

SHARED CONTROL OF NATURAL RESOURCES (SCOR)

Performance as at end of
December 1995

1. Summary Report
2. Huruluwewa Watershed
3. Nilwala Watershed

30.01.95

**SHARED CONTROL OF NATURAL RESOURCES PROJECT
(SCOR)
PERFORMANCE AS AT END OF DECEMBER 1995**

This summary report presents information on the targets and achievements of SCOR project at the end of 4th quarter of 1995. Performance is reported in terms of indicators of strategic level, program outcome level, project purpose level including project output performance as well.

SCOR project records 96% of financial resource utilization out of the budgeted resources at the end of 1995. The user grant resource utilization is 93% and the host country contribution is 113% out of the targets.

In respect to the general physical performance, the project has caused the adoption of at least one out of the several recommended production and conservation practices in an extent of more than one half of the target set. In respect of the number of farm households adopting the practices, the project records more than double the targeted number. The number of sub-locations has increased from 13 to 29 at the end of the year 1995.

The quality of adoption of the practices and the effectiveness in terms of awareness, adoption, income and sustainability are addressed by the SCOR research the results of which will be available in research, documents. A summary of findings will be presented in the detailed progress report.

The physical distribution of project outcome and some effects are presented in respect to two model sub-locations in this report for further illustration.

SCOR PROGRESS AS AT END OF FOURTH QUARTER 1995

Financial Inputs

ITEM	UNIT	LOP TARGET	TOTAL TO DATE	CY95 ACTUAL/PLAN
1. Budgeted expenditure	US\$ ('000)	2533	2446.22	1050.33/1137.11
2. User grants ¹	US\$ ('000)	141	130.97	85/94.36
3. Host country contribution	Rs. (M)	51	57.52	28.52/20.5

¹ This excludes research grants
US \$ 1 = Rs 53.31

Performance by strategic indicators

SCOR FINANCIAL INFORMATION						
Performance (SCOR)	Last Year US\$	Y E A R 1 9 9 5				
		First quarter	Second quarter	Third quarter	Fourth quarter	Total
Planned Expenditure	1,926,687	322,616	342,003	368,362	104,129 ²	1,137,114
Actual Expenditure	1,395,890	221,837	228,536	268,633	331,325	1,050,331
% Achieved	72	69	67	73	318	92
Host Country Contribution Planned	521,800	75,000	95,000	140,000	105,000	415,000
Actual	593,471	75,030	45,629	169,035	202,110	491,804
% Achieved	114	100	48	121	192	119

² Planned expenditure for fourth quarter '95 was only for the month October '95. (End of Phase I). However, actual expenditure is for October, November and December. Balance from the 1st, 2nd and 3rd quarter planned expenditure has been utilized to cover November & December expenditures.

TARGETS AND PERFORMANCE

1. Project purpose level indicators:

Strategic level indicator	Unit	LOP Target	Total To date	CY 95 Actual/ Plan
1. Targeted hectares under improved production and protection techniques,	Ha	6,000	10043	3400.7/1600
2. Value of targeted investment by the resource users in environmentally sound production practices	\$(M)	1.0	1.0	0.49/0.5
3. Government policy decisions initiated	No.	3	2	2/2

Programme Outcome Level Indicator	Unit	LOP Target	Total To date	CY 95 Actual/ plan
1. Targeted land area covered by agreements between GSL and user groups (Extent now under protection and production practices expecting user rights)*	Ha.	3,000	366.9	150.9/1000
2. Farm households using improved environmental techniques	#	4,000	9499	3733/1450

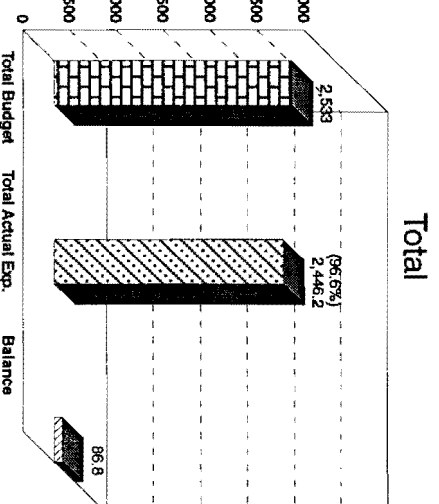
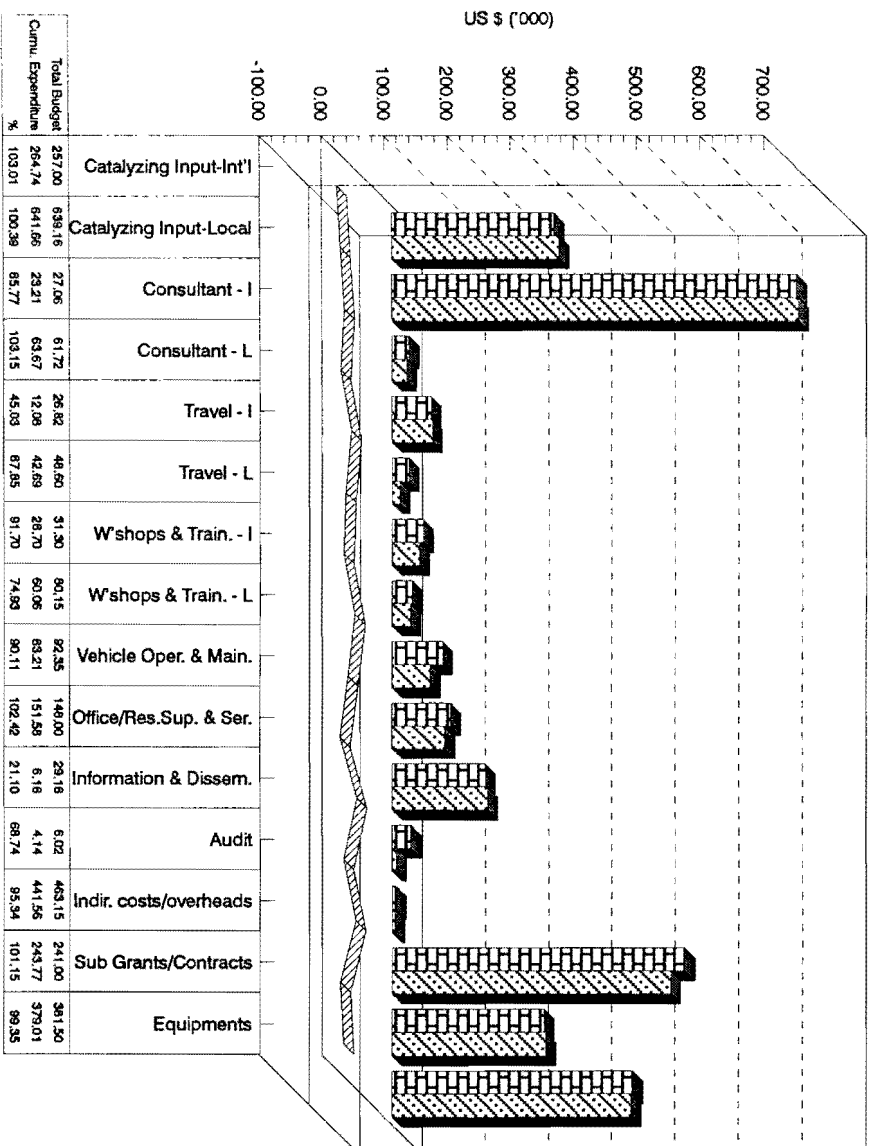
* In accordance with the National Steering Committee decision for demonstrating action for the required policy change.

2. Project Level Indicators:

Project Purpose Level Indicator	Unit	LOP Target	Total To date	CY 95 Actual/ plan
1. Number of natural resources groups operating	#	150	112	
2. No. of policy/procedures, organizational changes exacted and adopted	#	6	2	2/4

Project Output Targets/Performance	Base Yr. Value	LOP Target	Total To date	CY 95 Actual/ plan
1. User groups organized/assisted to take joint responsibility for management of land and water resources	0	150	112	
2. Number of new commercial activities supported by linking to markets	0	50	47	20/20
3. Land leasing/usufruct agreements issued for establishments and functioning of production companies and commercial activities	0	10	1	1/10
4. Training opportunities provided to representatives of NGOs and other private sector organizations in participatory natural resources management	0	10,000	13703	6176/2500
5. Number of officials trained in local level planning, user groups formation, support and collaboration	0	700	397	91/400
6. Number of user organizations conferred with legal status and powers	0	20	35	39/20
7. Number of NGOs and private sector agencies providing technical, managerial and commercial information to user groups	0	8	20	9/
8. Research studies completed on natural resources issues	0	7	5	3/2

CUMULATIVE EXPENDITURE OUT OF LIFE OF PROJECT BUDGET FROM JUNE '93 TO DECEMBER '95



**DISTRIBUTION OF SELECTED
SUB-LOCATIONS FOR
IMPLEMENTATION FROM
1993-1997**

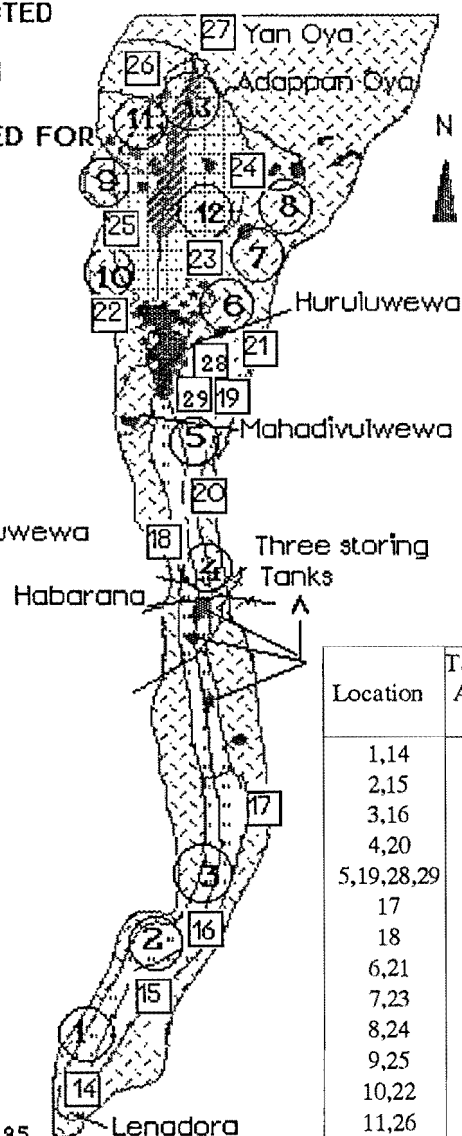
**SUB-LOCATIONS SELECTED FOR
FIRST PHASE**

- (1) Walgamwewa
- (2) Anaunawelbelessa
- (3) Welangolla
- (4) Puwakpitiya
- (5) Manameegawewa
- (6) Padikaramaduwa
- (7) Garandiyaulpotha
- (8) Kokawewa
- (9) Ullathgama
- (10) Maradankalla
- (11) Tract 6
- (12) Other tracts of Huruluwewa command area
- (13) Drainage area

SECOND PHASE

- (14) Atubendiyawa
- (15) Kalundewa
- (16) Ereula
- (17) Polattewa
- (18) Veheragala
- (19) Madawela
- (20) Kudarambawewa
- (21) Sampathgama
- (22) Karuwalagaswewa
- (23) Nitulgollewa
- (24) Paluaoollaama
- (25) Wiharagala
- (26) Ollukalagala
- (27) Tikkanpothana
- (28) Maharambawewa
- (29) Thelhavadiyawewa

SCOR IIMI- 14 October 1995



HURULUWEWA WATERSHED

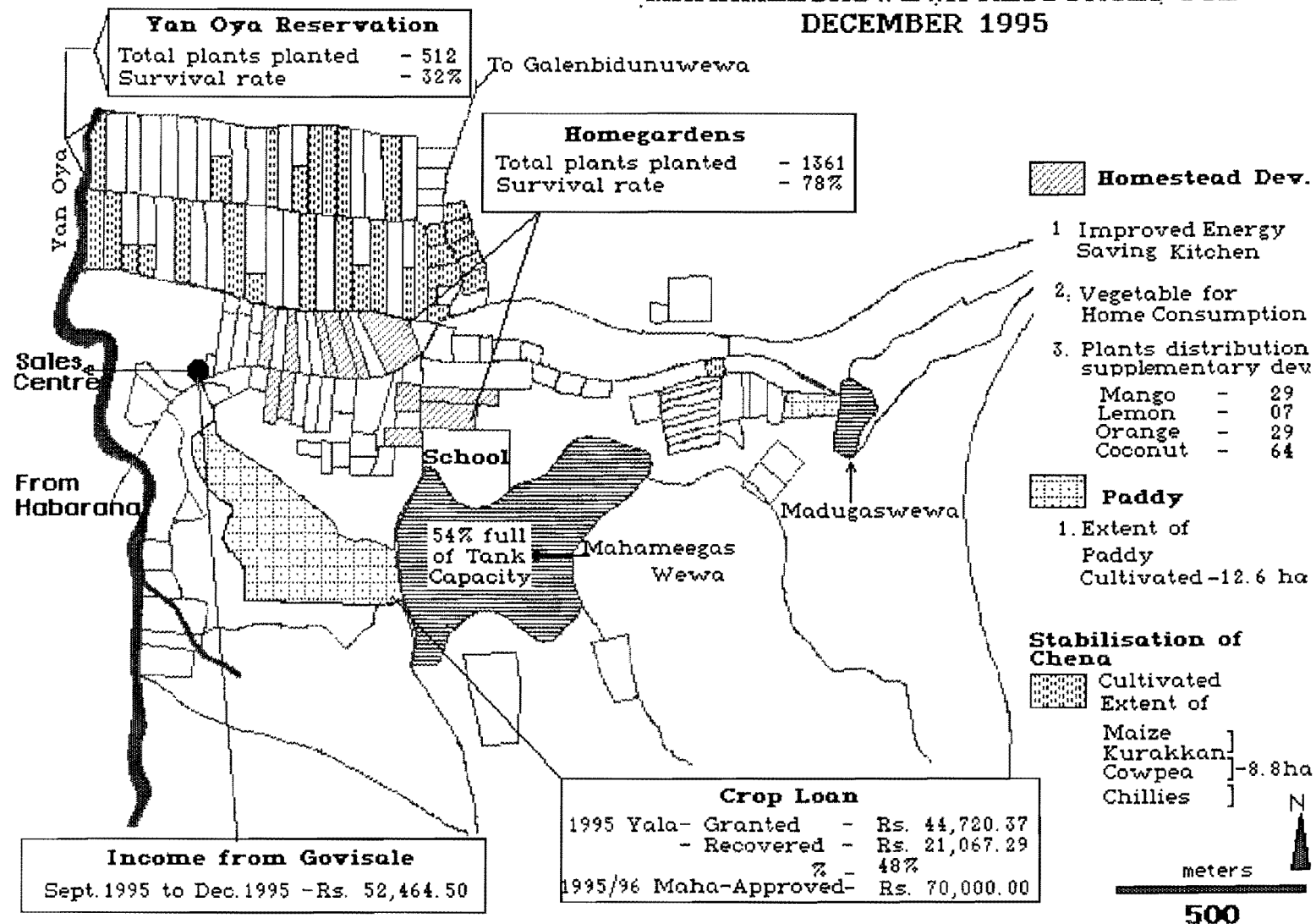
- Huruluwewa command area
- Drainage area
- Huruluwewa tank eco system
- Yan Oya and feeder canal subwatersheds
- Other lands within watershed
- First Phase of the Project
- Second Phase of the Project

