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AGROMART OUTREACH FOUNDATION
MID-TERM EVALUATION
FINAL REPORT

Gretchen Bloom
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Colombo, Sri Lanka

Preface

This midterm evaluation was performed by special invitation from Beulah Moonesinghe, Chair of the Agromart Outreach Foundation, who valued my long-time commitment to both the Sri Lanka Women's Chamber of Industry and Commerce and Agromart, beginning in 1987 when I first encountered both through my involvement with the Agromart Trade Fair sponsored by the WCIC.

It is hard to be dispassionate, it is true, when writing about colleagues who are friends, especially when they are women who are energetic, dedicated, and empowered. I had been cautioned about that. But I could not refuse the opportunity to explore with the leaders of the Agromart Outreach Foundation how they could make their project better. Thus, this report was conceived and written.

It is dedicated to the women and men of Sri Lanka who seek to improve their lives through taking charge of their destinies, to the best of their abilities. It is inspired by those marvelous leaders who chose to make a difference in a world which does not always recognize their contributions. May their wisdom and creativity continue to be cherished by those who care and may their message spread widely.

**Gretchen Bloom
July 1992**

Agromart Outreach Foundation
Midterm Evaluation

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AGROMART OUTREACH FOUNDATION MIDTERM EVALUATION

Executive Summary

I. INTRODUCTION

Background

In 1983 the Women's Chamber of Industry and Commerce was formed in Sri Lanka by a group of women business owners. In 1985, the WCIC sponsored its first Agromart Consultative Trade Fair. In 1988, the WCIC created a separate organization, the Agromart Outreach Foundation which was granted NGO status in 1989. Its activities focus particularly on women.

Shortly thereafter, USAID granted Agromart \$505,276 for an enterprise development program. It is the program funded under this grant which is being evaluated in this paper.

Methodology of Evaluation

This evaluation was conducted in Colombo, Kurunegala, Chilaw, and Hambantota. Interviews were held with project staff and approximately 30 Agromart participants. An impact survey was also conducted specifically for the evaluation.

The evaluator also conducted team-building exercises with the staff. As a result, the evaluation process itself became an institution-strengthening mechanism, which will enhance Agromart's ability to monitor its own progress in the future.

II. AGROMART OUTREACH FOUNDATION: OVERVIEW

Purpose of Agromart

The Agromart Outreach Foundation was created to promote "entrepreneurship development, mainly in the rural community, with a special emphasis on women". The theme of Agromart is "Agricultural Progress through Market Awareness."

The USAID grant was awarded to Agromart to "provide practical training and orientation to women in the North Western Province in agriculture and agro-related fields, with a view to diversify the rural economy and to promote entrepreneurship in agriculture and agro-industries".

Sub-objectives under this major goal include:

- To promote unity in women and others involved in finance, industry and agricultural entrepreneurship;
- To work for the promotion, upliftment and development of rural women entrepreneurs and others in finance, industry, agriculture and technology by utilizing the talents of experienced women and others in these areas and professions;
- To improve, develop and promote entrepreneurship of women and others by training them in relevant areas;
- To set up a mechanism to facilitate access of credit and loan guarantee to rural farmers and industries;
- To organize collection of data relevant to development of rural enterprises; and
- To help implement development of small-scale entrepreneurship vis-a-vis Agromart trained entrepreneurs.

Trade Fairs

Agromart Fairs were held in Colombo in 1985, 1987 and 1988 as a pioneering effort to create a marketing information flow between rural producers and their markets. The first regional fair was held in Kurunegala in 1989. The Trade Fair now alternates between Kurunegala and Chilaw, attracting up to 200,000 attendees. The Trade Fair, although initially subsidized, now turns a profit.

Agricultural Competitions/ Study Tours

Since Agromart's inception, the Foundation has been sponsoring an annual agricultural competition for a focus area.

The criteria for selection of the winners differs amongst the three competition categories, i.e., agriculture, livestock, and small industries. In all three groups Agromart Society members and women are given additional marks.

First place winners (25 annually) are given a closely supervised study tour to Thailand. Second and third place winners are offered the opportunity for an inland tour around research stations in Sri Lanka. Both study tours are highly coveted and greatly valued due to the dramatic awareness-raising and confidence-building which ensue.

Management

The Foundation is directed by an active and responsible Board headed by a chairman, Ms. Beulah Moonesinghe. This governing body maintains effective policy and administrative control. The chairman of AOF contributes a full work week on a pro bono basis. Other Agromart Board

members are likewise thoroughly involved, especially the treasurer.

The Agromart Project is managed by a small and dedicated staff of twelve. The main office is in Colombo from where the project director, administrative personnel, accounting staff and drivers function. Two field offices have been established, one in Kurunegala, and in Chilaw.

Funding

Prior to receiving the USAID grant, Agromart benefitted from a number of small grants from various donors, including CIDA, SIDA, NORAD, the Australian High Commission, the Netherlands Embassy, DAIKONIA, the Asia Foundation and the Marie-Schlei Foundation in Germany. These grants continue, but it is USAID's money which supports Agromart's infrastructure and its main program, the Entrepreneur Development Training Program. Only limited private contributions have been generated in Sri Lanka, largely on an in kind and very local basis, as there has not been a long tradition of corporate giving.

Sustainability

The Agromart Outreach Foundation is endeavoring to become self-sufficient in each focus activity it undertakes. Two examples can be cited. The Agromart Trade Fair, begun in 1985 with limited funding from external donors and continued in 1987, 1988, and 1989, now turns a profit. The Training for Everyone Program is nearly self-sufficient on a fee basis.

III. AGROMART PROJECT: NORTH WESTERN PROVINCE

Entrepreneur Development Training Program

The Agromart Outreach Foundation's main program under USAID funding is the Entrepreneur Development Training Program in the Northwestern Province. The \$505,276 grant for this project was effective April 1, 1990 with an expiration date of May 1, 1993. Two-day training programs for approximately 125 people selected on a competitive basis are held on a monthly basis, in a new AGA Division in the Northwestern Province each month. All training programs include an entrepreneur training session as well as technical subjects.

Programs have been held in 22 of the 36 divisions already. By the end of 1991 a total of 2378 people had participated in an EDTP. This was nearly double the goal set in the grant agreement and the initial workplan.

Each trainee who participates receives follow-up support and counseling from the field assistants attached to each regional office, in Kurunegala and Chilaw. Participants are encouraged to create an Agromart Society for follow-up activities.

Economic Literacy Training Program

The Economic Literacy Training Program was developed as a second phase in the Agromart Outreach Foundation's EDTP. The ELTP has been funded by the Marie-Schlei Foundation and the Asia Foundation. Approximately 35-40 successful trainees from the EDTP cycle are selected to participate in each two-day ELTP based on their proven abilities and interest.

Training for Everyone

The Training for Everyone program was introduced by the Agromart Foundation to fill a gap in training opportunities at the regional level. The program is directed at rural entrepreneurs, Janasaviya recipients, school leavers and returnees from the Middle East who lost their jobs. It is funded by CIDA and the Australian High Commission.

The goal of the program is to train and motivate particularly women to undertake self-employment projects. Over 2000 trainees had received certificates for long- and short-term training by the end of 1991.

Seminar Series: Awareness of Environmental Hazards for the Rural Sector

The Swedish International Development Agency (SIDA) funded a small pilot project, including a survey of environmental awareness and a seminar series on environmental hazards in the rural areas, between October 1990 and March 1991.

Liberal Access to Markets Program

This program, started as a pilot project in Kurunegala with NORAD funding, encourages young women to sell their products, especially fresh fruits, vegetables and sweets, from mobile carts, using the "street foods" approach.

Skills Development for Women

The Skills Development Project enhances and develops skills of entrepreneurs in the crafts. It is funded by CIDA. Agromart intends to open a specialized skills development outlet for women in Colombo to market quality craft products, for international organizations and visitors.

IV. AGROMART PILOT PROJECT: SOUTHERN PROVINCE

Entrepreneur Development Training Program - Southern Province

USAID was approached in 1991 to fund a pilot project in the Hambantota area of the Southern Province. The first EDTP was held early in May 1992. The Agromart Foundation has prepared a project proposal for additional funding for this province.

Training Program for Women in Jewelry Making - Hikkaduwa

In November 1991, the Agromart Foundation launched a pilot project for 40 women in jewelry making in the Hikkaduwa AGA Division with NORAD funds. A small workshop has been opened on Galle Road in Hikkaduwa for this pilot project. Several of the girls have already been offered employment upon completion of their training.

Lace Selling Project - Galle District

A lace selling project has also been started, using one volunteer consultant. A marketing cart for the lace has been built and recently inaugurated.

V. MONITORING AND EVALUATION

Monitoring/Baseline Data (1991)

In order to develop a baseline of information on Agromart participants under the Agromart grant, the Agromart Outreach Foundation held a one-day workshop in Kurunegala. The project has sex-disaggregated data on the socio-economic characteristics, problems and aspirations of its participants, as a result, against which to monitor and evaluate its activities.

Impact Evaluation (1992)

An impact survey of the Entrepreneur Development Training Program was completed in May 1992. The response rate from 1854 participants was 45%. A second phase of the survey was conducted on May 30. Of the 836 Agromart trainees invited, 285 participated in the sessions in Chilaw and Kurunegala, representing a response rate of 34%.

Impact was measured according to three criteria: economic, social, and individual. The most important economic benefit has been identifying market facilities for their produce through Agromart Societies. There has been an upward trend in average monthly income. Agromart has also helped solve the unemployment problem. A perceived social benefit has been educating people on a variety of social aspects. From an individual perspective, there appears to be an improved physical quality of life for those participating in the Agromart project. 76% of the participants have spent more on food (although inflation has caused higher prices), 36% on new clothing, 34% on new savings in banks, and 25% on new agricultural implements.

V. BUDGET

The Agromart Outreach Foundation is currently undergoing a financial audit by A.I.D.'s Office of the Inspector General. Although the project appears to be well-managed financially, the auditors may reveal some areas with room for improvement. The Agromart staff is eager also

to clarify some of their own concerns regarding allowable expenditures and proper procedures for USAID funds.

Agromart staff have just prepared a revised budget for the duration of the USAID grant period to reflect project realities and altered activities.

Accounting personnel were asked to estimate Agromart's direct and indirect costs per trainee. The project costs Rs. 676/person, when all costs are included. If only direct costs are considered, the project spends Rs. 208 per person.

To further understand the potential benefits from USAID's \$505,276 investment, Agromart financial staff did a projection of potential incomes over 10 years estimating a 10% increase in income per year per entrepreneur. It was assumed that the USAID one-time investment truly launches entrepreneurs into a successful and sustainable earning pattern. The total incomes over the 10 years are projected to be Rs. 58,132,869 (\$1,453,321). No attempt was made to account for additional costs incurred by entrepreneurs nor to perform a thorough cost-benefit analysis.

VI. PROBLEMS/CONSTRAINTS/LESSONS LEARNED

- Women can become entrepreneurs in Sri Lanka.
- In a program targeting women, it is important to include men in the process.
- Small entrepreneurs in Sri Lanka must usually generate their own capital for investment.
- Entrepreneur development needs to concentrate on marketing.
- An NGO with the vision and energies of Agromart can provide a necessary service to bolster shrinking government services.
- Entrepreneur development cannot be done in a vacuum. Many other aspects of community development are also needed.
- The impact of an NGO like Agromart can be sustainable if follow-on institutions are created.
- NGOs, to be effective, rely a great deal on dedication and a commitment to the voluntary spirit.

VII. RECOMMENDATIONS FOR THE FUTURE OF AGROMART

Recommendations for USAID

- 1) **USAID should consider extending its current grant for the Agromart Project in the Northwestern Province at least until 1995 to allow for completion of training in all AGA divisions of the province and to ensure adequate follow-up for a sustainable impact. An emphasis should be placed on encouraging Agromart to support movement from self-employment to microenterprise development and to strengthen Agromart Societies.**
- 2) **USAID is encouraged to consider funding an Agromart Project in the Southern Province of equal magnitude to the current project, based on the recently conducted pilot project.**
- 3) **Agromart farmers need to continue going abroad. USAID should continue to fund the Study Tours to Thailand, or elsewhere out of Sri Lanka.**
- 4) **USAID should allow Agromart to purchase vehicles for use in its regional work.**
- 5) **Agromart staff should be offered additional training opportunities.**
- 6) **Agromart should be encouraged to experiment with the viability of an urban project in Colombo, through a pilot project, utilizing street food carts and the Training for Everyone Program.**
- 7) **Agromart should continue teaching concepts of democratization and empowerment for people, in the context of entrepreneur development.**
- 8) **The tele-drama which has already been started, should be supported through additional funds (\$25,000) so that Agromart's principles will have a more widespread and lasting impact.**
- 9) **Agromart staff should be commended for their creativity and willingness to respond to community felt needs. However, USAID should caution Agromart staff to consolidate their gains in entrepreneur development rather than becoming stretched too thin in a variety of standard community development activities.**
- 10) **Agromart should be cautioned to proceed with its vision of horizontal expansion slowly, testing the climate carefully and their own capacities for expansion.**

Recommendations for Agromart

The following recommendations are directed primarily to the Agromart Foundation to improve its current and future projects.

- 1) Agromart should support the Agromart Societies in their efforts to take on responsibilities of leadership including becoming lending intermediaries under the Thrift and Credit Cooperative Societies program.
- 2) Agromart should consider including primary health and family planning counseling in future programs as well as AIDS prevention education.
- 3) Agromart should continue to provide enhanced skill building for graduates of early training programs.
- 4) Agromart should continue its practice of soliciting matching funds from other donors besides USAID.
- 5) Agromart should hire additional staff to manage the project as current staff is overextended.
- 6) Agromart should enhance its training for self-esteem and leadership, ensuring at the same time that its programs maintain sufficient technical content for skill building for survival.
- 7) Agromart staff should be encouraged to interact on a regular basis with staff from other development projects in the country, particularly regarding entrepreneur development.
- 8) The Agromart training materials should be published for use by other Sri Lankan institutions and internationally.
- 9) Applicants for Agromart training should be carefully screened before being accepted into training to avoid wastage of funds.
- 10) Agromart's training should be incorporated into the school curriculum where possible.
- 11) The staff could benefit from the English class taught to Agromart participants.
- 12) The Agromart Foundation has been collecting resource materials for several years. The staff should arrange these in an accessible manner.

VIII. CONCLUSIONS

The Agromart Outreach Foundation undertook a major task when it accepted over \$500,000 from USAID. Not many founding NGO's could have managed the challenge. Agromart has. And the Agromart Outreach Foundation has done more than simply keep the project together. The staff have indefatigably responded to problems and felt needs by seeking solutions through new ideas. Even in terms of the management of their USAID grant, they go beyond the usual requirements.

The impact evaluation demonstrates positive support for the Agromart project. There is no question in the perceptions of the participants that Agromart provides an essential service in skill-building and linking farmers to markets. Agromart participants also perceive that AOF delivers its services efficiently. This confidence in Agromart and loyalty is clear from both the impact questionnaire and informal interviews.

Other benefits associated with Agromart are clear. It builds self-esteem and fosters community linkages. It enhances understanding of broader developmental issues. Economic benefits have been demonstrated. Further analysis might reveal more specific economic benefits compared to costs.

Agromart has demonstrated what an effective NGO can do in many areas, without losing its comparative advantage in the promotion of marketing awareness. It has a powerful influence on people directly and perhaps indirectly on the government as a result. Agromart can do more than fulfill the traditional "patch of green" philosophy associated with NGO's. The AOF should be encouraged to undertake new challenges and should be supported in its endeavors to the fullest extent.

AGROMART OUTREACH FOUNDATION MIDTERM EVALUATION

Final Report

I. INTRODUCTION

Background

In 1983 the Women's Chamber of Industry and Commerce (WCIC) was formed in Sri Lanka by a group of 100 women business owners who were tired of sitting in the back row at meetings of the other Chambers of Commerce. No, they were not invisible: men acknowledged that they brought "color" to the room. But their views were rarely heard; and men addressed their audiences at meetings as "gentlemen" even when these women were present. Recognizing that they would never sit in the front rows of these chambers, the women formed their own organization. Within a very short time, the WCIC had become a real force in Colombo.

But its impact was limited to Colombo, where it provided services to its Colombo-based members. Some of its leaders were not satisfied with this approach. Hence, in 1985, a small group of members persuaded the WCIC to sponsor its first Agromart Trade Fair. The demand was overwhelming. Women from the rural areas came to Colombo in droves to learn more about marketing the products they grew. The WCIC was inundated. It had tapped a real felt need.

Agromart grew from a small consulting event to a large fair the next year, attracting 15,000 people. The WCIC managed to recruit some funds from international donors to support the fair, including NORAD, the Dutch and CIDA. The fair was a big success.

But not all members of the WCIC appreciated the group's involvement with these "rural sisters". Also, as a membership organization, the WCIC did not qualify for NGO status with the Government of Sri Lanka. So the WCIC decided to create a separate organization, the Agromart Outreach Foundation. It was granted NGO status in 1989 and became a separate organization. Its activities focus particularly on women.

Shortly thereafter, USAID granted Agromart \$505,276 for an enterprise development program. It is the program funded under this grant which is being evaluated in this paper.

Methodology of Evaluation

The Grant Agreement for the USAID PVO Co-Financing of this project stipulated that "a joint USAID-Agromart review of project progress will be carried out at the end of the first year and disbursements thereafter will be contingent upon the outcome of that review." (Grant Agreement, Attachment 1, F.3) A Scope of Work (Annex A) was prepared to meet this requirement, enlisting the services of a consultant to assist with three tasks: conducting the mid-term evaluation; assisting with the design of a pilot project in the South; and conducting a staff workshop.

This evaluation was conducted in the short period of ten field days in Sri Lanka. Following a review of project documents and relevant resource materials, the evaluator was accompanied to Kurunegala, Chilaw, and Hambantota alternately by senior staff, field assistants and USAID project staff (Itinerary, Annex B). Interviews were held with project staff and approximately 30 participants to corroborate the findings in the preliminary impact survey (Annex E.2).

When it became apparent that the impact survey conducted specifically for the evaluation had not provided accurate information, despite a 45% response rate, the survey was revised and Agromart farmers were called together so that the survey could be re-administered in a controlled environment (Annex E.4). The results produced were much more accurate and corroborated the qualitative conclusions drawn in the field visits (Annex E.5).

In addition, at the request of the Agromart chairman, the evaluator dedicated part of her time to team-building exercises with the staff. A two-day workshop was held with a focus on group work, the voluntary spirit, time management, leadership, institution building, work planning, and goal setting (Annexes F). During the exercises the staff were asked to assist with reviews essential to this evaluation, including revising the budget to reflect actual and anticipated project expenses, rewriting the impact survey with indicators more conducive to measuring project impact, and preparing case studies of entrepreneurial and non-responsive Agromart farmers (Annexes C.1, C.2, D, E.6). As a result, the evaluation process itself became an institution-strengthening mechanism, which will enhance Agromart's ability to monitor its own progress in the future.

