the company at the beginning of 1997. Cultivation of G'cola and vegetables etc. for super markets are in this program. In addition, on the initiation of SCOR, this company prepares itself to sign a forward contract with Thriposha Company (a company functioning under Ceylon Tobacco Co Ltd) to provide apollo toxin free maize and soya to prepare Thriposha (a nutritious food given to pregnant women and small children).

### **8.5. Huruluwewa farmer Company**

Huruluwewa Farmer Company is the oldest of the two. The share capital requirements of the company was built up through soya purchase activity in Huruluwewa in Yala 1995. Each Farmers who sold soya to Huruluwewa Farmer Federation in Yala 1995 had to contribute to build up the shares for the company by allowing Farmer Federation to deduct Rs. 2.00 per each kilo of soya sold by him. Since farmers were paid Rs. 20.00 per each kilo of soya sold, the farmers willingly made this contribution and were less worried about this deduction because if they had sole to private traders, they could not have been able to sell even at Rs. 18.00 per kilo.

However, since Thriposha Company did not pay the agreed price of Rs. 22.00 later (they reduced Rs. 3.00 for each kilo later as warehouse charges), and paid it to the government ware houses as rent, company could not make the expected profit. The share capital built this way was nearly about 1.5 millions. In addition to this amount, Farmer Federation had with it Rs. 850,000.00 which included the profit from the business as well as the balance from SCOR grant of Rs. 1 million made to the farmer federation through some RUOs engaged in soya purchasing activity. Federation retained some Rs. 200,000.00 and returned the remaining Rs. 650,000.00 to the company. Thus the company had about Rs. 2.15 million in its bank accounts when it started its business activities in 1996.

After this initial capital was built up by the federation, action was taken to form the company in early part of 1996. Each DCO in the command area was entitled to send five representatives to select the director board of the company. 5 company directors was selected from the command area this way. FRs who were interviewed on this selection process told us that the five representatives were selected at DCO meetings held for this purpose. Two directors were appointed from minor tank and rain-fed area farmer organizations. Including SCOR representative (MS) and line agency representative (in this case PM - IMD), total number of directors in the company was nine. WMC in the lower watershed worked as the secretary of the board as there was no lawyer in the area to appoint as the secretary. It is required to have a lawyer to function in this position, according to company constitution.

After the selection of board members in 1996, shop of the company was ceremoniously opened by the Minister of Agriculture on 24 October 1996.

And at this meeting itself, the idea of farmer company which was only an untested assumption at this stage was hailed as a panacea for all the ills of fast changing agrarian economy of Sri Lanka.

## **8.5. Activities Planned and Implemented through the Company**

### **8.5.1. Activities implemented by the Company**

Various kind of business activities were attempted to be implemented through the company. Some of them were initiated by SCOR and some by director board members themselves. SCOR for its part proposed signing forward contract with companies to supply farmers' agricultural produce (either processed or non-processed). On SCOR initiation, programs like supply of apollo-toxin free maize and good quality soya to Thripasha Company, promoting pigeon pea which is a drought tolerant crop, and supply of good quality vegetables and fruits to super markets, were initiated. Director board members representing farmers wanted to handle input supply activities, sale of provisions and stationery , travelling and transport, purchase of farmer produce such as chillies, vegetables etc. Some went to the extent to propose prawn-broking, sale of foot-cycles and every items sold by other private traders in Galenbindunuwewa town. Though it is very interesting to go into details on how these kind of programs were planned and implemented, it is beyond the limit of this report. Therefore, the main activities implemented and their result will be discussed.

#### **1. Maize production -**

Production of maize was attempted both in 1995/96 Maha (even prior to formation of company. This was done by Farmer federation with funds left with them after soya business activities. In first occasion, there was a loss of about Rs. 18,000.00. Apollo-toxin free maize could not be produced. In 1996/97, there was a profit of Rs. 1,860.00. But this too was not apollo-toxin free maize.

#### **2. Pigeon pea cultivation -**

SCOR proposed this activity during very dry periods in 1996 and 1997. Command area farmers refused this and asked SCOR to try it in rain-fed areas. This was not done in large scale. Many farmer leaders were of the view that crops attract a large number of insects and expenses on inputs like pesticides are very heavy for this crop. These insects damage many other crops in the same family according to them. This was not successfully implemented even in rain-fed areas even though SCOR was prepared to provide Rs. 0.5 million for this activity as a risk guarantee fund to the company.

3. Contracts with super markets -

Difficulty in collecting fruits and vegetables from farmers without having some contact with farmer level arose in this program. Contact between RUOs and company was maintained by catalysts earlier to provide some inputs like maize and soya seeds, fertilizer and agro-chemicals to the farmers for crops initiated by SCOR through the company in some seasons. But for purchasing of farmer products, company needed some linkages or persons to deal with farmer level directly. Company had no field staff for this purpose. On some occasions, company had to purchase vegetables and fruits at Dambulla market at higher prices to fulfil their obligations made through contracts as they could not buy these items from farmers due to non-availability of linkages with farmer level. Also, the fruits and vegetables of the required quality standard were not available. Farmers were not prepared to sell their best fruits to the company and keep the rest to be sold at local market as they can not get a better price for the whole produce through such a business transaction. Transporting these items to Colombo by hiring vehicles was not profitable. On all occasions, there were losses to the company through this attempt. And also, as expressed by the chairman of the company who himself took these items to companies in Colombo, it is very difficult for the farmer company to provide goods with required quality standard to them and make a profit.