Targets and Achievement upto End of 4th quarter 1995

Location	Target* Area (ha)	Up to end of 3rd Qtr. 1995	During 4th Qtr. 1995	End of 4th Qtr. 1995	Target Farm Families	Up to end of 3rd Qtr. 1995	During 4th Qtr New Families 1995	End of 4th Qtr. 1995
1,14	545	273	3	276	698	230	0	230
2,15	647	488	20	508	708	287	0	287
3,16	727	464	5	469	596	232	66	298
4,20	394	203	95	298	286	368	82	450
5,19,28,29	218	93	307	400	658	368	108	476
17		88	137	225			40	40
18			14	14		78	24	102
6,21	644	166	16	182	164	140	0	140
7,23	688	49	32	81	539	238	54	292
8,24	169	185	15	200	284	207	37	244
9,25	293	83	199	282	324	259	25	284
10,22	197	152	499	651	121	107	134	241
11,26	282	498	22	520	476	530	0	530
27		52	28	80		36	28	64
12	500	3105	4000	4000		3105	0	3105
13	300	72		72				
Total	5604	5971	5390	8256	4854	6185	598	6783

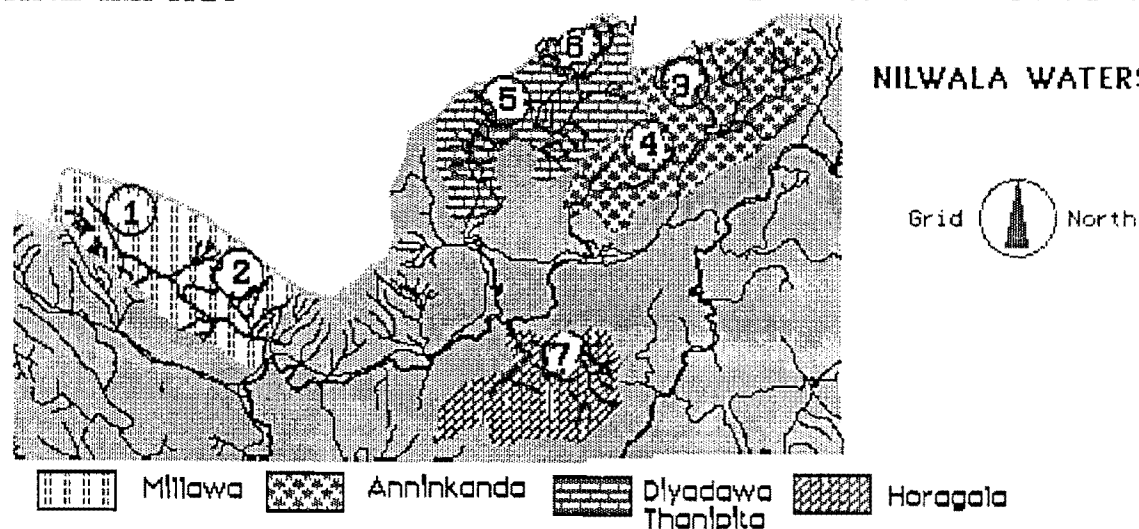
* The new locations extend from the old locations and the redemarcation based on sub-watershed is the reason of the change of targets. Targets for three locations are yet to be finalized

MAHAMEEGASWEWA RESOURCES USE DECEMBER 1995



PROJECT EFFECTS AND IMPACT

AREA AND FAMILIES ADOPTING PRODUCTION TECHNIQUES WITH LAND AND WATER CONSERVATION



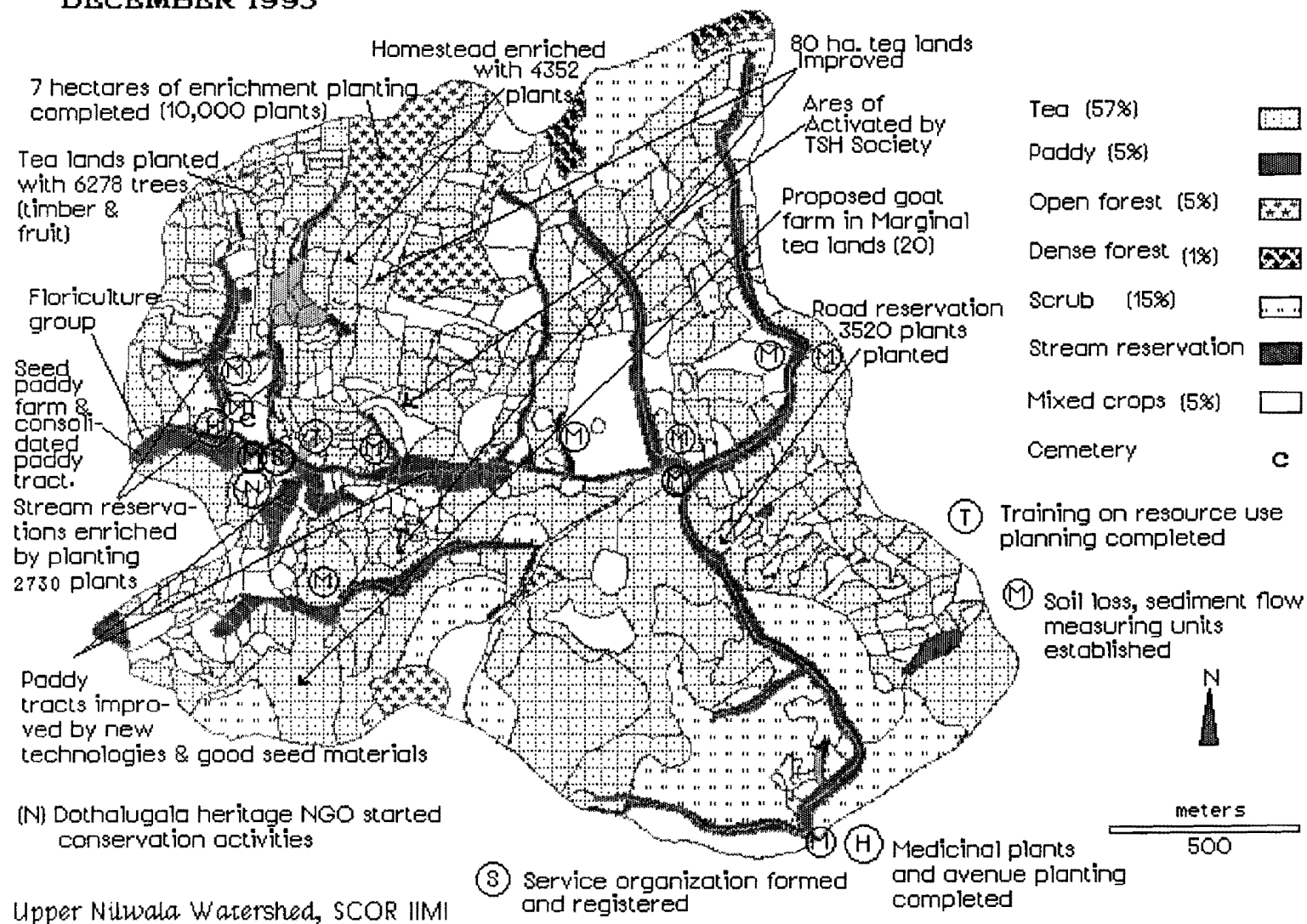
TARGETS AND ACHIEVEMENT UPTO END OF 4th QUARTER 1995

Location	Target Area (ha)	Achievement		
		Upto end of 3rd qtr 95	During 4th qtr 95	End of year 1995
1 Upper Millawa	242	150.3	2	152.3
2 Millawa	253	150	0	150
3 Aninkanda Dothalugala	227	242.5	0	242.5
4 Aninkanda	273	411	112	523
5 Diyadawa – Tenipita	267	265	0	265
6 Tenipita	207	266.6	2.9	269.5
7 Horagala	248	185	0	185
Total	1717	1670.4	116.9	1787.3

Target = Target set for 1st Phase

Target Farm Families	Achievement		
	Upto end of 3rd qtr 95	During 4th qtr 95	End of year 1995
400	270	0	270
395	380	5	385
250	225	125	350
350	260	251	511
780	350	180	530
300	400	0	400
351	215	55	270
2826	2100	616	2716

LAND USE - ANINKANDA MODEL PRODUCTION AND CONSERVATION AREA DECEMBER 1995



HURULUWEWA WATERSHED

PROGRESS REPORT 04TH QUARTER 1995

01. INTRODUCTION

The Physical Progress of the SCOR activities in Huruluwewa Watershed in the 4th Quarter of 1995 is presented in this report. The weather conditions experienced during the quarter adversely affected on the production protection activities in the watershed. Crop production both in the lowland and highland was dropped. But in the irrigation schemes where dry sowing was practiced, good harvest could be expected.

Conservation activities were carried out in the highlands and more time were devoted to maintain the existing conservation measures. Participatory Forestry Programme was successfully implemented in the watershed with the assistance of Forest Department. Two Integrated Pest Management demonstration sites were established in collaboration with the Department of Agriculture. Inland fisheries programme was initiated during this quarter too.

During this period the SCOR had close rapport with the linked Departments and Institutions and worked together getting their fullest cooperation. Facilitated the Federation of farmer organization to enter into an agreement with THRIPOSHA to sell their Soya bean production which resulted the farmers to obtain a good price. It is worthwhile to mention that good progress was made towards the institutional development by taking some viable steps to form the Huruluwewa farmers Company.

2. PERFORMANCE IN SUMMARY BY STRATEGIC AND PERFORMANCE INDICATORS

2.1 Project purpose level indicators

Table-1

Strategic level indicator	Unit	LOP Target	Total Todate
1. Targeted hectares under improved production and protection techniques,	Hec.	6,000	8256
2. Value of targeted investment by the resource users in environmentally sound production practices	\$Mn	1.0	
3. Government policy decisions initiated	No.	3	1

2.2 Performance by program outcome level indicators

Programme Outcome Level Indicator	Unit	LOP Target	Total Todate
1. Targeted land area covered by agreements between GSL and user groups (Extent now under protection and production practices expecting user rights)*	Hec.	3,000	333.9
2. Farm households using improved environmental techniques	#	4,000	6783

2.3 Project purpose level indicator

Project Purpose Level Indicator	Unit	LOP Target	Total Todate
1. Number of natural resources groups operating	#	150	32
2. No. of policy/procedures, organizational changes exacted and adopted	#	6	

2.4 Project output targets/performance

Project Output Targets/Performance	LOP Target	Total Todate
1. User groups organized/assisted to take joint responsibility for management of land and water resources	150	32

Project Output Targets/Performance	LOP Target	Total Todate
2. Number of new commercial activities supported by linking to markets	50	23
3. Land leasing/usufruct agreements issued for establishments and functioning of production companies and commercial activities	10	NP
4. Training opportunities provided to representatives of NGOs and other private sector organizations in participatory natural resources management	10,000	8556
5. Number of officials trained in local level planning, user groups formation, support and collaboration	2,000	117
6. Number of user organizations conferred with legal status and powers	20	29
7. Number of NGOs and private sector agencies providing technical, managerial and commercial information to user group	8	11
8. Research studies completed on natural resources issues	7	

2.5 Progress by major output indicators

Annex - 5 presents the progress by major promised output in a summary form. The indicator directly relate to the output as indicated on this Annex.

2.6 Trends upto forth quarter 1995

Figure 1 and 2 shows the trends indicating both the growth and possible expansion that can be predict for the project during the next year and beyond.

3. SPATIAL DISTRIBUTION OF PROJECT OUTPUT AND EFFECTS

- 3.1 Map 1 shows the distribution of sub-locations, the targets and achievements on the anticipated effects and impact on the adoption of land and water conservation techniques (Strategic level indicator 1) in each sub-location with the number of farm families involved (Programme outcome level indicator 2) under major interventions in the Huruluwewa watershed.
- 3.2 Map 2 indicates the potential spread of activities and link beyond Meegaswewa location identified for the seed collection and processing company being formed based on the Meegaswewa and Habarana locations.