II. AGROMART OUTREACH FOUNDATION: OVERVIEW

Purpose of Agromart

The Agromart Outreach Foundation was created in 1989 as a non-profit non-governmental organization (NGO) by the WCIC to promote "entrepreneurship development, mainly in the rural community, with a special emphasis on women" (Progress Report, 4/1/90-30/6/90). It was registered on March 17, 1989 under the Companies Act of Sri Lanka. The theme of Agromart is "Agricultural Progress through Market Awareness."

To quote from the Statement of Work for the 1992 USAID/Sri Lanka Financial Audit of Agromart, "Agromart was registered as an approved charity in 1989 and it has now reached a

stage of transformation from a group of courageous voluntary organizers to a full-fledged and vibrant professional organization." (p.2)

The USAID grant was awarded to Agromart to "provide practical training and orientation to women in the North Western Province in agriculture and agro-related fields, with a view to diversify the rural economy and to promote entrepreneurship in agriculture and agro-industries" (Audit Report, p. 2) so that these individuals may find productive employment.

Sub-objectives under this major goal include:

- To promote unity in women and others involved in finance, industry and agricultural entrepreneurship;
- To work for the promotion, upliftment and development of rural women entrepreneurs and others in finance, industry, agriculture and technology by utilizing the talents of experienced women and others in these areas and professions;
- To improve, develop and promote entrepreneurship women and others by training them in relevant areas;
- To set up a mechanism to facilitate access of credit and loan guarantee to rural farmers and industries;
- To organize collection of data relevant to development of rural enterprises; and
- To help implement development of small-scale entrepreneurship vis-a-vis Agromart trained entrepreneurs. (Progress Report, 4.1.90-6.30.90, p. 1)

Trade Fairs

Agromart began its life when the WCIC sponsored an agricultural consultants' exchange in 1985. Because of the success of the event, the WCIC sponsored an Agromart Trade Fair in Colombo the following year, with a goal of increasing "Agricultural Production through Market Awareness." The trade fair and exhibitions were a pioneering effort to create a marketing information flow between rural producers and their markets, with a goal to lead to the introduction of systematic methods of production and marketing agricultural products in the required quality and quantity to meet the conditions of competitive markets.

The farmers from the North Western Province who took part in the agricultural, livestock and small industries competitions were brought to Colombo with their produce. The livestock farmers brought their winning animals as exhibits. During the Trade Fair, Agromart conducted a variety of seminars on topics related to agro-business which disseminated knowledge in horticulture, export marketing, food preservation, and so on.

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The first regional fair was held in Kurunegala in 1989. The Trade Fair now alternates between Kurunegala and Chilaw, attracting up to 200,000 attendees. (In 1991, in Chilaw, 55,000 school children also participated.) The shift to the regions was as a result of the farmers' requests. The fair has become a very popular event as farmers are easily able to sell their produce and establish new marketing linkages. Amongst the evaluations were repeated recommendations that the fairs should be held more frequently. Industries, NGO's and the Government vie for stalls at the event.

The Trade Fair, although initially subsidized, now turns a profit, although it is still highly management intensive.

Agricultural Competitions/ Study Tours

Since Agromart's inception, the Foundation has been sponsoring an annual agricultural competition for a focus area. Potential participants are given ample notification of the competition. Judging then takes place over a three-month period.

The criteria for selection of the winners differs amongst the three competition categories, i.e., agriculture, livestock, and small industries. In agriculture, marks are given on land preparation, planning, nursery selections, terracing, ridging, plant spacing, fertilizer usage, composting, crop production, weed control, cultivation practices, soil and moisture conservation, labor utilization, maintenance of good records, leadership, and the general health, nutrition, hygiene and sanitation of the entire household. For livestock producers, stock selection, stall/pen construction, production handling, feeding, labor utilization, health and hygiene, and leadership are the criteria. And in the small industries category competitors are measured on their choice of venture relevant to the resources of the area, utilization and preservation of the environment, costing, product quality, use of technology, labor utilization, packing and marketing. In all three groups Agromart Society members and women are given additional marks.

First place winners (25 annually) are given a closely supervised study tour to Thailand. Second and third place winners are offered the opportunity for an inland tour around research stations in Sri Lanka. Both study tours are highly coveted and greatly valued due to the dramatic awareness-raising and confidence-building which ensue as a result, although no formal study had been conducted of the full impact of these visits to Thailand at the time of this evaluation. (Follow-up evaluations were conducted in February 1991, June 1991, and June 1992 to assess the preliminary impact of the study tours on participants and to monitor their progress upon their return to Sri Lanka.)

Management

The Foundation is directed by an active and responsible Board headed by a chairman, Ms. Beulah Moonesinghe. This governing body maintains effective policy and administrative control through its monthly meetings.

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The Agromart Project is managed by a small and dedicated staff of twelve. The main office is in Colombo from where the project director, administrative personnel, accounting staff and drivers function. Two field offices have been established, one in Kurunegala, opened prior to the project, in 1989, but expanded with project funds in 1990 to include a coordinator, two field assistants and a secretary. A second field office was opened in Chilaw in 1991, with a similar pattern.

The chairman of the Agromart Outreach Foundation contributes a full work week on a pro bono basis. Other Agromart Board members are likewise thoroughly involved, especially the treasurer (Annex D.1).

Funding

USAID's \$505,276 three-year grant has allowed Agromart to make a difference as an NGO. Prior to receiving the grant, Agromart benefitted from a number of small grants from various donors, which did not allow for much impact. These grants continue, but it is USAID's money which supports Agromart's infrastructure and its main program, the Entrepreneur Development Training Program, in all AGA Divisions in the Northwestern Province. The grant also funds the highly successful Agromart Study Tour to Thailand for first-prize winners in the Agromart-sponsored agricultural competitions. An alternative internal tour of research stations in Sri Lanka is awarded to the second and third-prize winners in the competition.

In addition to USAID's grant, as indicated, Agromart is funded by other international donors, including CIDA, SIDA, NORAD, the Australian High Commission, the Netherlands Embassy, DAIKONIA, the Asia Foundation and the Marie-Schlei Foundation in Germany. Most of the funding complements USAID-funded activities. The Marie-Schlei Foundation, for example, funds the second stage of training, called the Economic Literacy Training Program, without which there would be very little opportunity for entrepreneurial growth for farmers initially trained with USAID funds. SIDA has provided the funds to guarantee a small loan scheme and has allowed Agromart to experiment with the teaching of environmental concerns. NORAD funds an urban street foods project from mobile carts and has also given some funds for a pilot project to train women in jewelry making in the Southern Province. CIDA and the Australian High Commission pay for the Training for Everyone Program geared to Gulf returnees. CIDA also funds the Skills Development Program for women.

Only limited private contributions have been generated in Sri Lanka, largely on an in kind and very local basis, as there has not been a long tradition of corporate giving. (There are now some examples, such as Halley's and CIC, where corporations have reached out because they have perceived a self interest.)

Sustainability

The Agromart Outreach Foundation is endeavoring to become self-sufficient in each focus activity it undertakes. Two examples can be cited.

The Agromart Trade Fair, begun in 1985 with limited funding from external donors and continued in 1987, 1988, and 1989, now turns a profit. Because it has become recognized for its merits, exhibitors eagerly renew their reservations for stalls on an annual basis, even willingly paying increased fees. A single mailing with some follow-up by Agromart field staff is usually sufficient to guarantee a full roster. The gate fee has been increased from Rs.2 to Rs.5 and yet attendance has increased from 15,000 to 200,000. Seven Steering Committees, comprised of two members for each from Agromart and two from the relevant Provincial Council, manage the four-day outstation fair.

The Training for Everyone Program is nearly self-sufficient on a fee basis. At Rs.25 per person for the two-hour session, the course can pay its resource person Rs. 250 on a self-sustaining basis as long as ten attendees participate. In the period between April 1991 and May 1992, Agromart collected Rs.98,465 (\$2211) from participants in Kurunegala; in Chilaw, in the first three months of the program, Agromart collected Rs.10,500 (\$262).

Problems arise only when less than ten individuals attend. Agromart is investigating pre-payment methods or the feasibility of canceling a course if attendance is insufficient for a balanced cash flow.

III. AGROMART PROJECT: NORTH WESTERN PROVINCE

Entrepreneur Development Training Program

The Agromart Outreach Foundation's main program under USAID funding (PVO Co-Financing Grant 28: Training and Orientation of Women in Agriculture and Agribusiness) is the Entrepreneur Development Training Program in the Northwestern Province. This province comprises the districts of Kurunegala and Puttalam with a land area of 7,824 square kilometers and a total population of 1.8 million, of which approximately half are women.

The \$505,276 grant for this project was effective April 1, 1990 with an expiration date of May 1, 1993. An annual workplan is required at the beginning of each working year. Brief progress reports are required quarterly, to be submitted to USAID, the Ministry of Finance, and the Ministry of Policy Planning and Implementation, including:

- A comparison of actual accomplishments with the schedule of goals established for the period;
- Reasons why the schedule or goals were not met; and

- Other pertinent information including, when appropriate, an explanation of cost overruns or high unit costs.

Training programs for approximately 125 people are held on a monthly basis, in a new AGA Division in the Northwestern Province each month. Participants are selected with the assistance of the AGA's office, through local women's societies and by random appeal. The selectees are chosen by Agromart staff on a competitive basis from this pool of candidates. This selection is based on a small exercise to test entrepreneurial abilities and attitudes. In addition, the Agromart staff and government officials interview each applicant and select participants according to their needs, with a priority given to women, unemployed youth in the age group 20 to 35, and those who have land to do agriculture/livestock.

Each training program lasts for two days; a variety of workshops, lectures and demonstrations are offered based on a prior needs assessment. The style of training is participatory and interactive wherever possible. All training programs include an entrepreneur training session emphasizing marketing, accounting, and planning skills. The most frequently requested technical subjects include: mushroom cultivation, fruit and vegetable processing, compost manufacturing, chili cultivation, inter-cropping, livestock rearing, poultry raising, and bee keeping.

Programs have been held in 22 of the 36 divisions already. In 1991 alone, 1520 individuals were trained, out of which 1148 were females. By the end of 1991 a total of 2378 people had participated in an EDTP. This was nearly double the goal set in the grant proposal and the initial workplan of 60 per month for a predicted total of 1200 in the first twenty months.

Each trainee who participates receives follow-up support and counseling from the field assistants attached to each regional office, in Kurunegala and Chilaw. Before the end of each training program the divisional participants are encouraged to create an Agromart Society for follow-up activities. These societies meet on a monthly basis. The field assistants attend wherever possible. Additional training is given at these meetings and problems are discussed. Participants are encouraged to visit the regional offices for further support and advice.

Economic Literacy Training Program

The Economic Literacy Training Program was developed as a second phase in the Agromart Outreach Foundation's entrepreneurship development program. The ELTP has been funded by the Marie-Schlei Foundation and the Asia Foundation. Approximately 35-40 successful trainees from the EDTP cycle are selected to participate in each two-day ELTP based on their proven abilities and interest.

The program is designed to enhance the morale of the participants to enable them to take up the challenge of starting up enterprises, and to sustain them in a competitive business environment. To this end, the training program:

- Motivates them through psychological approaches;
- Provides them with sufficient knowledge and confidence to deal with bankers and other officials;
- Imparts basic business skills to enable them to identify a potential business project, develop a business plan, research market opportunities, and organize a business; and
- Provides trainees with awareness of available financial facilities.

The program consists of direct activities to learn business skills, leadership training and motivation. Lectures, demonstrations, role plays and simulations all help the participants to grasp the concepts taught. A feasibility plan for presentation to a bank is the final activity.

The Agromart staff and donors feel convinced that the ELTP has been able to create a positive impact on the minds of the participants by changing their attitudes and eliminating psychological barriers while developing their business skills. Recent trainees proposed the following potential business opportunities: sweetmeats, cashew nuts, sewing, poultry, trading, packeting of grains, flower making, goat rearing, photo framing, jam production, and battery charging, amongst others. The approximate cost per trainee is Rs. 1000 (\$25).

Training for Everyone

The Training for Everyone program was introduced by the Agromart Foundation to fill a gap in training opportunities at the regional level. Although Agromart conducts regular training at the AGA Divisional level, the training is selective. Because of the many requests for an opportunity for training, Agromart sought funds to supplement the USAID monies to create a "polytechnic for the rural sector." CIDA and the Australian High Commission cooperated. The program is directed at rural entrepreneurs, Janasaviya recipients, school leavers and returnees from the Middle East who lost their jobs.

The goal of the program is to train and motivate particularly women to undertake self-employment projects. A variety of training opportunities are available, organized on a needs basis. Some examples of subjects taught are: spoken English, handicrafts, soap making, sweets, floriculture, oride dressing, mushroom cultivation, and book keeping. At the end of the program certificates are awarded; these certificates are recognized by financial institutions when holders apply for loans. An initial follow-up of the first year's program indicated that over 70% of the trainees had established small enterprises.

Over 2000 trainees had received certificates for long- and short-term training by the end of 1991. Agromart intends to follow up with the trainees to enhance their packaging, marketing and product development skills.

Seminar Series: Awareness of Environmental Hazards for the Rural Sector

During the regular training programs, Agromart staff became acutely aware of the need for consciousness-raising in the environmental sector. Agromart leaders thus persuaded the Swedish International Development Agency (SIDA) to fund a small pilot project, including a survey of environmental awareness and a seminar series on environmental hazards in the rural areas. Six AGA Divisions in the North Western Province were involved in the pilot conducted between October 1990 and March 1991.

The target population for the seminars was rural peasants, particularly the poor, who are deprived of the bare minimum necessities of life such as housing, pure drinking water, and latrines. Due to a lack of knowledge, they both compound their already great health risks and continue to pollute their environment. Agromart is now dedicated to an integrated approach to human development, committed to the belief that agricultural skills, economic literacy and entrepreneurial attitudes are not sufficient.

Subjects covered in the seminar included water pollution, proper use of fertilizer and insecticides, safe drinking water, hygiene, use of latrines, unsatisfactory methods of garbage disposal, utilization of biodegradable material, and rain water conservation. Participants are encouraged to share their knowledge with family members, neighbors, and friends.

Liberal Access to Markets Program

This program, started as a pilot project in Kurunegala with NORAD funding, encourages young women to sell their products, especially fresh fruits, vegetables and sweets, from mobile carts, using the "street foods" approach. High standards of hygiene and sanitation are taught. The program has been very popular to date amongst its beneficiaries and has proven to be quite lucrative. It is the basis for a proposed pilot program in Colombo.

Skills Development for Women

The Skills Development Project was initiated due to findings from a survey carried out independently by the Agromart Foundation which revealed that there is a lack of opportunity in Sri Lanka for enhancing and developing skills of entrepreneurs in the areas of crafts, such as pottery, block printing on textiles, and so on. The program was launched with the assistance of two Nepalese consultants who manage a very successful Skills Development Project in Kathmandu. The Sri Lanka project is funded by the Canadian International Development Agency (CIDA). The training includes skills, quality control, packaging, product development and marketing. Those trained are encouraged to train others in their communities to spread the effect of the training. Agromart intends to open a specialized skills development outlet for women in Colombo to market quality craft products, thus enabling international organizations and visitors to purchase these products easily.

IV. AGROMART PILOT PROJECT: SOUTHERN PROVINCE

Entrepreneur Development Training Program - Galle, Matara and Hambantota Districts

When the Agromart staff visited the Southern Province, to explore the possibilities of expanding the program, they were startled by the great apparent needs for training. Many Janasaviya recipients, for example, had received leadership training and had benefitted from enforced savings program, but few had the training or skills to become entrepreneurs. Agromart felt it could fill a gap.

USAID was approached in 1991 to fund a pilot project in the Southern Province where a very energetic and eager AGA had been identified. The first Entrepreneur Development Training Program was held early in May 1992. No follow up has yet been possible, except on an ad hoc basis, as Agromart has no field staff in the area.

The Agromart Foundation has prepared a project proposal for additional funding for this province.

Training Program for Women in Jewelry Making - Hikkaduwa

In November 1991, the Agromart Foundation launched a pilot project for women in jewelry making in the Hikkaduwa AGA Division with NGRAD funds. Thiranagama was selected as the first focus village due to its long history of crafts. Forty young girls were competitively selected through an interview process with the Agromart staff. A design consultant visits the small workshop one day a week to give the trainees advice and encouragement. Agromart provides bus fare to the girls. A small workshop has been opened on Galle Road in Hikkaduwa for this pilot project. Several of the girls have already been offered employment upon completion of their training.

Lace Selling Project - Galle District

A lace selling project has also been started, using one volunteer consultant. A marketing cart for the lace has been built and recently inaugurated.

V. MONITORING AND EVALUATION

Monitoring/Baseline Data (1991)

In order to develop a baseline of information on Agromart participants under the Agromart grant, the Agromart Outreach Foundation held a one-day workshop in Kurunegala in 1991. Invitations were sent to 780 participants. The anticipated turnout for the workshop was about 400; but 760 individuals arrived early in the morning for the event. The gathering was the largest ever held in the Kurunegala Town Hall. The project has sex-disaggregated data on the

socio-economic characteristics, problems and aspirations of its participants, as a result, against which to monitor and evaluate its activities.

Impact Evaluation (1992)

As an example of Agromart's flexibility and responsiveness to new ideas, an impact survey of the Entrepreneur Development Training Program was completed in May 1992 prior to this evaluation in keeping with USAID's current interest in measuring project impact rather than project output. The necessity to measure impact arose when Beulah Moonesinghe was presenting her project to the AWID (Association for Women in Development) Conference in Washington DC in November 1991. When she proudly reported that Agromart had trained over 2000 rural women in entrepreneurial skills and more than 600 Gulf returnees for urban businesses, she was asked, "So what? How many had actually created sustainable enterprises? How much new income had been generated? How many new jobs had been created?" Beulah did not know the answers at the time. But she undertook to find out. She did not wait for this evaluation to answer the questions but determined to have the answers in time for the evaluation.

To accomplish this, Agromart distributed a questionnaire to all 1854 of its trainees. The response rate was remarkably high, at 45%. Unfortunately, however, the survey form was not completed adequately by approximately half of the respondents who did not understand its purpose or some of the questions. Because of this, Agromart was advised to redo its impact evaluation. The 836 respondents to the questionnaire were thus invited to come together in the two field offices on May 30 to answer a revised questionnaire under the guidance of trained staff who had worked with the evaluator on the questionnaire's format. They also had participated in the field visits with the evaluator and had been given guidance on the issues at stake.

The results of the questionnaire were tabulated. Of the 836 Agromart trainees invited, 285 participated in the sessions in Chilaw and Kurunegala, representing a response rate of 34%.

