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STUDY & DESIGN PROJECT OF
THE COOPERATIVE SECTOR:
FINAL REPORT

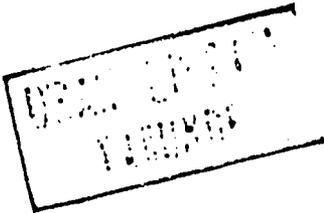


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INTRODUCTION

The purpose of this report is to synthesize eighteen months of studies of the cooperative sector in Cameroon in order to determine the most effective means of achieving balanced cooperative development as well as the manner by which USAID may best assist and participate in this effort.

As will be noted in later pages, this sector is composed of many diverse and interacting parts. The goal of identifying and elucidating upon these sub-sectors has only been possible through the support and collaboration of certain special parties. Thanking everyone involved would probably necessitate another appendix to this report, however, some individuals justly deserve to be specifically mentioned here.

First of all, the collaboration of the Director of the Department of Cooperation and Mutuality, Mr. S.S. Shang, can only be described as having been excellent, especially in terms of facilities, communications, and procedural matters. The USAID/Yaounde office, of course, deserves the credit for its patience and financing of this operation, and the Project Officer, Mr. Richard Goldman, for advice and support at necessary intermediate levels. The staff of Coop/Mut, especially Mr. S.P.D. Tita and Mr. Antoine Mvogo are gratefully recognized here for their availability whenever needed, most specifically as concerns providing the project with a

Cameroonian perspective. In addition, all cooperative staff encountered in the field, including volunteers, greatly facilitated the data collection and case studies aspects of the project, and our consultants and cooperating agencies (e.g., the World Council of Credit Unions, AID/DS/RAD - Bureau of Development Support/Office of Rural Development and Development Administration, the Volunteer organizations) provided that technical support which ensured a well-rounded study. Finally, credit for the translation of this document into French is reserved for Mr. Antoine Mvogo of the Department of Cooperation and Mutuality and Mrs. Katherine Bensaïd and the cover design was by Ms. Lea Orr.

The views expressed in this report are only those of this writer, as a result of findings of this multi-faceted study as well as his own sixty-eight months of experience working for the Cameroonian cooperative sector, and not those of the Department of Cooperation and Mutuality nor of the USAID/Yaounde office. While the appendices to this report reflect the various findings of the Study and Design Project, it is suggested here that the full documents referred to be examined if the reader wishes to be provided with a broader understanding of not only the sector but also the remarks made on the following pages.

Mr. Dean Mahon
April 1980

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I. BRIEF HISTORY OF THE STUDY AND DESIGN PROJECT

The idea for this Study and Design Project was a direct result of a March 1977 two-week exploratory research mission by the Cooperative League of the United States of America (CLUSA) upon the request of USAID's Regional Development Office in Yaounde. This study foresaw great potential for development efforts within the cooperative sector, but acknowledged the fact that this sector should be defined and described in greater detail, since essential information (concerning such areas as activities, training levels, and member awareness) was lacking both at the Government of Cameroon level and the USAID office.

Shortly thereafter, a Project Identification Document was submitted to AID/Washington for review and comments of the review, reiterating the need for such a study, were received by USAID/Yaounde in March 1978. In May of the same year, through the Ministry of Economic Affairs and Planning, the Government of the United Republic of Cameroon was informed of USAID's desire to commence a study which would form the basis for a major cooperative development project. The following September the Government expressed its interest that USAID/Yaounde contact the Ministry of Agriculture in order to establish close collaboration on the study. The Ministry of Agriculture then provided the USAID-funded technician with office facilities and counterpart staff from its Department of Cooperation and Mutuality.

The project's methodology was formulated following several working sessions with Coop/Mut's Director and staff, the technician and the Project Officer. It was decided that four areas should be dealt with separately: the cooperatives themselves, the cooperative training centers, the government supervisory service for the cooperative societies, and the cooperative ramifications of the development societies. (The last area mentioned was later dropped in deference to priorities). Participants in the project would be Coop/Mut staff in the field, cooperative personnel, expatriate volunteers posted to cooperatives, the technician, short-term consultants, and specialized third-parties (e.g., the World Council of Credit Unions). At a later point in time, it was also agreed to have USAID, supported by DS/RAD, perform an agricultural marketing study in one Province (the North West was chosen due to the language facility for the researchers and the fact that several cooperative marketing societies had already begun diversification programs in the area of foodstuff marketing). The purpose of this study was to gather all available marketing information from the province, with a view towards improving cooperative marketing mechanisms and expanding diversification programs.

All studies were completed by the end of November 1979 and it was from that point that research remaining to be distilled was eventually put into report form. The summaries of these reports form a major portion of the appendices to this final report.

II. THE COOPERATIVE SECTOR IN RESUME

The cooperative sector in Cameroon can best be described as a synergetic mosaic. It is composed of diverse and sometimes overlapping entities which, when taken as a whole, have as their general purpose, the improvement of the life-style of Cameroonians. A description of the sector cannot be properly made without a brief explanation of its entities - any given one by itself cannot justifiably speak for the others.

In general, cooperative societies in Cameroon are presently one of the most successful structures which offer citizens a vehicle to guide their own development. This is not to say that these societies are without problems or that this development process is without its constraints, but rather, that the opportunities and the potential exist for the stimulation of a self-development process (especially in the rural areas) through these existing structures and institutions. Perhaps just as important as the fact that what is needed here is simply the reinforcement of institutions, rather than their creation, is the continued support of the Cameroonian Government for these structures. Although several specific areas should be reinforced and some statutory decisions should be made, since independence the State has continually shown (through such means as the Law, Decrees and Presidential Addresses) that it is interested in encouraging the growth, expansion and diversification of cooperative activities.

Recently, note has been taken of the government's national policy of "balanced development" ^{1/} in Cameroon's future. It seems reasonable to assume that this policy should also be effectively carried out within the various development sectors, including that of cooperatives. Briefly, this would mean that the focus of development priorities should be given to those sub-sectors which have experienced a comparatively smaller degree of growth and response to farmer and lower-income group needs. This should help to stimulate equal farmer participation opportunities in all areas.

As a result of the studies undertaken in conjunction with this project, below are listed the various cooperative sub-sectors in Cameroon, prioritized according to needs and outside interventions and/or lack of them:

1/ Cooperative Membership Education - is of the utmost importance in that without an awareness by members (and potential members) of what their cooperative is and what their rights and duties concerning it are, these societies will lose their long-term effectiveness as self-development vehicles. Presently, assistance is being given to this sub-sector through a joint Cameroon Government -

^{1/} Especially at the Third Ordinary Cameroon National Union Party Congress in Bafoussam in February of 1980.

UNDP^{2/} / ILO^{3/} project; however, the project agreement welcomes multi-lateral assistance and the sub-sector is important enough to warrant such an effort.

2/ Staff Training - both at the cooperative level and for employees of the supervisory service (Coop/Mut) should be considered as a requisite to not only cooperative activity diversification and development, but also the maintenance of the status quo. At present, training levels are critically low - to the point that further capital outlays may no longer be effectively managed. Several overseas scholarships^{4/} are offered annually, but the number of staff trained has not kept up with the cooperative movement's growth.

3/ A Central Planning Capability - for the balanced development of the cooperative movement does not presently exist. This capability should be a function of the Department of Cooperation and Mutuality. The purpose of this capability would be to both avoid management by crisis situations and guide the various sectors towards the realization of time-scaled practical objectives.

4/ The Marketing Cooperatives of the Mungo Division - are in the worst position of any of the cooperative groupings in Cameroon, considering their disorganization, lack of staff and equipment. The

2/ United Nations Development Program

3/ International Labor Organization

4/ Canada, United Kingdom, Federal Republic of Germany

population which they could serve is presently at the mercy of private traders who do not always respect minimum cash crop payment levels.

5/ The SOCOODERs ^{5/} - are among the youngest in the country, yet have experienced tremendous growth rates in terms of membership and amount of produce sold in recent years. Their potential rests with the economic backbone of cash crop marketing ^{6/}, yet they are lacking in the means and qualified personnel necessary to effectively participate directly in the marketing process. (A major portion of these products must still be handled by expatriate exporters, although the cooperatives receive margins on the produce sold to them, for acting as intermediaries on the village level). Further growth and diversification is dependent upon the development of skills and organizational techniques along with capital acquisition.

6/ The SOCOOPEDs of the North Province - can best be termed virgin societies as concerns cooperative development. Due, in part,

5/ SOCOODERs - Cooperative Rural Development Societies.

Due to such homogeneous factors as history, structure and activities, this grouping includes: the two SOCOODERs of the Littoral Province, the nine SOCOODERs of the Center South Province, the five CEN DEC (the National Center for the Development of Cooperative Enterprises)-supervised cooperatives, in the Lekie Division of the Center South Province, the three SOCOOPEDs (Cooperative Savings and Development Societies) of the East Province, and the SOCOOPER in the Boumba and Ngoko Division of the East Province.

6/ 80% of the country's cocoa passes through these societies, as well as a large amount of robusta coffee.

to a lack of resources at the disposal of the supervisory service, no measures have yet been taken within this sub-sector to transform para-administrative structures into farmer organizations. Those who are called members are poll-tax payers (rather than share subscribers), there are no village level structures, no meetings of farmers are held, and they are the only cooperative societies remaining in Cameroon in which Board members are not chosen through an election procedure. On the other hand, the possibilities and potential for cooperative development will be virtually limitless once a decision is reached to adapt these societies to the necessities of real participatory structures.

7/ The Marketing Cooperatives of the South West Province - have only recently (September, 1979) been reorganized into a provincial union^{7/} comprised of nine regionally based societies. Due to the "checker-board" style of marketing in the province (two administrative divisions are cooperative marketing monopoly zones, while the other two are not), confusion still exists, which when added to the lack of trained personnel and equipment, will continue to cause problems even after the recent restructuring efforts.