4. Purchase of farmer produce -

Company had purchased paddy, chillies and black gram (udu) during this period. Prices paid for paddy (samba) was Rs. 11.00 per kilo, Nadu Rs. 7.50 per kilo. Chillies were purchased at Rs. 75.00 per kilo while the price paid for black gram was Rs. 35.00 per kilo. Out of these purchases chillies and paddy had not been sold out even by August 1997 as the prices in the market had dropped down very low. Price of chilli had dropped down very low mainly due to importing of chilli by the government. Farmers elsewhere in Sri-Lanka burned chillies in towns and protested the government and finally government had to purchase some chillies at Rs. 75.00 through the Cooperative Wholesale Establishment (CWE) to pacify farmers' anger. However, Huruluwewa Farmer Company could not dispose of their chilli stock even to CWE in spite of various attempts by SCOR itself. So loss or profits from these business activities have not yet been calculated. Company could make a profit of Rs. 43,034.85 from the sale of 6,945 kg of black gram. The director board members as well as some farmers pointed out that though the company could not make a profit out of these business transactions, the farmers could sell their produce at a higher price as a minimum price had been assured to the farmers by the company.

5. Input supply -

The main income sources of the company was supply of inputs like fertilizer and agro-chemicals as well as other agricultural implements like mamoties etc.

Company initiated farmers to use direct fertilizer. However, the private traders too started sale of direct fertilizer after company started this business activity. As recently reported to us, private traders sell fertilizer at lower prices and even some RUOs had purchased from private traders. The company had contributed a lot to bring down the prices of inputs in Galenbindunuwewa town. However, the private traders too had not given up their competition. As reported by the manager, lack of financial resources at his command (He has only 0.5 million overdraft), he can not buy requirements of the company as and when they are required. This too is a problem for making profit.

#### 6. Sale of Provisions and consumer items

This was attempted by directors on their own decision against the will of SCOR during the Sinhala New Year period in 1997. No separate details on losses and profit could not be obtained on this business activity, but some members of director board said that there was some profit. However, this has been given up as there is no enough space in the shop for this type of a business activity while handling agro-chemicals and fertilizer.

#### 8.5.2. Activities planned for future

Major activity planned for future is supply of apollo-toxin free maize and soya to Thripasha Company. The company has not signed a forward contract yet. The initial target of SCOR for the company was to supply 1,100 tons of soya and 3,600 tons of apollo-toxin free maize to Thripasha Company. According to some members of SCOR implementing team, Thripasha company requires 8,000 tons of apollo-toxin free maize. As the consultant understand from his interviews and formal and informal discussions with farmer leaders and directors of the company, this is an enormous task for the company to be handled by itself. Though they are well aware that business would bring the company into a strong position financially, they complain that they have neither resources, expertise or staff to handle this activity. Also, when they were interviewed in June 1997, there was a reluctance in their part to get bank loans for this activity from bank because they are scared to risk farmers' shares in deposit. Therefore, they except substantial amount of money from SCOR to invest on this activity which was encouraged by SCOR. Though several workshops were held to discuss these problems, it was finally agreed to go on with the program and encourage farmers to grow the crops before going into other detailed activities. As one experts said "First you raise the crop. We can attend to other things gradually. In 1995 Yala, we handle 700 tons of soya. We had no such sophisticated arrangements. I am sure we can do this, first get farmers to grow the crop." Thereafter, MA prepared a business plan and on the heavy involvement of some SCOR catalysts and company consultant, company has distributed seed and other input requirements of farmers to grow these crops. This activity has been organized even outside Huruluwewa watershed with the heavy involvement of SCOR catalysts to make the program successful. Directors expect a heavy involvement of SCOR in this activity by making substantial contributions financially and otherwise.