Impact was measured according to three criteria: economic, social, and individual. The most important economic benefit perceived by participants has been meeting the requirement of identifying market facilities for their produce through Agromart Societies. There has been an upward trend in average monthly income, benefitting all participants financially. Agromart has also helped solve the unemployment problem, according to 91% of all respondents. A perceived social benefit has been educating people on a variety of social aspects, e.g., health, community development, and environmental hazards. From an individual perspective, there is an improved physical quality of life for those participating in the Agromart project, as evidenced by this quote:

"The facilities provided to them and the benefits enjoyed, along with an increase in the average monthly income, are evidence of the improvements in their physical quality of life."

76% of the participants have spent more on food requirements since joining Agromart, indirectly implying a rise in nutritional standards (although part of the increase undoubtedly reflects the rising prices caused by inflation). 36% have spent more on new clothing, 34% have new savings in banks, and 25% have purchased new agricultural implements. 59% have invested in expansion of their existing enterprises, have started new enterprises or have opened savings accounts.

Some of the important specific findings observed in the Impact Study conducted by Agromart are summarized here. (The full report is attached in Annex E.5).

- Agromart participants appear to have benefitted from skill training. In the agricultural sector, for example, 56% of respondents are now involved in agriculture, an increase from 51% before training.
- There is a correlation between increased income levels and Agromart training. Before training, twelve (4%) respondents had no income. After training, no one indicated zero income. The lowest income group, where 41% received an income of less than Rs. 500, was reduced to 17% after training. Prior to training, no one earned over Rs. 5000. After training, six farmers (2%) earned more than Rs. 5000. One person earned a monthly income of over Rs. 10,000. An upward trend was noted in all income groups with twenty-two farmers (8%) reaching taxable income levels:
- Most entrepreneurial activities under this project are agricultural in nature.
- Agromart perceives that it is serving the lowest segments of the population as demonstrated by the characteristics of the Agromart participants.
 - 62% of the responding entrepreneurs were between 18 and 30 years of age. The younger generation thus appears to be getting involved in entrepreneurial activities.
 - 73% of Agromart participants in 1992 were women, a decline from the 1991 figure of 82%. Agromart has targeted a participation rate of 75% women. Men are increasingly taking a keen interest in Agromart's activities.
- The main problem identified by the Agromart entrepreneurs is raising money for capital investment. Low-income individuals in Sri Lanka lack easy access to sources of capital. The majority of entrepreneurs utilized their own money for capital investment. However, the percentages with this problem declined from 24% in 1991 to 18% in 1992.
- 29% provide some employment opportunities for others, usually on a part-time basis.
- The most important improvement in the economic sector, according to the Agromart staff, is the upward trend in the average monthly income of the entrepreneurs trained.

The Agromart staff interprets the impact survey to demonstrate that every entrepreneur involved with Agromart has benefitted financially.

A final quote from the study is worth including here: "An important revelation from this study was the interest and enthusiasm shown by the entrepreneurs towards the Agromart Societies functioning in their respective areas, under the guidance and monitoring of the Agromart Foundation."

Monitoring and Evaluation Plan

During the staff workshop, the field staff devised a monitoring and evaluation plan for the remainder of the project. They set indicators, targets, goals and a time frame for the monitoring and evaluation. Because they discussed the plan in depth and devised it themselves, with only the original guidance given by the consultant, they feel considerable ownership and are more likely to implement it (Annex E.6). The AOF is proposing a follow-up impact study in 1993.

VI. BUDGET

The Agromart Outreach Foundation is currently undergoing a financial audit by A.I.D.'s Office of the Inspector General. According to its internal auditors, Ford Rhodes Thornton & Co., the AOF has an acceptable accounting system for the receipt and expenditure of USG funds. AOF prepares an annual financial statement that appears to be an accurate and fair representation of the organization's financial position. The accounting system used by AOF is a manual one that includes cash books, general ledger, journals, a fixed asset register, payroll records, summaries and sub-ledgers, a petty cash book, payment vouchers and supporting documents, bank statements and reconciliation statements. A separate bank account is maintained for the USAID grant. A Finance Committee, consisting of the Chairperson, Treasurer and a Director, is responsible for the preparation of the budget and cash flow reports.

Although the project appears to be well-managed financially, as the Board consists of business women and men and bankers, the auditors may reveal some areas with room for improvement. The Agromart staff is eager also to clarify some of their own concerns regarding allowable expenditures and proper procedures for USAID funds.

Agromart staff have just prepared a revised budget for the duration of the USAID grant period to reflect project realities and altered activities. In addition, the treasurer prepared a projected budget for recommended future activities.

Accounting personnel were asked to estimate Agromart's direct and indirect costs per trainee. The project costs Rs. 676/person, when all costs are included (travel, subsistence, stationery, training, equipment, and evaluation as well as direct training costs). If only direct training costs are considered, the project spends Rs. 208 per person for training.

To understand the potential benefits from USAID's \$505,276 investment, Agromart financial staff did a projection of potential incomes over 10 years estimating a 10% increase in income per year per entrepreneur. It was assumed that the USAID one-time investment truly launches entrepreneurs into a successful and sustainable earning pattern. (This projection did not include consideration of any additional entrepreneurs trained in the remaining year of the project.) With no further external investment, in 1993 the 2521 Agromart entrepreneurs will earn Rs. 4,009,676 (\$100,242). By 1996, five years from now, the amount will be Rs. 5,341,927 (\$133,548). The total incomes over the 10 years are projected to be Rs. 58,132,869 (\$1,453,321). No attempt was made to consider increased costs for the entrepreneurs nor to perform a thorough cost-benefit analysis.

VII. PROBLEMS / CONSTRAINTS / LESSONS LEARNED

- Women can become entrepreneurs in Sri Lanka. They are well educated and, when given the opportunity and the technical skills, they can overcome traditional cultural barriers.
- In a program targeting women, it is important to include men in the process. Men, once they perceive that their spouses can become powerful income earners, are proud and share with their wives in the labor needed for production.
- Small entrepreneurs in Sri Lanka must generate their own capital for investment due to the inflexibility of the financial institutions and to the attitudes of those entrepreneurs toward these institutions.
- Entrepreneur development needs to concentrate on marketing. Entrepreneurs need support in making marketing linkages but they should not be allowed to become dependent. The Agromart insistence on identifying a market before producing a product has proven to be quite successful.
- An NGO with the vision and energies of Agromart can provide a necessary service to bolster shrinking government services.
- Entrepreneur development cannot be done in a vacuum. Many other aspects of community development are also needed, such as health care, language training, and environmental awareness.
- The impact of an NGO like Agromart can be sustainable if follow-on institutions are created with a community base, with a source of revenues.
- NGOs, to be effective, rely a great deal on dedication and a commitment to the voluntary spirit. As a result, there is a danger of dependency on charismatic leadership and a potential inability to institutionalize.

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VIII. RECOMMENDATIONS FOR THE FUTURE OF AGROMART

Recommendations for USAID

The long-term vision of the Agromart Outreach Foundation is to expand its entrepreneurship development program to more of Sri Lanka's provinces, on a phased basis contingent on need. The entry point of the program will remain economic but the focus will be expanded to include broad human and community development issues such as respect for the environment, enhancement of democratic values, and improvement of family roles through empowerment of women. The following general recommendations are based on this vision.

- 1) USAID should consider extending its current grant for the Agromart Project in the Northwestern Province at least until 1995 to allow for completion of training in all AGA divisions in the province and to ensure adequate follow-up to completed training for a sustainable impact. An emphasis should be placed on encouraging Agromart to support movement from self-employment to microenterprise development, involving the employment of others. Agromart Societies should be strengthened to carry on Agromart's work once donor funding ends. (An amended budget has been prepared with proposed expenditures through 1995.) Agromart staff perceive a need for a permanent office in each area where a program has been launched; funds for this will need to be generated locally for sustainability.
- 2) USAID is encouraged to consider funding an Agromart Project in the Southern Province of equal magnitude to the current project, based on the recently conducted pilot project. The Agromart staff can effectively supervise such an expansion by hiring new members. (A project proposal for this purpose has already been prepared.) The Southern Province was selected based on the great needs of the region. However, USAID should continue to encourage Agromart to focus on agricultural marketing, where it has a comparative advantage.
- 3) Agromart farmers need to continue going abroad. USAID should continue to fund the Study Tours to Thailand, or elsewhere out of Sri Lanka. USAID can also provide funding for local tours as a second-best alternative. (A follow-up study should be conducted of the returnees from Thailand to measure the impact of the program before additional funding is allocated.)
- 4) USAID should allow Agromart to purchase or rent vehicles for use in its regional work. This has long been a felt need of the project. Field assistants and senior staff alike have been utilizing their own vehicles, at great expense. Furthermore, the senior staff vehicles are ineffective in the terrain. Ideally each field office should have a jeep (second-hand acceptable) and each field assistant should have a motorbike. (If USAID is unable to fund these vehicles, the AOF should be encouraged to request other donor assistance to fill this urgent need.)

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- 5) Agromart staff should be offered additional training opportunities prior to the completion of the grant to render the project objectives to be sustained. For example, CEDPA in Washington DC offers a Women-in-Management course and the Entrepreneur Development Training Institute in Ahmedabad offers a month-long course in EDTP.
- 6) Agromart should be encouraged to experiment with the viability of an urban project in Colombo, through a pilot project, utilizing the street food carts as an entry point. In addition, the Training for Everyone program should be offered at the head office.
- 7) Agromart has already commenced teaching concepts of democratization and empowerment for people. This should be continued, in the context of entrepreneur development, and expanded cautiously within the acceptable range for Sri Lanka's current political situation. Agromart should be encouraged to submit a competitive proposal under the USAID Democracy Initiative during the next competitive cycle.
- 8) The tele-drama which has already been started, should be supported through additional funds (\$25,000) so that Agromart's principles will have a more widespread and lasting impact. In addition, video presentations should be funded for on-site models to expand Agromart's spread effect.
- 9) Agromart staff should be commended for their creativity and willingness to respond to community felt needs, e.g., in teaching concepts of health, environment and family planning. However, USAID should caution Agromart staff to consolidate their gains in entrepreneur development rather than becoming stretched too thin in a variety of standard community development activities.
- 10) Agromart should be cautioned to proceed with its vision of horizontal expansion slowly, testing the climate carefully and their own capacities for expansion.

Recommendations for Agromart

The following recommendations are directed primarily to the Agromart Foundation to improve its current and future projects.

- 1) Agromart should support the Agromart Societies in their efforts to take on responsibilities of leadership including becoming lending intermediaries under the Thrift and Credit Cooperative Societies program. (An experimental credit program is already underway through SIDA and ADB guarantees.)
- 2) Agromart should consider including primary health and family planning counseling in future programs as well as AIDS prevention education. (Such a program could be co-funded by a matching grant from the AID/WID office.)

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- 3) **Agromart should continue to provide enhanced skill building for graduates of early training programs. These second-stage training sessions are critical to an improved and sustainable level of entrepreneurship.**
- 4) **Agromart should continue its practice of soliciting matching funds from other donors besides USAID. (At the present moment private sector contributions are considered to be improbable, although corporate partnerships should remain a long-range goal and successful models are currently being explored from other countries.)**
- 5) **Agromart should hire additional staff to manage the project as current staff is overextended. (If USAID funding is inadequate for this purpose, other donor money should be utilized, particularly as core staff manage a variety of projects.)**
- 6) **Agromart should enhance its training for self-esteem and leadership, ensuring at the same time that its programs maintain sufficient technical content for skill building for survival.**
- 7) **Agromart staff should be encouraged to interact on a regular basis with staff from other development projects in the country, particularly regarding entrepreneur development (e.g., CARE, GTZ, Sarvodaya, Peace Corps, IRED, Water Decade, MED Project). Also, senior Agromart staff should be called in on a consultative basis regarding gender considerations and the integration of women into other projects.**
- 8) **The Agromart training materials should be published for use by other Sri Lankan institutions and internationally, where appropriate.**
- 9) **Applicants for Agromart training should be carefully screened before being accepted into training to avoid wastage of funds. (Agromart has already devised an attitude and ability test for this purpose, which are combined with a personal interview.)**
- 10) **Agromart's training should be incorporated into the school curriculum where possible. If not possible, school children should be included in the programs as they reach the end of their secondary schooling. At a minimum, Agromart needs to follow up on the school garden component initiated at its Trade Fairs.**
- 11) **The staff could benefit from the English class taught to Agromart participants.**
- 12) **The Agromart Foundation has been collecting resource materials for several years. However, only a few of these were readily available for review or utilization. The staff should arrange these in an accessible manner.**

IX. CONCLUSIONS

The Agromart Outreach Foundation undertook a major task when it accepted over \$500,000 from USAID. Not many founding NGO's could have managed the challenge. Agromart has. And the Agromart Outreach Foundation has done more than simply keep the project together. The staff have indefatigably responded to problems and felt needs by seeking solutions through new ideas, thus expanding their commitment. They are not at all satisfied with the status quo, even when it is quite impressive.

Even in terms of the management of their USAID grant, they go beyond the usual requirements. Agromart created a baseline from which to measure their progress. They constantly evaluate their training sessions. They have offered a staff development session for their own staff to ensure that staff have an opportunity to grow professionally in their jobs. They disaggregate the data they collect by gender.

The impact evaluation demonstrates positive support for the Agromart project. There is no question in the perceptions of the participants that Agromart provides an essential service in skill-building and linking farmers to markets. Agromart participants also perceive that AOF delivers its services efficiently. This confidence in Agromart and loyalty is clear from both the impact questionnaire and informal interviews.

Other benefits associated with Agromart are clear. It builds self-esteem and fosters community linkages. It enhances understanding of broader developmental issues. One hopes that Agromart will continue to be responsive to altered felt needs and enhance its programs in the ways suggested. Further analysis might reveal more specific economic benefits compared to costs.

Agromart has demonstrated what an effective NGO can do in many areas, without losing its comparative advantage in the promotion of marketing awareness. It has a powerful influence on people directly and perhaps indirectly on the government as a result. Agromart can do more than fulfill the traditional "patch of green" philosophy associated with NGO's. The AOF should be encouraged to undertake new challenges and should be supported in its endeavors to the fullest extent.

Agromart Outreach Foundation
Midterm Evaluation

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SCOPE OF WORK

Annex A.

Mid-Term Evaluation Agromart Project

Purpose

USAID/Sri Lanka granted the Agromart Foundation \$505,276 for a three-year period, from 1990-93. According to the Grant Agreement, a "joint USAID-Agromart review of project progress will be carried out at the end of the first year and disbursement thereafter will be contingent upon the outcome of that review." A consultant is requested to assist with the following tasks in this regard:

Tasks

1. Mid-Term Evaluation

The consultant will be asked to evaluate the project to date against its goals, objectives, and targets. The recently designed Evaluation and Monitoring System used by the Mahaweli Enterprise Development Project could be used, as appropriate. The budget will be reviewed against actual expenditures and projected activities. Constraints and opportunities for women would be highlighted.

2. Team Planning/Brainstorming Session

The consultant will be asked to conduct a two-day planning/brainstorming session for Agromart staff. Approximately 20 staff members would be involved. This session would draw on the experience of other small enterprise development projects (e.g., ARIES, GEMINI, GENESYS, MED) and on a variety of training modules.

3. Project Expansion

The consultant will assist in designing a pilot project for the South of Sri Lanka, drawing on project experience from Kurunegala but recognizing regional differences.

Qualifications

The consultant undertaking this assignment must have worked with PVOs, understand small enterprise development, know project management, have evaluation experience, and have conducted team planning sessions. Ideally he/she should be familiar with Sri Lanka.

Deliverables

The consultant will be expected to conduct the team planning session in Colombo and perform the evaluation, including field visits, delivering a draft report to USAID and Agromart before leaving Sri Lanka. The consultant will also be expected to provide Agromart with a variety of resource materials useful for the continuation/expansion of the project.

Level of Effort

It is expected that this assignment will take nine or ten days in country. One day would be authorized in advance in Washington DC for the consultant to collect the requisite resource materials. Two days will be authorized as follow up for report preparation in Washington DC.

Cost

The anticipated cost for the evaluation/team planning session is under \$5,000, including salary, shared airfare, lodging, per diem, in-country travel, and other direct costs.

Time Frame

This assignment is anticipated for May/June 1992.

REVISED ITINERARY

Annex B.

**Ms. Gretchen Bloom
Evaluation of Entrepreneur Development Training Programme
Agromart Outreach Foundation**

- 20/05/92 (Wed) Arrival - Thai Airways
- 21/05/92 (Th) Colombo (head) Office
Document review
Discussions with staff
- 22/05/92 (Fri) Visit to Kurunegala (field) Office
Discussions with staff
Visit to Janakala Kendraya
Visits to Agromart farmers
Observation of Training for Everyone session
- 23/05/92 (Sat) Continuation of Kurunegala visit
- 24/05/92 (Sun) Preparation for Workshop (half day)
- 25/05/92 (Mon) Visit to Chilaw (field) Office
Discussions with staff
Visits to Agromart farmers
- 26/05/92 (Tues) Agromart Staff Workshop - Colombo
followed by Staff Dinner
- 27/05/92 (Wed) Agromart Staff Workshop - Colombo
- 28/05/92 (Th) Visit to Pilot Project in South - Galle
- 29/05/92 (Fri) Visit to Pilot Project in South- Hambantota
- 30/05/92 (Sat) Preparation of Report
- 31/05/92 (Sun) Preparation of Report (half day)
- 01/06/92 (Mon) Agromart Foundation Dinner - Renukha Hotel
-
- 06/07/92 (Mon) Revision of Report - Washington DC
- 09/07/92 (Th) Completion of Report - Washington DC

1) Roshan Krishantha Fernando (Chilaw)

Roshan is 18 years old. His family consists of 4 members, including his parents.

He was not interested in studies during his school days. His father was a habitual drinker who created lot of unhappiness in the family. Roshan's disinterest in his studies also made his father create problems at home when he was drunk.

Roshan's father who had been a driver had a limited income for maintenance of the family. Subsequently, due to his drunkenness, he lost his job, creating more and more economic hardships in the family. They were living in a wattle and daub house situated on an almost barren plot of land of about 1/4 an acre.

By the time his father lost his only livelihood, Roshan had sat for his GCE (O/L) examination, bringing unsuccessful results for further studies or to get employed.

Roshan, who got lost at his prime of youth in the wilderness of the society, was clueless either to get employed or continue the studies. Then he heard about the training programmes conducted by the Agromart Foundation through his neighbour, Ms. Kalyani Fernando. Kalyani had been a winner of the farmer competition held in 1990 and had won the first place, a Thailand awareness tour. On her information and advice Roshan got interested in Agromart training and participated in the Nattandiya Entrepreneur Development Training Programme. He followed a training on livestock development. Enthusiastic Roshan after this training programme started his first venture of having 50 chicks as broilers with the blessings and support of his mother.