4. PROJECT TREATMENT AND EFFECTS- HURULUWEWA WATERSHED

4.1 Stabilization of rainfed uplands (Chena) and Encroached Lands

Since the rainfall during this quarter was comparatively very low and there were no rains from 15th Nov., most of the activities planned could not be achieved. However repairs to existing bunds and drains, and establishment of vegetative hedges (*Pavatta vesica*) for stabilization of bunds were carried out. Although the establishment of bunds and drains in new I.O's locations done by the farmers, they are incomplete in many places as a result of erratic or no rains.

a. Participatory Forestry Project

This activity conducted in collaboration with the Forest Department, is constrained because of low rainfall. However in total almost 80,000 numbers of plants have been distributed among the farmers by the Department of Forest to be planted in, Reservations, scrub jungles areas, homegardens and others. It is expected that there will be a high mortality rate, if this dry spell continues for a longer period. The farmers involved in this activities received the dry ration from the Department.

b. Feeder Canal Reservation Restoration Programme

Huruluwewa Feeder Canal reservation is used by the farmers for paddy and tobacco cultivation. In order to establish reservation, a new cropping pattern with the integration of permanent tree crop species have been introduced to farmers. The species constituting Banana, Mango, Guava,

Promogonate, Coconut, Arecunut, Bamboo, Lime of Lemonine, Mee Kumbuk, and Teak were given on a resource user grant. The trees are planted such a way that all the canopy layers receive full sunlight and form different canopy depths. The resource user right to use the tree products in being worked out. The total area under this activity covers 130 ha.

c. Integrated Pest Management

In order to minimize the use of high cost inputs and lower the cost of production, this programme has been initiated in collaboration with the Department of Agriculture. As a start two (02) sites have been identified, namely Kalundewa and Getalawa. The costs are borne by the Department of Agriculture while the SCOR contribution is by way of supplying stationary and farmer participation.

d. Tilapia Nilotica to village tanks.

This is a new programme, initiated in collaboration with the Department of Aquatic Resources, Dambulla station. Four (04) village tanks, 02 village ponds in upper feeder canal area have been identified to introduce Tilapia fish-lings in January.

4.2 Integrated Water Management

The 4th Quarter of 1995 experienced the beginning of Maha season. With regard to Integrated Water Management the main objective of the 1995/96 Maha season was the commencement of Paddy cultivation with the onset of rains for maximum utilization of rain water.

The rainfall received in the watershed was uneven and less than the average. Since the commencement of rains got delayed in the Huruluwewa major irrigation scheme the dry sowing was not possible. The short aged paddy varieties were grown at the end of November with the use of stored water at the tank expecting the Monsoon rains. After the rains received on November 05th and 6th almost dry weather prevailed in the area till end of December. Therefore the paddy crop in the Huruluwewa is under the threat of water scarcity. Measures have been taken to implement strict water management practices aiming to get the full use of available water at the tank.

Some of the minor irrigation schemes received fair amount of rains and distribution of the rain was also in good manner. So that it was possible to implemented the dry sowing (Kakulan Cultivation) in some of the minor irrigation schemes. e.g Maha Meegaswewa, Thelhawadiya, Madawala, Puwakpitiya, Weheragala, Kubukwewa. With Strict Water Management Practices, good harvest could be expected from these schemes.

We were able to convince the farmers at feeder canal to start their cultivation with the on set of rains which resulted to convey some water to the tail end of the feeder canal. As with our experience in 1994/95 Maha season, it was possible to cultivate perennial crops such as Banana and Coconut in the Paddy fields both in the Huruluwewa Command Area and the Feeder Canal.

4.3 Homestead Development

Thereby following Homesteads were developed under separate sub-watersheds.

Maradankalla	-	13 Homesteads
Welanagama	-	10
Ulpathgama	-	10
Dutuwewa	-	13
Kelanikawewa	-	07
Mahameegaswewa	-	<u>06</u>
	-	<u>59</u>
Compost Demonstration	-	17 Nos.

The women were trained to use Energy Saving burners minimizing the use of firewood. Leaves and flowers of the trees in the homestead used as fertilizer. 20 Nos Energy Saving burners were Introduced and are being using successfully.

Women were also trained to use a Systematic kitchen using raw materials, obtained from the garden such as clay, cow-dung and timber, which will save a lot of time of the housewife rather than having a unsystematic kitchen. During this period 6 nos of systematic kitchens were introduced.

Women were trained to use surplus fruits and cereals during the off season in using scientifically dried methods. 04 awareness Programmes were conducted in this regards.

In addition, 16 heifers of a good breed were given to the Women Groups in Tract-6 with the financial assistance of the Bank of Ceylon and 05 High Breed Cattles to the Maradankalla Women Groups. Women were also trained to cattle farming and Nursery Management. Awareness Programmes were conducted in areas such as Polathhawa, Nayakumbura, Pahala Arraula.

SCOR interventions on Women and Youth activities in Ulpathgama, Welanagama, Maradankalla, Dutuwewa, Meegaswewa and Kelanikawewa Sub-watersheds are in progress.

4.4 Integrated Planning and Coordination.

During this period the SCOR had close rapport with the linked departments and institutions and worked together getting their fullest cooperation.

The three Task Force are operating in Galenbidunuwewa, Palugaswewa and Dambulla. They meet quite often and take the decisions and implementing the SCOR activities.

The meeting was held in Colombo under the Chairmanship of Director-General-Mahaweli to taking the Hurulu Feeder Canal area under Mahaweli Authority of Sri Lanka. The G.A. Matale, Mahaweli Officials and SCOR Team members attended this meeting. This was the result of the report handed over to the Director General by the working committee chaired by the Government Agent of Matale.

As expected the rains were not in time but as planned SCOR had continued the Participatory Forestry Programme with the Department of Forestry officials. The SCOR had got the fullest cooperation and assistance from the higher middle and lower level. Officials from the department of Forestry.

The SCOR intervened and coordinated the borrowing of Rupees Four Million from the People's Bank to Federation of Farmer Organization of Huruluwewa. The SCOR made the same coordination and effort in repaying the loan with in two months and make a history in the People's Bank of repayment of loans. It is a remarkable event in the People's Bank, since their 34 years history first time they lent to a Farmer Organization. The Federation of Farmer Organization paid Rs. 3,000,000 out of 4 million which they borrowed from the Ministry of Agriculture, Lands and Forestry.

With the intervention of the SCOR catalysts the Bank of Ceylon. Department of Animal Production and Health and Irrigation Management Division coordinated a programme in giving loans to members of two Farmer Organizations on purchasing of heifers.

The Coconut Development Authority in concurrence with the SCOR and IMD distributed 15000 plants and 10000 coconut seeds in this season. There is a Severe demand in the watershed in distribution of coconut plants. This coordination would benefit the users and at the same time had a team effort in implementing the programme.

The Task Force established for yala cultivation on Integrated Water Management consisting of Irrigation, Irrigation Management, Divisional Secretary, Agriculture, Agrarian Services, Local Bank officials and MPCS cooperative officials met together oftently and made integrated effort in selling of Soya Beans to Thripasha Company. This would resulted the team spirit among the department officials and it build up the collective responsibility among them.

4.5 Resource User Groups and Organizations

(a) Classification of groups

As shown in Annex-3 Classification of groups, there are 32 groups with a total membership of 357 farmers engaged in various kind of production and protection activities such as homestead development, animal husbandry, chena stabilization, cultivation under agro-wells, fruit cultivation and nursery management in Huruluwewa watershed. Though it is not specifically mentioned five out of these are women's groups engaged in homestead development and other kind of small scale income generating activities.

(b) Groups maturity level

A classification of the 32 groups on their maturity level is given in Annex-4, Huruluwewa Watershed, Status of the Group. As shown in this table, it is only 23 groups which meet the criteria 1 - 4 to be classified as functional groups. The other 9 groups have ceased to hold meetings, fund collection etc. due to reasons such as internal conflicts within the groups and lack of benefits. But they have been included in the database as the researcher understand that their set-back is temporary and they can be activated by the careful intervention of the catalysts.

The number of groups which are at status C are eight in number. These groups are characterized by the following:

- regular weekly meetings
- reciprocal labour exchange activities
- activities to raise group funds
- independent existence from the organization / organizations in spite of their affiliation to a larger organization or organizations for legal recognition to get outside assistance such as credit, contract work in semi-government and government organizations etc.

Out of the eight groups mentioned above, two groups, one in Mahasengama in Padikaramaduwa sub watershed and the other in Ellewewa in Tikkanpothana sub watershed meet criteria 1 - 8 to claim status B. The group in Ellewewa with the following special characteristics need special attention as this can be used as a model for building up of **sustainable** user groups:

- strong conformity to the group's constitution prepared by the members of the group themselves without outside influence - the rules and regulations in the constitution has already become norms which control and guide the behaviour of its members
- 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 is a very attractive benefit that the members have from this group. The group plays the role of a village money lender and a pawn broker yet very compassionate to its members
- 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. The group members have been made to behave as members of a kin group in a traditional village by fusing norms emphasizing mutual help and cooperation to the group through the constitution
- self-reliance - the group thoroughly depends on its own savings and resources at present. It expects to expand its membership in order to have legal recognition to become an organization eligible for credit facilities from banks and other money lending organizations to engage in production and protection activities bringing more benefits to its members.

(c) Organizations initiated or strengthened

The shift of the SCOR to work with the existing larger farmer organizations formed either by the Irrigation Management Division (IMD) and Agrarian Service Department is evident with the increase of the number of organization to 44 from 24 in the previous quarter as shown in Annex- 7. Out of this 44 organization 16 are in the Feeder Canal area, 4 in Huruluwewa command area and 24 under minor tank and rain-fed areas. Though 29 organizations out of the 44 have been registered under the Department of Agrarian Services, their performances are at a very low level as indicated in Annex-8 a Huruluwewa Watershed - Status of the User Organizations. Out of the 44 organizations only two

recently formed organizations in rain-fed area has reached status B. 11 organizations have reached status C while 27 reach the required standard to classify under status D. 5 organizations are below status D.

(d) Testing an organizational model for sub watershed

Since SCOR is an action research project on watershed management, it is required to test organizational and institutional models suitable for sub watershed and watershed management. Water Resource Management Teams, Task forces etc. which have now been formed are higher level management bodies for this purpose. A lower level body for the management of sub watershed is also a key requirement in this context. As an attempt to fill this gap the catalyst working in Kokawewa area, with his experience in dealing with the diverse resource user groups and organizations, has developed a model for the management of sub watershed. This organization which is called "Upamandalaya" or sub council has been formed with the involvement of all the farmer organizations including the organizations in major and minor irrigation areas, rain-fed areas and drainage areas within the sub watershed. This model is now being tested in Kokawewa for replication in other areas.

(e) Farmer Federations

SCOR project is working with three farmer federations formed at Feeder Canal area, Hurulu Command area and Palugaswewa area. The newly formed Palugaswewa Farmer federation is not yet functioning. The farmer federation in Huruluwewa command area initiated soya cultivation in the project area in yala 1995 and purchased soya produced by the farmers. The total value of the soya purchased is Rs.114,214,269.00. The Federation obtained a bank loan amounting to Rs.4,000,000.00 and settled it back within a short period. It could also build up a share capital amounting nearly to Rs. 1.4 millions with the savings made by its members during the course of this transaction. It could take the momentum to form Huruluwewa Farmer Company with this share capital. The Federation in Feeder Canal area could persuade its members to limit the cultivation in their area to 1/2 acre by each farmer during Yala 1995 and convey more water (about 7000 ac.ft) to Huruluwewa.

(f) Farmer Companies

One Farmer company, The Habarana Green path Company, has been established with the expectation of shares amounting to Rs.1.7 millions from the shareholders. It has plans to collect medicinal herbs, seeds etc. from the farmer organizations operating in the area to produce herbal medicines, oils and other medicinal products. The initial activities to establish Huruluwewa Farmer Company have now been completed. It has a share capital amounting nearly to Rs.1.4 millions from the farmers in Huruluwewa command area as described above. This company will primarily be engaged in input supply activities, sale of farmer products etc. and also will engage in enterprises providing more benefits to its members.

(g) Water Resource Management Teams

Three sub watershed management teams and one Water Resource management Team have been formed by this time. They function to some extent in Huruluwewa and Palugaswewa areas. The one

in Dambulla is not functional at this stage due to lack of cooperation from a key agency. WRMT has met only once after its formation.

05. Other Important Activities Conducted during 4th Quarter

5.1 Tittellawa Farmer Organization - (GOVISEWA SELA)

In agreement with the Bank of Ceylon and SCOR, Bank of Ceylon granted Rupees 170,000 to Tittellawa Farmer Organization and this was paid in full during this season. This was remarkable incident in the Bank of Ceylon of Galenbidunuwewa and 1995/96 Maha season Bank granted Rs. 525,000 to the same organization in distributing among 5 Farmer Organizations.

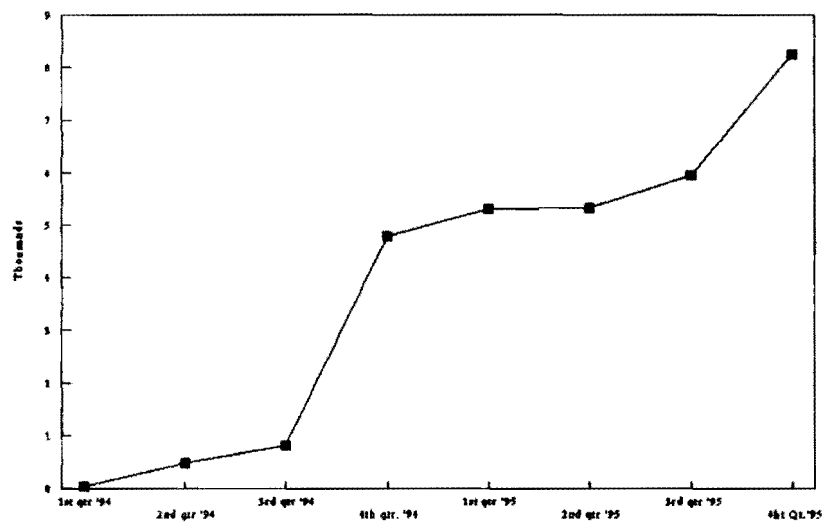
5.2 Purchase of Soya Beans :

The Thripsha Company needs 4000 Tonnes of Soya beans and 8000 tones of Maize in processing of Thripsha yearly. Normally they import entire quantity of maize and nearly 2000 tonnes of Soya beans from abroad. In 1995 April the SCOR had made arrangements with Thripsha Ltd. in supplying of 2000 metric Tonnes of Soya beans. As expected the factory doesn't work according to the schedule and the company could not manufacture Thripsha from June to October, because non-availability of Maize. When it came to operation in October the Company given the 1st preference to their previous suppliers and the company didn't buy Soya from Huruluwewa farmers. The officials of Federation of Farmer Organization of Huruluwewa met the secretary of Agriculture, Lands and Forestry and explained their plight to him. As a result of this meeting, Secretary Ministry of Health, Highways and Social Services intervened and made arrangements to supply 1000 M.tonnes of Soya from Huruluwewa.