## 8.6. Some Comments on Companies

1. No business activities were handled by Dambulu farmer Company and it was in its formation stage when the consultant completed his study. Therefore, it is immature to make comments on it. However, there was a feeling in down stream areas in Feeder Canal that they are not well represented in the company. Out of the total number of 5 directors selected, 3 were from head stream areas. The tail end area was not represented at all. According to the FRs in the area, this was mainly due to lack of their understanding on the selection process. Head stream RUO members had come well prepared for an election to get themselves selected to the board. There were political interest and also interest of SCOR officials to select some leaders and for which even canvassing had been done, according to farmer leaders.
2. Both companies have not been successful in providing markets for crops traditionally grown in the areas. For example, marketing of onions and big onions, chillies and vegetables. Consultant understand that these are difficult things to handle by company. However, farmers expect solutions to their **this type** of problems and not to find solutions through cultivation of crops recommended by the company. It will take time for them to change their practices and produce to the demands of the market. Also, some farmer leaders expressed their fear to change completely from their traditional crops and cultivate crops like maize and soya of which price fluctuations could occur due to world market prices.
3. Huruluwewa Farmer Company has not established linkages with the farmer level through some institutional mechanisms to carry out its business activities successfully. Company does not have its own field staff to hire for this purpose. At one stage SCOR proposed the idea of Project Assistants and had in mind in employing SCOR catalysts for this work. However, since Company is financially weak to maintain well paid staff like SCOR catalysts, this was abandoned. Now about 3 SCOR catalysts spend about 60% of their time on company activities to make Thripasha program a success. This is only a temporary measure. Consultant was asked on several occasions to provide an institutional model to link company to RUOs. SCOR has a conceptually sound institutional model, farmer federations, sub councils and councils with which farmer company can link itself with farmer level. However, the problem is that though several RUOs function to some extent, sub council and councils (federations) are in most cases namesake and therefore, it is very difficult to establish this linkage at present. Several RUOs organized into a Sub Council is an ideal institutional option to be tested for this purpose. However, prolonged droughts and dry periods disastrously affect every aspect of dry Zone life. It is difficult to sustain business organizations in such periods without some non-agricultural business activities during such periods. Company does not have such enterprises at present to help sub councils if they engage in business

activities. In Feeder Canal area possibilities need to be explored to organize farmer Company branches at Zone levels appointing several employees to them by zone organizations themselves. For this purpose too, zone organizations need to develop their own business plans and link them with the company.

4. The consultant had some informal discussions with businessmen in Galenbindunuwewa town. In these discussions it was understood that they are very flexible and also handle diversified activities, not only agriculture related things. They sell cycles, cycle spares and at the same time agro-chemicals. They have the flexibility to change and survive during drought periods. This could not be observed in Huruluwewa Company during dry periods in which it ran at almost a loss, and earning was not sufficient even for its operational costs. But in the point of view of many including SCOR members, company need to become financially strong prior to do these things. It can go for such business after Thripasha business which is supposed to earn millions and also makes company self-dependent.
5. Consultant understand that company though was running at a loss previously, this has changed at present. In Maha 1997/78 in which Huruluwewa tank was full and highland cultivation could commence with rain received in time, it has been able to make considerable profits by the sale of inputs like seed paddy, maize seed and fertilizer and agro-chemicals. This has brought about a change in the attitude of the company directors also to the company. The conflicts and contradictions observed in director board in the past has subdued to a greater extent after new developments. There is no doubt that company can sustain if agricultural activities are implemented in the project area. However, survival in prolonged dry periods is a challenge to the company.
6. However, the company has a long way to go to establish itself in the farmer community through some formal linkages which can not be built up overnight. The problem with SCOR was that there were no attempts to test such institutional models. And also the dry weather conditions prevailed in the area for about 4 seasons would not permit such testing even if SCOR had plans to test such models. However, it is worth trying to test such a model at least when purchasing of apollo-toxin free seeds at the end of Maha 1997/98.
7. It should also need to stress that the growth of this type of companies depend largely on favourable policies by government on imports and exports as well as its attitude towards them. Just accepting companies by the government is not going to help them. For example, Huruluwewa RUO could not sell chillies purchased last year in order to guarantee a better price to the farmers. Government imported chillies and price went down and the company was really at a loss. Farmer Company (Federation) has a financial commitment of Rs. 1 million or more to Ministry of Agriculture as it could not settle the loan obtained for soya business fully. It was because a warehouse rent was charged from farmer federation for storing soya purchased for Thripasha Company.

Government need to assist Companies to develop themselves and become effective organizations to eradicate poverty in the small holding peasant sector, if it is really concerned, rather than making it a political rhetoric.

8. Consultant strongly feel that SCOR should assist farmer company in Thriposha purchasing activity through every possible means as it has already committed to assist them. Company has potential to grow if it is properly guided. Company has already invested on Thriposha business on SCOR assurance for financial and other assistance. If SCOR withdraws at this stage, it is bad for the reputation of an organization like IIMI working mostly with the rural poor in third world countries.

## CHAPTER NINE

### CONCLUSIONS

Even though conclusions have already been drawn to some extent in previous chapters on the performance of each level of primordial committee structure of SCOR, attempts are made here to draw overall conclusions based on them.

1. One major assumption made by SCOR is that the organizations and institutions can be strengthened by working with them to implement certain production and protection programs by providing funds and training on certain production and protection technologies. It has built up organizations and institutions and also brought about some changes in land management practices by working with them in this mode of operation. However, in its haste for achieving production and protection targets, it has not considered capacity building in organizations, through training for management and other skill development as an integral part of a project working for sustainability of organizations, to continue adopting and replication of new technologies and practices introduced by the project. Most of the problems discussed in previous chapters are centred around this issue.
2. The Resources User Groups (RUGs) though may not be the only mechanism for resource management, they can be made very effective bodies for resource management not by using it as a mere tool for achieving project's production and protection targets, but by implementing activities which are attractive to members. Fund raising, making credit arrangements through groups, reciprocity etc. should be promoted in these groups for them to function effectively to undertake resource management activities in localities where groups are the alternative. Groups are more likely to work in newly emerged communities like squatter settlements or colonization schemes where face to face interaction among the people are different from traditional (Purana) villages.
3. RUOs are the most potential management bodies for resource management in the context of North Central Province in Sri Lanka comprising of clusters of small village communities. Groups are less likely to be effective in such communities which are tied up in kinship and characterized by face to face close interactions. However, the capacity of the leaders of these organizations should be built to face the challenges of the day, especially to navigate the organizations in an environment disturbed by factional politics, dependency and corruptions of unprecedented scale. Capacity building of leaders to take participatory democratic decisions, their skill development for financial management as well as transfer of simple technologies which offer solutions to