8/ Credit Unions - as a whole, are some of the most democratic and participatory cooperative structures in the country. Unfortunately, this sub-sector is not yet financially self-sufficient.

7/ SOWEFCU - South West Farmers Cooperative Union.

Presently under review is a comprehensive project proposal from CUNA ^{8/} / WOCCU ^{9/} to USAID which, with the participation of other donors (the Konrad Adenauer Foundation, the U.S. Peace Corps, the Organization of Netherlands Volunteers, the Canadian National Federation of Desjardins Credit Unions), would attempt to establish a national technically and financially self-sufficient credit union association within a five year period.

9/ Women's Cooperative Societies - are located in the North West and South West Provinces. Those in the former province are, for the most part, affiliated to marketing unions, while none of those in the latter are. These societies are very much in need of such basics as personnel training and operational equipment. However, they are prioritized lower than most others because they are few in number and the services which they provide could be more efficiently furnished through the diversification of the activities of existing structures.

10/ The Marketing Cooperatives of the North West Province - are generally affiliated to unions, which are in turn affiliated to the N.W.C.A. ^{10/} As marketing societies, these touch the small farmer in a more direct manner than any other in the country, due to their decentralized structures (which, however, have caused some probably unnecessary administrative costs). Several societies

8/ CUNA - Credit Union National Association

9/ WOCCU - World Council of Credit Unions

10/ N.W.C.A. - North West Cooperative Association

(affiliated to the Nso and Nkambe Unions) have begun diversification programs which, in the near future, could serve as models for other Cameroonian cooperatives.

Although paid-up membership is proportionally lower here than in other marketing cooperative areas, a point highlighted by the country-wide case studies was that member/farmer awareness is the highest in these societies. A consortium (Cameroon Government, European Development Fund, German Federal Republic, International Fund for Agricultural Development) has been planning a major integrated rural development project, which would use the cooperative structures as the project's implementation vehicle. The commencement date for such activities has been postponed several times due to the perceived need for further studies.

11/ The Marketing Cooperatives of the West Province - are grouped within the U.C.C.A.O.^{11/} These cooperatives, as a group, represent 1.63% (7/429) of all of those in Cameroon, yet hold 89% of the reserve funds and achieved 60% of the surpluses at the end of the 1978 fiscal year, mainly because they are the only functioning cooperatives in the country with the right to export their cash crops directly to the world market.

Despite this economic prosperity, member/farmer awareness of what these societies are and what they can do for them is extremely low (due, in large part, to overly-centralized administrative structures). A World Bank sponsored rural development project functioning

^{11/} U.C.C.A.O. - Central Union of Agricultural Cooperatives of the West

through U.C.C.A.O. (the Union's General Manager is the Project Director) was signed at the end of 1978 and has recently begun to take effect.

12/ Other Diverse Cooperative Societies - are those not within the above groupings, having various principal activities, such as: shoe-making, animal raising, and construction. In the rural areas assistance should be given by existing regional structures to those societies of this type which need it, while future planning should consider the importance of the others as a function of localized urban growth (and encourage, for example, consumer societies).

III. COOPERATIVE DEVELOPMENT IN THE UNITED REPUBLIC OF CAMEROON

Cooperatives have proven themselves to be very important to the economic and social growth of Cameroon. Besides providing the structures for the marketing of most of the country's cocoa and coffee, they:

- protect the farmer at the marketplace by ensuring him a fair price for his produce;
- operate supply services in rural areas;
- distribute surpluses to farmers (mainly through bonus payments on produce);
- are the primary vehicle used for the distribution of FONADER ^{12/} credit at the village level;
- provide savings and loan facilities in both rural and urban areas;
- finance grass-roots community development projects;
- provide services in general to 1.4 million Cameroonians and their families; and,
- offer the small farmer a vehicle through which he can participate in the development of his own area.

Overall constraints to the development of this sector are:

- a lack of adequate farmer/member awareness of the purpose and functions of these societies;

12/ FONADER - National Rural Development Fund

- a shortage of qualified staff to deliver necessary services; and,
- insufficient resources to carry out diversification programs, or even, in some cases, to perform their primary activities.^{13/}

Corollaries to these constraints are:

- the lack of career opportunities for staff of the supervisory service due to the "non-legal" status of the department (Coop/Mut);
- inadequate auditing of cooperative societies;
- improper admission procedures at the cooperative training centers and confusion regarding these centers' diplomas; and,
- non-standardized accounting and organizational procedures among the cooperatives (sometimes even within the same zone).

If the present situation continues, the following results may occur:

- cooperative societies will essentially become private enterprises, run by and in the interests of managers and influential board members;
- surpluses achieved at the end of each fiscal year will be wasted through the inefficient use of capital outlays;
- the supervisory service, rather than being a development guide, will cease to function; and,
- the training centers will be useless.

Cooperative societies will continue to grow, and, in some areas, they will be the farmer's society - but the opportunity will be lost to

^{13/} This is due, in some sub-sectors, to the fact that adequate compensation for the marketing of cash crops is not allowed via the contracts with exporting houses negotiated through the Ministries of Agriculture and Economic Affairs and Planning.

render the most effective participatory services to farmers/members through societies with unlimited potential.

Cooperative development will be most practically achieved upon the assumption by existing and new regional structures of many of the present duties of the supervisory service, the establishment of adequate and recognized training capacities for higher, middle and lower level cooperative staff,^{14/} and a legal status for the Department of Cooperation and Mutuality. This infers, of course, an eventual new role for the supervisory service. Recognizing present impossible burdens, an example of this role would be the supervision of bids by outside firms for the annual auditing of regional structures and their societies. The expenses incurred by such exercises would be assumed by the cooperatives concerned, as is already stipulated by cooperative law. Additionally, these regional structures should eventually replace the Ministries in the negotiation of marketing contracts.

The achievement of this level of development is predicated upon harmonious self-sufficient service-oriented progression by each of the aforementioned sub-sectors. Time-scaled objectives should be elaborated upon by Coop/Mut and coordinated with donor assistance. Assuming that a plan could commence in the immediate future, the broad objectives could be:

- Year 1: - detailed formulation of annual sub-sector objectives
- institution of member/farmer education programs in all provinces

^{14/} both for the societies and Coop/Mut

- establishment of legal status for cooperative training centers
 - commencement of quarterly donor coordination sessions
 - cooperative curriculum development at the University Center for Agriculture at Dschang and the Superior Agronomy School at Nkolbisson
 - approval of a statute for the Department of Cooperation and Mutuality.
- Years 1 - 5:
- organization of regional structures in the Mungo Division and for the SOCOODERs
 - organization of national credit union association
 - affiliation of women's societies to regional structures
 - diversification of activities of existing structures (N.W.C.A., U.C.C.A.O., SOWEFCU, UNISOCOOPED - Nord)
 - expansion of cooperative training centers' facilities and training capacities
 - auditing of accounts of regional structures and affiliates by outside firms funded by these structures and chosen by Coop/Mut
 - assumption of grass-roots educational responsibilities by regional structures and affiliates

- increase in supervisory service's budget and personnel levels
 - decentralization of services of all cooperative societies
- Years 5 - 10:
- completion of acquisition of necessary equipment for marketing self-sufficiency by concerned cooperatives
 - diversification of activities of all existing structures
 - assumption of grass-roots educational responsibilities by all existing structures
 - accounts of all societies audited by outside professional firms, chosen after a proper bidding procedure by Coop/Muc and funded by the appropriate apex organization
 - achievement of technical and financial self-sufficiency by all cooperative societies
 - administrative decentralization of cooperative societies, which have achieved appropriate levels of technical and financial self-sufficiency
- Year 10: - Installation of National Cooperative Federation, with regional (sub-sector) apexes as affiliates.

In order to accomplish the above, each of the sub-sectors must be viewed as separate entities comprising the cooperative sector and, being treated as such, have their own intermediate development strategies. The outlines of these strategies over the short-term are presented below:

1/ Membership Education:

- a) constraints - In spite of the legal stipulation that 5% of a cooperative's annual net surplus be set aside in an education reserve fund, a great number of societies have invested these funds in fixed assets, thus precluding their use in a member education program. Additionally, there is a lack of basic materials for educational purposes and a minimum amount of understanding on the part of cooperative managers as to the necessity for such a type of exercise and therefore a lack of collaboration, as evidenced by the general absence of such programs in the past.
- b) solutions - The UNDP/ILO has already begun a program with the Cameroonian Government, towards which they have contributed \$1.1 million over a 3-1/2 year period. As a result of this, general education documents will be printed, education extension agents will be trained, and cooperative personnel will attend short seminars. Further clarifications are needed as to the type of material to be

printed (e.g., the necessity for model internal regulations for cooperative societies) and cooperative accounts should be properly audited in order to determine the funds available to develop this program.

2/ Staff Training:

- a) constraints - The most obvious problem here is the lack of legal status for the cooperative training centers. At present, the admission procedures are not standardized, the centers are seriously understaffed, facilities (especially at the Ebolowa school) are in need of repair and/or replacement, and the budgetary levels are not sufficient to cover the necessities of proper training.
- b) solutions - These schools must receive their statutes in order to provide proper evidence of government support for the expanding needs of the cooperative sector. Additionally, facilities should be expanded in order to accommodate both refresher courses and longer-term training needs, teachers must be recruited and properly trained in methodology, the curriculum must be revamped, and operational budgets must be increased.

3/ Central Planning Capability:

- a) constraints - As previously noted, this necessary capability does not presently exist. The overriding reason for its absence is the general lack of Coop/Mut staff.