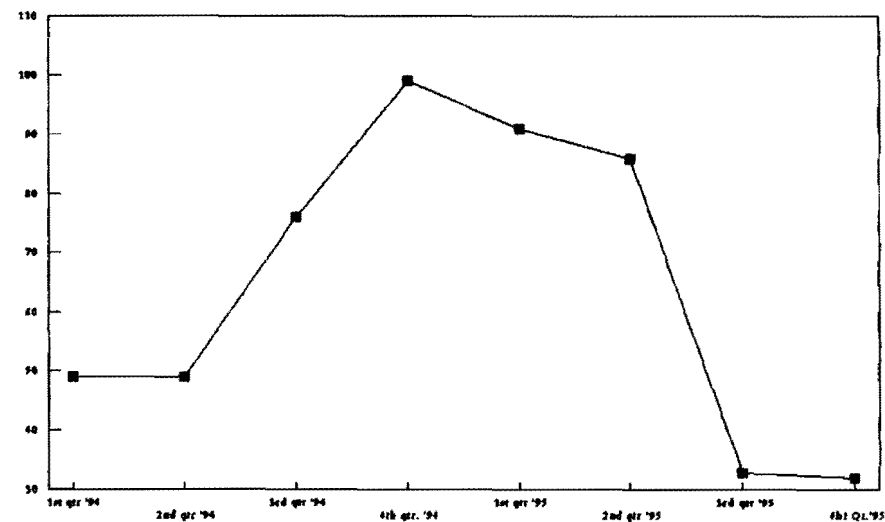
In implementing the programme, The Federation of Farmer Organization of Huruluwewa obtained a loan of Rupees Four Million from the People's Bank and settled the loan with the interest with in two months. They obtained an another Rupees Four million from the Ministry of Agriculture, Lands and Forestry and repaid the Three million rupees. There is a balance money due from Thripsha Company and Farmer Organization is waiting to get that money to settle the loan in full.

The Federation of Farmer Organization was paid Rupees Twenty per kilo to the Farmers out of Rupees Twenty, Two rupees were deposited in the People's Bank in purchasing shares of Proposed Huruluwewa Farmer's company. The proposed new Company collected 1.4 million rupees as their share capital.

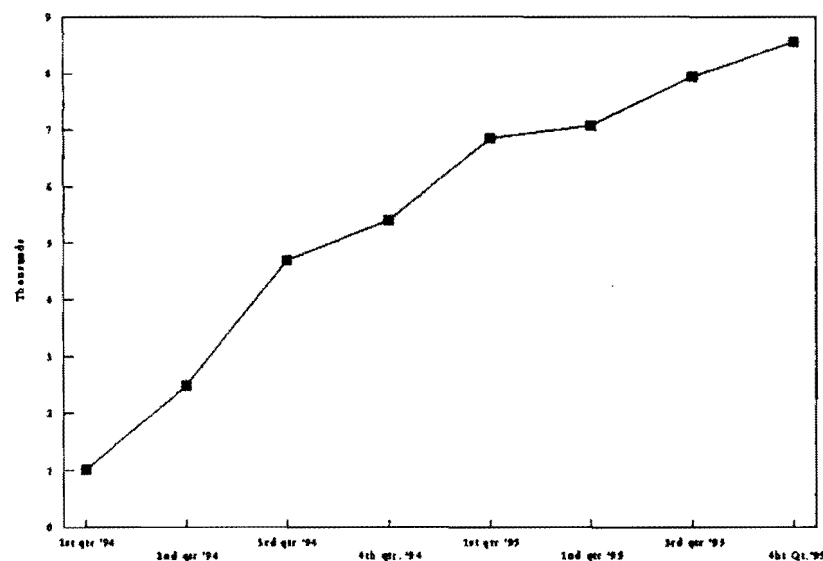
AREA UNDER PRODUCTION AND LAND & WATER CONSERVATION PRACTICES



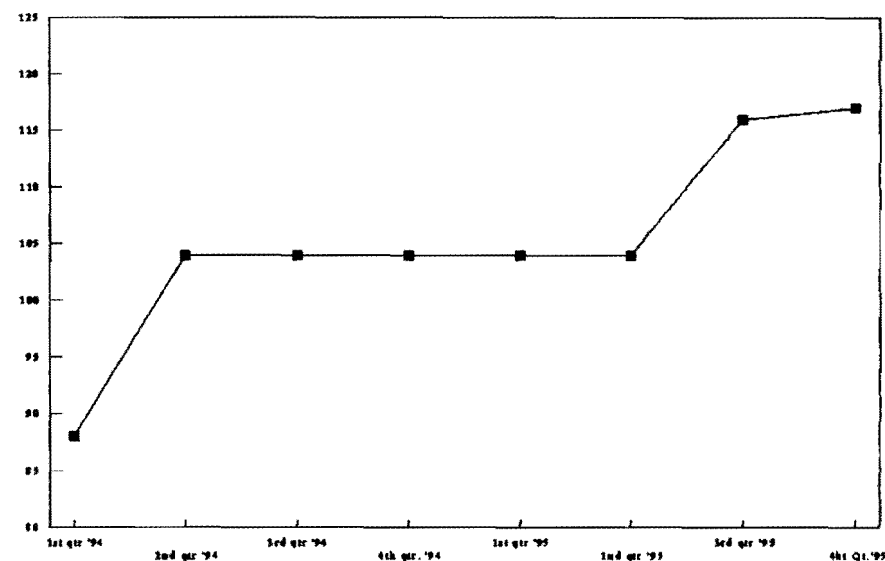
GROWTH OF RESOURCES USER GROUP FORMATION IN PRODUCTION & CONSERVATION PRACTICES



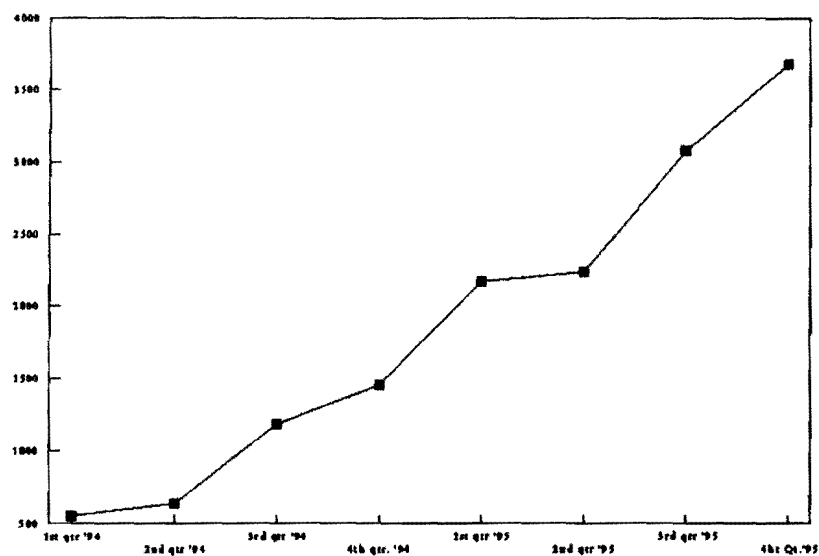
TRAINING OPPORTUNITIES OFFERED TO RESOURCES USERS



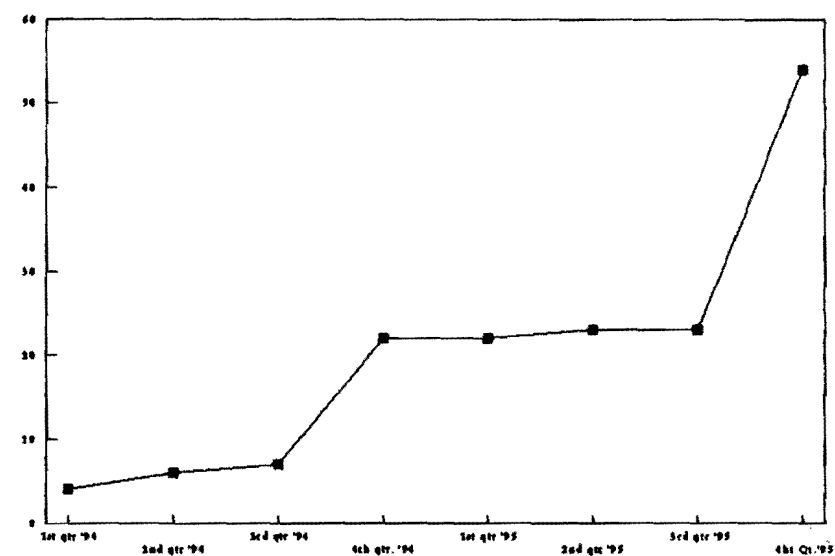
TRAINING OPPORTUNITIES OFFERED TO GOVERNMENT OFFICERS



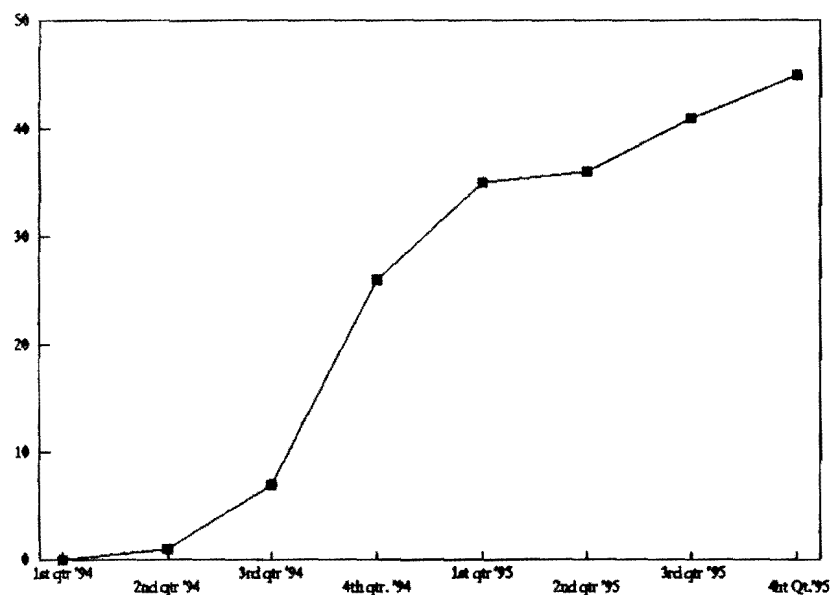
**FARM HOUSEHOLDS USING
IMPROVED ENVIRONMENTAL TECHNIQUES**



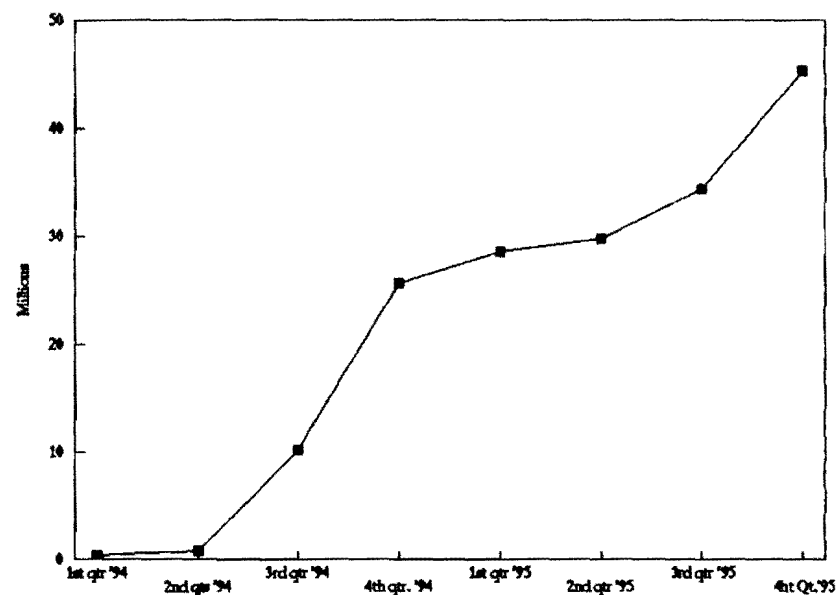
**NEW COMMERCIAL ACTIVITIES SUPPORTED BY
LINKING TO MARKETS**



**SMALL GRANTS MADE TO USER GROUPS TO
INVEST INTO COMMON USER GROUPS ASSETS**



**HOST COUNTRY CONTRIBUTION
UPTO END OF DECEMBER 1995**



SUMMARY REPORT ON HOST COUNTRY CONTRIBUTION (HCC)
25-10-1993 TO 31-12-1995

Description	Up to end of 3rd qtr. 1995		Total todate	
	Number of Persons	HCC (Rs)	No of Persons	HCC (Rs)
Contribution of NGOs groups farm households, and individuals by way of time/labour, and materials supplied	8,295	1,923,428	11712	2897940
Value of conserved capital assets		855,250	0	3,122,673
Value of Sub Grants		3,833,551	0	3,833,551
Govt. Officers contribution	286	1,280,963	294	1,282,263
Conserved Area		26,468,528	0	34,294,631
Total	8,581	34,361,720	12,006	45,431,058

TRAINING OF RESOURCES USERS - UP TO END OF 4TH QTR.1995

Subject Area	Total		
	End of 3rd Qtr. 1995	During 4th Qtr '95	Todate
(1) Resources use Planning	4978	530	5508
(2) Organisation and Financial Management	402	63	465
(3) Marketing	379	0	379
(4) Group dynamics and Leadership	1383	0	1383
Total	7142	593	7735

**Group formation, group activities and the current direction
of SCOR activities upto end of December, 1995**

Group Activity	# of Groups	# of Members
1. Homestead Development	23	249
2. Homestead Conservation Farming		
3. Animal Husbandry	2	24
4. Chena Stabilization	2	26
5. Homestead & Cultivation Under Agrowells	2	14
6. Fruit Cultivation	1	24
7. Women's activities for Income Generating		
8. Milk Production		
9. Nurseries	2	20
Total	32	357