their problems are a must for the development and growth of these organizations. Above all they need to be made accountable to the communities for their role as leaders and not to SCOR or to the DOs of ASD or any other institution. Awareness need to be created among the members of these organizations that grants issued to them are theirs and it is they who should take decisions regarding utilization of the resources. SCOR catalyst should withdraw themselves completely from the matter related to financial decision making of RUOs. It should be limited to providing guidance.

4. Sub Councils and Zone Organizations have not yet proved their relevance as management bodies. However, consultant feels that they can be promoted as mechanisms for coordination of activities at cluster of villages under a given sub watershed or area. These management bodies can handle business activities of scale beyond the capacity of a single village, a sub watershed or a micro watershed. However, they should not be formed in and-hoc manner. They need to be formed through a process of interactive participation with the communities only if such organizations are required by people and have something to offer for their members. The representatives of these organization can represent Sub WRMTs and other management bodies to find solutions to farmers' resource management problems, if Sub WRMTs function effectively. Company too can have their branches established at this level if it has business activities with the communities under these Sub Councils.
5. Though some leaders of farmer federations were active in implementing certain programs with SCOR, the farmer federations functioning as resource management bodies could not be observed during the whole period. Consultant does not see any functions for them. They appeal to the members and general farmers at time of crisis to bring pressure on government through protests.
5. It is very doubtful whether Sub WRMTs would sustain after the withdrawal of SCOR. Since they are management bodies without having any legal or institutional recognition as well as funds, it is very doubtful of their sustainability after the withdrawal of SCOR. Therefore, policy initiation to make them legally and institutionally recognized bodies should be made. All the line agencies responsible for watershed related activities need to be made members of these organization. ID, DOA, ASD, FD, LCD, LDD and state banks and RUOs should be compulsory members of this organization. It should extend membership to public and private sector organizations and NGOs. This model should be tested in several DS divisions in both Nilwala and Huruluwewa Watersheds after establishment of it as a legally and institutionally recognized body. Monitoring and Evaluation of it should be continued by IIMI for some time even after the withdrawal of SCOR for further strengthening of it.

6. In case of Huruluwewa Company, most of the activities implemented by it were SCOR initiated things. This has been a issue over which some members of director board had disagreement with SCOR. For this reason, directors are most unlikely to take responsibility over failures and financial break-down of the company through activities imposed on them by SCOR, even if such activities have been introduced for the benefit of the company. Therefore, company should be allowed to identify areas which the members think would help them economically rather than imposing things on them that they can not manage themselves within their capacity. It should be encouraged to handle activities which they can handle with their own resources in future. However, SCOR need to provide assistance to the company for Thripasha business at this stage as the company as well as SCOR has invested their resources on this activity and expects to build up the future of the company on the profits to be made through this business. For Huruluwewa company, extra efforts should be made to help them invest on non-agricultural activities too to survive during prolonged dry periods.

**Indicators for M&E Study - User Groups****Group Sustainability Index (GSI)**

Group Sustainability Index (GSI) comprising of following 10 Sub Indicators were used for evaluation of Groups.

$$\text{GMPI} = \frac{\text{SI}_1 W_1 + \text{SI}_2 W_2 + \dots + \text{SI}_{11} W_{11}}{W_1 + W_2 + W_3 + \dots + W_{11}}$$

Sub Indicator		Weights
1.	SI1. Participation in Meetings Index	
2.	SI2. Participation in Activities Index	
3.	SI3. Fund collection Index	
4.	SI4. Record Keeping Index	
5.	SI5. Institutional Recognition Index	
6.	SI6. Horizontal Linkage Index	
7.	SI7. Communication Index	
8.	SI8. Fund Availability and composition Index	
9.	SI9. Credit recovery index	
10.	SI10. Transparency Index	
11.	SI11. Member benefiting Activities Index (MBAI)	

**Type of data to be collected:****SI1**

- D1 Number of members in the RUG
- D2 Number of members actually attended at meetings

**SI2**

- D3 Number of members in the RUG
- D4 Number of members actually participated in group work.

**SI3**

- D5 Target collection of fees (member and others)
- D6 Actual Collection of fees (member and others)

SI4

- D7 Target marks for essential records and the quality of records to be maintained. Marks are given on the following basis:

Record	Quality of Records Marks				
	No	Weak	Average	Good	Very good
1. Membership Register	0	2	4	6	8
2. Meeting Reports	0	2	4	6	8
3. Attendance Register	0	2	4	6	8
4. Cash Register	0	2	4	6	8

Maximum marks - 32

- D8 Marks actually obtained by the RUG for the records maintained and their quality

SI5

- D9 Maximum marks for institutional recognition. Marks are given in the following basis.