- b) solutions - The Department of Cooperation and Mutuality should be granted the legal status necessary to recruit and maintain qualified personnel as well as training existing staff. Further, in order to respond to increasing cooperative sector needs, data bank hardware and expertise should be installed at the Coop/Mut Yaounde office.

4/ The Marketing Cooperatives of the Mungo Division:

- a) constraints - These cooperatives lack virtually everything - a guarantee of adequate commissions to provide proper services to members, trained staff, equipment and appropriately organized structures.
- b) solutions - Trained staff should be recruited (or seconded for an interim period), contracts with coffee exporting houses should be renegotiated,^{15/} coffee processing and marketing equipment should be acquired, and a divisional cooperative structure should be organized in order to standardize procedures and better represent smaller cooperative units.

5/ The SOCOODERs:

- a) constraints - The biggest problem affecting these societies is the lack of adequate commissions for the marketing of cocoa to provide the incentive to gradually replace the expatriate exporting houses. Trained personnel are also

^{15/} with the initial collaboration of the Ministries of Agriculture and Economic Affairs and Planning.

lacking at all levels and virtually all managers are civil servants. Finally, cooperatives in this region of the country have had a history of no confidence among farmers.

- b) solutions - An inter-provincial apex structure should be created covering all of these cooperatives, which would be in a better negotiating position for cash crop marketing contracts. The CENADEC-supervised societies in the Lekie Division should no longer remain under the auspices of a pilot zone (after eleven years), but rather appreciate the same status as the SOCOODERs. Marketing documentation and accounting procedures should be standardized and staff should be properly trained with the goals in mind of adequately performing necessary services for farmers and phasing-out the civil service management over the short term.

6/ The SOCOOPEDs of the North Province:

- a) constraints - These structures are the only cooperatives in the country which do not have a traditional cooperative base; they have no real members. An existing impediment to their evolution is the influence in traditional cooperative areas of such development organizations as the SEMRY^{16/} and the SODECOTON,^{17/} as well as the National Cereals Board.

^{16/} Society for the Expansion and Modernization of Rice Cultivation in Yagoua.

^{17/} Cotton Development Society

- b) solutions - Prior to all else, share capital subscription should be opened up to all eligible citizens. Following this basic decision-making reorganization, cooperative activities and services should be expanded to include such areas as: animal breeding, fisheries and foodstuffs and cereal marketing. (This last activity may be performed as a village-level intermediary of the Cereal Board, in the same way that, for instance, the SOCOODERs presently market cocoa).

7/ The Marketing Cooperatives of the South West Province:

- a) constraints - The biggest constraints in this zone are the lack of adequate equipment and personnel to perform basic marketing tasks and the unharmonized systems of marketing between the various divisions.
- b) solutions - As soon as the new union (SOWEFCU) is functioning, two of its initial tasks should be to procure necessary equipment and to renegotiate the placement of monopoly buying zones, so that illegal boundary crossing and improper produce payments to farmers may be averted. Existing personnel should be trained and experienced staff (even former private traders) should be recruited.

8/ Credit Unions:

- a) constraints - Credit unions lack the field staff needed to carry out periodic audits of primary societies. There

also seems to be a proliferation (especially in the North West Province) of small nonviable societies. Finally, there exists a language problem among the provinces, as well as organizational and procedural differences between the Center South societies and those of the rest of the country.

- b) solutions - Presently under review is a project proposal which would involve four major donors (CUNA/WOCCU, KAF, the U.S. Peace Corps, and the Organization of Netherland Volunteers) in a major effort to assist the credit union movement in attaining financial and technical self-sufficiency after a five year period. This proposal also calls for the creation of a national credit union association which would relieve problems caused by regional differences.

9/ Women's Cooperative Societies:

- a) constraints - These societies fall into two categories: those affiliated to marketing unions and those which are not. The former are in a situation of being too dependent upon the unions, and thus have little stimulation for the efficient cooperative management of their operations. This has been shown, for example, by several unsuccessful foodstuff marketing schemes in the past. The latter type of societies have suffered from a trader-oriented mentality, while both lack trained female personnel.

- b) solutions - First of all, an adequate number of female staff must be trained in cooperative principles, practices and management in the immediate future. These personnel must also be career minded, so as to avoid similar situations as have occurred in the past whereby trained staff have more frequently than not left these societies for private sector work. Since these societies are young, they should be assisted by the more experienced marketing unions. In order to avoid being "locked-in" single-purpose syndromes, activity diversification (e.g., crop production techniques) should be encouraged. They should be reorganized into provincial structures which are then affiliated to the provincial marketing apexes.

10/ The Marketing Cooperatives of the North West Province:

- a) constraints - Unlike its neighbor (UCCAO) in the West Province, the apex organization does not have an export license, and therefore has a built-in annual ceiling on its development and diversification capacities. It is not able to plan effectively due to the continual delay in implementation of the High Plateau Project.
- b) solutions - A license for the export of cash crops and foodstuffs should be granted to the N.W.C.A. Contrary to the summary opinion of the North West Marketing Study (see Appendix VIII), the priority diversification effort of these societies should be in foodstuffs, rather than livestock.

11/ The Marketing Cooperatives of the West Province:

- a) constraints - There exists a lack of communication between cooperative employees/managers and members. Services are only beginning to become decentralized and diversification efforts exist in only a few of the societies.
- b) solutions - A World Bank project (\$25 million) to assist this cooperative grouping is to become operational. This project should concentrate its efforts on bringing operations and decision-making closer to the section and center levels and developing foodstuff marketing schemes and community development projects, rather than just coffee production stimulation.

12/ Other Diverse Cooperative Societies:

- a) constraints - Although these societies are the result of individual community efforts, their major problem is that they cannot work efficiently as a group, due to the diversity of their operations and random placement throughout the country. Several have been extremely successful (e.g., the COO-FRE-CAM), while others continue to record losses (e.g., the COOPAGAL), due to mismanagement and lack of trained personnel.
- b) solutions - Those societies of this type located in rural areas should be encouraged in their growth by the

larger and older regional structures. The apexes should assist in the training of their personnel (on the job) and grant budget support over the short term. Societies located in the urban zones, not typically in financial difficulty, should be encouraged, given the expanding urban population and growing services which must be available to it.

IV. CONCLUSIONS/RECOMMENDATIONS

Since the cooperative sector has proven itself vital to the well-being of Cameroonians, especially in the rural areas, and because its spirit of self-development is practically unique among means available to Cameroonians, USAID should seriously consider a major intervention in this sector. The principal theme of such an intervention should be balanced participatory cooperative development, with the ultimate goal of total technical and financial self-sufficiency for the sector.

The two primary emphases of American assistance should be staff training and the institution of a central cooperative development planning capability. However, prior to any external support for these sub-sectors, the Government of the United Republic of Cameroon should signal its own interest in such an effort by granting practical legal status to the two cooperative training centers in Ebolowa and Bamenda, as well as to the Department of Cooperation and Mutuality. Until these constraints are removed, counterpart support will not be guaranteed and the deterioration of these institutions will continue.

Staff training should be geared both for cooperative employees and Coop/Mut personnel and take place at three distinct levels: the existing training centers, the new University Center for Agriculture at Dschang, and overseas. The Ebolowa and Bamenda centers should be refurbished, their staff trained in pedagogy, and their curricula

updated. The Department of Agricultural Economics at the Dschang Center should include a specialization in Cooperation. Graduates in this discipline will thus provide the movement with highly qualified senior staff. Finally, overseas training is immediately necessary, since no other training alternative presently exists.

The creation of a central planning capability would, in effect, mean direct assistance to the Department of Cooperation and Mutuality in the following areas:

- implementation of a cooperative self-sufficiency plan;
- data collection and analysis to facilitate the monitoring of the plan; and,
- the maintenance of balanced development through short-term direct interventions to the less prosperous regional sub-sectors.

The necessity of short-term assistance to one or more of the various sub-sectors, due in part to a lack of staff and resources at the cooperative and Coop/Mut levels, can only be rectified over time. For the interim period, however, the minimal priority as concerns these groupings should be the maintenance of their viability.

Those areas (e.g., the Mungo marketing cooperatives) which are presently lacking in all primary necessities (staff, capital assets, proper marketing conditions) should be treated with extreme urgency, while the others (prioritized earlier in this report) should be

periodically evaluated in terms of their responsiveness to beneficiaries' needs, staffing capacities, and resource utilization. Such evaluations would, where perceived necessary, result in short-term direct strategies guided and assisted by the central planning unit. The duration of these interventions would be a function of the necessary tasks (e.g., three months with the women's societies, two years with the SOCOOPEDs in the North). Additionally, the planning unit would be able to look into such matters as: cooperative relationships with development organizations and other para-statal (e.g., MIDEVIV,^{18/} FONADER), curricula for the training centers, and the marketing of agricultural products in provinces other than the North West (where such a study has already been done).

Simply stated, the crucial needs to be filled at present are the provision of qualified staff to effectively render services to participants in the cooperative movement and the implementation of a realistic self-sufficiency oriented direction for the entire sector.

^{18/} Food Crop Development Authority

ADDENDUM

PROFILE OF COOPERATIVE SOCIETIES IN CAMEROON BY TYPE

1/ Marketing Cooperatives of the Mungo Division

Location: Mungo Division, Littoral Province

Number of Societies: 9

Apex or Union: 0

Membership: 8,753

Total Beneficiaries: 25,118

Full-time Staff: 43

Part-time Staff: 394

1978 Agricultural Tonnage Sold: 4,121 tons

1978 Profit Distribution per Farmer/Member: 0 FCFA

1978 Year-end Surplus: 326,371 FCFA (\$1,484)

2/ SOCOODERs

Location: Nkam and Sanga-Maritime Divisions, Littoral Province;
all Divisions, Center-South and East Provinces.