GROUP STATUS BY LEVEL OF MATURITY AS AT END OF DECEMBER 1995

Status	Up to End of 3rd Qtr.'95		Up to End of 4th Qtr.'95	
	No.of Groups	No. of Members	No.of Groups	No. of Members
Total	33	399	32	357
1. Status– D				
Groups Meeting Criteria 1–2			9	109
Groups Meeting Criteria 1–4	21	258	15	158
2. Status– C				
Criteria 1–6	8	92	6	65
3 Status– B				
Criteria 1–8	1	12	2	25
4. Status– A				
Criteria 1–10	3	37	0	0

USER GRANTS

No. of Grants to Groups	Purpose	Amount Granted Rs.
1	Cultivation of Other Field Crops	11,250.00
1	Plant Nursery Establishment	17,240.00
6	Soya Been Cultivation	1,212,283.50
2	Cashew Cultivation	17,028.00
2	Banana Cultivation	14,000.00
1	Conservation & Dev.Meegaswewa SWS	326,250.00
14	Soil Conservation & Homestead Dev.	498,383.03
11	Canal Conservation	832,992.25
1	Credit for Production & Processing	2,500,000.00
1	Conservation & Dev. Tract 6 SWS	366,624.00
1	Conservation & Development of Mahasengama	287,500.00
41	Total	3,833,550.78

**PROGRESS BY MAJOR OUTPUT INDICATORS
FOURTH QUARTER 1995**

	OUTPUT TARGETS/PERFORMANCE	TOTAL END OF 3RD QTR	TOTAL END OF 4TH QTR	REMARKS
1	# of user groups formed	33	32	
2	# Of training opportunities to user groups	1350	1174	
3	# of User Organizations	3	44	
4	Training opportunities to representatives of farmer organizations	2985	3043	
5	# of Sub-user councils	—	—	
6	Representatives of User Sub-councils/councils trained	—	—	
7	# of small grants made to user groups to invest into common user group assests	41	44	
8	# of user organizations conferred with legal status and powers	33	29	
9	Modes of commercial opportunities developed and/or supported for user groups	14	14	
10	Production companies established and linked to new markets	1	1	Habarana Greenpath Company
11	# of rural based commercial activities linked to new markets and provided with matching grants	23	23	
12	Land leasing/usufruct processes facilitating establishment of (1) production companies	—	—	NSC deliberated on granting long
13	(2) Commercial activities	—	—	term user rights. Action in progress.
14	Demonstrations of authorizing user groups, joint consolidated land management/production systems in minor tanks	2	2	This work involves a continuing process that has now been started.
15	Training opportunities in local level planning, group formation, support and colaboration to officials.	116	117	
16	# of NGOs and other private sector organizations providing technical managerial and commercial information to user groups.	10	11	

LOP = Life Of Project

Farmer Organisation

	Sub-Watershed	# of Organ.	# of Membership
1	Walgamwewa	4	518
2	Nayakubura	1	35
3	Agunuwalpelassa	1	103
4	Kalundawa	2	259
5	Eravula	2	185
6	Welangolla	1	103
7	Polattawa	5	373
8	Puwakpitiya	3	150
9	Kudaranbewewa	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	T-6	3	299
17	Kelenikawewa	1	33
18	Ulpathgama	1	22
19	Maradankalla	2	188
	Total	44	3335

HURULUWEWA WATERSHED – STATUS OF THE GROUPS

Huruluwewa watershed steps	Status D				Status C		Status B		Status A	
	1	2	3	4	5	6	7	8	9	10
Walgamwewa										
Nayakumbura										
Angunawelpellessa										
Kalundewa										
Welangolla										
Polattawa										
Puwakpitiya	2	2	2	2	2					
Kudarambawewa	2	2	2	2						
Weheragala										
Mahameegaswewa										
Madawala	1	1	1	1						
Padikaramaduwa	5	5	5	5	3	3	1	1		
Gerandiyaulpotha	6	6	4	4						
Kokawewa	4	4								
Tikkanpothana	4	4	4	4	3	3	1	1		
Ulpthagama	3	3	3	3						
Maradankalla	3	3	2	2	2	2				
Tract 06	2	2								
Total	32	32	23	23	10	8	2	2	0	0

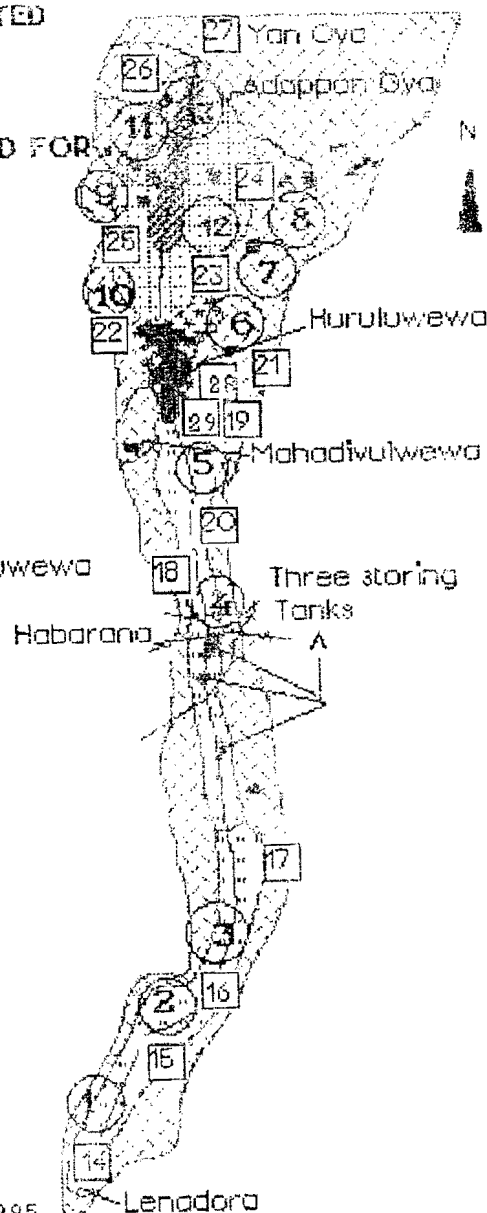
**DISTRIBUTION OF SELECTED
SUB-LOCATIONS FOR
IMPLEMENTATION FROM
1993-1997**

**SUB-LOCATIONS SELECTED FOR
FIRST PHASE**

- (1) Walgamwewa
- (2) Anauniawelabeessa
- (3) Welangalla
- (4) Puwakpitiya
- (5) Manameegaswewa
- (6) Padikaramaduwa
- (7) Garandiyaulpatha
- (8) Kokawewa
- (9) Ulpahgama
- (10) Maradankulla
- (11) Tract 6
- (12) Other tracts of Huruluwewa command area
- (13) Drainage area

SECOND PHASE

- (14) Atubendiyawa
- (15) Kalundewa
- (16) Ereula
- (17) Palattewa
- (18) Vehenagala
- (19) Madawela
- (20) Kudarambawewa
- (21) Sampathgama
- (22) Karuwalagaswewa
- (23) Nitulgallewa
- (24) Palualladama
- (25) Wiharagala
- (26) Ollukalagala
- (27) Tikkanpachana
- (28) Maharambawewa
- (29) Thelhavadiyawewa



HURULUWEWA WATERSHED

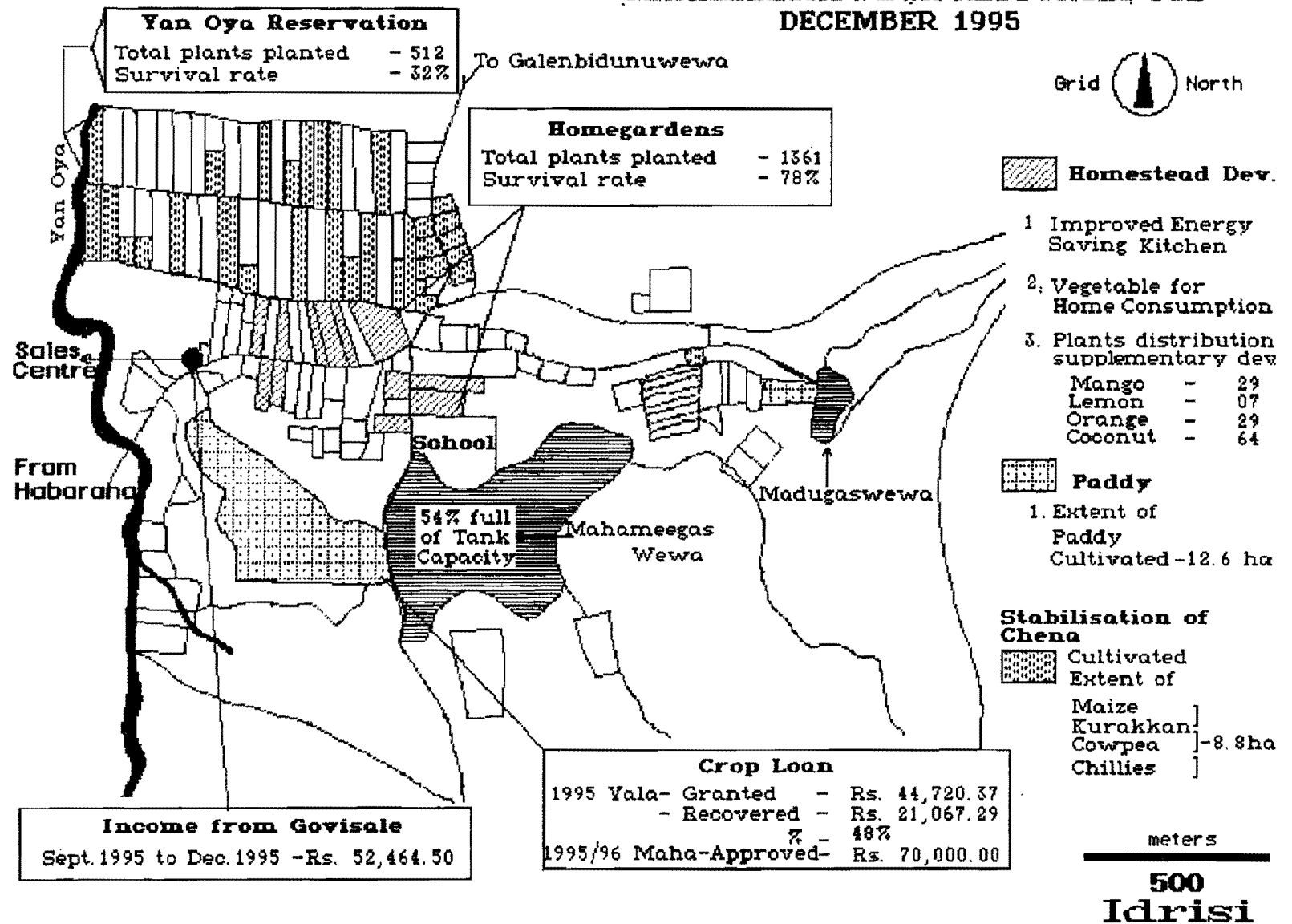
- Huruluwewa command area
- Drainage area
- Huruluwewa tank eco system
- Yan Oya and feeder canal subwatersheds
- Other lands within watershed
- First Phase of the Project
- Second Phase of the Project

Targets and Achievement upto End of 4th quarter 1995

Location	Target Area (ha)	Up to end of 3rd Qtr. 1995	During 4th Qtr. 1995	End of 4th Qtr. 1995
1,14	545	273	3	276
2,15	647	488	20	508
3,16	727	464	5	469
4,20	394	203	95	298
5,19,28,29	218	93	307	400
17		88	137	225
18			14	14
6,21	644	166	16	182
7,23	688	49	32	81
8,24	169	185	15	200
9,25	293	83	199	282
10,22	197	152	499	651
11,26	282	498	22	520
27		52	28	80
12	500	3105	4000	4000
13	300	72		72
Total	5604	5971	5390	8256

Target Farm Families	Up to end of 3rd Qtr. 1995	During 4th Qtr. 1995	End of 4th Qtr. 1995
698	230	0	230
708	287	0	287
596	232	66	298
286	368	82	450
658	368	108	476
		40	40
	78	24	102
164	140	0	140
539	238	54	292
284	207	37	244
324	259	25	284
121	107	134	241
476	530	0	530
	36	28	64
	3105	0	3105
Total	4854	598	6783

MAHAMEEGASWEWA RESOURCES USE DECEMBER 1995



SCOR NILWALA PROGRESS

4TH QUARTER

1995

December 1995

INTRODUCTION

This presentation focuses briefly on the current status of project performance using a set of strategic level and programme outcome level indicators with details given by activities. Reference is given to the relevant documents which give details of the process and quality of achievements in respect of major events and performance.

The structure of progress reporting is to adopt four levels of aggregation. At the highest level, progress is reported by 3 strategic level indicators. At the programme outcome level more details of output and possible effects are presented. The third level presents a set of indicators allowing a quick look on direct outputs realized. The fourth and the lowest level of data presentation is by activities.

Spatial distribution of project activities with the status of progress is presented in maps wherever a visual presentations are considered appropriate.

2. PROJECT INPUTS

2.1 Financial Inputs

ITEM	UNIT	LOP TARGET	TOTAL TODATE	CY95 ACTUAL/PLAN
1.User grants	US\$('000)	120.5	50.06	50.06/120.5
2.Host country contribution	Rs.(M)		11.4	11.4/

2.2 Budgeted Expenditure

2.3 User Grants

The input use under 'user grants' as at the end of the 4th quarter was Rs.250,3314.50 in Nilwala Watershed.

Annex 1 present details of user grants.

2.4 Host Country Contribution

The host country contribution as at the end of 4th quarter is Rs.114,837,02.00. Annex 2 present the detail of the host country contribution.

2.5 Training

Local training opportunities provided upto end of 4th Quarter 1995 have accounted to 5147 in resources use planing, organization, marketing and group dynamics. Annex 3 gives the details of the input utilization and training.

2.6 Group formation and strengthening

During the 4th quarter 95, 80 group were further strengthened and the resultant classification of these groups and the chapter 5.2 present the progress of institutional development.