In spite of his father's continuous harassment and discouraging attitudes towards Roshan, his mother never gave up hope for Roshan. She encouraged and showed him the path how to start and lead. His mother's dream gradually became a reality with young Roshan developing in his activities day by day. He developed his 50 chicks to a small-scale poultry run which further improved to a poultry house of 300 chicks. With this he entered a very elaborate farmer competition yearly held by the Agromart Foundation in the North Western Province. He was lucky. His poultry house which was conducted on a very systematic manner enabled him to be selected to participate in an awareness tour to Thailand in 1991.

Courageous Roshan now shoulders a major portion of his household expenditure with the knowledge and experience he gathered during his tour abroad. Roshan has now integrated his venture with vegetables and flowers on a commercial basis. It is noticed that his poultry house is kept clean and tidier than his living apartment. He has made significant improvements in his dwelling by building it up with bricks and a tiled roof.

Presently, his poultry house consist of over 450 chicks. His income from the poultry farm is about Rs.5,000/- per month.

Most of his vegetable produce is considered as home consumption making an economic gain.

From his income he has added a few assets to their home, including a TV and a cassette radio.

The water problem that inhibited Roshan from improving his venture was recently solved by the Agromart Foundation by issuing him a repayable loan of Rs.10,000/- to purchase a water pump.

Roshan, who was discouraged and ridiculed by his father for his dreams of going abroad, wrote to his father from Bangkok saying that he had the fortune through Agromart to step out of his motherland within a very short period of his courageous start.

2) Ms. Kamala Wickramasinghe (Kirindawa)

Kamala is 42 years and is the mother of two children. Her husband is an employee of a Co-operative Society. She has had a very difficult time due to financial circumstances.

To overcome their financial difficulties she has been rearing a cow and doing a little bit of agriculture unsystematically. At this time with the help of the Agromart Field Officers in that area an Agromart Farmer Society was formed.

Kamala was one of the most active members who helped to make this Agromart Society a success. The society members were able to participate in the Entrepreneur Development Training Programme which was held at Nakkawatta. They also had a chance of undergoing the Economic Literacy Training Programme.

After this training, Kamala determined to do her agricultural and livestock activities in a proper way. In 1991 she participated in the Agromart Farmer Competition and won the first prize which was an agricultural awareness tour to Thailand. In Thailand she was able to gather more knowledge about chilli cultivation and other crops too.

Kamala earlier cultivated 1/2 an acre of chillies and was able to get Rs.30,000. After returning from Thailand she has expanded her cultivation to 1-1/2 acres.

Some of the Society members and also her own neighbours have taken her as an example and have started cultivating acres of land in a systematic way. Kamala has taken the leadership to give them a start. It should be mentioned how she has been able to help a boy who has been in a detention camp for 1-1/2 years owing to the JVP

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movements. Through her leadership she has made this boy understand who a successful entrepreneur could be. In the past few months he has proven to be a successful entrepreneur and a keen member of the Agromart Society.

Her husband, who did not give her any assistance or encouragement with her work, has changed his attitude and now he gives his full co-operation.

Kamala, who had to hire a labourer to spray insecticide, is getting assistance from her husband to spray insecticide. This shows that Kamala has been able to change her husband's attitudes and interest.

She is proud to say that she earns double the money that her husband earns.

3) Miss Nirosha Fernando (Aluthwatta, Chilaw)

Nirosha is 22 years old. She lives with her two parents and two sisters. She is the eldest.

Her father is a minor employee at a roof tile factory at Mahiyangana, 120 miles away. He was the only breadwinner before Agromart with the younger children attending school and the mother attending to house work.

Nirosha was most concerned about the welfare of the family but could not engage in agricultural activity as the house and garden consisted of 6 perches of land. She was therefore compelled to engage in a cottage-scale industry but had no guidance.

Almost by accident she heard of an Agromart Entrepreneur Development Training Programme at St. Mary's College (Chilaw) on the very day it was being held in September 1991.

She followed a demonstration in jam making and about a month later commenced production of pineapple jam. Due to various constraints she was compelled to market the product in small plastic cups (100-110 ml) through a boutique opposite her house. With sales improving Nirosha commenced packing the product in normal jam jars.

Nirosha undertook a promotion campaign and received an order from the North Central Province Marketing Department and today sells about 100 bottles a day yielding a profit of about Rs.10/= per bottle. Her net income is about Rs.2000/= per month. She employs six other girls.

What is remarkable about Nirosha is that with no resources such as land and finances but with determination to improve her family's standard of living she has achieved her goal in 8 months.

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4) Kamala Kumari Wijekoon (Mawathagama)

Although born to a poor family, Kamala Kumari was a beauty queen in the village.

The village headman's son Wijekoon fell in love with Kamala. Amidst threats and disapproval from both families, Wijekoon and Kamala started their family life in a small village called 'Weuda' in the AGA Division of Mawathagama.

They had no material comforts, nor money to back them in their newly wedded life. They had to console each other with 3 children joining the family.

As it was too much to cope with, although reluctantly, Kamala decided to venture to the unknown desert in the Middle-East to better her economic prospects. After 4 years of struggle, she brought back Rs.100,000/= as her savings which she thought was a big fortune at the time. (Now she earns Rs.78,000/= with a net profit of Rs.60,000/= out of her 1-1/2 acre of chilli cultivation every season!)

Unlike most men and women in Sri Lanka, who invest their hard-earned money on houses and material things, Kamala and Wijekoon renovated their little house with part of the money, and the balance money was utilized to develop their agricultural plot.

In 1987 Kamala heard of the Agricultural Competition conducted by Agromart and sent in her application to vie for a position. She was not selected nor won any place in this competition. She never gave up and was determined to become first and make the trip to Thailand. She attended the Entrepreneur Development Training Programme at Mawathagama and learnt methodical ways of vegetable cultivation including chillies. Her efforts bore results with her coming first from chillie cultivation, and her dream coming true of being one of the members of the Thai tour.

On her return this enterprising woman diversified her agricultural plot to an integrated farm. Her 1/2 acre of land was expanded to 1-1/2 acres with chillies, wetakilu, snake gourd, long beans and other vegetables. Her activities in the livestock sector have expanded with a poultry pen, piggery and rabbits.

Her ambition in life is to educate her children. She studied only up to grade 8 and she is now making arrangements to send her daughter to the School of Agriculture in Kundasale.

Her whole life has changed with Agromart and she is a member of the Agromart family who is always willing to help other members and villagers of her region. This entrepreneur has a good potential to become one of the biggest business women of the area.

1
15)

AGROMART CASE STUDIES: NEGATIVE EXAMPLES

Annex C.2.

1) **Rohini Samarasekera (Chilaw)**

Although she was a leader of various societies, she made no self-improvements. She was politically motivated. The following lessons can be learned from this negative case study:

- * Such leaders should not be allowed to continue in group work societies.
- * While selecting for training, background information should be taken into consideration, especially the qualities of entrepreneurial skills and aptitudes.

2) **K.A. Podimenike (Kittalawa)**

As the President of the Women's Society, Podimenike was inquisitive to know how Bandulatha, one of her neighbors, went to Thailand. The Field Officer said that Bandulatha got the chance as she did her cultivation successfully. She said that she too is rearing a cow and few hens. She wanted to know about the Agromart training programme. She said that she heard that Agromart is giving free training and travelling expenses. Somehow she has come for the Agromart training. This has been her game. Whenever any programme is conducted, she participates only to take what is given in kind. For example, she has been able to get assistance from the Livestock Department as she has been a leader of a women's association. Ultimately one day when a field officer went to visit her there was nothing to report at all. She had not taken any use of the training she received. Even the goats given to her by the Livestock Department were sold.

3) **Nirosha Withanawasam (Jayabima, Chilaw)**

Nirosha, at 25 years, is the Secretary of the Chilaw Agromart Society. She has already taken part in the Entrepreneur Development Training Programme and the Training for Everyone Programme. Yet, she has not shown any initiative to grow any vegetables although she owns land. She does not respond to any advice to improve her life style, but she has some leadership qualities. She attends all training programmes but does not put into practice what she learns. She is keen on all social activities in village and has membership in many societies but makes no effort to improve her own conditions.

3/0

4) Sunil Jayasinghe (Mahawa)

Sunil is President of the Mahawa Agromart Society. His agricultural plot is 36 km away from Kurunegala. When the Field Officer had gone to a society meeting at about 7.30 a.m. recently, no one were there. At about 10.00 a.m. the meeting started. There were about 30 members. Sunil had a rough way of talking to the members. Though he is the President of the Society, he does not do anything himself but he always helps the others, regarding loans and so on. He also happen to be a politician (UNP) and built a bunker in front of his house during the JVP insurrection.

Sunil is a good organizer and speaker. He provides security, like taking village girls to Colombo and bringing them back home safely. When there are stage plays/dramas/musical shows in the village during vesak/poson season, he acts as an announcer and earns something out of it.

He wants to be a cultivator and he has asked some advice from the Field Officer regarding preparation of soil for chena cultivation. Now he has grown cow-peas, green grams, manioc, ash pumpkin, and other crops.

ASSESSING AGROMART'S INSTITUTIONAL QUALITY

Questionnaire prepared by Consultant
Answers provided by Agromart Staff during Workshop

1) Describe the process for resolving problems in Agromart. Give three examples of problems and explain how they were handled.

- a) Who first noticed the problem?
- b) When did he/she call the attention of others to the problem?
- c) How many alternative solutions were considered?
- d) How is conflict handled?
- e) Who was involved?
- f) Who eventually made the final decision?

Problem 1: Lack of financial supports - e.g. to purchase a water pump during a severe drought, Field staff noticed the problem and brought it to the notice of sub office Coordinator. Coordinator brought to the notice of the organization through a letter.

- a) Field Staff through co-ordinators of the Provincial Offices.
- b) Immediately.
- c) No alternative solutions were considered due to the urgency and the nature of the problem.
- d) Conflict was handled by discussion and consensus by vote.
- e) Provincial staff, the field staff and the Loan Working Committee.
- f) Final decision was made by the Loan Working Committee.

Problem 2: Holding a training programme in a particular area.

- a) Village people who heard about Agromart Foundation and wanted to get a training programme.
- b) He/she called attention of the problem to the Provincial Office and the Assistant Government Agent of the area.

- c) 3 or 4 alternative solutions were considered -
 - i) to have the training programme in the particular AGA Division;
 - ii) to have it in the nearest sub office of the AOF; or
 - iii) not to have a programme in that AGA Division but to link with another AGA division in the future.
- d) Conflict is handled by discussion of Project Director and Project Staff, Field Assistants and concurrence with Chairman.

2) Who are the "stakeholders" in the project? Who "owns" the project, the participants or the Agromart staff?

- a) Do participants feel free to come to the offices?
- b) Are the office and staff hours convenient to the participants?
- c) How are decisions made - by Agromart staff only or by the farmers also? Give some examples.

Answers

- a) Yes.
- b) Yes.
- c) Decisions are made by the Agromart Staff in concurrence with the farmer's needs and requests. e.g. Training for Everyone Programme - if people request an unusual training programme, such as bridal dressing which is a lucrative entrepreneurship in the area, the Agromart Staff conform to the request and arrange a training programme.

3) Describe how Agromart learns from successes or failures.

- a) Does Agromart write case studies of successes or failures for Agromart's use and that of other organizations?
- b) Does Agromart receive reports, newsletters and journals from other development organizations in order to keep informed about what others are doing?
- c) What has been Agromart's biggest success in the past year? failure?

Answers

Agromart learns by documenting success stories and listening to reasons for failure.

- a) We are in the process of doing so.
- b) All the time.
- c) i) Biggest success in the past years is to have seen almost 40% of its trained entrepreneurs coming out to be large income earners and diversifying their farming activities.

Second biggest success is its unique Trade Fair which is the only Agricultural Trade Fair Exhibition in the country.

- ii) The failure is not being able to reach out to the trainees who have not responded to our questionnaires - purely due to lack of staff and transport.

4) How well does Agromart manage its project?

- a) Does Agromart have an effective system of communication among the staff?
- b) Do the staff have enough information to do their jobs?
- c) Is the staff burdened by paperwork?
- d) Do staff members report potential problems to others when they are identified?
- e) Are staff members recognized for good work? How? Promotions? Extra pay? A compliment for nice work? Should that be necessary in an NGO?
- f) Does each staff position have a clear, accurate job description?
- g) Do the staff have the necessary equipment, vehicles and supplies they need to do their jobs?
- h) Are decisions made in a timely and coordinated manner?
- i) Does the staff have a team spirit? a spirit of voluntarism essential to an NGO?

Answers

- a) Monthly staff meeting where problems of the staff members are discussed.
- b) The staff are given information before they start the job but due to lack of direct telephone facilities in the provincial offices this has been hindered to a great degree.

- c) Due to lack of adequate staff - YES.
- d) Sometimes.
- e) Yes - Complements and extra pay.
Yes - depending on the circumstances.
- f) Yes - but they are supposed to co-operate in all activities when need arises.
- g) No.
- h) Yes.
- i) Yes - but could improve through training on voluntarism.

5) During the past 12 months, has Agromart been called upon for information or advice by any government agencies? other NGOs? donor organizations? If yes, give examples. What impact has Agromart had in policy level changes in Sri Lanka?

Answer

Yes, National Apprentice and Industrial Training Authority (NAITA), Sri Lanka Standard Institution, Janasaviya Trust, Centre for Entrepreneurship Development Services of the Industrial Development Board of Sri Lanka (CEDACS), Industrial Development Board, and Provincial Ministry discussions.

Sarvodaya, SLFUW, WCIC, Women's Bureau, Central Council of Social Services (CCSS).

Other donor organizations invite Agromart Officials to give advice on several subjective issues in the development areas.

Agromart was instrumental in advising on the training arm of Janasaviya Trust Foundation and the inclusion of women into high positions in the manifesto in the present government.

- 6) a) Is Agromart broadening its financial support?
- b) What portion of Agromart's budget comes from:
 - multinationals?
 - bilateral donors?
 - private sector?
 - local support?

c) Does Agromart have a fund-raising strategy?

Answers

a) Yes.

b) Multinational - None.
Bilateral donors - Mostly.
Private sector - Only in kind.
Local support - Yes, through trade fairs.

c) Yes.

7) What is Agromart doing to increase its sustainability?

Creating Agromart Associations and 'Training for Everyone' programmes in the rural sector on skills for women.

42.

AGROMART BASELINE DATA QUESTIONNAIRE (1991)

Entrepreneur Development Training Programmes

This questionnaire was used to establish baseline data on all participants in the Entrepreneur Development Training Programmes. It was distributed in connection with a meeting for all participants convened to answer problems.

Feb. 4, 1991 - ELTP

June 22, 1991 - EDTP (750 participants)

- 1) Name
- 2) Address
- 3) Sex
- 4) Marital Status
- 5) Age / Date of birth (if known)
- 6) Number of people in household
- 7) Monthly income of household
- 8) AGA Division
- 9) Agromart Society membership
- 10) Training programs attended
- 11) Locations
- 12) Prior involvement (agriculture/livestock/small industries)
- 13) Current activities (agriculture/livestock/small industries)
- 14) Capital investment (own resources/bank loan)
- 15) Number of employees
- 16) Problems

AGROMART IMPACT QUESTIONNAIRE (1992)

This questionnaire was developed in response to USAID's interest in measurement of project impact as well as output. All project participants were sent a questionnaire (total: 1854). Responses were returned by 45.09% of the participants. A stamped self-addressed envelope was enclosed.

- 1) Name
- 2) Address (how letters received)
- 3) Sex
- 4) Marital Status
- 5) Age
- 6) Date of birth
- 7) Number of people in household
- 8) Total monthly household income
- 9) AGA Division
- 10) Agromart Society membership
- 11) Training programs
 - a) EDTP (Entrepreneur Development Training Program)
 - Agriculture
 - Livestock
 - b) ELTP (Economic Literacy Training Program)
 - c) Training for Everyone
- 12) Location of training (Kurenagala/Chilaw)

- 13) Involvements prior to training
 - a) Agriculture
 - b) Livestock
 - c) Small industries
- 14) Participation in agricultural competition(s) - if yes, year and category
- 15) Current activities
 - a) Agriculture
 - b) Livestock
 - c) Small industries
- 16) Monthly income from activities
- 17) Capital investment (own resources/bank loan/ other)
- 18) Number of employees
- 19) Problems
- 20) Utilization of earnings to improve quality of life
 - a) Home food consumption
 - b) Clothing
 - c) Construction of house
 - d) Home improvements
 - e) Purchase of agricultural implements
 - f) Purchase of land
 - g) Savings in bank
 - h) Settlement of bank loan
 - i) Invest in business
 - j) Other

QUESTIONNAIRE FOR NON-RESPONDENTS

(This questionnaire was prepared for use in field visits to targeted Agromart participants who had not responded to the impact questionnaire mailed to them. The evaluation team was attempting to learn some of the problems of Agromart by eliciting information from participants who were anticipated to be less enthusiastic about the program than those who responded to the questionnaire.)

We understand that you participated in an Agromart training program. We are evaluating Agromart and would like your ideas. Thank you.

- 1) Where did you train with Agromart? Which program did you follow? Why did you go for training?
- 2) What do you remember about the training? What use was the program for you?
- 3) What was good about the program? What should be improved?
- 4) Have you taken part in an Agromart competition? Did you win?
- 5) Are you a member of an Agromart Society? Have you ever visited the Agromart Office in your area?
- 6) What assistance do you expect from the Agromart field staff? Have you gotten it? Have you been visited?
- 7) Have you been to an Agromart Trade Fair?
- 8) Do you ever meet any of the other people who were trained with you? Do you know of anyone in particular who is doing very well? Was it because of Agromart?
- 9) What were the problems which faced you when you went out on your own? Describe them. What suggestions do you have for a solution? (Include credit, land, resources, skills, knowledge, infrastructure, leadership/empowerment).
- 10) Have you had any other training? If so, where? by whom? How did it compare to the Agromart training?
- 11) Has Agromart changed your feelings about a) being a woman (for women)? b) women (for men)?
- 12) Did you get the questionnaire Agromart sent out recently? We did not get your reply. Can you tell us why you did not answer the questionnaire?

AGROMART OUTREACH FOUNDATION

Impact/Evaluation Survey
Revised

May 30

(This questionnaire was administered during a facilitated meeting to those Agromart participants who had completed the preliminary mailed impact survey sent out in February. It was revised to include better measures of impact; it was personally administered by Agromart staff in order to have achieve greater clarity of response.)

Economic Questions

- 1) Has there been any improvement in your quality of life since Agromart? Underline all applicable.

Improved nutrition
New house
Repaired house
Better clothing
Etc.

- 2) What was your average monthly income before Agromart training?

Rs. 0-500/mo.	Rs. 500-1000/mo.	Rs. 1000-1500/mo.
Rs. 1500-2000/mo.	Rs. 2000-2500/mo.	Over 2500/mo.

If more than Rs. 2500/month, how much? _____

What is your average monthly income now after Agromart training?

Rs. 0-500/mo.	Rs. 500-1000/mo.	Rs. 1000-1500/mo.
Rs. 1500-2000/mo.	Rs. 2000-2500/mo.	Over 2500/mo.