Number of Societies: 20

Apex or Union: 0

Membership: 97,670

Total Beneficiaries: 224,772

Full-time Staff: 429

Part-time Staff: 353

1978 Agricultural Tonnage Sold: 82,130 tons

1978 Profit Distribution per Farmer/Member: 3,337 FCFA (\$15)

1978 Year-end Surplus: 397,164,460 FCFA (\$1,805,293)

3/ The SOCOOPEDs of the North Province

Location: All Divisions of the North Province

Number of Societies: 6

Apex or Union: 1

Membership: -

Total Beneficiaries: 347,687

Full-time Staff: 143

Part-time Staff: 20

1978 Year-end Surplus: 76,152,900 FCFA (\$346,150)

4/ The Marketing Cooperatives of the South West Province

Location: All Divisions of the South West Province

Number of Societies: 9

Apex or Union: 1

Membership: 13,544

Total Beneficiaries: 46,404

Full-time Staff: 139

Part-time Staff: 207

1978 Agricultural Tonnage Sold: 8,021 tons

1978 Profit Distribution per Farmer/Member: 461 FCFA (\$2)

1978 Year-end Surplus: 135,925,245 FCFA (\$617,842)

5/ Credit Unions

Location: All Divisions of the North West and South West Provinces; Bamboutous, Mifi and Menoua Divisions of the West Province; Mungo and Wouri Divisions of the Littoral Province; Mefou, Mfoundi, and Lekie Divisions of the Center-South Province.

Number of Societies: 209

5/ Credit Unions (continued)

Apex or Union: 2

Membership: 45,487

Total Beneficiaries: 45,575

Full-time Staff: 123

Part-time Staff: 5

1978 Profit Distribution per Member: 934 FCFA (\$4)

1978 Year-end Surplus: 68,591,083 FCFA (\$311,778)

6/ Women's Cooperative Societies

Location: All Divisions of the North West and South West
Provinces

Number of Societies: 8

Apex or Union: 0

Membership: 4,463

Total Beneficiaries: 104,071

Full-time Staff: 8

Part-time Staff: 3

1978 Agricultural Tonnage Sold: 463 tons

1978 Profit Distribution per Member: 91 FCFA (\$0.41)

1978 Year-end Surplus: 5,634,631 FCFA (\$25,612)

7/ The Marketing Cooperatives of the North West Province

Location: All Divisions of the North West Province

Number of Societies: 116

Unions: 11

Apex: 1

Membership: 35,960

Total Beneficiaries: 144,960

Full-time Staff: 398

7/ The Marketing Cooperatives of the North West Province (continued)

Part-time Staff: 4,407

1978 Agricultural Tonnage Sold: 7,599 tons

1978 Profit Distribution per Farmer/Member: 1,948 FCFA (\$9)

1978 Year-end Surplus: (-19,932,177 FCFA) (\$-90,601)

8/ The Marketing Cooperatives of the West Province

Location: All Divisions of the West Province

Number of Societies: 6

Apex or Union: 1

Membership: 93,321

Total Beneficiaries: 149,221

Full-time Staff: 717

Part-time Staff: 1,190

1978 Agricultural Tonnage Sold: 17,211 tons

1978 Profit Distribution per Farmer/Member: 4,258 FCFA (\$19)

1978 Year-end Surplus: 1,584,534,898 FCFA (\$7,202,431)

9/ Other Diverse Cooperative Societies

Location: Various, throughout the United Republic

Number of Societies: 30

Apex of Union: 0

Membership: 14,920

Total Beneficiaries: 372,100

Full-time Staff: 278

Part-time Staff: 178

1978 Agricultural Tonnage Sold: 152 tons

1978 Profit Distribution per Member: 2,335 FCFA (\$11)

1978 Year-end Surplus: 280,809,710 FCFA (\$1,276,408)

APPENDIX I

A BRIEF SURVEY REPORT ON
COOPERATIVES IN THE UNITED REPUBLIC OF CAMEROON

PREPARED FOR: THE USAID MISSION, YAOUNDE

PREPARED BY: THE COOPERATIVE LEAGUE,
USA (CLUSA)

MARCH 1977

CONCLUSION:

The cooperative sector offers real and viable program possibilities for AID involvement. These would meet many of AID's programming criteria. The sector is important to the government and receives strong support. Indications are that this support will continue and become even stronger in the future.

Cooperatives play a vital role with the rural farming population. While concentration is presently on marketing services for export crops, co-ops are increasingly providing necessary extension services as well as farm supply input, consumer goods, credit and social services. More importantly, however, the cooperative structure contains the potential whereby the small farmer can be organized and make his voice heard at higher levels. Development of this aspect within the current day movement is not great, but the potential does exist and can be stimulated.

While much can be found wrong with the cooperatives from historical failure to current corruption and incompetence, the cooperatives appear to be the major rural institutional structure in the Cameroun which offers the opportunity of greater farmer participation and services in the rural areas. We saw no alternative institutions which are prepared to play this role. We anticipate that the government will continue

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to support and strengthen cooperatives as a major rural institution.

RECOMMENDATIONS:

1. USAID should consider the cooperative sector for a major long term program effort. However, neither USAID nor the government of Cameroun presently have sufficient information to design and plan such a program. The first step should be to conduct a full sector analysis. This study should be undertaken with the active participation of the Department of Cooperation and Mutuality. The sector analysis would accomplish the following purposes:

form the basis for COOP/MUT to develop a comprehensive three to five year plan for the co-op sector, including the two colleges under the Department of Agricultural training

provide USAID with a design for a long term support effort to complement that plan

strengthen COOP/MUT by highlighting the serious problems of staff shortages, inadequate training and lack of legal status, to the Ministry of Agriculture in order to obtain needed support

prepare COOP/MUT to effectively deal with the forthcoming additional responsibilities related to the creation of a National Marketing Board, coordination of the parastatal organizations working in the co-op sector and implementation of the diversification program

offer COOP/MUT and USAID an opportunity to bring together the various foreign donor agencies assisting cooperations in order to facilitate communications and coordination of outside assistance

2. USAID should consider providing immediate grant assistance to support existing training programs which emphasize up-grading co-op employee skills and membership training at the primary and secondary levels. Several opportunities are worthy of exploration:

training of primary level cooperative personnel in the Lekie area in conjunction with the existing CENADEC project

matching the funds of the cooperative unions which support the Bamenda Cooperative College in order to increase student enrollment and fully utilize the present staff and facilities of the institution

assist both cooperative colleges in their ability to give needed short term courses to cooperative personnel

3. Any additional participant training scholarships which are available for the co-op sector should be given to present employees of COOP/MUT, teaching staff committed to the co-op colleges or employees of apex cooperatives and should be given in the field of accounting and financial management.

APPENDIX II

**OFFICIAL CORRESPONDENCE CONCERNING THE
CAMEROON - U.S.A.I.D. COOPERATIVE SECTOR STUDY AND DESIGN PROJECT**

I. Origin of Project

- A. May 9, 1978: letter from USAID/Yaounde Director to the Minister of Economic Affairs and Planning expressed the possibility of jointly developing with the Cameroonian Government a major cooperative project.
- B. September 18, 1978: letter from the Minister of Economic Affairs and Planning to the Director of USAID/Y, in response to the letter cited above (I.A.), requested that USAID/Y begin a study foreseeing the development of the cooperative sector and contact the Ministry of Agriculture, so that the project be designed in close liaison with the concerned services.
- C. September 26, 1978: letter from the Minister of Agriculture to the Minister of Economic Affairs and Planning, in reference to the letter (I.A.) cited above, stated that his Ministry was favorable to the idea of the project and requested that the Director of USAID/Y be so informed.
- D. October 6, 1978: letter from the USAID/Y Director to the Minister of Agriculture, in reference to the aforementioned letter of 9/18/78, stated the study objectives and methodology, named Mr. Dean Mahon as project manager, and requested that the Ministry designate a counterpart department with which the project manager would work and which would provide him with office space.
- E. October 19, 1978: letter from the Minister of Agriculture to the Minister of Economic Affairs and Planning, referring to the

the latter's letter of 9/18/78, stated that the Department of Cooperation and Mutuality had been designated to collaborate fully with USAID/Y towards the design of the project, as well as providing the project manager with office space.

II. Other Correspondence

- A. November 7, 1978: letter from the Director of Cooperation and Mutuality to the Director of Agricultural Training forwarded documentation on the study project and informed the latter that, as concerned the cooperative training establishments, the study team would be in contact with him.
- B. November 16 and 20, 1978: letter from the Director of Agricultural Training to the Directors (respectively) of the cooperative training establishments in Bamenda and Ebolowa announced the arrival of the study team and requested full collaboration with them.
- C. December 11, 1978: letter from the Director of Cooperation and Mutuality to the Minister of Agriculture proposed some COOP/MUT staff to be designated as counterpart personnel to the study project.
- D. January 31, 1979: letter from the Minister of Agriculture to the Director of Cooperation and Mutuality designated counterpart staff to the project.
- E. March 19, 1979: letter from the Director of Cooperation and Mutuality to the Provincial Chiefs of Service of the same

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Department forwarded documentation on the project and explained the latter's role in the execution of the study.

- F. September 17, 1979: letter from the Minister of Agriculture to the Secretary General of the Presidency of the Republic requested that the latter's Central Department of Information and Teleinformation allow the use of its computer facilities for the analyses of cooperative data gathered by the study project.
- G. September 27, 1979: letter from the Secretary General of the Presidency of the Republic to the Minister of Agriculture granted the authorization for the study project's manager to proceed with discussions with the Director of Information and Teleinformation concerning the use of the latter's Department's computer facilities for the processing of the cooperative movement's statistics.