3. PERFORMANCE BY STRATEGIC AND PERFORMANCE INDICATORS IN SUMMARY

3.1 Performance by strategic level indicators

Performance SCOR	Up to 3rd Quarter 95'	4th Qrater 95'	Total
Host country contribution Planned Actual % Achieved	195930.80	33743.24	229674.04

3.2 Project Purpose Level Indicators

Strategic level Indicator	Unit	Baseline Yr.Value	LOP Target	Total Todate	CY 95 Actual/Plan
1.Targeted hectares under improved production and protection technique	Hec.	92 0	3000	1787	1605.8/1787.3
2.Value of targeted investment by the resources in environmental sound production practices	\$Mn	92 0	.5		.1/.5
3.Government policy decisions initiated	Nos.	92 0	3	1	1/3

3.3 Performance by program outcome level indicator

Programme outcome level indicator	Unit	Base Yr. Value	LOP Target	Total to date	CY 95 actual/plan
1.Target land area covered by agreement between GSL and under user groups(Extent under protection and production practices user rights)	Hec	92 0	500	33	33/500
2. Farm household using improved environmental technique	#	92 0	2000	2716	2716/2000

Project Purpose Level Indicator		Base yr Value	LOP Target	Total Todate	CY 95 Actual /Plan
1. Number of natural resource group operating	#	92 0	75	80	80/75
2. No. of policy /procedures organizational changes adopt	#	92 0	6	2	2/6

Projects Output Targets/Performance	Base yr Value	LOP Target	Total Todate	CY 95 Actual/Plan
1. User groups organized / assisted to take joint responsibility for management of land and water resources	0	75	80	80/75
2. Number of new commercial activities supported by linking to markets	0	25	24	24/25
3. Land Leasing /usufruct agreement issued for establishment and functioning of production companies and commercial activities	0	5	1	1/5

4.	Training opportunities provided to representatives of NGOs and other private sector orgs.in participatory resources mgt.	0	5000	5147	5147/5000
5.	Number of officials trained local level planning, user group formation support and collaboration	0	1000	167	167/1000
6.	No. of user organizations conferred with legal status and powers	0	10	6	6/10
7.	Number of NGOs and private sector agencies providing technical managerial and commercial information to user groups	0	8	9	9/8
8.	Research studies completed on natural resources issues.	0	8	2	2/8

3.4 PROGRESS BY MAJOR OUTPUT INDICATORS

Annex 8 presents the progress by major promised output in summary form. The indicators directly relate to the output as indicated in the SCOR technical report.

4. SPATIAL DISTRIBUTION OF PROJECT OUTPUT AND EFFECTS

- 4.1 This section elaborates on the outcomes and the effects of SCOR interventions as indicated by the strategic, purpose and program outcome level indicators using a view through locations. Information will be provided on what is happening, where, in what degree, and type with what future direction for impact.
- 4.2 Map 1 shows the distribution of sub locations, the targets and achievements of the anticipated effects and impacts on the adoption of land and water conservation techniques (Strategic level indicator 1) in each sub location with number of farm families involved (Programme outcome level indicator 2) under major intervention in the Nilwala watershed. Map 2 and 3

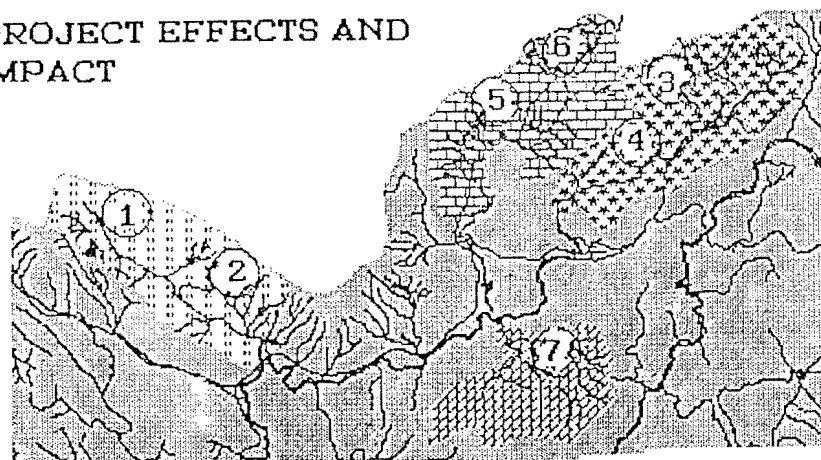
presents the baseline and current status of Dothlalugala contiguous area to illustrate the changes that are taking place in sub watersheds.

5. PROJECT INTERVENTIONS AND EFFECTS

5.1 Integrated Planning and Coordination

SCOR facilitated in the process of preparing an integrated plan with relevant line agencies, by forming four task forces and sixteen sub-task forces in the watershed level, in order to enhance and sustain the productivity of natural resources of the watershed while conserving them. These task forces were engaged in activities such as transferring appropriate technology to the resources users, providing various resources needed and developing the organizational structures to achieve the set objectives. Training programs were planned by the task forces with respect to interventions in sectors of tea, paddy, homesteads and forestry and such programs are in progress according to the schedules. SCOR also facilitated to conduct regular watershed management working group meetings chaired by the Divisional Secretary for each sub-watershed in order to monitor and review the progress of planned activities and identify the constraints encountered and thereby solutions.

The Coconut Development Authority and the Department of Export Agricultural Crops are implementing their subsidy schemes to the benefit of resource user groups in the watershed. As of end October 1995, the Coconut development Authority has provided 12,500 plants and the Department of Export Agricultural Crops has provided around 5,500 plants to resources users under these programs. The activities of Participatory Forestry Project of the Forest Department were planned by the officials of the Forest Department and resources user groups with the facilitation role played by SCOR. Under this program, 14 ha of degraded lands have been identified for reforestation and work in 5 ha were completed. Further 4 ha in other state forest (OCF) at Dotalugala were reforested by a NGO with SCOR user grants.

PROJECT EFFECTS AND
IMPACTAREA AND FAMILIES ADOPTING
PRODUCTION TECHNIQUES
WITH
LAND AND WATER CONSERVATION

UPPER NILWALA WATERSHED



feet

5,611.72

SUB WATERSHEDS

Millawa

Anninkanda

 Diyadawa
Thanipita

Horagala

TARGETS AND ACHIEVEMENT UPTO END OF 4th QUARTER 1995

Location	Target Area (ha)	Achievement		
		Upto end of 3rd qtr 95	During 4th qtr 95	End of year 1995
1 Upper Millawa	242	150.3	2	152.3
2 Millawa	253	150	0	150
3 Aninkanda Dothalugala	227	242.5	0	242.5
4 Aninkanda	273	411	112	523
5 Diyadawa – Tenipita	267	265	0	265
6 Tenipita	207	266.6	2.9	269.5
7 Horagala	248	185	0	185
Total	1717	1670.4	116.9	1787.3

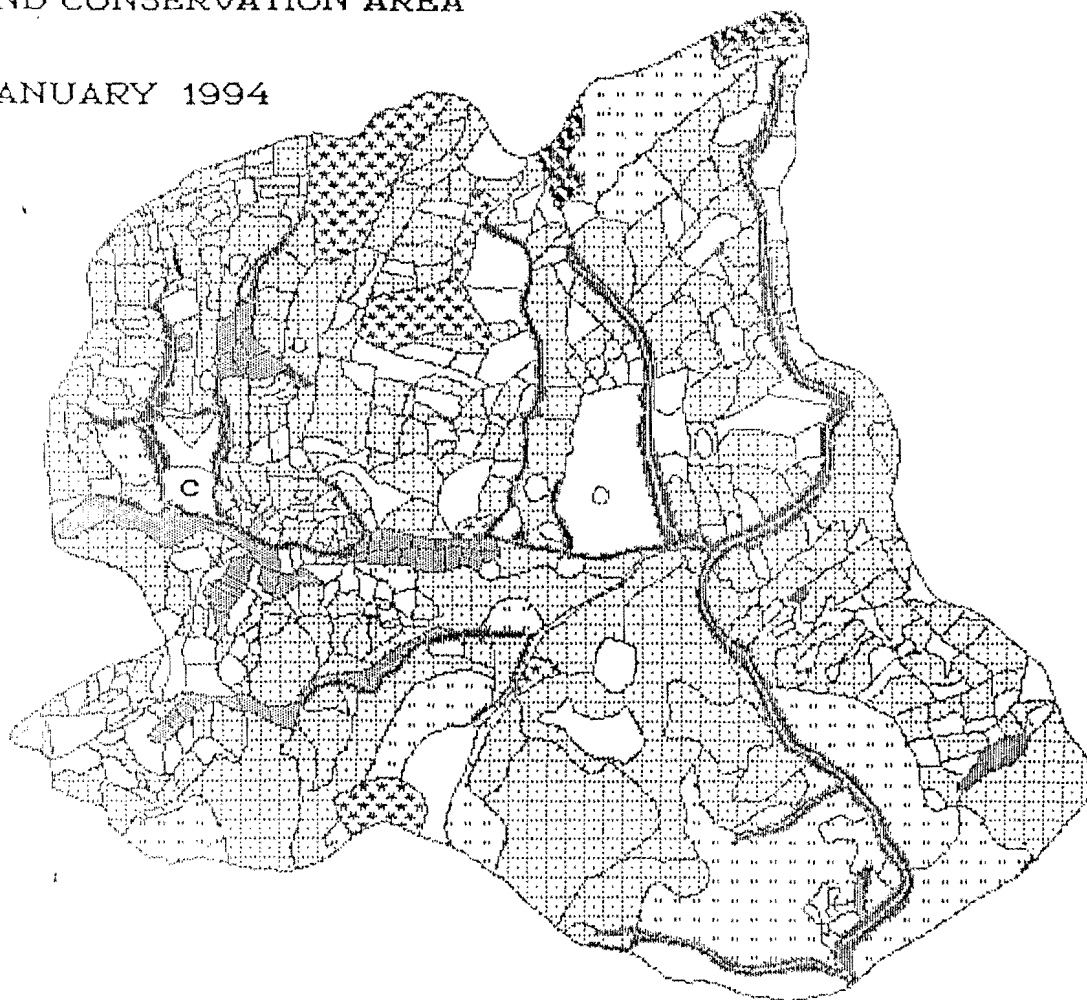
Target = Target set for 1st Phase

Target Farm Families	Achievement		
	Upto end of 3rd qtr 95	During 4th qtr 95	End of year 1995
400	270	0	270
395	380	5	385
250	225	125	350
350	260	251	511
780	350	180	530
300	400	0	400
351	215	55	270
2826	2100	616	2716

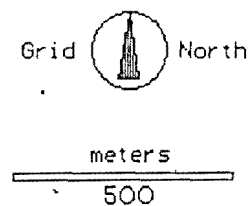
LAND USE - ANINKANDA MODEL PRODUCTION AND CONSERVATION AREA

Map

JANUARY 1994



- Tea (57%)
- Paddy (5%)
- Open forest (5%)
- Dense forest (1%)
- Scrub (15%)
- Stream reservation
- Mixed crops (5%)
- Cemetery



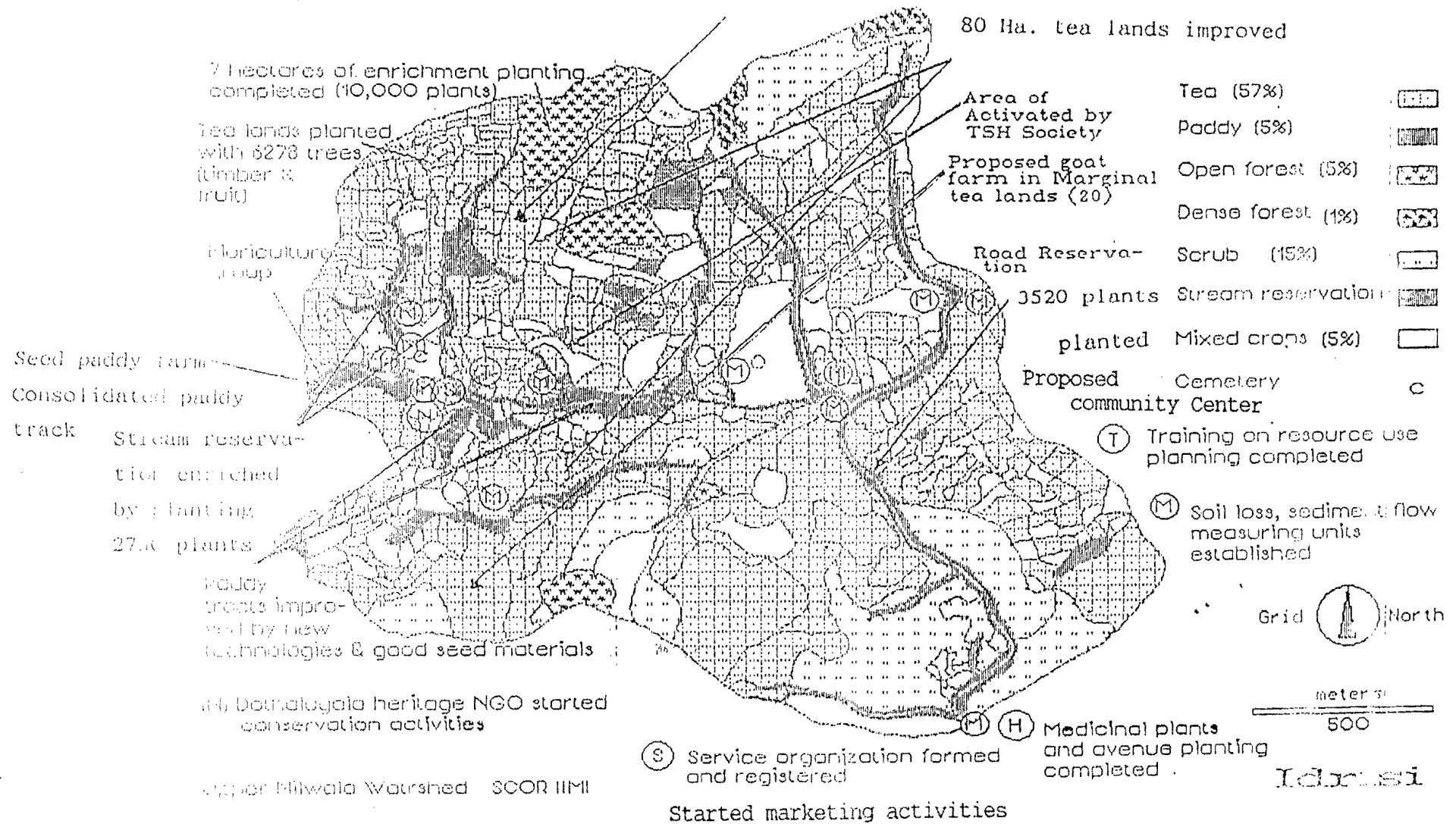
Upper Nilwala Watrshed SCOR IIMI

Idrisi

LAND USE - ANINKANDA MODEL PRODUCTION CONSERVATION AREA DECEMBER 1995

MAP

Homestead enriched with 4352 Plants



In order to meet the demand of tea plants for infilling program in the watershed, users have established nurseries with loans obtained from the Asian Development Bank loan scheme which is implemented by the Tea Small Holders Development Authority (TSHDA). The plant requirements were identified by the resource users. The infilling program of tea is implemented through Mini-Projects prepared by resource users in collaboration with TSHDA and Tea Research Institute (TRI). The loan scheme of TSHDA for purchasing fertilizer was utilized by three Tea Small Holdings Development Societies (TSHDS) to purchase 98 metric tons of fertilizer and 33 metric tons of dolomite. The Service Farmer Organizations further supported this activity by giving loans to TSHDSs.