Recognition	Marks	Usefulness Marks	Total Marks
By one Govt. agency	1	3	4
By two Agencies	3	6	9
More than two agencies	6	9	15

Total marks - 15

Recognition by one govt. Agency = 1  
 Recognition by two Govt. Agencies = 3  
 Recognition by more than two Govt. Agencies = 6

- D10 Marks actually obtained for institutional recognition

- SI6 D11 Maximum marks obtainable by a group for horizontal linkages. Marks obtainable are given below:



Horizontal linkages	Marks	Usefulness Marks	Total Marks
Linked to an organization	5	5	10

SI7 D12 Actual marks obtained by an organization for horizontal linkages

D13 Maximum marks obtainable by a group for meetings and committee meetings held. Marks are given as follows.

Type of meetings	0	1	2	3	4	5
General Meetings						

Maximum marks = 105

- 0 = No meetings
- 1 = Irregular
- 2 = Once in three months
- 3 = Once a month
- 4 = Biweekly
- 5 = Weekly

D14 Actual marks obtained for holding of meetings

SI8

D15 Marks obtained for fund availability. Marks are given on the following basis:

- Below Rs.1,000 = 0
- Each Rs. 1,000 of grants = 0 .01
- Each Rs. 1,000 of self earned = 0 .05

SI9

D16 Total loans granted

D17 Total loans recovered

SI10

D18 Total marks obtainable on the frequency of communication of financial transactions. Marks are given as below.

Members

Not informed annually = 0  
Informed annually = 5  
Informed on monthly basis = 10

D19 Actual marks obtained on the frequency of communication of financial transactions

SI11

D20 Marks for activities that bring benefit to members.

Marks are given as mentioned below.

Activities	Satisfactory level		
	weak	average	good
Communication	2	3	5
Input coordination	2	3	5
Credit supply	3	7	10

Total marks = 20

D21 Marks obtained for activities that brings benefits to members.

**Data collection methodology**

Interviews with farmer leaders  
Questionnaire survey in the farming community

**Sample locations**

Walgamwewa  
Polattawa  
Puwakpitiya  
Mahameegaswewa  
Mahasengama  
Methgama  
Garadiyaulpotha  
Kokawewa  
Kelenikawewa

## Frequency of collection

Once in six months

## Type of Analysis

## Sub Indicators

SI1	=	D2/D1
SI2	=	D4/D3
SI3	=	D6/D5
SI4	=	D8/D7
SI5	=	D10/D9
SI6	=	D12/D11
SI7	=	D14/D13
SI8	=	D15
SI9	=	D17/D16
SI10	=	D19/D18
SI11	=	D21/D20

## Indicator

$$\text{GMPI} = \frac{\text{SI}_1 \text{ W}_1 + \text{SI}_2 \text{ W}_2 + \dots + \text{SI}_{11} \text{ W}_{11}}{\text{W}_1 + \text{W}_2 + \text{W}_3 + \dots + \text{W}_{11}}$$

## Rating

Rating applicable to this indicator is:

0.01 - 0.19	-	Very Weak
0.20 - 0.39	-	Weak
0.40 - 0.59	-	Average
0.60 - 0.79	-	Good
0.80 - 1.00	-	Very Good

### Indicators for M&E Study - User Organizations

The following five indicators will be used for M&E of the groups and organizations formed or strengthened under SCOR Project.

1. Organizational Management Performance Index (OMPI)

$$\text{OMPI} = \frac{SI_1 W_1 + SI_2 W_2 + \dots + SI_{10} W_{10}}{W_1 + W_2 + W_3 + \dots + W_{10}}$$

2. Financial Viability index (FVI)

$$\text{FVI} = \frac{SI_1 W_1 + SI_2 W_2 + \dots + SI_5 W_5}{W_1 + W_2 + W_3 + \dots + W_5}$$

3. Member Benefitting Activities index (MBAI)

$$\text{MBAI} = D33/D32$$

4. Sustainability Index (SI)

$$\text{SI} = \frac{\text{OMPI} + \text{FVI} + \text{MBAI}}{3}$$

(SI Sub indicator W- Weight given to each indicator - Weight has to be decided later after consulting the institutional experts, line agency officials and farmer leaders and general farmers)

The rating system applicable to these four indicators are

0.01	-	0.25	-	Weak
0.26	-	0.40	-	average
0.41	-	0.60	-	strong
0.61	-	1.00	-	Very Strong

(This rating system too should be validated after comparing with the qualitative information on organizations collected through participant observations)

1. Organizational Management Performance Index (OMPI)

The organizational management performance index is composite index of the following 10 sub indicators (SIs). Weights ascribed to them are given below:

$$\text{OMPI} = \frac{\text{SI}_1 W_1 + \text{SI}_2 W_2 + \dots + \text{SI}_{10} W_{10}}{W_1 + W_2 + W_3 + \dots + W_{10}}$$

	<u>Sub-Indicator</u>	<u>Weights</u>
1.	SI1. Membership Strength Index	8
2.	SI2. Participation in Meetings Index	6
3.	SI3. Participation in Activities Index	4
4.	SI4. Collection of Fee Index	2
5.	SI5. Record Keeping Index	5
6.	SI6. Institutional Recognition Index	5
7.	SI7. Legal Recognition Index	7
8.	SI8. Vertical Linkage Index	3
9.	SI9. Horizontal Linkage Index	3
10.	SI10. Communication Index	7

Type of data to be collected:

SI1

- D1 Number of farmers in the RUG /RUO area eligible for membership
- D2 Number of members in the RUG/RUO

SI2

- D2 Number of members in the RUG/RUO
- D3 Number of members actually attended at meetings

SI3

- D4 Number of members in the RUG/RUO
- D2 Number of members actually participated in Organization group work.