APPENDIX III

**A REPORT ON THE COOPERATIVE
TRAINING INSTITUTIONS IN CAMEROON**

PREPARED BY: HENRY GERBER

JANUARY 1979

CONCLUSIONS

1. Assumptions

- It is assumed that GURC intends to follow the desirable sequence for cooperatives in developing countries as accepted by FAO et al: "Begin as champion, continue as partner, and abide as friend."
- It is further assumed that Coop/Mut will receive its statute as the sole GURC Agency for the stimulation and supervision of Co-ops.
- It is further assumed that the two existing Schools will be maintained as the educational arms of Coop/Mut for Co-op as well as its own personnel, under the guidance of the Department of Agricultural Education.
- It is further assumed that all education programs are elaborated according to the needs of the Co-ops as expressed by them in consultation with Coop/Mut.
- It is further assumed that the two Schools receive uniform Statutes spelling out not only their legal status, administration and funding, but also the type of courses to be held and the types of certificates or diplomas they can issue.

- It is finally assumed that the status and pay of the College's teaching staff will be upgraded in accordance with the improved standing of the Colleges, in order to put them on the same level as their colleagues with similar background working in other GURC agencies. This would attract highly qualified teachers to the Colleges and ensure their permanence.

2. Pre-Employment Education

With these assumptions as basis, I shall begin with the manpower needs of the Co-ops and Coop/Mut. According to Coop/Mut as well as CLUSA there are staff insufficiencies in Coop/Mut, but their figures disagree:

	<u>Coop/Mut</u>	<u>CLUSA</u>
superior level	42	43
middle level	214	59
lower level	342	158

Coop/Mut also estimated, and apparently CLUSA used these figures, that there is a shortage of ±280 (200 in the Francophone Zone) of qualified Co-op personnel of the superior and middle levels.

- Superior Level - Figuring 37 Departmental Co-ops in the 5 Francophone Provinces (there are actually 29 Departments) and leaving aside for the time being, the Anglophone Zone

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which has its managers in place, there will be a need for ±80 superior level graduates. If to these are added the needs of the two Colleges for superior level graduates with subsequent apprenticeship in tutoring and teaching (equal to a medical internship), this figure may easily rise to 90. As there is no superior level education in Co-op studies available at present, both Colleges like to be enabled to conduct 3 (or 4) year courses which will result in diplomas consistent with the country's pattern, as laid down in a GURC Decree regulating these and their foreign equivalents according to the number of years spent in post-elementary studies.

- Middle Level - According to the Managers of SOCOODER/NTEM and NWCA, all chiefs of services (up to five: accounting, inspection, marketing, supply, credit) and their assistants should be graduates of 2-year courses. From above figures it can be deduced that between the Co-ops and Coop/Mut from 300 to 400 personnel will have to be trained for both zones. (There is no time to calculate more exact figures, but Mr. Simon is engaged in such a survey for the Department of Agricultural Education and is prepared to let us know his findings.)

- Third Level - For these, there were so far 1-year courses, in Ebolowa, while the 1-year courses in Bamenda (as explained elsewhere) were of a different character and caliber. I am inclined to agree with the Director of the Bamenda College that courses for Primary Society Secretaries, Animators, Warehousemen, Clerks, etc. should become short, specialized courses with some general "Cooperation" background, but that a full one-year course is just too much baggage, in consideration of their levels of education and literacy. Thus, there may be no further need for 1-year courses.

3. On-The-Job Refresher Courses

Duration of present courses is actually 9 and 18 months, respectively, followed by 3 and 6 months absence from College which are given over to ± 2 and 4 months fieldwork and ± 1 and 2 month vacation. School vacation in this country is uniformly from July through September (as I am told). Thus, occasionally, if properly planned, Pre-Employment Courses could be arranged in such a way that when students are on field trips/vacations, refresher course students could fill the vacuum in classrooms and dormitories. Generally, however, there will have to be created more classrooms and more dormitories, especially when, in Bamenda, we have to take additional account of ACOSCA Courses parallel to the ongoing Co-op Courses. These refresher courses, so everybody agrees, must be job-

oriented and of limited duration, rather repeated every year e.g. one month instead of 3 months successively. For Boards of Directors' Courses, probably 1 week as in the past will suffice.

4. Curricula

The present syllabus tends to teach something of everything to everybody, which, it is claimed, is necessary, because a man after having started the job for which he was trained, may suddenly be transferred to another (Head Office to field or vice versa, demotion, promotion). However, there emerged from my discussion with Directors and Professors a consensus that the syllabus should be re-arranged in such a way that the number of hours for general topics be reduced and perhaps taught to all participants together in larger classes (auditorium, library, mess hall), while the number of hours for special subject matters be increased and taught to groups of equal motivation (bookkeepers, inspectors, credit men, etc.).

On the other hand, quite a few subjects included now in both syllabi, are of the Superior level type, and most likely part of the Undergraduate Courses of the University of Cameroon which may furnish eventually the high echelon personnel for Co-ops, Coop/Mut, and the 2 Colleges. (See Alternative 2).

Examples: It does not seem practical to try teaching Primary

School graduates who will occupy (at least for the time being) positions below the levels of Service and Deputy Service Chiefs, e.g. "Mathematics and Business Statistics" in the detailed manner of pp. 14/15 of the 1-year syllabus. Neither should a course for Service Chiefs and their Deputies include e.g. "Economics of Development" (almost a post-graduate subject) as detailed on pp. 25/26 of the 2-year syllabus. If such knowledge becomes desirable in a person destined for promotion, he can be sent to attend pertinent courses wherever and whenever they are offered.

With all these considerations in mind, and owing to lack of time, we have not tried to work out a format for such changes. Moreover, availability of space and teachers must be taken into account (as well as the country's diploma pattern), and, altogether, the Director of Agricultural Education would have to give his stamp of approval.

5. General

Most (possibly all) of the assumptions stated above should have become facts before the inception of an AID Project.

Even the Ministry of Overseas Development of the U.K. is supposed to have stated that they would be ready to do more for Bamenda than they are doing now - 2 teachers-, if these assumptions would become more than that.

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A European Development Fund for Rural Development in NW Province includes education/training, but more in the sense of enabling co-ops to send students to the College, and the College to take care of them. The Project will hardly start, however, before 1980.

As there are all kinds of future assistance foreseeable for the Bamenda College from these sources, and as the Ebolowa Center has the larger number of students to process during the next years, and as the Center at Ebolowa is in much poorer shape than Bamenda, the need for assistance is greater in Ebolowa than in Bamenda.

SUGGESTIONS

1. Alternative 1 - Public Institutions of Higher Learning

In order not to strain the capacities of the 2 Colleges, I suggest that the 3-year courses are held in succession while the 2-year courses will be overlapping. Thus:

There may be - 4 three-year courses for a total of 12 years;

16 two-year courses for a total of 17 years.

As the need in the Francophone Zone appears to be greater than in the Anglophone, I shall tentatively assign 3 three-year and 9 two-year courses to the former, and 1 and 7 respectively to the latter. There will then be going on, in Ebolowa, three simultaneous courses over a period of 9 years, and correspondingly 3 years in Bamenda. If the number of candidates per course is less than 25, or if manpower needs increase owing to the growth of the Cooperative Movement, the above timeframe will become larger (longer).

As the Student Workload in class is ± 30 hours per weeks, and the teacher workload should not exceed 15 hours per week (I would prefer 24 and 12 respectively), there will be needed at peak times (3 Courses) 6 Teachers who should be assisted by 6 tutors* to help the teacher in class during practical work assign-

*e.g. graduates in paedagogy who, after passing their "internship" at Bamenda or Ebolowa, should spend one year at Madison, Wisconsin or Stanford Hall (U.K.), or an equivalent French institution. They will then return as fully qualified instructors and replace foreigners.

ments and to supervise, and assist in, studies, debates, field work etc. The actual situation is:

at <u>Ebolowa</u> - Instructors:	French	(in place)	2
	Cameroonian	(in place)	2
	Dutch	(expected)	1
	(vacant)		<u>1</u>
			6
	Tutors:	(vacant)	6
at <u>Bamenda</u> - Instructors:	British	(in place)	2
	Cameroonian	(in place)	1
	German	(to arrive in '79)	1
	(vacant)		<u>2</u>
			6
	Tutors:	(vacant)	6

These figures do not include the need for guest lecturers (Credit, Marketing, etc.) for whose appearance budgetary provisions will have to be made.

As it has not been our custom to subsidize local salaries or third country technicians (teachers, in this case), our assistance to both colleges must be concentrated on up-grading present facilities. The following is a list of immediate needs:

- Ebolowa
- Renovation of all existing buildings (too big an amount for normal budget allocation)
 - Addition of 2 dormitories and 2 Classrooms, of present size (or equivalent), enlargement of mess hall
 - Replacement of most furnishings and kitchen equipment

- Construction of Teachers' and Students' Lounges.
2 to 3 vehicles, one of which should be a bus for student transportation (there is only 1 vehicle now)
 - Creation of sports facilities
 - Increase and update library - in French
- Bamenda (Renovation is here a much smaller item which can be taken care of by regular budget allotments)
- Addition of 2 classrooms and 2 dormitories, of present size (or equivalent), enlargement of mess hall
 - Better kitchen equipment (Furnishings are not bad)
 - Construction of Teachers' and Students' Lounges
 - Creation of Sports facilities
 - Enlargement of the library to at least 5,000 volumes
 - At least one bus is badly needed (there are 4 old vehicles in poor shape)

Both colleges could use new audio-visual equipment.

Although, as mentioned before, we do not usually subsidize local salaries, I know of at least one exception (in a Swaziland Co-op Project). If it is possible to interest the Government in a scheme for attracting more and better teachers to the 2 Colleges, we could perhaps suggest to complement their pay with special allowances on a phase-out basis, over a certain number of years, the slack to be taken up by GURC.