Five farmer organizations purchased 5 two-wheel tractors under the subsidy scheme of the Agrarian Services Department to solve the transport difficulties encountered by them.

Divisional Secretaries have shown the advantage of involving Samurdi Niyamakas to facilitate farmer organizations in implementing mini-projects, both already in operation and those proposed, and also giving a role to Samurdhi Niyamakas in implementation of stream reservation programs at the field level. Also, the DAS (Matara) invited SCOR to participate in training of their IOs on institutional development and SCOR attended to this task in order to facilitate the future activities of SCOR in the lower Nilwala Basin.

The Provincial Agricultural Ministry has allocated money for the proposed improvements in Pothuvila yaya paddy track on completion of re-allocation of their paddy lot (as first step in land consolidation). The proposal in this respect was made by the Potuwil-Yaya Farmer group with SCOR facilitation.

SCOR interventions facilitated the coordination between Integrated Rural Development Project (IRDP)- Matara and resource users to make use of the facility of financial support for plant materials, such as banana, and free fertilizers for income generating activities in homesteads of the low income group. 22 banana plots have been established in Horagala sws under the above program. SCOR has already established links with National Irrigation Rehabilitating Project (NIRP) and Southern Province Regional Development Project (SPRDP).

SCOR facilitated and linked between Intermediate Technology Development Group (ITDG), IRDP and group of farmers at Illukpitiya to undertake the Bovitiyadola micro-hydropower generating project. In this connection, a power house with a 5 kW- capacity generator was completed and 48 direct beneficiaries of this project have installed transmission lines to their homes from the plant. Also 22 houses within the

sub-watershed are expected to be provided electricity through batteries charged from this installation. The total expenditure was Rs. 635,727.00 and IRDP has granted Rs 388,951.00. Bovitiyadola Micro-Hydropower Users' Society has taken a credit amounting to Rs. 115,000.00 at an annual interest rate of 2% from the Horagala Service Farmer Organization (SFO) to purchase transmission wires on the agreement to pay back the loan in two years. Rs. 72,000.00 was collected from the users and they further contributed Rs. 174,876.00 in the form of labour and material. The balance work of the project was commissioned by Chief Minister of Southern province on 14/12/95. Government sponsored Samurdhi Program of Ilukpitiya village joined hands with the hydro power society for the construction of the community center together with a fertilizer store and the battery changing center which was declared open on the above occasion. Two more micro-hydropower projects within the project area and one in outside area, requested by people, are already in the pipeline. Micro-hydropower projects are not only linked to conservation of its hydro-catchment for sustained power generation but also provide an alternative and environmentally friendly source of energy in the wake of limited capacity of the national grid to supply energy for rural electrification.

5.2 Institutional Development

The total number of Resource Users Groups (RUGs), including those newly formed ones, was 80 by the end of December 1995, as follows:

Type of Activity	No. of Groups
1. Multi-Purpose	23
2. Floriculture	7
3. Protect Road and Stream Reser.	4
4. Plant Nursery	7
5. Home Gardening	6
6. Forestry	2
7. Seed Paddy	5
8. Agro Forestry	5
9. Tea Land Conservation	11
10. Animal Husbandry	5
11. Kitul Production	1
12. Pinuse Tapping	1
13. Bee keeping	2
14. Mini hydro power	1
Total	80

Apart from these Resources Users Groups, a total of 28 Resources Users Organizations (RUOs) and 04 Service Organizations have been formed by the end of December 1995. The types of the organizations built are as follows.

RUOs	No of Group
1. Farmer Organizations	18
2. Tea Small Holding Societies	6
3. NGOs	2
4. Micro-hydro Power	1
5. Non-wood forest Product	1
Total	28

Farmer Organizations (FOs) newly formed with SCOR facilitation include the Anthurium Growers Organization, Micro-hydro Power Organization, Non-wood Forest Product Organization for (Pinus) oleo resin tapping, one NGO -Swabha Sampath Surakinno. The existed Farmer Organizations and the Tea Small Holders Societies (TSHS) are either already re-vitalized or being re-vitalized now with SCOR interventions.

The ranking of Resource Users Groups and Organizations on the status of their maturity is as follows on the classification based on the criteria given in Figure 1.

Type	Status D	Status C	Status B	Status A
RUGs	33	12	8	0
RUOs	11	10	8	4

5.3 Group Activities for Enhanced Production, Protection, Marketing and Other Related Services.

As at end December 1995, a total of 80 small groups, 4 service organizations and 2 single activity based (viz. non-wood forest product utilization organization and Anthurium growers organization) were in operation. In addition to them, 18 existing organizations are now being strengthened. Four service organizations, (Pinus) oleo resin tapping (non-wood forest producers) organization and Anthurium growers organization were registered under agrarian service act. These groups and organizations were awarded with grants to a value

of Rs. 1,975,414.50 to be used as their revolving funds and/or collateral in obtaining institutional credit facilities. The user grants and NGO grants as at end December, 1995 were in annex 01.

The current affairs of the Horagala Farmer Organization include collection, transport using their tractor, and marketing of green leaf and export agricultural crops. As a result, small tea land holders have been able to enhance their income from a kilo of green leaf by 10 cts in addition to 10 cts reduction in cost of transport while dealing with 3 factories. Other advantages derived from farmer group involvement in green leaf marketing were the reduction of the earlier 6% of total weight counted for impurities in tea, weight of gunny bags and water by middlemen to only 4% of total weight, further benefitted by elimination of underweighing. Also the organization handle the supply of seed paddy, fertilizer, agro-chemicals, etc., for paddy; and fertilizer, dolomite, and Zinc sulphate for tea on agreement with its members to pay the cost on installment basis. Also a sprayer and a thresher are at the members disposal. The other services of the organization involve the supply of improved plant materials, maintenance of a retail outlet for sale of consumer goods, and provision of agricultural credit facilities. The total turn over of the marketing activities undertaken by the organization during April to August 1995 period has amounted to over Rs. 600,000.00.

The access road to Uda-Horagala is in is a dilapidated condition posing a great difficulty in transport of green leaf, other agricultural produces and supply of inputs. Under these circumstances, the farmer organization has taken steps to generate a fund to repair and maintain the road. They collect 05 cts from each kilogram of green leaf supplied to the organization by users and also from other green leaf collectors who use this road (at the rate of Rs 50.00 per month for a two-wheel tractors and Rs 150.00 in the case of a four-wheel tractor). The organization has already collected Rs 2,500.00 and commenced road development activities in a 1.5 km stretch. Surface cambering and drainage system has been laid in the above stretch and concrete layering of steep slopes of the road is in progress.

Also the Diyadawa/Tennipita Service Organization is dealing with marketing of inputs and agricultural produce and supply of planting materials. Diyadawa/ Tenipita and Anninkanda Service Organizations and Horgala (East) Farmer Organization continued to assist resources users by offering their agricultural produce a higher price through direct dealing with regional markets. Milla Ela Service Organization commenced collection of shares from its members to raise an

adequate capital to start commercial activities and they have already ventured on sale of input such as fertilizer.

With the assistance and facilitation role played by SCOR, four farmer organizations, namely Morawaka, Diyadawa, Bataandura (north), and Horagala (east) farmer organizations, were able to purchase two-wheel tractors with trailers under the loan assistance scheme of the Agrarian Service Department. Under this scheme Rs. 240,000.00 worth tractor and a trailer is given to farmer organization at Rs. 114,000.00 on credit with a down payment of Rs. 18,000.00. These organizations were able to collect shares from its members to meet the initial capital requirement. These tractors are now being used for commercial activities such as transport of green leaf and inputs as well as for agricultural operations like land preparation to the benefit of the members of these organizations.

As a result of facilitating role played by SCOR, Bodeniya Tea Small Holders' Society requested from the Tea Small Holding Authority to take steps to grant legal status to such societies to make them eligible for loans from lending institution. This action paved way to a policy decision by the authority and to pass a resolution by the parliament giving body corporate status to Tea Small Holder Societies. A gazette notification in this respect has already been issued on 7th July, 1995.

Actions were taken to expedite the release of loans from banks under Asian Development Bank (ADB) loan scheme for replanting and new planting of tea. Discussions in this connection were held with TSHDA, ADB, Central Bank (Matara), and officials of local banks to identify constraints and solutions for them. SCOR catalysts are now working closely with TSHDA field officers and societies to minimize delays in obtaining loans and also to link interested parties with TSHDA/Banks. Also, a program to re-organize the tea small holders society with active participation of TSHDA field officers is already in operation.

Tapping of trees was started by Aninakanda Pinuse resin tapping organization and 5,000 Kg of oleo-resin, have been sold by 42 user members to the company at the end of the fourth quarter.

A people's company - Janatha Nilwala Agro Production and Processing Co. Ltd., has been registered under the Registrar of Companies Act. Four service organizations received Rs.100,000 each as revolving funds to use as a collateral for obtaining a bank loan to meet a part of the total capital requirement of Rs. 1,000,000.00. Collection of an initial

share capital of Rs. 300,000.00 from resource users is in progress. In addition to that people's company received a revolving fund of Rs.74,000 for the production and protection purposes.

Kotapola Muti-Purpose Co-operative Society has made a proposal to start a coffee grinding facility to enhance the income of coffee growers in the area through processing of their produce. The planned capacity of the plant is 10,000 kg per annum.

Anninkanda service farmer organization has awarded a contract to the Kiriwanaganga Estate Welfare Society to establish a plant nursery and supply 3,000 fruit plants (Rambutan, Avocado, etc.), 1500 forest plants and 10,000 Vetiver slips. The total estimated cost of the project is Rs. 121,000.00. SCOR assisted this project by awarding a grant of Rs. 25,000.00 to be used as a revolving fund. This was a breakthrough to eliminate the conflicts between company managed estates and villagers while making use of technology and labour available at the estate sector.

5.4 Shared Management of Natural Resources

Arrangements have been made for granting user rights to 27 users who are engaged in reforestation of 12 ha in Morawakanda in Milla-Ela area under participatory forestry project (PFP). In this respect, agreements have already been signed between the Forest Department and the users. Also a one hectare of degraded forest in Horagala was reforested under PFP and the users have planted 1,193 seedlings obtained from their own nurseries.

The following nurseries, registered with the Forest Department, continued to supply plants for the enrichment planting, agro-forestry, homesteads, and stream and roadside reservation planting in the four sub-watersheds: Nilwala nursery- Olakumbura in Diadawa/ Tennipita with 10,000 plant capacity producing Hora, Mahogany, pihimbiya, Jak, Halmilla and arecanut; Mihituru nursery in Uda-Horagala with 5,000 plant capacity producing Hora, Mahogany, Pihimbia, Lime. Cashew, and arecanut. Bovitiya-Dola nursery in Illukpitiya with 5,000 plant capacity producing Hora, Pihimbia, Acacia, arecanut and Margosa; Uda-Dola nursery at Beralapanadara with 5,000 plant capacity producing Hora, Acacia, Halmilla, Mahogany, Lime and Pihimbia; Polgahahena nursery at Talapole-Kanda with 5,000 plant capacity producing Arecanut, Acacia, Pihimbia, Mahogany, Margosa and Halmilla; Ayrvedic Hospital nursery at Waralla in Diyadawa-Tennipita with 10,000 plants capacity producing Medicinal plants, Mahogany, Margosa, Pihimbia and fruit plants.

Planting of 12,000 seedlings of different species of trees, both forest and fruit plants, in the Dothalugala forest (5 ha) was completed by the Dothalugala Heritage NGO and the maintenance of the plants is attended by the same organization at three month intervals.

Establishment of agroforestry systems was initiated in 85 ha, mainly in tea lands encroached into forest reserves and not suitable for a tea monocrop without intensive conservation measures due to their location on steep terrain. In these lands, 16,741 forest/fruit plants were established while encouraging the users to adopt appropriate soil conservation practices. The relevant Divisional Secretaries have agreed to regularize these lands after establishment of sound soil conservation practices and suitable tree species by the users.

About 72.5 km of stream reservations were enriched by planting 12,300 forest and fruit plants. Plants numbering 9,300 were established on a 28 Km length of roadside. School Environmental Committees of the area played a major role in roadside planting. Stream and Road reservation task forces chaired by the Divisional Secretaries are examining the possibilities to grant user rights for those involved in stream and road reservation planting.

The Forest Department has given a lease for Pinus (oleo) Resin tapping in all the plantations of the Southern Province to Lanka Pinus Industries Ltd. Though this company had no intention of commencing tapping the Uduhupitiya plantation immediately, due to SCOR interventions this company agreed with the "Shrama Shakthi Non-Wood Forest Product Utilization" farmer Organization to commence resin tapping in Uduhupitiya. The Forest Department has completed land survey to block out the land in this connection. Members have started clearing of the undergrowth and bark shaving before commencing resin tapping. Lanka Pinus Industries Ltd., has come into an agreement with users to buy Pinus resin. This Pinus resin tapping project covers 112.3 ha benefitting 42 families. The expected income is more than Rs 100.00 per day with a total income generation of Rs 14 million per annum for 43 members. They have agreed to protect the plantation from fire and maintain the access road system. This will also prevent any future encroachment of this plantation for hazardous land uses. It is beyond doubt that if the expected income is derived, they can be encouraged also to invest a part of income on conservation measures adopted in their own lands.