SI4

D5 Target collection of fees (member and others)

D6 Actual Collection of fees (member and others)

SI5

D7 Target marks for essential records and the quality of records to be maintained. Marks are given on the following basis:

Record	Quality of Records Marks				
	No	Weak	Average	Good	Very good
1. Membership Register	0	2	4	6	8
2. Meeting Reports	0	2	4	6	8
3. Attendance Register	0	2	4	6	8
4. Cash Register	0	2	4	6	8
5. Correspondence	0	1	2	3	4
6. Other	0	1	2	3	4

Maximum marks - 40

D8 Marks actually obtained by the RUG/RUO for the records maintained and their quality

SI6

D9 Maximum marks for institutional recognition. Marks are given in the following basis.

Recognition	Marks	Usefulness Marks	Total Marks
By one Govt. agency	1	3	4
By two Agencies	3	6	9
More than two agencies	6	9	15

Total marks = 15

Recognition by one govt. Agency = 1  
 Recognition by two Govt. Agencies = 3  
 Recognition by more than two Govt. Agencies = 5

D10 Marks actually obtained for institutional recognition

SI7

D11 Maximum marks obtainable by an organization for legal recognition. Marks are given on the following basis

Registration under the Section 56A (DAS) = 5  
 Registration under the Section 56B = 10  
 Maximum marks obtainable = 10

D12 Actual marks obtained for legal recognition

SI8

D13 Maximum marks obtainable for vertical linkages. Marks are given on the following basis:

Vertical linkages	Marks	Usefulness Marks	Total Marks
No linkages	0	0	0
Linked to a PC/ASC	2	4	6
Linked to SWRMT	3	6	9
Linked to a Farmer company	5	10	15
Maximum marks	10	20	30

D14 Actual marks obtained by an organization for vertical linkages

SI9

SID15 Maximum marks obtainable by an organization for horizontal linkages. Marks obtainable are given below:

Horizontal linkages	Marks	Usefulness Marks	Total Marks
Linked to one organization	1	2	3
Linked to two organizations	2	4	6
Linked to three organizations	8	16	24
Linked to a Sub Council	10	20	30
Linked to a Farmer Federation	14	28	42
Maximum marks			96

D16 Actual marks obtained by an organization for horizontal linkages

SI10

D17 Maximum marks obtainable by an organization for meetings and committee meetings held. Marks are given as follows.

Type of meetings	0	1	2	3	4	5
General Meetings						
Committee meetings						

Maximum marks - 10

- 0 = No meetings
- 1 = Irregular
- 2 = Annual
- 3 = Once in six month
- 4 = Quarterly
- 5 = Monthly

D18 Actual marks obtained for holding of meetings

Data collection methodology

Interviews with farmer leaders  
Questionnaire survey in the farming community



### Sample locations

Walgamwewa  
Polattawa  
Puwakpitiya  
Mahameegaswewa  
Mahasengama  
Methgama  
Garadiyaulpotha  
Kokawewa  
Kelenikawewa

### Frequency of collection

Once in six months

### Type of Analysis

#### Sub Indicators

SI1 = D2/D1  
SI2 = D3/D2  
SI3 = D4/D2  
SI4 = D6/D5  
SI5 = D8/D7  
SI6 = D10/D9  
SI7 = D12/D11  
SI8 = D14/D13  
SI9 = D16/D15  
SI10 = D18/D17  
SI11 = D20/D19

#### Indicator

$$\text{OMPI} = \frac{SI_1 W_1 + SI_2 W_2 + \dots + SI_{10} W_{10}}{W_1 + W_2 + W_3 + \dots + W_{10}}$$

## 2. Financial Viability index (FVI)

The Financial Viability Index (FVI) is composite index of the following 6 sub indicators SIs):

1. SI1. Fund Availability and composition Index
2. SI2. Fund Utilization Index
3. SI3. Credit recovery index
4. SI4. Financial Record Keeping Index
5. SI5. Transparency Index

### SI1

D19 Marks obtained for fund availability. Marks are given on the following basis:

Below Rs.5,000	=	0
Each Rs. 5,000 of grants	=	0 .01
Each Rs. 5,000 of self earned	=	0 .02

### SI2

D20 Amount invested

D21 Profit from investment

D22 Profits

Below Rs.1,000	=	0.025
From Rs. 1,001 - 4,999	=	0.05
Each Rs.5000	=	0.1

$(D21/D20 + \text{Marks for 22})/2$

### SI3

D23 Total loans granted

D24 Total loans recovered

D25 Amount recovered

Less than Rs.5000	=	0.01
Rs.5000 - 9999	=	0.02
Each Rs.10,000	=	0.025
Maximum marks obtainable	=	1.00

$(D24/D23 + \text{Marks for D25})/2$

SI4

D26 Maximum marks obtainable by an organization for financial record keeping.  
Marks are given as indicated below.