If more than Rs. 2500/month, how much? _____

- 3) Were you involved in an enterprise before Agromart?

Yes No

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If yes, which one? _____

Have you started a new enterprise since Agromart? Yes No

Have you expanded an old one? Yes No

Tell us about your enterprise(s). _____

4) Have you given employment to others since your Agromart training?

Yes No

If yes, how many new employees do you have?

One Two Three Four Five More than five

If more than five, how many? _____

5) Have you started any savings since Agromart?

Yes No

If yes, how much do you have?

Social Questions

1) Do you know of any occasion when the Agromart Society helped others in the village in time of need? Tell us about this occasion.

Has the Society done anything to eradicate anti-social activities? What?

2) Have you seen a change in the unemployment/underemployment situation in your community as a result of Agromart?

Yes No

What changes have there been?

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3) What attitude changes do you see in your community as a result of Agromart?

Individual

1) Has your participation in Agromart activities resulted in progress in your family?

2) Has the attitude of your husband/wife changed toward you as the result of Agromart?

3) Have your attitudes about life changed? Do you have more confidence? more hope?

Sustainability

1) If Agromart is not there, what will you do?

Evaluation of Agromart

1) Are you satisfied with Agromart's present activities?

Yes No

If no, give your suggestions for improvements.



AGROMART FOUNDATION

I M P A C T S T U D Y

ENTREPRENEUR TRAINING PROGRAMMES

IN

NORTH WESTERN PROVINCE

(1990 - 1992)

9

P R E F A C E

It is two years since we commenced our Entrepreneur Development Training Programmes under the sponsorship of USAID. Every month a programme was conducted in an Assistant Government Agent (AGA) Division of the North Western Province which comprises of the two districts of Kurunegala and Puttalam.

To evaluate the progress of successful entrepreneurs and to judge the impact of Agromart training, data was collected in June 1991 after the completion of the 1st year of training activities. The present study was designed as a complete enumeration of the 1854 entrepreneurs (in 21 AGA Divisions) trained up to the date of commencement of the survey in March 1992. The response rate was as high as 45.09%.

These two studies were conducted to -

- 1) impact assessment of the Agromart Programmes
- 2) evaluate work done during the specific period
- 3) to plan future training requirements

This study has bridged the gap by providing us with bench mark data while providing the organisation with some valuable indicators for its future guidance.

I acknowledge with gratitude the services rendered by the Consultant Statistician Mr. D.P. Atapattu under the direction and guidance of Ms. S. Ebert, Project Director of the Agromart Foundation in tabulating, analysing the data and writing the report.

(Ms) Beulah Moonesinghe
Chairman
AGROMART FOUNDATION

29th July, 1992

EVALUATION OF THE AGROMART FOUNDATION PROGRAMMES FOR ENTREPRENEURS IN THE NORTH WESTERN PROVINCE

Introduction

The Agromart Foundation programmes, from the very inception have been launched, with the prime objective of uplifting the quality of life of the rural poor and also removal of the structural barriers prevailing among the lower social strata. Therefore, it was considered important and imperative to carefully assess the impact of such programmes, while trying to identify and understand their problems that would help the Agromart Foundation in developing its future programmes more effectively.

The present study is the second in the series, the first being done in the year 1991, collecting data on the situation that prevailed as at June 1991. Although this study has its shortcomings, common to any data collection through mailed questionnaires, it has provided some meaningful and valuable information which would serve as bench mark data.

The next study is contemplated to be conducted during 1993 and the questionnaire is intended to be improved further with a view to collect more comprehensive data with better accuracy and coverage.

1. Coverage and Data Collection Procedure

The study was designed as a complete enumeration of all the entrepreneurs through a mailed questionnaire. Accordingly the questionnaire was distributed to 1854 entrepreneurs in all the areas where the Entrepreneur Development Training Programmes were conducted to be completed and mailed back to Agromart Office in Colombo. The response, however, has been low in some areas. The findings of this survey are based on the results of 836 schedules out of a total of 1854 entrepreneurs which gives a response rate of 45.09 per cent.

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It was observed that about 90% of the entrepreneurs had not understood certain sections of the questionnaire, as a result of which, data collected in respect of those sections were not acceptable or insufficient. Hence it was necessary to collect data in respect of those sections for the purpose of Impact Evaluation.

It was decided to summon the entrepreneurs to two central places in Kurunegala and Chilaw and collect the required data on a specially designed questionnaire after giving them the necessary instructions.

In this exercise, 836 entrepreneurs who responded in the earlier study were summoned to these two centres, and probably due to short notice only 285 turned up. This gives a response rate of 34.09%. With this response, we have been able to collect the required information with a higher degree of accuracy. The sections on income, problems of entrepreneurs, attitudes, employment and evaluation of Impact of this report are based on this information.

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The response rates as at Assistant Government Agent's Division level are appended below :

Table 01

S/No	AGA Division	Entrepreneurs		
		Total	Reporting	%
01	Karuwelagaswewa	27	20	74.07
02	Polpitigama	81	33	40.74
03	Kobeigana	109	34	31.19
04	Galgamuwa	82	35	42.68
05	Wennappuwa	84	15	17.86
06	Pannala	88	30	34.09
07	Mahawa	56	25	44.64
08	Nattandiya	71	21	29.58
09	Nakkawatta	82	57	69.51
10	Wariyapola	88	38	43.18
11	Anamaduwa	17	09	52.94
12	Alawwa	93	41	44.08
13	Mawathagama	102	47	46.08
14	Arachchikattuwa	134	60	44.78
15	Weerambugedera	98	32	32.65
16	Chilaw	115	49	42.61
17	Nikaweratiya	108	57	52.78
19	Kuliyapitiya	187	78	41.71
20	Mundalama	95	57	60.00
21	Giribawa	137	98	71.53
	Total	1854	836	45.09
18	Karandeniya (Southern Pilot Project)	124	41	33.06

2. Demographic Characteristics

2.1 - Distribution of Entrepreneurs According to Age

One noteworthy factor in the distribution of Entrepreneurs by age groups is that 61.54 per cent of them come within the first four age groups covering 18 - 30 years. The figure for the same group recorded during the previous study was 58.53 per cent. This is indicative of the fact that the younger generation is getting inclined to and also getting involved in entrepreneurial activities at the proper age or may be trying to occupy the place of their parents or elders at an age when they could be promoted for such activities.

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On the other hand, this is a matter of national interest and importance as the Government is also making every effort to promote such projects and programmes as a measure of eradicating youth unrest.

The figures appended below give a clear picture of the age-wise distribution of entrepreneurs which also indicate clearly a decline in the number in the higher age groups. As the Annexure 'A' indicates this is a common phenomenon in all the AGA Divisions excepting in the Nikaweratiya AGA Division where 43 entrepreneurs out of 57 (75.44%) come within the last four age groups of 31 - 50.

**Agewise Classification of
Entrepreneurs 1992 & 1991**

Table 02

Age Group	1992		1991	
	No	%	No	%
Less than 18	56	6.73	21	3.77
18 - 20	158	18.99	76	13.64
21 - 25	200	24.04	137	24.60
26 - 30	98	11.78	92	16.52
31 - 35	98	11.78	73	13.10
36 - 40	105	12.62	83	14.90
41 - 50	97	11.66	65	11.67
50 and over	20	2.40	10	1.80
Total	832	100.00	557	100.00

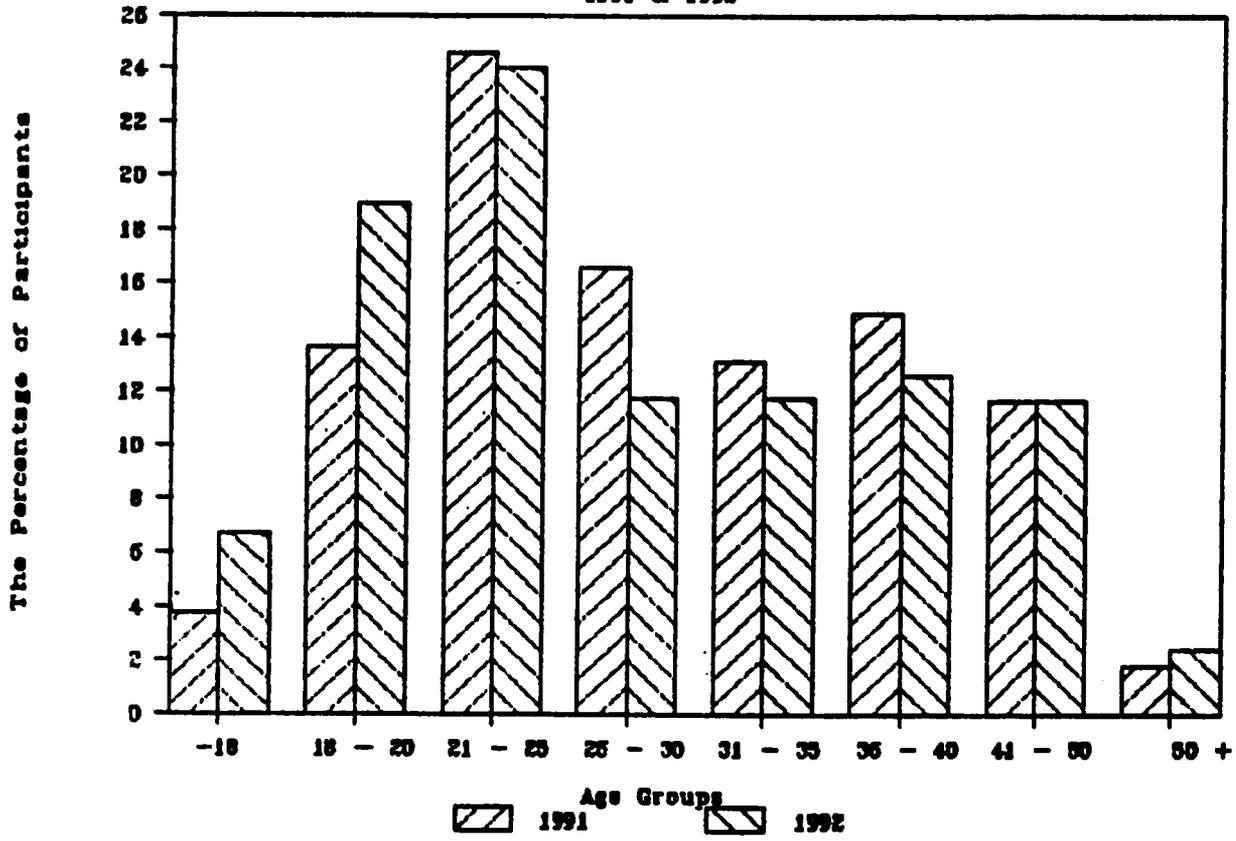
2.2 Sex

Sexwise distribution of entrepreneurs also occupies an important place in this study mainly as the entrepreneurship development programme focusses on potential women entrepreneurs. As the figures appended below indicate and the figures in the Annexure 'A' indicate in detail at AGA Division level, more women have participated in the training programmes.

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Age-wise Classification of Entrepreneurs

1991 & 1992



Sex-wise Classification of Entrepreneurs
Table 03

Sex	1992		1991	
	No	%	No	%
Female	608	73.08	459	82.41
Male	224	26.92	98	17.59
Total	832	100.00	557	100.00

2.3 Family Size

Small scale entrepreneurs on one hand cannot afford to employ paid employees as their resources are limited and their turn over will not permit such employment. On the other hand this study itself reveals that the entrepreneurial activities coming under the purview of this study are mostly of an agricultural nature and are manageable by family labour. Therefore, the size of family plays a very important role in this study.

The selection of the enterprise itself may sometimes depend on the number of unpaid family workers in the household.

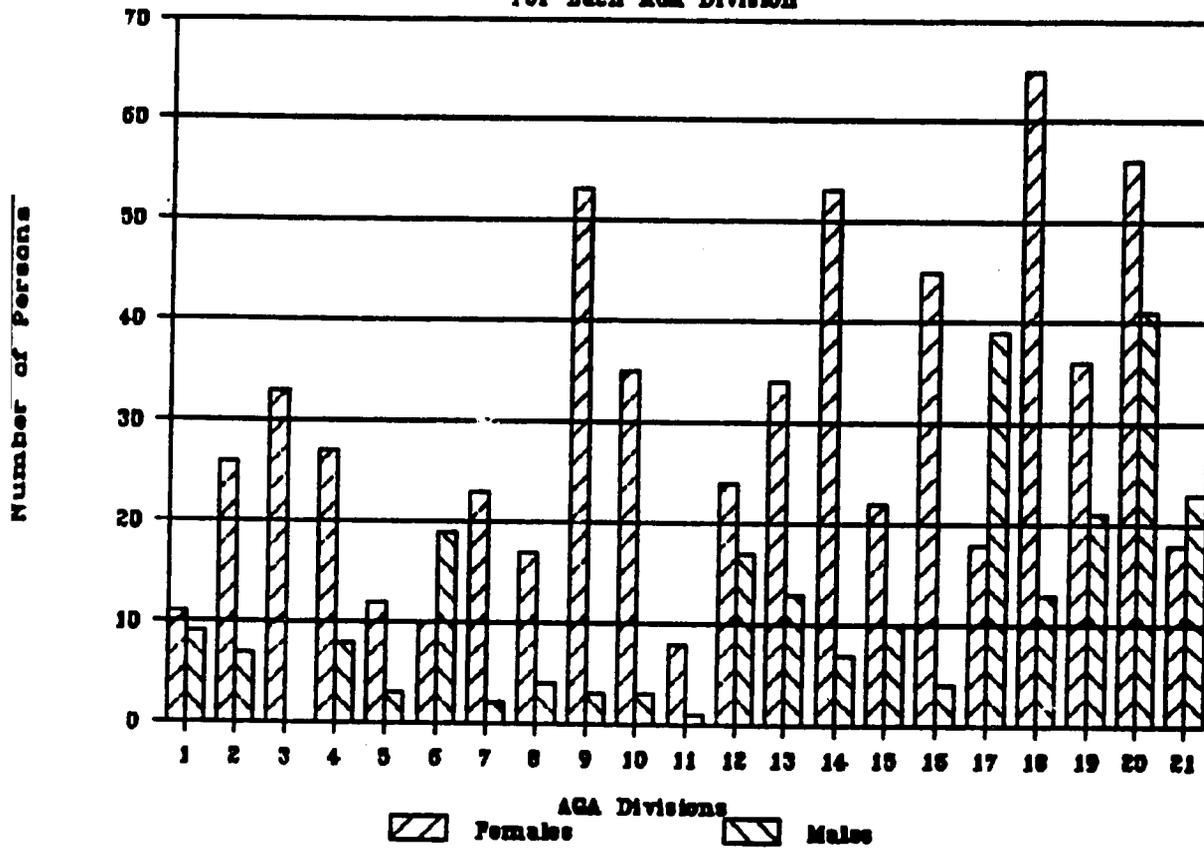
This study reveals that 245 families out of a total of 832 or 29.45 per cent of the families had 5 family members resident in the house. Number of families with 2 or 3 members accounted for only 16.35 per cent while families with 3, 4 and 5 contributed for 21.51 per cent; 29.45 per cent and 18.99 per cent respectively and the 3 groups contributed for 69.95 per cent which again indicates that the size of family had a very favourable impact on their projects.

The previous study in 1991 also indicates a similar pattern in respect of the family size. The figures appended below are in respect of the size-wise distribution of the families for the year 1992 and 1991.

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The Ratio of Female to Male

For Each AGA Division



- 1 Karuwelagaswewa
- 2 Polpitigama
- 3 Kobeigane
- 4 Galgamuwa
- 5 Wennappuwa
- 6 Pannala
- 7 Mahawa
- 8 Nattandiya
- 9 Nakkawatta
- 10 Wariyapola
- 11 Anamaduwa
- 12 Aluwwa
- 13 Mawathagama
- 14 Arachchikattuwa
- 15 Weerambugedera
- 16 Chilaw
- 17 Nikaweratiya
- 18 Kuliypitiya
- 19 Mundalama
- 20 Giribawa
- 21 Karandeniya

Table 04

Size of Family	1992		1991	
	No	%	No	%
02	36	4.33	23	4.13
03	100	12.02	47	8.44
04	176	21.51	125	22.44
05	245	29.45	146	26.21
06	158	18.99	109	19.57
07 and above	114	13.70	107	19.21
Total	832	100.00	557	100.00

2.4 Marital Status

The survey data reveals that 55.17 per cent or the majority of the entrepreneurs interviewed were unmarried while only 42.07 per cent were married and 2.84 per cent were widowed. The same trend is observed in the previous study. This again is a favourable sign for those who are interested in the behaviour of youth.

The Agromart Foundation can be happy and can be proud that they are serving the lowest segments of the population. Annexure 'A' gives the detailed distribution by AGA Divisions.

3.1 Entrepreneurs and Their Activities

The Annexure 'B' gives a detailed picture on the distribution of entrepreneurs by the activity they are engaged in and by AGA Division level based on the findings of the study.

This reveals that the majority of them are engaged in either Agriculture, Livestock or both. The averages reported in respect of these three groups were 22.36 %; 25.89% and 11.96% respectively. These 3 groups in other words form 56.12% of the total. One could observe the same pattern in the distribution for the year 1991 (previous study).

It also indicates that there had been at least one entrepreneur engaged in agriculture in all the AGA Divisions except in Karuwelagaswewa which reported nil under Agriculture alone. But the same division reports the second highest for Agriculture and Animal Husbandry. The other activities, namely, Trade, Industries, Horticulture, Garment Industry and others contributed only for 9.58% of the total, while 34.21% were left out as the activity was not clearly indicated.