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In both Colleges, the positions of Deputy Directors are vacant, although requests were made to have them filled. As I see these positions as mainly those of faculty deans, and as there is little talent of this nature available here, I suggest that these 2 positions be taken over temporarily by Americans, under the title of "Advisor to the Director". Both should have previous experience, and one of them must be able to speak French. It is obvious that they can do their job only if the material and manpower conditions outlined before are met in time.

2. Alternative II - Public Institutions of the Middle Level

It may be more in line with GURC thinking and planning to concentrate superior education at the University of Cameroon. The text of the proposed AID Assistance Project to this institution includes at one point a reference to the management of cooperatives under "Business Administration". Later in the text, reference is only made to small and medium business enterprises (which, however, the co-ops are). Perhaps the inclusion of co-ops could be spelled out here a second time. If so, a Business Administration undergraduate who wishes to make a career in Co-op Administration, should be able to have e.g. "Cooperation", "Co-op Law", and "Co-op Organization" offered as teaching subjects during the 4-year course. Such graduates can fill, over a period of time, the ±90 superior level vacancies in the Co-op Movement.

If this possibility can be realized, it would reduce the number of courses and students at the Colleges of Bamenda and Ebolowa, and thereby the number of additional classrooms and dormitory space needed to one each (instead of 2), and also the number of teachers and tutors by at least one each.

It would change the basic assumptions quoted earlier as long as Government (especially Coop/Mut) employees are to be pre-employment trained along with Co-op employees, as the former will continue to desire Civil Service Status (instead of Agents Contractuels).

This assumes that GURC continues to consider the two colleges as public institutions of a middle level character (2-year courses, refresher training, but perhaps no more 1-year courses). Most of the suggested improvements - furnishings, vehicles, etc. - would still be needed, and two American Deans would still serve very useful ends.

3. Alternative III - Private Institutions

A desirable, but perhaps at this stage not yet realizable, alternative is to make the two Colleges completely Co-op financed and Co-op controlled, devoted solely to pre-employment and on-the-job training of co-op employees.

This would be easier in NW and SW Cameroon where, according to a CENADEC survey, the Unions have large Reserves (Legal and Educational), for a good part represented by cash in blocked accounts for cocoa or coffee purchases. Unfortunately this survey is apparently inexact (even illogical in places), and it was not possible to obtain recent Balance Sheets in order to verify the actual situation. Such have been promised, however, and can be analyzed after my departure.

It has been the tenor of several UNDP and CENADEC papers that Educational Reserve funds should be really used for the purpose they were set up to serve, from membership education to support of the Colleges, but without practical consequences, despite provisions in the Co-op Law referring to this aspect.*

Where co-ops are younger, such reserves are likely to be smaller (not in all cases, though, as I have seen two balance sheets where they were considerable).

According to present Co-op Law, MINAGRI can permit further increases of Reserve Funds to be discontinued, upon application of the Co-ops. But this has not happened yet.

*Where and when educational expenses have been incurred, they were apparently debited to Profit and Loss instead of the Reserve Accounts. In consequence, if there was an operational surplus, this method decreased the surplus while at the same time as described by law increasing the Reserve Account.

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Within this alternative, education programs could still be made subject to the approval of the Director of Agricultural Education, but at least they would be designed according to the needs expressed by the Co-ops rather than to the concepts of bureaucrats, even with the best intentions. Such a scheme, combined with the supervision of co-ops by Coop/Mut, would still give GURC the desired control of the ongoing activities for and in the Cooperative Movement.

This alternative may not lead to a GURC recognized certificate or diploma, but there would be no longer any need for them. If and when this alternative is considered, a completely new, job oriented pre-employment syllabus will have to be formulated, for 1-year cycles, and the 2-year cycles could be abandoned. Rather, graduates will return every year, either for refresher or promotional training.

Present installations of both Colleges would probably be sufficient in size, in this case, but still need the improvements enumerated, regarding buildings, furnishings and vehicles. Also the 2. proposed American Faculty Deans would still be of great value in the initial stage.

APPENDIX IV

**A REPORT ON WOMEN'S COOPERATIVES
IN THE NORTH WEST AND SOUTH WEST PROVINCES**

PREPARED BY: LISA MATT

JULY 1979



CONCLUSION:

In reviewing the various cooperatives that have been discussed, different stages of development, degrees of effectiveness and divergent philosophies are revealed. The evaluation of these cooperatives is very much dependent upon how Cooperative Principle, Law and Philosophy is perceived. In the context of all the cooperatives discussed the following are areas that must be discussed to determine the future of women's cooperatives in Cameroon.

1. PROFIT OR SERVICE:

According to Cooperative Law 73/15 Part 1, Article 2,2 the "Fundamental object (of a Cooperative) is to act as an authorized agent in a non-profit making capacity on behalf of their members and perform certain economic functions which satisfy the common needs of such members". Thus when evaluating the effectiveness of cooperatives it is the service to members that must be examined rather than the profits. As has been previously discussed certainly the financial management of the cooperative is of utmost importance but this must be hand-in-hand with the competent delivery of services to members.

In all but one of the cooperatives discussed, Palmoil has remained the main concern and need of the cooperative - Nso, Donga-Mantung, Kom,

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Tombel and others are at least attempting to satisfy a large membership with regular supplies of palm oil at a low cost while still maintaining the administrative framework of the cooperative yet providing some minimal incentive bonus to members. In Kumba, however, it is difficult to term the organization a cooperative. Certainly, in principle, women have joined together in a common effort and with joint capitals resources. However, their activities reflect that of an elitist group succeeding in making large individual profits. Similarly in Mezam, the power struggle (economic plus political) has created inactivity and segmentation leaving a dissatisfied membership.

It appears that in the case of women's cooperatives, the problem of personal power and gain is more prevalent than that of the management striving to make excess profits for the cooperative as a whole at the expense of members. The phenomenon seems to be readily apparent in township areas where there are a variety of ethnic groups present. The solution to this situation is a difficult one. A suggested solution would have to include a method to combat differences, the selection of appropriate leaders, (preferably persons not already holding important positions) and an extension of the Cooperative Law, Principle and Philosophy.

2. STRUCTURE OF THE COOPERATIVE:

The Cooperatives discussed have all indicated different degrees of

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financial independence and various freedoms concerning management decisions. This is not unrelated to the topic previously discussed. It seems that those having full independence from any apex organization have problems functioning as a true Cooperative, have more dissatisfied members, and involve themselves in serious power struggles. Those with different degrees of dependence upon Cooperative Unions appear to function far better as concerns member satisfaction and appropriate leadership. The correlation is a curious one but of course, cannot definitely be proven.

The advantages and disadvantages of affiliation with Cooperative Unions have been presented. Perhaps it is a case of accepting the good with the bad, but the fact remains that no specific guidelines have been established for this type of relationship resulting in uncertainty on both sides. Guidelines need to be set up that will benefit both parties, provide guidance to the women, yet allow growth of the women's understanding especially concerning the decision making process. The seemingly immature attitude of members will continue if no attempt is made to remedy the situation.

3. LACK OF PLANS FOR THE FUTURE:

Since outside financial assistance has not been the result of an overall concerted effort but rather in short-term (one-shot) gifts, the women's cooperatives have not developed to their fullest potential. Whereas cash crop cooperatives have government sanctioned long-range plans and

subsidies, none exist for women's cooperatives. Those grants that are given are at times abused or not used to the greatest benefit of the cooperative. For example, N.P.M.B. grants in 1978 were originally given for the construction of stores. The Mbengwi Women and the Mendankwe Women did so with their own grants, however the Mezam and Donga/Mantung Women, with influence of outside authorities, instead purchased vehicles. The Nso Women paid a loan which was used to purchase a vehicle. In addition to the misdirection of aid, this type of assistance has resulted in a "Missionary mentality". Members, remembering past experience, hope to receive gifts and donations from all outsiders and look to outsiders to solve their problems. (See Donald Jackson, Development Alternatives, Case study on Nso Women.)

If indeed, women's cooperatives are a government supported project, there must be more direct intervention. Plans for their growth must be made and instituted with the assurance that they, as well as cash crop cooperatives, have access to government financial support. This financial support must be made in such a way as to breed self-reliance and reward competent cooperative effort.

4. DIRECTION FOR THE FUTURE:

The existing women's cooperatives are more heavily oriented toward a consumer scheme than that of a producer organization. The fact is that dealing in consumer items, particularly palm oil, is done with much more facility than producer items. Cooperatives such as those in Momo,

Donga/Mantung and Nso are currently attempting the involvement of women producers in the cooperative with much difficulty. Many of those difficulties have been outlined above. Despite the problems, women, in areas where their traditional role is the production of food, persist in the expression of their need to be incorporated into the cooperative structure.

There is no dispute that foodstuffs such as corn, rice, beans, cocoyams, gari and potatoes are available in large quantities and that markets could be had. It is the framework in which to market these goods that is lacking.

Cooperatives are presently struggling individually to market foodstuffs resulting in low turn-overs and at times, losses. There are no women's cooperatives currently attempting to act as a consumer of these items. Since individual effort has proved all but useless, it would seem sensible that another approach be taken.

Until all women's cooperatives who desire to market their members produce join in a common effort, the foodstuff scheme assumes a predestined doom. For example in the North West Province, an apex organization of all women cooperatives (or a branch of the North West Cooperative Association) could be established. This apex would act as a buying agent for foodstuffs at fixed prices and set up a mechanism to effectively market the produce throughout the country. The scheme would necessitate controlled prices,

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financial backing and competent trained personnel with individual initiative. It is a plan worth taking note of and expanding upon in order to actualize the possibilities.