Name of the record	Quality of records			
	weak	average	good	v.good
1. Cash Book	3	6	12	20
2. Ledgers	2	4	6	10
3. Receipts/Vouchers	2	4	6	10
4 Accounting reports	3	6	12	20

Total marks - 60

1 = Weak  
2 = Average  
3 = Good  
5 = Very Good

D27 Actual marks obtained for financial record keeping.

SI5

D28 Total marks obtainable on the frequency of communication of financial transactions. Marks are given as below.

Committee Members

Not informed of transactions = 0  
Informed on annual basis = 2  
Informed on quarterly basis = 3  
Informed on monthly basis = 5

Members

Not informed annually = 0  
Informed annually = 5  
Informed on monthly basis = 10  
Maximum marks = 10  
Total marks = 15

D29 Actual marks obtained on the frequency of communication of financial transactions

**Data collection methodology**

Interviews with farmer leaders  
Questionnaire survey in the farming community

**Sample locations**

Walgamwewa  
Polattawa  
Puwakpitiya  
Mahameegaswewa  
Mahasengama  
Methgama  
Garadiyaulpotha  
Kokawewa  
Kelenikawewa

Frequency of collection

Once in six months

**Type of Analysis**

Sub Indicators

SI1 = D19  
SI2 = (D21/D20 + Marks for 22)/2  
SI3 = (D24/D23 + Marks for D25)/2  
SI4 = D27/D26  
SI5 = D29/D28

Indicator

FVI = 
$$\frac{SI_1 W_1 + SI_2 W_2 + \dots + SI_5 W_5}{W_1 + W_2 + W_3 + \dots + W_5}$$

### 3. Member Benifiting Activities Index (MBAI)

Member Benifiting Activities Index (MBAI)t Index considers the number of activities t an organization handles to bring benifit to its members.

#### Type of data to be collected

D30 Marks for activities that bring benefit to members. Marks are given as mentioned below.

Activities	Satisfactory level		
	weak	average	good
Communication	2	3	5
Input coordination	2	3	5
Input supply	3	7	10
Credit supply	3	7	10
Marketing	5	15	30

Total marks = 60

D31 Marks obtained for activities that brings benefits to members.

#### Data collection methodology

Interviews with farmer leaders

Questionnaire survey in the farming community

#### Sample locations

Walgamwewa

Polattawa

Puwakpitiya

Mahameegaswewa

Mahasengama

Methgama

Garadiyaulpotha

Kokawewa

Kelenikawewa

#### Frequency of collection

Once in six months

## **Type of Analysis**

Indicator

D30/D31

### **4. Sustainability Index (SI)**

The Sustainability Index (SI) is composite index of the following four Indicators described above.

1. SI1. Total marks for OMP Index
2. SI2. Total marks for FV Index
3. SI3. Total marks for MBA Index

All other particulars relevant to this indicator are as same as for the three indicators mentioned above.

## **Type of Analysis**

$$SI = \frac{OMPI + FVI + API}{3}$$

# Annexure 3

## Evaluation Of Resource User Organization (Upto December '95)

			MAHASEN- GAMA	WALGAM- WEWA	MAHAMEE- GASWEWA	G'ULPOTHA
SUB INDI.	DESCRIPTION	SI WEIGHTS	EV.OR1	EV.OR2	EV.OR3	EV.OR4
OMPISI1	MEMBERSHIP STRENGTH SI	8	0.860	0.879	0.754	0.173
OMPISI2	PATICIPATION IN MEETING SI	6	0.318	0.000	0.429	0.199
OMPISI3	PATICIPATION IN ACTIVITY SI	4	0.000	0.203	0.000	0.000
OMPISI4	FUND COLLECTION SI	2	0.017	0.156	0.439	0.000
OMPISI5	RECORD KEEPING SI	5	0.625	0.450	0.475	0.300
OMPISI6	INSTITUTIONAL RCOGNITION SI	5	0.267	0.400	0.000	0.267
OMPISI7	LEGAL RECOGNITION SI	7	0.000	0.500	0.500	0.000
OMPISI8	VERTICAL LINKAGES SI	3	0.000	0.067	0.100	0.000
OMPISI9	HORINSONTAL LINKAGES SI	3	0.031	0.146	0.000	0.000
OMPISI11	COMINICATION SI	7	0.200	0.200	0.500	0.600
FIVSI1	FUND COMPOSITIION SI	1	0.667	0.000	0.670	0.000
FIVSI2	FUND UTILIZATION SI	1	-0.258	0.000	0.000	0.000
FIVSI3	CREDIT RECOVERING SI	1	0.476	0.000	0.549	0.000
	RECOVERED PROPOTION		0.320	0.000	0.000	0.000
FIVSI4	RECORD KEEPING SI	1	0.100	0.167	0.200	0.217
FIVSI5	TRANSPARANCY SI	1	0.000	0.333	0.000	0.333
APISI1	MEMBERS BENE. ACTI. SI		0.200	0.167	0.217	0.467
OMPI-OMPISI7			0.29	0.30	0.38	0.16
OMPI	Org. Mana. Prerfomence Index		0.295	0.359	0.383	0.192
FVI	Financial Viability Index		0.197	0.100	0.284	0.110
MBAI	MEMBERS BENE. ACTI.		0.200	0.167	0.217	0.467
SI	SUSTANABILITY INDEX		0.23	0.21	0.29	0.26
SI-OMPISI17			0.23	0.19	0.29	0.25