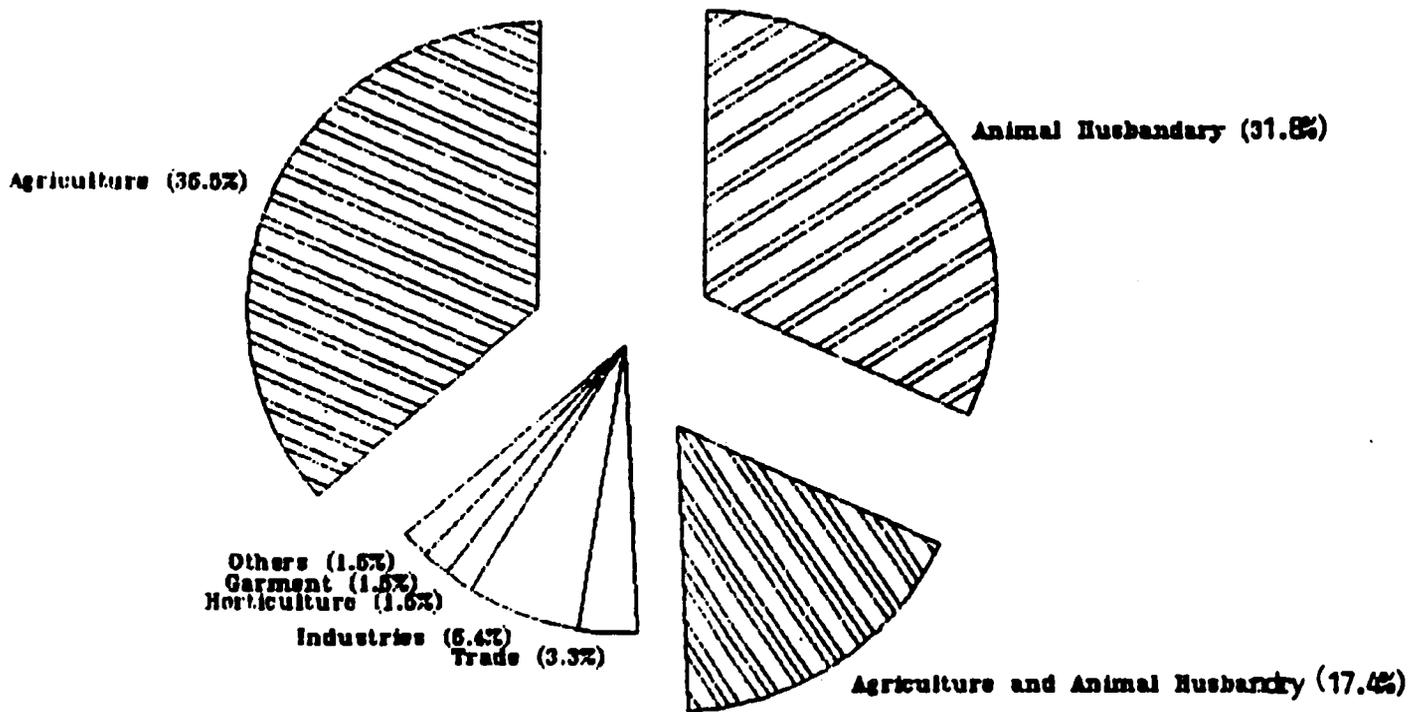
Therefore, when agriculture and connected activities are considered as a fraction of the total activities reported (leaving out the unspecified) Agriculture, Animal Husbandry and Agriculture + Animal Husbandry occupies still a higher place, 34.0%, 33.27% and 18.18%, respectively, and when aggregated it amounts to 85.45% of the total reported.

This situation will be a guiding factor for the Agronart Foundation as any contemplated diversification programmes will have to be planned carefully as the entrepreneurs seem to prefer agricultural activities to others.

The table appended below on the engagement in activities, "Before Training" and "After Training" seems to endorse the above statement as the figures show an increasing trend. Data in respect of the year 1992 reveals that engagement in the Agricultural Sector (first 3 groups) has risen to 56.25% from 50.6% after the training.. In the year 1991 also a higher percentage of 66.07 is reported against the figure of 57.98%

Classification of Entrepreneurs

Excluding 'Not Specified'



**Comparison of Employment Before and
After the Training**

Table 05

	1991				1992			
	Prior to Tr.		After Tr.		Prior to Tr.		After Tr.	
	No	%	No	%	No	%	No	%
Agriculture	142	25.49	157	28.18	168	20.19	190	22.84
Animal Husbandry	100	17.95	117	21.01	155	18.63	179	21.51
Agriculture & Animal Husbandry	81	14.54	94	16.88	98	11.78	99	11.90
Others	53	9.52	63	11.31	50	6.01	81	9.74
Not Specified	181	32.50	128	22.62	381	43.39	283	34.01
Total	557	100	557	100	832	100	832	100

5.1 CAPITAL INVESTMENT

In this exercise an attempt was also made to study the Capital investment pattern of the entrepreneurs. While the Annexure 'C' gives AGA Division wise information in detail, summarised information is appended below in comparison with the 1991 data :

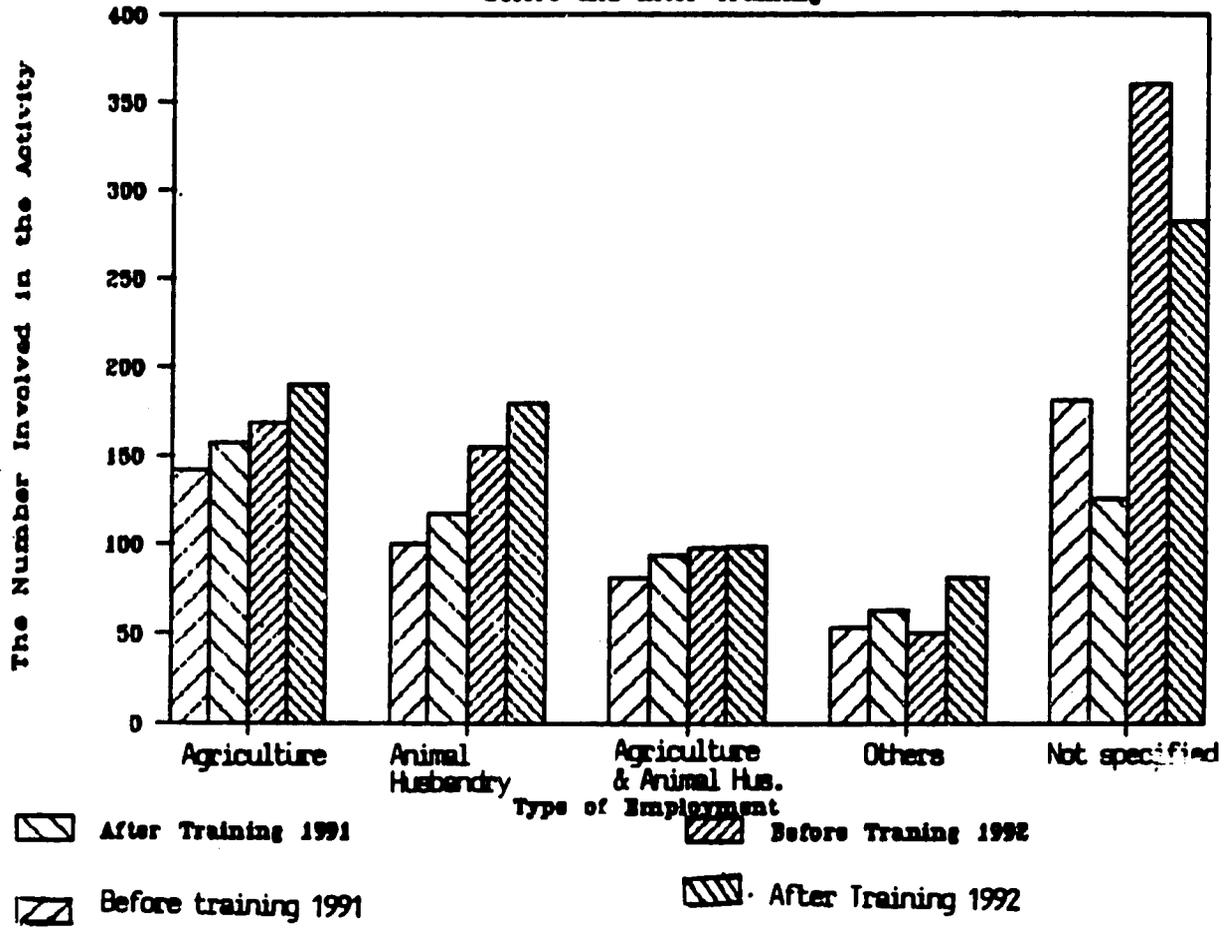
SOURCE OF CAPITAL INVESTMENT

Table 06

PERIOD	OWN MONEY	FROM BANK	OWN MONEY AND BANK	OTHER SOURCES	NOT SPECIFIED
NUMBER 1992	213	30	79	47	467
% (a)	25.48	3.59	9.45	5.62	55.16
369 = 100 (b)	57.72	8.13	21.41	12.74	
NUMBER 1991	139	32	73	58	239
% (a)	25.69	5.92	13.49	10.72	44.18
302 = 100 (b)	46.03	10.60	24.17	19.20	

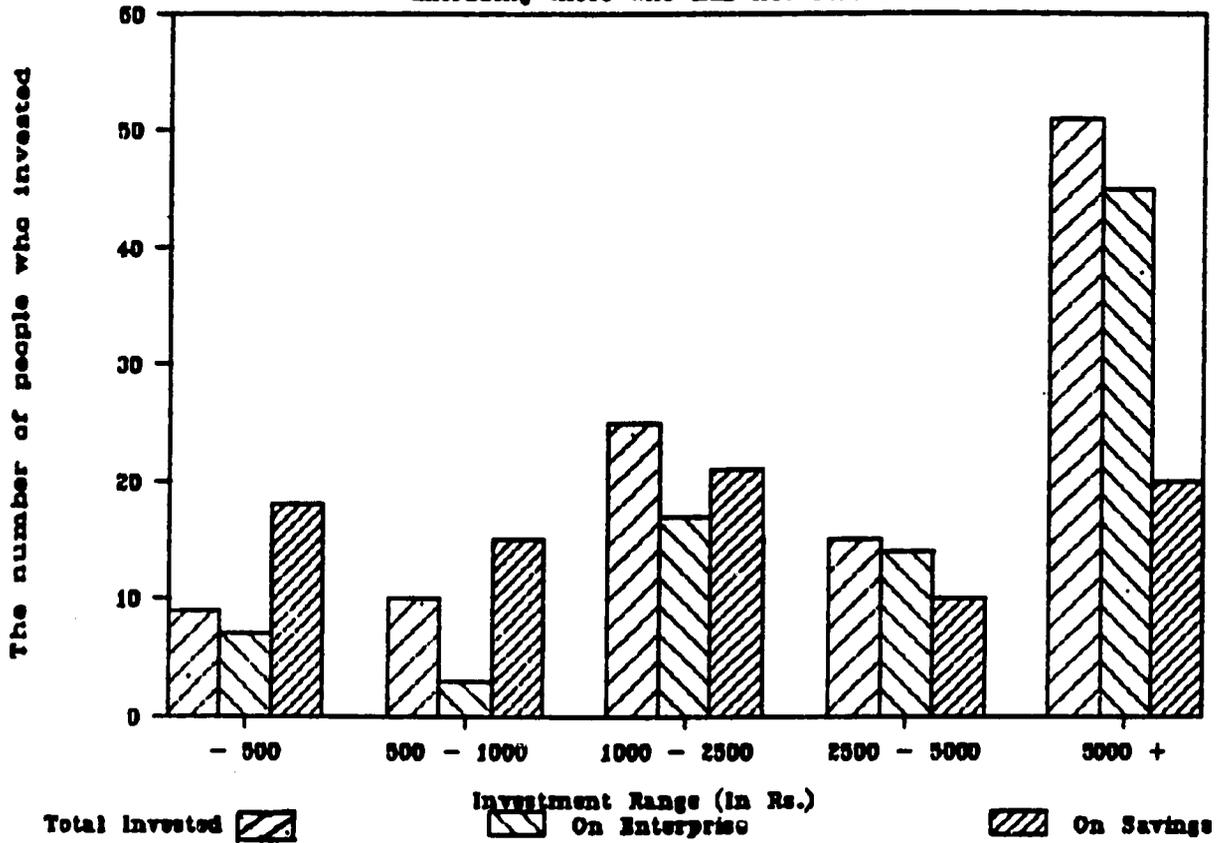
62

Comparison of Employment Before and After Training



Changes in Investment Patterns

Excluding those who had not Stated



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The percentages in this table have been worked out -

(a) Taking into consideration the Not Specified

(b) Leaving out the Not Specified

From both these it is clear that the majority of the entrepreneurs have utilized their own money as Capital Investment.

Considering only the four sources of Capital formation, in the year 1992. 57.72 % have managed with their own capital, while another 21.41% have managed with their Capital + bank loans, and only 8.13% have been depending purely on Banks. Another 12.74% have been able to raise their Capital from other sources.

In the year 1991 also as the table indicates capital formation has followed a similar pattern.

It would however be interesting and also worthwhile to study the details of capital obtained from other sources as it occupies the third place in both years. Although in some schedules this was not clearly specified, whether it came from individuals or organisations at village level, at least in a few schedules it was mentioned that it came from village level lending organisations.

INCOME

While this section deals with the household monetary income of the entrepreneurs, an attempt has been made to identify their income groups prior to Agromart training and after training, and the results are indicated in Table 07 appended below.

**COMPARISON OF INCOME LEVELS
BEFORE AND AFTER TRAINING**

Table 07

Income Groups	Before Training		After Training	
	No	%	No	%
No Income	12	4.21	-	-
less than Rs.500	117	41.05	53	18.60
Rs.500 and less than Rs.1000	57	20.00	62	21.75
Rs.1000 and less than Rs.1500	21	7.37	48	16.84
Rs.1500 and less than Rs.2000	17	5.97	33	11.58
Rs.2000 and less than Rs.2500	4	1.40	26	9.12
Rs.2500 and less than Rs.5000	3	1.05	16	5.61
Rs.5000 and over	-	-	6	2.11
Not stated	54	18.95	41	14.39
Total	285	100.00	285	100.00

As this table indicates, out of total of 285 who responded in this study 4.21 were not in receipt of any income prior to Agromart training, and after training they have been able to move on to income earning groups.

The lowest income group, where 41.05 percent of the entrepreneurs were located earlier has been reduced to 18.60 after the training. When this income group and the group 'Not in receipt of any Income' are grouped together they account for 45.26% of the total entrepreneurs and, in comparison with the after training period, indicates that 26.66% of the entrepreneurs have been able to move onto the higher income groups.

This upward trend is observed in all the income groups. This could be further illustrated by re-grouping the income groups in the following manner.

Table 08

Income Group	Prior To Training		After Training	
	No.	%	No	%
Upto Rs.1000	174	61.05	115	40.35
Rs.1000 - Rs.2000	38	13.33	91	28.42
Rs.2000 - Rs.5000	07	2.45	42	14.73
Rs.5000 and over	-	-	06	2.11

It is evident that the entrepreneurs have been able to derive the maximum benefits from the knowledge imparted to them at the training classes, in increasing the income from their enterprises.

It is also important to note that 22 entrepreneurs or 7.77% have reached the taxable income levels, against the figure of 3 or 5.05% during the pre-training period. A noteworthy mention must be made of one person whose monthly income has reached the Rs.10,000/= mark.

Information utilisation of income was tabulated on the results of the earlier survey and is presented in Annexure D.

It appears that the majority of the entrepreneurs have given priority to Food and Clothing, recording a percentage of 25.89, and 15.57 respectively. Investment on own business is placed third in priority (12.78%).

Repaying of bank loans has been their next concern thus occupying the fourth place in the order of priority with a percentage of 8.06%

LABOUR UTILISATION & EMPLOYMENT

Labour utilisation and employment opportunities in small scale enterprises, varies patternwise and also in all other respects when compared with other industries and projects. Usually they manage with family labour, because it could be easily obtained, and at free of cost. On the other hand they mostly require part time labour. Hence hired labour is reduced to a bare minimum thus reducing the cost and avoiding labour problems.

In this exercise an attempt has been made to study the labour utilisation patterns and employment with regard to family labour and hired labour in small scale enterprises.

The following table presents data on the provision for employment opportunities and its pattern.

Utilisation & Employment of Outside Labour

Table 09

Number of Entrepreneurs		Total Ents.	Number of Entrepreneurs by the Number of Labourers Employed					
			1	2	3	4	5	6
Providing Employment To Outside Labourers	No	82	24	23	12	11	10	02
	%	28.77	29.27	28.05	14.63	13.41	12.20	2.44
Not Providing Employment	No	203						
	%	71.23						
Total		No	24	23	12	11	10	02
		%	8.42	8.07	4.21	3.86	3.51	0.70

Out of a total of 285 sample entrepreneurs 82 or 28.77% have provided employment to outside employees. As mentioned earlier the nature and the size of enterprises in question do not permit the employment of outside labour on a large scale. As the above table shows over 50% of the entrepreneurs out of a total of 82 entrepreneurs providing employment to outsiders have provided employment opportunities to either one or two employees. Considering the type and the nature of these enterprises, this is a worthy contribution towards reducing the unemployment problem.

Data on utilisation of family labour is indicated in the following table :

Utilisation of Family Labour

Table 10

No. of Entrepreneurs	No. of Entrepreneurs engaging, by their number and sex							
	No	%	1		2		3	
			Male	Female	Male	Female	Male	Female
1) Engaging Family Labour	221	77.54	110	105	48	47	12	22
2) Not Engaging	64	22.56	-	-	-	-	-	-
TOTAL	285	100.00	110	105	48	47	12	22

With regard to the utilisation of family labour data indicates completely a different pattern. One could observe as much as 77.54% of the total entrepreneurs engaging family labour in their enterprises while only 22.56% do not engage family labour.

It should be taken into consideration that the data in the two tables on Labour Utilisation cannot be compared as entrepreneurs participation may not be included in the latter table.

Also in a study of this nature, it will not be possible to isolate and identify, the two types of labour in these small scale enterprises that are mostly of an agricultural nature due to

- a) The enterprise itself demanding only part-time labour.
- b) Availability of Family Labour is mostly on a part-time basis.
- c) Availability of Family Labour is free of charge.

Another important indicator in the table on Family Labour is that the distribution indicating the use of labour is more or less even among males and females.

PROBLEMS ENCOUNTERED BY ENTREPRENEURS

A correct assessment of the problems encountered was one of the main objectives in this study and as such an open question was provided in the questionnaire.

All problems so recorded were tabulated to get a correct view of the situation. Yet a fair number has indicated problems, that could not be taken into account as they were not specific. Anyhow, the recorded problems are well within the confidence limits for the purposes of this study.

Table 11 appended below gives a breakdown of the problems as recorded against the two studies undertaken in 1991 and 1992 with a percentage of the total entrepreneurs.

As per this table, the main problem of the entrepreneurs has been raising money for Capital Investment. The percentages recorded for the two years 1991 and 1992 were 24.41% and 17.94% respectively, thus indicating a decline in the gravity of the problem.

In the year 1992, problem of Water ranked second with a percentage of 10.17 while marketing was their next problem with a percentage of 5.02.

In the year 1991 however, Marketing was recorded as the second highest problem with a percentage of 10.64% and third place was occupied by other problems with a percentage of 8.61. The problem of Water, recorded a percentage of 7.20 and occupied the fourth place.

The problem of getting Fertilizer, Insecticides or Pesticides which is considered a more acute problem in certain other sectors recorded the lowest percentage with 1.72 and 0.84 for the two years 1991 and 1992 respectively.