APPENDIX V

**A REPORT ON THE
ROLE, STRUCTURE AND FUNCTIONING OF THE
DEPARTMENT OF COOPERATION AND MUTUALITY**

PREPARED BY: GEOFFREY SHILLINGLAW

AUGUST 1979

Conclusions: The Situation of the Department
and the Choice of Priorities

The Department of COOP/MUT has very extensive statutory and de facto obligations in respect to the over 400 cooperative societies in Cameroon, especially in the fields of organization, finance and promotion/training. It is manifestly unable to fulfill these obligations. Its staff is numerically weak, seriously short of senior cadres, and dangerously under-trained. Particularly critical is the weakness of the central audit/accounts section. External (provincial) audit services are effectively non-functional in most cases. The budgetary allocation to the Department, even at the level of current operations, is insufficient and of recent years stationary. The method of allocation to the external services should be reviewed. The work of the Department is severely limited by lack of transport, especially at the crucial Divisional level.

The resources of the two national cooperative colleges are not being utilized in the training of Departmental staff (nor sufficiently, in the case of the CNFC, for the training of cooperative employees). Cameroon continues to rely heavily, 20 years after recognition of the importance of cooperative training, on overseas cooperative-training institutions.

The failure to provide the Department with civil service

status has had a serious effect on morale in the service, and the consequent disparateness of administrative origin of its personnel does not make for professionalism in the Department. At the heart of the problem is the absence of a career structure for the able young cadre. Existing cooperatively-trained staff are tempted to leave the Department, feeling that their technical expertise offers no chance of future promotion. The belief is deeply entrenched among staff that COOP/MUT is regarded as an administrative second-class citizen. Current proposals for reforming the training colleges would seem likely to create a stable body of cooperatively-trained supervisory staff.

The role of the Department in relation to the activities of three other agencies within the Ministry of Agriculture (FONADER, CENADEC, and the Department of Agricultural Training) could be the subject of a policy review by the Ministry, with a view to improving coordination and a better utilization of resources.

Choices before the Government Authorities

The basic question to be posed by the Ministry of Agriculture and other Ministries concerned is whether the necessity exists for an effective government supervisory service in the cooperative sector. Acknowledging that cooperatives constitute major economic and social institutions in Cameroon, that serious cooperative failures have occurred in the past due to the absence of effective government

support and supervision, and that the current level of effectiveness of COOP/MUT falls drastically short of that required to fulfill its statutory obligations, what is at issue is a direct question of priorities. The priorities concerned are those bearing on the status and resources to be accorded to the Department and to professional training. The choice of priorities will fundamentally influence the development of the cooperative movement.

RECOMMENDATIONS

- (i) that USAID, at the earliest opportunity and as a preliminary to any final decision on assistance to the cooperative sector as a whole, approach the relevant Ministries of the Government of Cameroon for an elucidation of the priorities outlined in the previous paragraphs;
- (ii) that, if so requested, USAID might assist the Government of Cameroon in any subsidiary technical studies necessary to the determination of those priorities;
- (iii) that, specifically, no assistance to the Department of Cooperation and Mutuality or to the cooperative colleges be contemplated by USAID, in the absence of clear decisions by the Government of Cameroon aimed at effectively resolving the underlying problems of the supervisory

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service and the training colleges - such decisions to bear on the status, staffing and resources accorded to these two institutional areas;

- (iv) that once these decisions taken satisfactorily, USAID might then usefully offer assistance in the fields of management, accounting, etc. expertise, to the supervisory service and the colleges;
- (v) that a summary of the conclusions of the Sector Study and Design Project be made available to the Cameroonian authorities at the earliest opportunity after completion, so as to provide them with the fullest information on the extent and problems of cooperative organization in Cameroon.

APPENDIX VI

THIRTEEN COOPERATIVE CASE STUDIES

NOVEMBER 1979

SYNTHESIS

The cooperative societies studied in the preceding pages represent virtually the complete spectrum of cooperatives found within Cameroon.¹ What is obvious at first glance is that the cooperative movement in Cameroon is extremely diversified. Each part of the country has experienced a different type of cooperative development evolution as a result of: the purpose of the societies involved, the infrastructure of the area, and the historical background of the region.

Given the evident differences, certain general comments may be made concerning those societies visited.

Historical Background

Broadly speaking, cooperatives were initiated in different ways in the former East and West Cameroons. Those in the English-speaking zone of the country have had a longer history of being grass roots/ decentralized institutions. On the other hand, societies in the French-speaking zone did not decentralize their structures until the mid-1970's,

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There were two very specific types of cooperatives not covered by the case studies: marketing cooperatives in the Mungo Division and credit unions affiliated with the Cameroon Cooperative Credit Union League. The former were part of a detailed study and design exercise by the Department of Cooperation and Mutuality and the Department of Studies and Projects (both in the Ministry of Agriculture) which lasted 13 months and ended in May 1979. The latter were treated by the World Council of Credit Unions in its formation of a 5-year development plan proposal for Cameroonian credit unions in October and November 1979.

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and even now there are areas where farmer participation is non-existent.

Following the formation of the United Republic, the Cooperative Law of December 1973 and its Decree of Application of the following year provided the basis for unified development. However, any efforts towards standardization of (at minimum) the institution of viable cooperatives has been tedious and slow, partly resultant from the lack of resources at the disposition of the supervisory service. The latter parts of this synthesis will offer preliminary suggestions concerning this aspect of cooperative development.

Types of Cooperatives and Operations

Of the 13 cooperative societies visited, seven marketed cash crops, two marketed foodstuffs, one marketed palm oil, one was a savings and loan society, one a consumer society, and one a building cooperative. This sample reflects well the distribution and impact of the different types of cooperative societies in Cameroon. Although in actual numerical quantity savings and loan societies outnumber all others, it is the marketing societies which have the greatest number of beneficiaries and financial importance. Cooperative marketing monopolies for primary cash crops are found throughout the entire Republic with the following exceptions: Meme and Ndian Divisions in the South West Province, the Mungo Division and the SODENKAM zone in the Littoral Province, the ZAPI area in the East Province, and the

North Province. In all but the last three areas, cooperatives do market produce, but in competition with licensed buying agents or exporters.

Structure

Although differences in cooperative structures still exist, as a result of an active government policy towards amalgamation of small societies, centralization of the administration of cooperatives and diversification of their services, reorganizational efforts within the past few years have consolidated societies in all but the North Province. This resulted in the existence of more viable structures. In each of these provinces cooperative representatives and delegates are all elected.

Personnel

An obvious fact resulting from the studies undertaken is that there are not enough trained personnel working for cooperatives. In those areas where this is most serious, the government has acted by posting civil servants as society managers. However, one trained civil servant (sometimes assisted by an expatriate volunteer) can only succeed in avoiding negative results (acting in a stop-gap capacity). Although organizational structures have been designed, services will not be rendered and activities cannot be diversified until these societies are properly staffed through training and recruitment.

Equipment and Facilities

Present cooperative facilities can be described as being satisfactory. However, all cooperative societies have equipment and facility needs, but to a varying degree. For instance, the Tala Credit Union needs a safe and an office, while Nso Union's needs are of a more sophisticated nature - rice humidity testers and an office intercom system. Assuming that a society must have sufficient means necessary to perform its intended operations and bearing in mind cooperative diversification and the normal depreciation of assets, capital needs, especially where services are still to be decentralized, are definitely a present constraint on cooperative development.

Although efforts towards financing these needs have been made through the use of societies' incomes, grants, and loans, these means have not proved sufficient to meet the demands of cooperative growth and development.

Bookkeeping

Of the 13 societies treated, only five (the Nso Union, the Abong Mbang SOCOOPED, the Muyuka Union, the Tala Credit Union and the COO-FRE-CAM) were found to have adequate bookkeeping systems. This is one of the most serious deficiencies of Cameroonian cooperatives. It becomes even more crucial when operations expand, yet those societies with the largest amounts of income generated (the CAPLABAM and the

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CAPLAMI) still did not have cost-accounting systems.

As enterprises, albeit community ones, cooperatives must be able to better evaluate the profitability of each individual activity. Generally, there are two reasons for this inadequacy: the lack of qualified personnel and/or the desire not to keep precise records.

Market Financing

An interesting example of regional cooperative differences is the financing of cash crop marketing. One of the biggest successes of cash crop marketing cooperatives in recent years has been the fact that they have been able to insure that the farmer will be able to receive his cash payment on the day of the market.

In the North West and South West Provinces the cooperatives rely upon the collaboration of the National Produce Marketing Board for cash advances. In the West Province, the marketing secondary society - U.C.C.A.O. - obtains bank overdrafts which are forwarded to its primaries. It is totally cooperative means which are used for the marketing exercise in these zones.

On the other hand, in the francophone cocoa zone (the Littoral, the Center South and the East), cooperatives have just begun to use their own cashiers and trucks in pilot buying areas. Outside of the pilot buying zones it is the exporters (mostly expatriate) who handle operations from the village level on up.

The major differences between the marketing systems of the first three provinces noted and the francophone cocoa zone are: (1) In the former it is only cooperative personnel who participate in the buying exercise, while in the latter it is mostly the exporting agents, and (2) adequate storage facilities are found in the former zone but seldom in the latter. It would seem that just as the N.P.M.B. finances cooperative buying operations and subsidizes capital investments in the North West and South West,² it could just as well encourage increased cooperative market participation in the Littoral, Center South and East.

Board of Directors Awareness

A cooperative's ability to operate as a communal organization is dependent to a large degree on the effectiveness of the society's decision-making body, the Board of Directors. Unless cooperatives have a Board that is aware of its managerial responsibilities and acts accordingly, the risk is run of the society's becoming the manager's personal enterprise.

In the North West and South West Provinces director seminars have been held over the past few years at the National Cooperative College in Bamenda. The invitees are always from different societies, so as

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U.C.C.A.O. receives a greater margin for its marketing of coffee since it does not deal with the N.P.M.B., but instead sells directly on the international market.

to stimulate an exchange of different experiences. Though the full effect of these courses on cooperative operations will take more time to materialize, both the participants and trainers have been very satisfied with the immediate results.