**Indicator Vlaues (Organization Development)**  
(Period : From 01/07/1996 To 31/12/1996)

SUB INDI.	DESCRIPTION	SI WEIGHTS	MAHASE NGAMA	PADIKARA MADUWA	METH- GAMA	PUWAK- PITIYA	RATHMAL WETIYA	POLLATT AWA	WALGAM WEWA	SAMAN- THALA- YAYA	NAGALA- WEWA	KOKA- WEWA	NAMAL- PURA	KELNIK- AWEWA
			EV.OR1	EV.OR2	EV.OR3	EV.OR4	EV.OR5	EV.OR6	EV.OR7	EV.OR8	EV.OR9	EV.OR10	EV.OR11	EV.OR12
OMPI1	MEMBERSHIP STRENGTH SI	8	0.96	0.80	0.76	1.00	0.37	0.76	0.88	0.26	0.77	0.98	0.42	0.52
OMPI2	PARTICIPATION IN MEETING SI	6	0.40	0.16	0.50	0.45	0.23	0.47	0.00	0.25	0.17	0.39	0.43	0.18
OMPI3	PARTICIPATION IN ACTIVITY SI	4	0.36	0.23	0.00	1.00	0.00	0.83	0.37	0.00	0.50	0.00	0.00	0.51
OMPI4	FUND COLLECTION SI	2	0.50	0.00	0.17	0.26	0.36	0.49	0.12	0.50	0.00	0.03	0.35	0.03
OMPI5	RECORD KEEPING SI	5	0.75	0.25	0.55	0.45	0.35	0.60	0.38	0.25	0.38	0.50	0.60	0.53
OMPI6	INSTITUTIONAL RCOGNITION SI	5	1.00	1.00	1.00	1.00	1.00	1.00	0.80	0.60	1.00	1.00	1.00	1.00
OMPI7	LEGAL RECOGNITION SI	7	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.00	0.50	0.50	1.00	0.50
OMPI8	VERTICAL LINKAGES SI	3	0.57	0.00	0.10	0.10	0.50	0.53	0.90	0.17	0.53	0.03	0.10	0.17
OMPI9	HORINSONTAL LINKAGES SI	3	0.03	0.03	0.00	0.00	0.00	0.25	0.26	0.31	0.31	0.31	0.00	0.00
OMPI11	COMINICATION SI	7	0.20	0.60	0.60	0.60	0.60	0.50	0.20	0.20	0.90	0.60	0.60	0.20
FIVS1	FUND COMPOSITION SI	1	0.65	0.05	0.02	0.09	0.01	0.13	0.85	0.00	0.04	0.41	0.71	0.08
FIVS2	FUND UTILIZATION SI	1	0.00	0.00	0.00	0.00	0.37	0.00	0.00	0.00	0.00	-0.61	0.00	0.00
FIVS3	CREDIT RECOVERING SI	1	0.55	0.00	0.00	0.40	0.00	0.00	0.09	0.00	0.59	0.96	0.57	0.43
FIVS4	RECOVERED PROPOTION	1	1.00	0.00	0.00	0.77	0.00	0.00	0.15	0.00	1.00	0.83	0.91	0.82
FIVS5	RECORD KEEPING SI	1	0.50	0.05	0.20	0.05	0.35	0.50	0.23	0.10	0.22	0.28	0.33	0.40
FIVS5	TRANSPARANCY SI	1	1.00	0.00	0.67	0.00	0.67	1.00	0.47	0.47	0.47	0.00	0.67	0.47
MBAI	MEMBERS BENE. ACTI.		0.22	0.10	0.07	0.05	0.13	0.17	0.33	0.03	0.23	0.17	0.15	0.10
OMPI-OMPI16														
OMPI	Org. Mana. Perfomance Index		0.51	0.32	0.39	0.48	0.32	0.50	0.38	0.17	0.45	0.42	0.43	0.31
FVI	Financial Viability Index		0.56	0.45	0.50	0.61	0.42	0.61	0.46	0.23	0.57	0.53	0.52	0.41
MBAI	MEMBERS BENE. ACTI.		0.54	0.02	0.18	0.11	0.28	0.33	0.33	0.11	0.26	0.21	0.46	0.28
			0.22	0.10	0.07	0.05	0.13	0.17	0.33	0.03	0.23	0.17	0.15	0.10
SI	SUSTANABILITY INDEX		0.44	0.19	0.25	0.26	0.28	0.37	0.37	0.13	0.35	0.30	0.38	0.26
SI-OMPI16			0.42	0.15	0.21	0.21	0.25	0.33	0.35	0.11	0.32	0.26	0.35	0.23