This Table also clearly indicates a remarkable change in the gravity of problems from one year to the other, except in the case of the problem of Capital. It appears that certain problem areas have been attended to, as a result of which a percentage-wise reduction is recorded in the subsequent year. For example, marketing problem which was 10.64% in 1991 has been reduced to 5.02% in 1992. Other problems (not specified) is reduced to 4.19% from 8.61%. Problem of getting Land/Space is reduced to 2.15% from 3.13%

Problem Encountered By Entrepreneurs

Table 11

Problems	1992		1991	
	Number	%	Number	%
Raw Materials	28	3.35	27	4.23
Capital	150	17.94	156	24.41
Water	85	10.17	46	7.20
Fertilizer/Insecti- side/Pesticide	07	0.84	11	1.72
Land/Space	18	2.15	20	3.13
Marketing	42	5.02	68	10.64
Others	35	4.19	55	8.61
No. of Problems	09	1.08	13	2.03
Problems not speci- fied	462	55.26	243	38.03
Total Entrepreneurs	836	100.00	639	100.00

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Although, comparatively a higher percentage of 10.17 has been recorded in respect of the problem of Water in the year 1992, expansion of the programmes since 1991 have resulted in increasing the number of entrepreneurs from 630 in 1991 to 836 in 1992 which records a growth rate of 30.82%. Secondly, this could also be attributed to the fact that more entrepreneurs have either changed over to agricultural or related activities in 1992 where water is used in abundance.

Another important revelation in the study of which the Agromart Foundation can be proud of is that 2.03% in 1991 and 1.08% of the entrepreneurs in 1992 were completely free of problems.

CONCLUSION

As mentioned earlier in this report the information collected in the 1992 survey was considered insufficient to gauge the impact of the Agromart programmes on the entrepreneurs and the enterprises. This section is based more on the results of the special study undertaken to assess the impact.

Social benefits derived

An important revelation from this study was the interest and enthusiasm shown by the entrepreneurs towards the Agromart Societies functioning in their respective areas, under the guidance, and monitoring of the Agromart Foundation.

The reasons for a change in attitude is indicated in the table in Annexure E. As revealed by this study, meeting the requirement of market facilities for their produce has been considered the most important social benefit accrued by the entrepreneurs through the Agromart Societies.

The next in line of priority was educating the people not only on the maintenance of the enterprises but also on other social aspects that influenced their lives as rural people.

Organisation of Shramadana Camps (self help voluntary programmes) had been very popular among them and it occupies a very high status in their social benefits.

This table also indicates participation programmes, educational programmes, credit facilities and knowledge accrued through work programmes. These have been the popular work benefits.

Eradication of social hazards prevailing in the area through the respective Agromart societies was also one of the objectives of the Agromart Foundation.

The steps taken by the Agromart societies as an indirect approach to the problem, and the opinion of the entrepreneurs are given in Annexure F in tabular form.

Entrepreneurs Assessment of Relieving the Unemployment Problem
 It is interesting to note that in reply to a question titled "Has the Agromart Foundation contributed towards the solving of the unemployment problem through its programmes" 259 entrepreneurs out of a total of 285 have replied "yes". In other words 90.88% of the respondents surveyed felt that it had helped in solving the unemployment problem to a great extent.

Entrepreneurs Assessment on Solving the Unemployment Problem Through Agromart Programmes

Table No. 12

Has the Agromart Foundation contributed Towards solving the unemployment problem through its programmes	No.	%
Yes	259	90.88
No	17	5.96
Not Stated	09	3.16
Total	285	100.00

**Respondent's Version of the Opportunities
Provided to Entrepreneurs**

Table 13

Opportunities Provided	No.	%
Providing self Employment Opportunities	111	42.85
Providing other Employment Opportunities	42	16.22
Introducing new Industries	14	5.41
Encouraging the Farmers by Providing Agricultural Implements	-	-
Assisting to obtain Bank Loans	13	5.02
Helping to improve the existing Industry	39	15.05
Others	29	11.20
Not Stated	11	4.25
Total	259	100.00

At a detailed examination on as to what opportunities were provided, recorded that 42.85% of the entrepreneurs were of the opinion that providing self employment opportunities was the most effective and popular. Providing other employment opportunities was the second highest while helping to improve the existing industry, others, and introduction of new industries occupied the 3rd, 4th and 5th places respectively.

The most important improvement in the economic sector that has been observed in this study as well as the 1992 survey is the upward trend in the average monthly income of entrepreneurs. It will be more correct to state that each and every entrepreneur has been financially benefitted by Agromart programmes. The problems encountered by them are an outcome of this situation, as every one is longing to expand and extend their enterprises.

Some entrepreneurs have already proved their ability, by increasing their earning capacity to reach the taxable income level.

Annexure B

**Classification of Entrepreneurs
By Activity and Division**

Division	Total No Trained	Activity								
		Agriculture	Animal Husbandry	Agriculture & Animal Husbandry	Trade	Industries	Horticulture	Garment Industry	Others	Not Specified
01. Karuwelagaswewa	20	-	07	12	-	-	-	-	-	01
02. Polpitigana	33	11	04	02	01	02	-	-	-	12
03. Kobeigane	34	07	08	07	01	01	-	-	-	08
04. Galgamuwa	35	18	04	07	01	-	-	01	-	08
05. Wennappuwa	15	04	02	-	-	03	01	01	-	04
06. Pannala	30	07	05	04	02	03	01	-	-	08
07. Mahawa	25	07	04	05	-	-	-	-	01	08
08. Nattandiya	21	02	08	02	-	-	01	-	-	07
09. Nakkawatta	57	11	13	03	02	07	01	02	-	18
10. Wariyapola	38	12	04	03	02	03	-	01	-	13
11. Ananaduwa	08	01	01	02	01	-	-	-	-	04
12. Alawa	41	04	08	05	02	04	03	-	-	14
13. Hawathagama	47	15	13	08	02	01	01	-	-	08
14. Arachchikattuwa	60	08	19	01	-	05	-	01	-	25
15. Weerambugedera	32	05	06	-	-	01	-	-	02	18
16. Chilaw	48	03	13	02	-	03	-	01	-	27
17. Nikaweratiya	57	14	20	17	01	-	-	-	-	05
18. Kuliypitiya	78	19	18	07	02	04	01	02	02	23
19. Mundalama	57	09	08	04	-	-	-	-	-	36
20. Giribawa	98	31	18	11	01	-	-	-	-	39
Sub Total	836	187	183	100	18	37	08	08	07	286
%		22.36	21.89	11.96	2.15	4.43	1.08	1.08	0.84	34.21
Karandeniya	41	25	02	01	01	-	-	-	02	10
Grand Total	877	212	185	101	19	37	08	08	08	296
%		24.17	21.09	11.52	2.16	4.22	1.03	1.03	1.03	33.75

1992 CAPITAL INVESTMENT, NUMBER OF EMPLOYEES AND PROBLEMS ENCOUNTERED

DIVISION	REPAY - IN %	CAPITAL INVESTMENT					NUMBER OF EMPLOYEES						PROBLEMS ENCOUNTERED								
		CFT	BANK	BANK & CFT	OTHER	NOT FRAMED	1	2	3	4	5	NOT FRAMED	RAW MATERIALS	POWER	WATER	PRELIMINARY INVESTIGATION	LAND SPACE	MARKET FACILITIES	OTHER	NOT FRAMED	
1. Kar. valagsarova	20	9	2	4	-	5	2	5	-	-	9	-	9	3	-	-	-	-	1	-	4
2. Pol:ithigan:	33	6	-	-	1	26	-	5	-	-	26	-	6	1	-	-	-	-	2	-	24
3. Kob:igane	34	9	2	8	-	15	6	10	-	-	14	1	5	6	-	-	-	-	2	-	25
4. Gal:amusa	38	5	1	7	4	18	5	6	-	-	17	1	8	8	-	-	-	4	3	-	15
5. Uon:appusa	15	8	1	3	-	3	5	2	-	-	3	-	6	2	2	-	-	1	1	-	16
6. Pan:ala	30	8	1	6	-	15	2	5	-	-	16	1	9	1	1	1	1	-	-	-	3
7. Mah:wa	25	6	-	4	1	14	6	3	-	-	12	2	4	1	1	1	3	-	-	-	14
8. Nat:andiya	21	9	1	2	-	9	6	3	-	-	9	1	4	4	-	-	-	-	1	1	18
9. Mah:awtia	57	18	2	3	4	30	6	11	-	-	33	5	10	7	-	-	3	1	2	-	19
10. Hariyapala	38	10	1	2	1	24	5	5	-	-	25	1	4	5	-	-	1	4	1	-	30
11. Am:aduma	09	1	-	-	-	8	-	-	1	-	8	1	-	1	-	-	-	4	1	-	22
12. Alavaa	41	13	1	3	1	23	7	5	2	1	25	2	8	5	-	-	1	1	1	-	7
13. Mar:thagana	47	16	2	7	4	18	10	8	3	2	18	2	8	5	-	-	1	1	1	-	23
14. Arachikattuma	100	10	3	7	2	38	7	3	1	2	43	2	11	7	2	2	1	3	1	1	20
15. Uor:ubugod:ra	32	7	1	1	1	22	5	2	1	-	24	1	5	-	-	1	-	2	-	-	46
16. Chilwa	49	7	1	1	3	37	7	1	1	-	40	1	5	1	-	3	2	1	1	-	23
17. Mkwawatiya	57	22	5	11	7	12	15	12	7	2	20	3	13	10	-	2	2	9	3	1	35
19. Kallyapitiya	78	24	3	5	7	39	10	7	5	3	51	5	16	8	-	2	9	4	1	1	41
20. Hndalana	57	6	1	3	3	44	4	2	2	2	45	1	10	2	1	-	1	1	-	-	43
21. Giriboa	98	19	2	2	8	67	5	7	4	1	80	-	14	9	1	1	3	2	-	-	68
	636	213	30	78	47	467	113	102	46	31	25	28	150	85	7	18	42	35	9	-	462
	369	57.72	8.13	21.41	12.74	-	35.64	32.18	14.51	9.78	7.89	7.48	40.11	22.73	1.87	4.81	11.23	9.38	2.41	-	4
18. Kar:ndeniya	41	10	3	4	13	21	8	4	-	-	29	2	9	-	1	4	3	2	-	-	2

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Utilisation Of Income

Investment Details	1992		Priority Order
	No.	%	
01 Household Food	241	25.89	01
02 Household Clothing	145	15.57	02
03 Investment on Own Business	119	12.78	03
04 To Repay Bank Loans	75	8.08	04
05 Construction of House	63	6.78	05
06 Saving in Bank	62	6.68	06
07 To Construct a Latrine	58	6.02	07
08 To Purchase Agricultural Equipment	42	4.51	08
09 To Construct Well	38	4.08	09
10 Others	35	3.76	10
11 Effect Repairs to House	31	3.33	11
12 Tiles for the Roof/ Cementing	13	1.40	12
13 Purchase of Land	11	1.18	13
14 Not Specified/Stated	433	-	
15 Total Reporting (Excluding Not Specified)	931	100	

N.B. Multiple Answers. Therefore the totals may not tally.

Annexure E**Social Benefits Derived Through Agromart Societies**

	No	%
Educating the People	34	11.93
Participation in Programmes	02	0.70
Necessary Instructions	07	2.48
Organisation of Shramadana Camps	30	10.53
Help In Religious Activities	15	5.28
Credit Facilities	07	2.48
Construction of Roads	03	1.05
Help in Educational Programmes	06	2.11
Provide Market Facilities for the Produce	38	12.83
Providing Information of Seedlings & Nurseries	04	1.40
Others	24	8.42
Not Stated	117	41.05
	---	-----
Total	285	100.00
	===	=====

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Annexure F

**Steps Taken To Eradicate Social Hazards
Through Agromart Societies**

Steps Taken	No.	%	% of the total Reporting
		1	2
1. Getting the people to participate in community development activities	13	4.56	12.26
2. Getting the people in the area to work as a team	8	3.16	8.48
3. Educating the people on Nutrition	24	8.42	22.64
4. Encouragement to eradicate anti social activities	20	7.02	18.67
5. Helping to solve the unemployment problem in the area	11	3.86	10.38
6. Involving the people in other social activities	10	3.51	8.48
7. Others	19	6.67	17.93
8. Not Stated	179	62.80	-
Total	285	100.00	
Total Reporting	106	-	100.00

Note : The percentages are worked out for the total and number of people reporting separately. 2nd column excludes the 179 not stated.

Annexure G

**Changes In Investment Pattern
After Agromart Training**

	No.	%
1. Invested	168	58.95
2. Not invested	103	36.14
3. Not stated	14	4.91
Total	285	100.00

Investment Range	Investment Details					
	Total Invested		On Enterprise		On Savings	
	No.	%	No.	%	No.	%
Less than Rs. 500	09	5.36	07	4.17	18	10.91
Rs. 500 - Rs.1000	10	5.95	03	1.79	15	8.93
Rs.1000 - Rs.2500	35	20.83	17	10.12	21	12.50
Rs.2500 - Rs.5000	15	8.93	14	8.33	10	5.95
Rs.5000 and over	51	30.36	45	26.78	20	11.91
Not Stated	48	28.57	82	48.81	84	50.00
Total	168	100.00	168	100.00	168	100.00

Annexure H

**Changes In The Living Standards of Entrepreneurs
After the Agromart Training**

Changes in Living Standards	No. Reporting	As a % of total entrepreneurs
To get better food	217	78.14
To construct a house	22	7.72
To repair the house	44	15.44
To get new clothing	104	36.48
To construct a well	33	11.58
To purchase agricultural implements	71	24.91
To construct a latrine	44	15.44
To purchase a land	18	6.32
To save in bank	98	34.38
To settle bank loan	68	23.86
Others	23	8.07
Total Entrepreneurs	--- 285 ===	----- 100.00 =====

**MONITORING AND EVALUATION PLAN
AGROMART PROJECT**

(The format for this plan was prepared by the consultant. The plan itself was completed by the Agromart field staff during the staff workshop.)

1. Agromart will monitor the following economic indicators using the following tools:

<u>Indicator</u>	<u>Tool</u>
a) Income	Survey/interview
b) Expansion of enterprise	Survey/interview
c) No. of employees	Survey/interview

2. Agromart will monitor the following social indicators using the following tools:

<u>Indicator</u>	<u>Tool</u>
a) Society's contributions	Discussion with Society leaders/members
b) Education of children	Survey/interview
c) Attitudinal changes	Survey/interview

3. Agromart will monitor the following indicators of individual change using the following tools:

<u>Indicator</u>	<u>Tool</u>
a) Attitudinal changes	Observation
b) Leadership changes	Observation
c) Role changes in family	Survey/interview

4. We will collect and write up the information according to the following schedule:

<u>What</u>	<u>By Whom</u>	<u>Distributed to</u>
<u>Monthly</u>		
a) Society meetings	Committee*	Report to Field Asst
b) Field visits	Field Assts.	Project Director

* All committee members should be entrepreneurs to set a good example for the other members of each Agromart Society.

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Quarterly

- a) Visit sample of 10% Field Assts.

Annually

- | | | |
|--------------------------|---------------|-----------------------|
| a) Two followup seminars | All staff | Head office |
| b) Annual convention | All Societies | Head/regional offices |

5. We are setting these goals:

Short-Term

- a) Conduct group training for instructors and coordinators.
b) Create at least 10 new entrepreneurs within 3 months (each Field Assistant.)

Long-Term

- a) Make 60 people entrepreneurs per year per Field Assistant.

AGROMART OUTREACH FOUNDATION

TEAM BUILDING WORKSHOP

**May 26-27, 1992
Colombo, Sri Lanka**

Workshop Schedule

Tuesday, May 26

9:00-9:30	Registration / Tea
9:30-10:00	Introduction of Workshop / Ice Breaker
10:00-10:30	Objectives / Rules / Schedule
10:30-11:00	Memory Game - "Alone or Together?"
11:00-11:15	Tea Break
11:15-12:30	Preparation of Impact Questionnaire
12:30-2:00	Lunch Break
2:15-2:45	What is "Brainstorming"? Men's/Women's Roles
2:45-3:45	Presentation of Positive Agromart Case Studies:
	Field Assistants
3:45-4:00	Tea Break
4:00-5:00	Presentation of Negative Agromart Case Studies:
	Field Assistants
5:00-5:15	Presentation of Homework Exercise - Values
	"Quickies"
8:00-12:00	Staff Dinner

Wednesday, May 28

8:30-9:00	Completion of Values "Quickies"
9:00-9:30	Discussion of Values
9:30-10:15	Group Game - "Making Something"
10:15-10:30	Tea Break
10:30-11:00	Agromart's Future: Brainstorming Session
11:00-12:30	Group Work
	A - Agromart's Institutional Capabilities
	B - Project Monitoring / Workplan
12:30-12:45	Evaluation of Workshop
12:45-1:00	Photo Opportunity

1
2

Agromart Foundation Team Workshop

OBJECTIVES

1. Discuss Agromart's current path. Propose changes to improve Agromart in the future.
2. Have whole team work together in a participatory manner.
3. Learn why some trainees are not reached. Is training inadequate? Does it need a new focus? What went wrong?
4. Discuss conducting needs assessment of Agromart farmers.
5. Discuss broadening Agromart's follow-up activities.
6. Prepare revised impact questionnaire.
7. Come up with new ideas.
8. Discuss problems field officers face.
9. Exchange ideas and improve problem areas to achieve objectives better.
10. Discuss and develop spirit of voluntarism.
11. Write positive case studies for the I.L.O.
12. Prepare a list of recommendations for USAID.

GET TO KNOW EACH OTHER. HAVE FUN!

2/6

VALUES "QUICKIES"

1. **What is your favorite food?**
2. **What is something you love to do?**
3. **What is one thing you want to change in your village or neighborhood?**
4. **What qualities do you want in a friend?**
5. **What makes you happy?**
6. **What is the most important thing you want your children to remember?**
7. **What is one thing you hope your children will not have to go through?**
8. **What makes you angry?**
9. **What are the qualities of a good husband or wife?**
10. **If you found 100 Rupees, how would you spend them?**
11. **What is something you did to help someone?**
12. **What would you say if you met the leader of your country?**

Agromart Outreach Foundation

Team Building Workshop

May 26-27, 1992

Summary of Workshop Evaluations by Participants

1. What did you think about the workshop?

"It was the first time I happened to participate in such a workshop and I found it very interesting."

"Very useful and interesting." (4)

"Very valuable for our duties." (2)

"Very good for me." (3)

"Very effective."

"I think it is a most valuable thing for the office staff to improve unity."

"Very lively and interesting."

"It was very interesting and helpful to evaluate ourselves."

"It brought into focus the need for the existence of Agromart."

"Important."

"I had a good time to think about the activities of the Agromart."

"It was good and a necessity as we did not have a dialogue between the staff for the last two years."

2. What was good about the workshop?

"We got to know more things on field work as well as team work."

"To understand how to select the farmers for our own works."

"Learning a lot of things."

"We learnt the difference between working individually and as a group." (2)

"The series of explanations about voluntarism and team work spirit that should prevail in an NGO."

"We were able to identify the hidden characteristics in us that we should correct in our work styles."

"We came to know each other very closely."

"We learned the spirit of team work."

"We were able to collect new ideas."

"Exchange of ideas and working together."

"The workshop was good as it got out everyone's ideas."

"Stimulating."

"Driving force to think and plan to conduct Agromart activities in an effective manner."