Six hectares of Pinus in Ramaniya-Godalla were poor in growth for resin tapping. However, following the discussion held by SCOR with the Conservator of Forest, it was decided to thin out the plantation by removing 50% of the stand and diversify

with broad- leaved tree species, such as Mahogany, Hora, Pelen, Bata-Domba and Rattan, as a silvicultural research project. The Forest Department has already agreed with the Shrama Shakthi Non-Wood Product Farmer Organization to complete the diversification on contract basis. SCOR is planning to make related studies in collaboration with the Forest Department.

In a discussion held with the Conservator of Forest and other regional and local officials of the Forest Department, many policy decisions were initiated. They showed that in the case of forests that are not within the purview of the FD, the patches of forest lands encroached for permanent crops can be released to the users if the growth is more than 10 years old and the balance forest area could be declared as forest reserves. Also, it was decided that it is suitable to grant permits only to obtain harvests from grown crop if there is substantial number of existing forest trees in encroached lands. Various groups of people had brought forward an issue of widespread illicit logging in a 10 ha forest at the boundary of Deniyaya Estate but without a clear ownership either by the estate or the FD. The Conservator of Forest outlined the procedure that should be followed in order to enable the vesting of such lands in the Forest Department so that the FD could preserve such forests.

There were 115 users who have applied for rights to collect six different non-wood forest products from the forest reserves and the Forest Department has agreed to investigate the feasibility for such a venture. The FD agreed to give the technical advice in preparation of resources inventories of natural forests by the resources users with SCOR interventions prior to giving user rights for exploitation of non-wood products such as Rattan (cane) and Wenivelgata. The Forest Department agreed to give rights for extracting other non-wood forests products (which are non-destructive) such as bee honey, sap of Kitul trees, dummala (resin), beraliya and goraka, after due consideration of the applications already made by resources users.

Training programs for resources users were held in collaboration with line agencies to make them aware of the importance of reforesting the degraded forest reserves and to provide field demonstrations on proper techniques of reforestation.

5.5 Improvements in Tea Sector

An extent of 901.5 ha of tea small holdings and 131 ha of estate tea lands have been brought under production and protection practices in the four sub-watersheds with continued catalytic functions for wider adoption. The promoted

technologies in these lands include soil conservation through vegetative (e.g. vetiver and SALT hedgerows, ground cover) and mechanical methods (e.g. contour drains, stone bunds); planting of mana grass in vacant patches prior to infilling of degraded lands; infilling with tea under suitable soil conditions; planting of shade trees for both high- and low-shade; improvements in pruning methods; introduction of proper fertilizing practices; dolomite and Zinc sulphate application; and promotion of high plucking standards.

Tea small holders and estate owners/managers have accepted vegetative hedgerows as an effective conservation practice. As at end December 1995, about 90,536 ft of vetiver hedgerows, 30,106 ft of SALT hedgerows and 55,400 shade trees have been established in tea estates and small holdings. These practices seem to have a wide spread effect within and outside of the project area.

Five user organizations have engaged in input supply for tea and they have supplied 110,000 kg of fertilizer and 36,500 kg of dolomite to their members. Two organization have entered into the green leaf marketing activity in Horagala and Morawaka. The average green leaf sale of Horagala (East) farmer organization is 11,000 kg per month (i.e. 33,544 kg during Oct.- Dece. period) and it is around 2,700 kg per month in Morawaka farmer organization which entered into green leaf marketing recently.

A tea nursery of 50,000 plant capacity was commenced at Milla Ela and already about 10,000 cuttings have been established. These plants are produced for the infilling program planned under the Ihala Millawa production and protection project formulated by the Ihala Millawa farmer organization with the facilitation role played by SCOR. In addition to tea plants, 2,000 pepper plants are also expected to be produced in this nursery.

By the end of December 1995, more than 3,000 tea small holders were trained on proper techniques and methodologies regarding soil conservation including demarcation of contours using A-frame and regular maintenance of conservation measures; shade management; application of fertilizer and organic manure; pruning and plucking; and maintenance of a plucking table and a good ground cover through the canopy structure. These training programs were arranged by Tea Small Holders Development Authority and Tea Research Institute. These programs included lectures, posters, field demonstrations and video presentations. In addition, Tea extension officers regularly visit some of the selected tea lands in the watershed to enable surrounding farmers to participate in the field training. Also, 10 tea land holders were trained at TRI on nursery management.

Apart from group training, SCOR catalysts attended to individual resources users to promote conservation practices by convincing the importance. Also, discussions were initiated with some owners of remote controlled degraded tea lads, who are not resident in the area, to ascertain the possibilities of improving their lands with alternate management arrangements.

5.6 Improvements in Paddy Sector

Interventions, such as renovation of anicuts, improvements in irrigation and drainage channels, have enhanced the production potential of 64.5 ha of paddy lands under minor irrigation schemes. Soil conservation measures were promoted in the highlands adjacent to paddy lands to ameliorate the problem of sand deposition in paddy lands and irrigation channels. With SCOR interventions many other practices such as, bund cultivation, integrated pest management practices, and use of straw and construction of interceptor drains to avoid bronzing conditions were promoted. Further, the coordination between farmers and the Divisional Officers of Agrarian Service Department for input supply etc. was promoted. Supply of quality seed paddy contributed to raise the productivity. However, in order to overcome the frequently encountered problem of shortage in seed paddy, 19.5 ha of seed paddy farms were established to meet the seed paddy requirement of the area. Farmers were motivated to have pre-seasonal cultivation meetings, which were not conducted prior to SCOR interventions, to agree on a proper cropping calendar while minimizing staggered cultivation. Moreover, handling of input supply by farmer organization, in bulk volumes with discounts, reduced the cost of production besides their availability in sufficient quantities in time. All these interventions increased the productivity and profitability of the paddy farming while reducing the crop loss.

Improvements to irrigation and drainage systems have been suggested to paddy tracts by Beralapanatara (north) and Batandura (north) farmer organizations. Divisional Secretary (Pasgoda) and Southern Provincial Council have allocated funds for this work and the concerned farmer organizations have planned to complete the work under Samurdhi Program. In Diyadawa/ Thenipita sub-watershed, Nawalahena Farmer Organization proposed to obtain supplementary irrigation facilities to about 30 acre of their paddy land through diversion of a perennial spring situated in Bodeniya area. Feasibility of this is being investigated by SCOR.

Under the land consolidation effort, surveying and blocking out of paddy lands were completed in 5 acres among 30 owners of Pahala-Egoda Kumbura; 3.5 acres among 20 owners in Pahala-Mulana-Amuna Yaya; 3.53 acres among 29 owners in Potuwil-Yaya

as the initial step. This was a motivation for farmers to improve the paddy lands in the long- run. Before the intervention, Kattimaru and Thattumaru system of shared cultivation, in turn among the owners, were the practice. Some individual farmers cultivated in different parcels in the same tract in the same season, whereas some others had a chance to cultivate only once in 20 years or so. They had no clear deeds nor permits to claim the ownership. There were many disputes on ownership and sometimes fractions of paddy lands were left fallow due to unsettled plot boundaries at the beginning of a cultivation season. Also, the farmers did not maintain the irrigation and drainage channels properly. As any given plot of land was not cultivated by the same farmer continuously, they were reluctant to apply adequate inputs to obtain good yields. In order to overcome these problems, Farmer Organizations discussed with the farmers and agreed to partitioning of the paddy tract with SCOR interventions. Consequently, lands were surveyed and blocked out giving due consideration to irrigation and drainage facilities. The farmers have accepted the blocked out plots of land.

The above process was facilitated by SCOR Catalysts with the corporation of the Divisional Officers of the Department of Agrarian Services. Also, the other problems faced by the farmers, such as Iron toxicity, inadequate drainage facilities and damages caused by sand originating from highlands, and the required measures to overcome them were identified with the farmers. The improvements suggested by the Farmer Organization were accepted by the Divisional Secretaries, Divisional Officers and Institutional Organizers and the Southern Provincial Council. As a result, the Provincial ministry allocated money on the recommendation of DS (Pasgoda) to effect some of the improvements. DO (Urubokka) is taking actions to issue permits for re-allocated plots of lands to the farmers.

More Farmer Organizations have commenced negotiations and discussions with relevant farmer groups to implement similar type of land consolidation for other paddy tracts covering 15 ha.

Training programs conducted for the paddy sector in collaboration with line agencies included transfer of technology in respect of integrated pest management, seed paddy production, etc. Also, Shramadana Campaigns were organized to clean and maintain streams used as sources of irrigation.

5.7 Improvement of Homesteads

Under the homestead development program, interventions were initiated to motivate resources users for production and protection in 218.3 ha of homesteads. The interventions included promotion of appropriate management of existing economic trees/ crops and intensification, proper shade management, diversification with introduction of economically important trees/crops, bee keeping (64 bee colonies), animal husbandry, etc., and soil conservation practices and use of organic manure.

Service farmer organizations and resource user groups have supplied 37,5000 plants to 2,540 homesteads (including those adjacent tea lands) by making use of their revolving funds. This was supported by the Forest Department, Department of Export Agriculture and Coconut Cultivation Board. Two homestead clusters were developed to serve as homestead demonstrations in Milla Ela and Thanipita. Development of 52 homesteads was started in Aninkanda, Diyadawa-Thaipita and Horagala sub-watersheds. Homestead development task force and users of the area have a plan and a time schedule to accelerate the homestead development program of the watershed and which is already in operation.

Many training programs were held in collaboration with line agency officials on bee keeping; coconut cultivation; growing, harvesting, processing and grading of export agricultural crops; nursery management; growing of grass species (*Bracharia* N.B. 21) on road and stream reservations; etc. Practical training classes were conducted for resources users even in places outside of the watershed. For instance, 27 Anthurium growers were trained at the Peradeniya Botanical Garden. Grafting/budding techniques were trained at Labuduwa Agricultural Training Center.

A total of 12 ha, hitherto unexploited for any agro-forestry system, were identified for coconut plantations by resource users in Horagala and 11 of them have obtained loans from the National Savings Bank under the rural credit scheme for fencing. The balance 13 resources users have obtained loans from the Horagala multi-purpose project.

Fencing and planting of plots have been completed at the end of December 1995.

Annex 1

USER GRANTS AND NGO GRANTS AS AT 31ST DECEMBER 95
USER SUB GRANTS

No of Grants	Purpose	Amount Granted Rs.
11	Plant Nursery Establishment	61,000.00
4	Seed Pady Enterprise	41,000.00
7	Anthurium Planting	30,000.00
7	Multiple activity	801,332.50
1	Tea Lands conservation	168,000.00
11	Marketing	825140.00
2	Homested Development	22,942.00
1	Mini Hydropower	115,000.00
1	Goat Husbandry	10,000.00
	Sub Total	2,074,414.50
NGO GRANTS		
4	Conservation	333,900.00
1	Marketing	699,800.00
	Sub Total	1,033,700.00
	Grant Total	3,108,114.50

SUMMARY REPORT ON HOST COUNTRY CONTRIBUTION (HCC)
25.10.93 – 31.12.95

Description	No. of Persons	HCC Rs.
Contribution of NGOs, groups, farm households, and individuals by way of time/labour, and materials supplied (persons)	6,553	1,242,394
Value of conserved capital assets	—	0
Value of sub Grants (No)	35	3,108,115
Govt. officers contribution (persons)	495	3,060,524
Conserved Area		4,677,470
Total		12,088,502

TRAINING OF RESOURCES USERS - 4TH QUARTER 1995

SUBJECT AREA	DURING 4 TH QUARTER	TODATE
1. Resources Use Planning	130	4283
2. Organization and Financial Management	8	273
3. Marketing	3	160
4. Group Dynamics and Leadership	14	431
TOTAL	155	5147

PROGRESS BY MAJOR OUTPUT INDICATORS
4th QUARTER 1995

	OUTPUT TARGETS/PERFORMANCE	LOP TARGET	TOTAL END OF 4TH QTR.	REMARKS
1	# of user groups formed	75	80	
2	# Of training opportunities to user groups	300	4825	
3	# of User Organizations	10	28	18 Existing organizations, six service organizations, one resin tapping and one anthurium production organization
4	Training opportunities to representatives of farmer organizations	75	962	tapping and one anthurium production organization
5	# of Sub-user councils	2		
6	Representatives of User Sub-councils/councils trained	8		
7	# of small grants made to user groups to invest into common user group assests	75	49	With 4 NGO grants
8	# of user organizations conferred with legal status and powers	10	6	4 service organization 1 Non wood forest producers organization and One Anthurium producing organization
9	Modes of commercial opportunities developed and/or supported for user groups	10	24	grants upto Rs.25,000/grant. 9 Existing organization are operating The identified commercial activities are being supported . 4 service organizations have been formed to support commercial activities.
10	Production companies established and linked to new markets	2	1	The company was registerd under company act.
	# Of rural based commercial actinities linked to	25	24	Anthurium(2),Seed Paddy(4), Treacle(1), Goat Husbandry(2) Bee Hoeny(2), mushroom(1), out put marketing (4), Plant nurseries(6), Tea nursery (2)
12	Land leasing/usufruct processes facilitating establishment of (1) production companies	2		NSC deliberated on granting long term user rights. Action in progress
13	(2) Commercial activities	50		
14	Demonstrations of authorizing user groups, joint consolidated land management/production systems in minor tanks	5	2	This work involves a continuing process that has now been started.
15	Training opportunities in loel level planning group formation, support and colaboration to officials	80	280	
16	# of NGOs and other private sector organizations providing technical managerial and commercial information to user groups	8	9	ITDG--Micro Hydropower Lanka Pinus industrie ltd. AgEnt--Trainig on marketig MPCS Kotapola, Yolta tea factory Nestle Lanka Ltd. 2 Local NGOs, Agromat southern group

LOP = Life of Project Target