"The knowledge we got was good."

"This gave the staff a very good opportunity to express their creative ideas."

"It was not boring at all. We did not feel the time pass by."

"Everybody was able to give their own contribution. They were not shy to talk. The learned new attitudes toward evaluating and planning work for the future. All were made to feel important and equal."

What could be better next time?

"Getting more time; having more days." (4)

"Could not follow some pronunciation."

"Organize a field activity in keeping with the training programme next time."

"It could be longer."

"There was nothing bad."

"Add more games to next programme."

"Hold workshop away from the office in a retreat. We would have relaxed better and the change of office environment would have given better results."

3. What one word describes your feelings about the workshop?

"Wonderful and interesting. We like to met you again on workshop."

"Very good."

"Very interesting." (3)

"Splendid."

"Fantastic!" (2)

"Excellent."

"Refreshing."

"Important."

"Wonderful."

"Revelation. Eye opener."

4. List the five most important things you have learned in the workshop.

- 1) To get to know each other very well.
- 2) To work more friendly. (2)
- 3) How to work within a limited time. (3)
- 4) To work with limited resources.
- 5) Group work; cooperation for good results. (11)
- 6) To speak independent ideas.
- 7) Introduction of good and bad farmers.
- 8) Leadership. (5)
- 9) To solve society's problems.
- 10) To work all alike.

- 11) Team spirit. (6)
- 12) How important each one's ideas are. (2)
- 13) Learnt our weakness which could be corrected in future.
- 14) Spirit of voluntarism. (3)
- 15) Learned to respect others feelings and views. (2)
- 16) Solving problems by discussion and consensus.
- 17) Presence of mind.
- 18) Delegation of work to decentralized units. (3)
- 19) Helping each other in time of need.
- 20) Methodical approaches.
- 21) Participation. (3)
- 22) Confidence of person.
- 23) Candid comments.
- 24) New ideas.
- 25) Implement objectives to the best of your abilities.
- 26) Dedication.
- 26) Correct decisions.
- 27) The leader must always listen to others.
- 28) When there is a group, there must be a leader.
- 29) Unity.
- 30) Learned that my partner's favorite food is mango!
- 31) Identifying one's own faults.
- 32) Planning for the future.
- 33) Change your own workplan and change yourself for the betterment of your organization and to achieve objectives.

5. Which of your behaviors will you change as a result of the workshop?

"No changes."

"Will try to become a better leader."

"Up to yesterday, I thought that I am a person who is very friendly with my colleagues, whereas my partner at the workshop points out that I am not so always. So I shall try to be friendlier."

"To take leadership and work as a group." (2)

"I learned a lot about how I conduct a group work. When we are doing group work or a braining class, we enter our subject straightly. I understood it is a wrong method. We must enter the subject through their normal feelings."

"To stop over criticism of others' work."

"To listen more to others."

"Not to be paranoid on details."

"Nothing is changed but I will be the same hard-working person and try my best to help each other."

"Better work is not enough. It is necessary to move with others. Participation is also important."

"As my partner has said that I don't take life seriously, I thought that I would take life a little bit serious."

"Stop denigrating others."

"Stop talking so much. Stop listening to your own voice."

"Work more vigorously to implement and achieve the goals of the Foundation."

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THOUGHTS FOR AGROMART'S PROGRESS

Agromart Staff

If we are active, our farmers will do the same.

Let's all work as a team!

Everyone's ideas are valuable.

Alleviate poverty by working together.

Agromart gives good job satisfaction.

Agromart will make you a better human being.

Let us give empowerment to women through entrepreneurship.

Let us give leadership to women.

Work together and you will walk together.

Agromart made an impact in rural N.W.P.

Rural women became leaders through Agromart.

Women took part in competitions and went abroad through Agromart.

Agromart in the Morning,
Agromart in the Evening,
Agromart in the Night --
All my life is Agromart now!

AGROMART OUTREACH FOUNDATION**Midterm Evaluation****PRELIMINARY RECOMMENDATIONS****Recommendations for USAID**

The long-term vision of the Agromart Outreach Foundation is to conduct its entrepreneurship development program in all of Sri Lanka's provinces, on a phased basis contingent on need. The entry point of the program will remain economic but the focus will be expanded to include broad human and community development issues such as respect for the environment, enhancement of democratic values, and improvement of family roles through empowerment of women. The following general recommendations are based on this vision.

- 1) USAID should extend its current grant for the Agromart Project in the Northwestern Province at least until 1995 to allow for completion of training in all AGA divisions and to ensure adequate follow-up to completed training for a sustainable impact. (An amended budget is being prepared with proposed expenditures through 1995.) Agromart staff perceive a need for a permanent office in each area where a program has been launched.
- 2) USAID is encouraged to consider funding an Agromart Project in the Southern Province of equal magnitude to the current project, based on the recently conducted pilot project. (A project proposal for this purpose has already been prepared.) The Southern Province was selected based on the great needs of the region.
- 3) USAID should assist Agromart with its funding strategies and needs assessment for expansion into other provinces as needed, on a phased basis, perhaps first to Uva and/or Sabbaragama.
- 4) USAID should allow Agromart to purchase or rent vehicles for use in its regional work. This has long been a felt need of the project. Field assistants and senior staff alike have been utilizing their own vehicles, at great expense. Furthermore, the senior staff vehicles are ineffective in the terrain. Ideally each field office should have a jeep (second-hand acceptable) and each field assistant should have a motorbike.
- 5) Agromart staff should be offered additional training opportunities prior to the completion of the grant to render the project objectives to be sustained. For example, CEDPA in Washington DC offers a Women-in-Management course and the Entrepreneur Development Training Institute in Ahmedabad offers a month-long course in EDTP.

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(Alternatively, Hina Shah could be brought to Colombo.)

- 6) Agromart should be encouraged to experiment with the viability of an urban project in Colombo, with a pilot project, utilizing the street food carts as an entry point. (Consultant Monique Cohen - or Irene Tinker - should be invited to share her expertise.) In addition, the Training for Everyone program should be offered at the head office.
- 7) Agromart has already commenced teaching concepts of democratization and empowerment for people. This should be continued, in the context of entrepreneur development, and expanded cautiously within the acceptable range for Sri Lanka's current political situation. Agromart should be encouraged to submit a competitive proposal under the USAID Democracy Initiative during the next competitive cycle.
- 8) The tele-drama which has already been started, should be supported through additional funds (\$25,000) so that Agromart's principles will have a more widespread and lasting impact. In addition, video presentations should be funded for on-site models to expand Agromart's spread effect.
- 9) Agromart should be encouraged to spin off a new NGO to work with US-AEP on environmental issues. The Foundation has already demonstrated its interest and abilities in this area through its pilot awareness seminars on environmental hazards in the rural areas.
- 10) Consider establishing a permanent training center for Agromart like EDB's but less big.
- 11) Agromart farmers need to continue going abroad. USAID should continue to fund the Study Tours to Thailand, or elsewhere out of Sri Lanka. USAID can also provide funding for local tours as a second-best alternative.
- 12) All Agromart staff should pay a visit to the U.S. some day to learn market economy and democratic values. (America, here we come!)

Recommendations for Agromart

The following recommendations are directed primarily to the Agromart Foundation to improve its current and future projects.

- 1) Agromart should endeavor to expand its impact by training trainers who can teach courses on a sustainable fee basis, independent of donor assistance, where practicable.
- 2) Agromart should support the Agromart Societies in their efforts to become lending intermediaries under the Thrift and Credit Cooperative Societies program. (An experimental credit program is already underway through SIDA and ADB guarantees.)

- 3) Agromart should consider including primary health and family planning counseling in future programs as well as AIDS prevention education. (Such a program could be co-funded by a matching grant from the AID/WID office.)
- 4) Agromart should continue to provide enhanced skill building for graduates of early training programs.
- 5) Agromart should continue its practice of soliciting matching funds from other donors besides USAID. (At the present moment private sector contributions are considered to be improbable, although corporate partnerships should remain a long-range goal.)
- 6) Agromart should hire additional staff to manage the project as current staff is overextended.
- 7) Agromart should enhance its training for self-esteem and leadership, ensuring at the same time that its programs maintain sufficient course content for skill building for survival.
- 8) Agromart staff should be encouraged to interact on a regular basis with staff from other development projects in the country, particularly regarding entrepreneur development (e.g., CARE, GTZ, Sarvodaya, Peace Corps, IRED, Water Decade, MED Project). Also, senior staff should be called in on a consultative basis regarding gender considerations and the integration of women into other projects.
- 9) The Agromart training materials should be published for use by other Sri Lankan institutions and internationally, where appropriate.
- 10) Applicants for Agromart training should be carefully screened before being accepted into training to avoid wastage of funds. Agromart has already devised an attitude and ability test for this purpose, which are combined with a personal interview.
- 11) Agromart's training should be incorporated into the school curriculum where possible. If not possible, school children should be included in the programs as they reach the end of their secondary schooling. At a minimum, Agromart needs to follow up on the school garden component initiated at its Trade Fairs.
- 12) Agromart should experiment with "focusing and concentrating" on manageable population for greater impact, like in Hambantota.
- 13) Agromart staff should follow up the 1992 impact study with a cost-benefit analysis based on projected revenues for entrepreneurs over 10-year period. Include percentage of start-up or expanded businesses resulting from programs.
- 14) Conduct an annual trade fair in each province where Agromart has sufficient staff.

- 15) **Start school gardens in schools, especially those which host EDTs and Agromart Trade Fairs. Use field assistants to follow up.**
- 16) **Teach English to Agromart staff.**
- 17) **Agromart offices (or a training center) should have some centralized supplies and equipment.**

Annex G.2.

Comments on Preliminary Recommendations
by
Gamini Silva
Agromart Staff Member

1. The rural population of Sri Lanka is very poor and less educated. Their resources are limited and welfare support is almost nil. Hence, it cannot be expected for them to pay for training courses after meeting travel expenditures. It is, therefore, not feasible for Agromart to continue independent of donor assistance.
2. Agromart is already supporting the Agromart Farmers' Associations in their efforts to become lending intermediaries under the Thrift and Credit Cooperative Societies program.
3. It is a welcome suggestion to have Agromart undertake health and family planning counseling as well as AIDS education.
4. It is feasible to provide enhanced skill building for graduates of early training programmes as most are from the lower income sector of rural Sri Lanka.
5. The attitude of Sri Lanka's private sector is more or less to collaborate with Government interests for the safety of their own ventures. Soliciting funds for non-Governmental and non-profit organizations like Agromart will be a futile effort.
6. The present staff of Agromart is actually over-exhausted and, if allowed to continue, the quality of work will be affected. Therefore, Agromart should indeed hire additional staff.
7. Agromart should indeed consider submitting a proposal under AID's Democracy Program next year as this will be a boon not only to Agromart but also to Sri Lanka which has lost its much valued democracy.
8. Agromart has long felt the need for a vehicle.
9. Rural Sri Lanka still maintains mythical traditions where gender consideration is concerned. A practical approach has to be made in this regard to change the psychic and divert them towards the potential of microenterprises under a separate project with more economic gains. That is the success of Agromart.
10. The concepts of self-esteem and leadership are already part of Agromart's training but the field process has to be improved.

11. Agromart's main concern is Peoples' Democracy and its efforts are based on awareness, proper guidance, and future planning for a better and more peaceful society.
12. The Agromart grant should be extended because it is a very beneficial program for the rural poor in Sri Lanka.
13. Up to date, no provisions or vehicles have been provided under USAID to Agromart. This is a very welcome suggestion to overcome field difficulties experienced in the remote areas.
14. Agromart staff should be encouraged to interact on a regular basis with staff from other development projects in the country for conceptual change to take place in the Agromart process of rural development.
15. Additional training for Agromart staff will provide first-hand experience to the project development process and every endeavour should be made to obtain this welcome facility.
16. If the Agromart materials are published, this will be a great service not only to the rural sector but also to the student population of Sri Lanka.
17. An urban street foods project in Colombo will bring twofold benefits: provide employment to a lot of unemployed but enthusiastic people; and ease a lot of cooling problems for working families in the urban areas. Like in Bangkok, street foods should be encouraged along with health habits in Sri Lanka.
18. Agromart applicants are already being screened bur suitability.
19. Teledrama is the only Sinhala program enthusiastically viewed by the urban and rural population of Sri Lanka who are fed up with meaningless and misleading political programs. The proposed Agromart teledrama is based on a realistic story about how a rural village is awakened through awareness. Training plays an important role in this drama to mold the minds of less educated people and change their behaviors. This will definitely have a lasting impact for the Agromart's concepts and for its donors too.
20. Presently, school leavers are given special opportunities to participate in various programs.
21. The Hambantota project will be feasible if funds are available.
22. The program can be expanded to all Provinces if funds are available to expand staff and activities.
23. Follow-up to non-respondents is presently being done by mail.

24. **It is very important to work on environmental issues.**
25. **A follow up impact study with a cost-benefit analysis based on projected revenues for entrepreneurs over a 10-year period will be an expensive job.**

FINAL RECOMMENDATIONS FOR THE FUTURE OF AGROMART

Recommendations for USAID

The long-term vision of the Agromart Outreach Foundation is to conduct its entrepreneurship development program in all of Sri Lanka's provinces, on a phase-i basis contingent on need. The entry point of the program will remain economic but the focus will be expanded to include broad human and community development issues such as respect for the environment, enhancement of democratic values, and improvement of family roles through empowerment of women. The following general recommendations are based on this vision.

- 1) USAID should extend its current grant for the Agromart Project in the Northwestern Province at least until 1995 to allow for completion of training in all AGA divisions and to ensure adequate follow-up to completed training for a sustainable impact. An emphasis should be placed on encouraging Agromart to support movement from self-employment to microenterprise development, involving the employment of others. Agromart Societies should be strengthened to carry on Agromart's work once donor funding ends. (An amended budget has been prepared with proposed expenditures through 1995.) Agromart staff perceive a need for a permanent office in each area where a program has been launched; funds for this will need to be generated locally for sustainability.
- 2) USAID is encouraged to consider funding an Agromart Project in the Southern Province of equal magnitude to the current project, based on the recently conducted pilot project. The Agromart staff can effectively supervise such an expansion by hiring new members. (A project proposal for this purpose has already been prepared.) The Southern Province was selected based on the great needs of the region. However, USAID should continue to encourage Agromart to focus on agricultural marketing, where it has a comparative advantage.
- 3) Agromart farmers need to continue going abroad. USAID should continue to fund the Study Tours to Thailand, or elsewhere out of Sri Lanka. USAID can also provide funding for local tours as a second-best alternative. (A follow-up study should be conducted of the returnees from Thailand to measure the impact of the program before additional funding is allocated.)
- 4) USAID should allow Agromart to purchase or rent vehicles for use in its regional work. This has long been a felt need of the project. Field assistants and senior staff alike have been utilizing their own vehicles, at great expense. Furthermore, the senior staff vehicles are ineffective in the terrain. Ideally each field office should have a jeep (second-hand acceptable) and each field assistant should have a motorbike. (If USAID is unable to fund these vehicles, the AOF should be

encouraged to request other donor assistance to fill this urgent need.)

- 5) Agromart staff should be offered additional training opportunities prior to the completion of the grant to render the project objectives to be sustained. For example, CEDPA in Washington DC offers a Women-in-Management course and the Entrepreneur Development Training Institute in Ahmedabad offers a month-long course in EDTP. (Alternatively, Hina Shah from Ahmedabad could be brought to Colombo.)
- 6) Agromart should be encouraged to experiment with the viability of an urban project in Colombo, through a pilot project, utilizing the street food carts as an entry point. (Consultant Monique Cohen - or Irene Tinker - should be invited to share her expertise.) In addition, the Training for Everyone program should be offered at the head office.
- 7) Agromart has already commenced teaching concepts of democratization and empowerment for people. This should be continued, in the context of entrepreneur development, and expanded cautiously within the acceptable range for Sri Lanka's current political situation. Agromart should be encouraged to submit a competitive proposal under the USAID Democracy Initiative during the next competitive cycle.
- 8) The tele-drama which has already been started, should be supported through additional funds (\$25,000) so that Agromart's principles will have a more widespread and lasting impact. In addition, video presentations should be funded for on-site models to expand Agromart's spread effect.
- 9) Agromart staff should be commended for their creativity and willingness to respond to community felt needs, e.g., in teaching concepts of health, environment and family planning. However, USAID should caution Agromart staff to consolidate their gains in entrepreneur development rather than becoming stretched too thin in a variety of standard community development activities.
- 10) Agromart should be cautioned to proceed with its vision of horizontal expansion slowly, testing the climate carefully and their own capacities for expansion.

Recommendations for Agromart

The following recommendations are directed primarily to the Agromart Foundation to improve its current and future projects.

- 1) Agromart should support the Agromart Societies in their efforts to take on responsibilities of leadership including becoming lending intermediaries under the Thrift and Credit Cooperative Societies program. (An experimental credit program

is already underway through SIDA and ADB guarantees.)

- 2) **Agromart should consider including primary health and family planning counseling in future programs as well as AIDS prevention education. (Such a program could be co-funded by a matching grant from the AID/WID office.)**
- 3) **Agromart should continue to provide enhanced skill building for graduates of early training programs. These second-stage training sessions are critical to an improved and sustainable level of entrepreneurship.**
- 4) **Agromart should continue its practice of soliciting matching funds from other donors besides USAID. (At the present moment private sector contributions are considered to be improbable, although corporate partnerships should remain a long-range goal.)**
- 5) **Agromart should hire additional staff to manage the project as current staff is overextended. (If USAID funding is inadequate for this purpose, other donor money should be utilized, particularly as core staff manage a variety of projects.)**
- 6) **Agromart should enhance its training for self-esteem and leadership, ensuring at the same time that its programs maintain sufficient technical content for skill building for survival.**
- 7) **Agromart staff should be encouraged to interact on a regular basis with staff from other development projects in the country, particularly regarding entrepreneur development (e.g., CARE, GTZ, Sarvodaya, Peace Corps, IRED, Water Decade, MED Project). Also, senior Agromart staff should be called in on a consultative basis regarding gender considerations and the integration of women into other projects.**
- 8) **The Agromart training materials should be published for use by other Sri Lankan institutions and internationally, where appropriate.**
- 9) **Applicants for Agromart training should be carefully screened before being accepted into training to avoid wastage of funds. (Agromart has already devised an attitude and ability test for this purpose, which are combined with a personal interview.)**
- 10) **Agromart's training should be incorporated into the school curriculum where possible. If not possible, school children should be included in the programs as they reach the end of their secondary schooling. At a minimum, Agromart needs to follow up on the school garden component initiated at its Trade Fairs.**
- 11) **The staff could benefit from the English class taught to Agromart participants.**

- 12) **The Agromart Foundation has been collecting resource materials for several years. However, only a few of these were readily available for review or utilization. The staff should arrange these in an accessible manner.**

Annex H.

**Agromart Outreach Foundation
Evaluation**

June 1992

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