There has never been any provision for this type of idea-exchanging in the other provinces. Because the National Cooperative Training Center in Ebolowa cannot accommodate additional students (for the 1979/1980 school year there were 36 beds available for 53 students), and until the facility can be expanded, interim measures should be taken. Either the staff of the Ebolowa Center, or that of the supervisory service, or a combination of both could arrange for visits to individual Boards at their cooperatives, or, if that were too time-consuming, provincial meetings could be held, financed by the cooperatives' educational reserve funds.

Member Awareness

Cooperative organizations may best be described as institutions with two types of balance sheets to be analyzed - a financial one and a social one. It is the social one which separates these institutions from other enterprises as their goal is to provide services and increased members incomes, rather than profit. The analysis of the social balance sheet takes on two forms: the level of member awareness and the re-channelling of cooperative surpluses back to the community which it serves, whether this be by means of a bonus distri-

bution, community development projects, or both.

Of the cooperatives dealt with in this report, all but two (the Kumba Area Women C.P.M.S. and the Tala Credit Union), in some way or other, distributed a part of their surpluses to their respective communities. In these two cases, moreover, it was a matter of either the books not being in order³ or the society being too young that prevented any form of profit distribution. Of course, the level of distribution varies from society to society (from building bridges in Nso to simple bonus payments in Sangmelima), but the fact is that the actions are taken and the principle is understood by those at the managerial and decision-making levels.

Member awareness is stimulated when the cooperatives undertake developmental activities. It is only when the membership has a strong sense of the society's purpose and potential that the society will properly develop and mature. Farmer/member interviews lead to the following conclusion: that the closer the farmer feels that the cooperative is coming to his level, the more akin he feels to the society. In the West Province, where the role of the cooperative is principally seen as a coffee buying institution, farmers spoken with do not recognize that the institution is theirs, but rather see it as an arm of the government. However, in the North West and South

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As a result of the June 23rd, 1979 General Meeting of the Kumba Area Women C.P.M.S., the society's books were brought up to date and bonuses paid.

West Provinces, where decision-making has for years been at the primary society level and cooperative stores are visible in most villages, people are more aware of their society's potential and discuss such pertinent issues as cooperative distribution of farm chemicals, supplies and credit. Of course, in the smaller societies (e.g., the Tala Credit Union, the Mendankwe Women C.P.M.S. and the COO-FRE-CAM) everyone feels that they are a part of the society, since it is much more a part of their daily life.

Viability

The question of determining a cooperative society's viability is directly connected with the issues discussed in the preceding section. The society must be financially sound and render services to its members and the community at large.

Three of the societies visited (the Nso Women's Shop, the Mendankwe Women C.P.M.S. and the COOPAGAL) showed signs of not being financially sound. Each of these societies operate at a deficit which is subsidized either by a secondary society or by foreign assistance. Yet, one cannot say that these cooperatives are not producing positive results in their communities. Because of their positive impact, the reasons for their fiscal instability have been examined. In all cases their problems stem from a lack of adequate management of the society's affairs. When situations such as this occur (money-losing societies which have definite beneficiaries), the

obvious solutions are to either temporarily post competent staff to them with the intention that the seconded staff be phased out over time, or to amalgamate these societies with other nearby healthier ones.

Amalgamation

Since the early 1970's the general policy of the Cameroonian Government towards cooperative development has been (1) amalgamation of small non-viable or borderline societies into larger ones better able to serve their communities due to lower administrative costs and (2) diversification of cooperative society operations from single purpose to multi-purpose activities. The institutionalization of this policy has taken a number of years, mostly because of the lack of personnel and means to carry it out. Nonetheless, in all areas of the country except the Mungo Division in the Littoral Province and the North Province, amalgamation has been carried out.

In some zones, however, what has been forgotten is that this was to be only the first step in a procedure which should result in a more efficient rural development institution. The next step should normally be a decentralization of the services (i.e., village level stores providing credit, supplies, agricultural inputs, building materials, etc.) which the cooperative can offer to all farmers in its region. As noted above, unless viable signs of cooperative presence (outside of the marketing sphere) are at the grass-roots level,

It is obvious that, for the foreseeable future, a cooperative field service is necessary at the society level. Besides offering objective guidelines in tune with national cooperative development policy, COOP/MUT must assist these young societies in order that they develop into well functioning communal organizations and not private enterprises.

However, if its present means cannot be fortified so that the field service of COOP/MUT can be effective, its role in the field should be redefined.

Cooperative Development in the United Republic of Cameroon

While specific recommendations concerning Cameroonian cooperative development will be discussed in detail in the Final Report of this Study and Design Project, several comments based on the observations made during the case-study exercise will be offered here.

Considering the means at the disposal of the supervisory service, cooperative development over the past few years has been encouraging. However, the major constraints in this area have been: the lack of personnel and means at the service's disposition, the lack of qualified personnel at the cooperative level, and, the lack of a practical national cooperative development program which would take into account the uniqueness of the cooperatives operating in different zones.

Taking into account what can be realistically accomplished, the

members will not be stimulated to participate since they cannot otherwise recognize the institution as their own.

The Role of the Supervisory Service

According to the Cooperative Law and Decree there exists a supervisory service (the Department of Cooperation and Mutuality) within the Ministry of Agriculture, whose main purpose is the promotion of cooperative development.⁴ The role of this service is especially important in those areas where in former years a proliferation of non-viable societies caused the rural population to lose confidence in the term "cooperative".

Throughout the case studies what was noticeable about the functioning of this service in the field was that, although the civil servants attached to it sincerely tried to perform their tasks to the best of their ability, their efforts are continually frustrated by a lack of operational means. (In the 31 francophone divisions, only one Chief of Service has a vehicle at his disposal). In addition, this lacuna is only occasionally supplemented by the local cooperative(s), since there can be a reluctance on the part of cooperative officials to provide the means by which their activities may be evaluated.

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For a detailed presentation of this topic see the report prepared for this Study and Design Project by G.M. Shillinglaw, "Role, Structure and Functioning of the Department of Cooperation and Mutuality," July - August 1979.

Department of Cooperation and Mutuality should prioritize its activities within each zone and among its current broad mandates, e.g., standardization of recruitment, bookkeeping, training, education, decentralization of services. It could then create the structures which would not only initiate, but also follow through on these various development program aspects. Cooperative societies should be recognized as a means to an end - maximum participation of the rural population in the development of their own community - and not as an end unto themselves. The institution of homogeneous area structures with the resources to carry out time-scaled development programs, periodically evaluated by the supervisory service, would seem the most practical way to achieve this end in a collective spirit.

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APPENDIX VII

**PURPOSE AND DESCRIPTION OF THE PROJECT PROPOSAL TO
STRENGTHEN NATIONAL, REGIONAL AND LOCAL CREDIT UNION STRUCTURES**

**PREPARED BY: WOCU/CUNA
GLOBAL PROJECTS OFFICE**

DECEMBER 1979

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The project proposed in this document focusses on the development of a strong cooperative savings and credit (i.e., credit union) movement in Cameroon. Credit unions, as non-profit, democratically-run cooperatives organized to serve the financial needs of their members, have proven themselves to be effective vehicles for development by serving two basic needs: savings and credit. In Cameroon, as elsewhere, credit unions provide a safe place for people to keep their savings, such facilities typically being absent in villages and towns. Mobilization of domestic savings, so important for development, has been spectacular in Cameroon, with total savings now approaching 2 billion CFA francs (\$10 million). During the past decade, more than two billion CFA have also been granted as loans to credit union members, an increasing proportion of which has been for productive investment. Without credit unions, much of these savings would have remained uninstitutionalized - buried in the ground, hidden in houses, etc. - and have been of little use in Cameroon's development.

Initially, credit unions were organized among groups who were denied access to credit through traditional financial institutions, i.e., the lower income groups who possessed insufficient collateral. In many countries, the idea has now spread throughout all income groups. The focus of the movement in Cameroon and most other developing countries, however, is still on the lower income groups.

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To support and assist the existing credit unions and to promote expansion to other population groups, most nations' credit union movements have established a national credit union association, usually termed a league or Federation. The specific activities of a League vary from country to country, but most assist the affiliated credit unions by providing training programs and central financial services, offering technical assistance with specific problems, representing the movement before governmental agencies and other related institutions, and numerous other services. The League, being a non-profit association, directed by a Board of Directors elected by its member credit unions, has as its fundamental objective serving the affiliates in every way possible. Strengthening the existing credit union structure in Cameroon is the primary result intended by this proposed project. By so doing, an effective vehicle for development will in turn have been established.

1. Project Purposes

The project has two principal purposes:

- a. Strengthening of Cameroon's national and regional credit union structures (secondary societies) so that they become financially self-sufficient and technically able to provide essential services required by their affiliated credit unions.

- b. Creation of an expanding network of credit unions which have, with the support of national and regional associations, the financial and technical capabilities sufficient to provide required savings, credit and related financial services to an increasing membership.

The project focus is obviously on institutional development, or more accurately the development of a strong institutional system. Some definition of terms is perhaps in order to more adequately explain the stated purposes. "Financially self-sufficient" denotes that the concerned organization will generate sufficient revenues from its own sources to enable it to sustain the required level of program operations, i.e., external financial support would no longer be required. By becoming "technically able (self-sufficient)", the organization would possess the technical capabilities essential to both performance of its organizational functions and provision of necessary services to its affiliates; i.e., it would no longer require external technical support, except for possible short-term technical assistance in areas not yet evident.

This project proposal is based primarily on the document entitled "5-Year National Credit Union Development Plan: 1980-1984", recently prepared by the Cameroon Cooperative Credit Union League,

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Ltd. (CamCCUL), with the assistance of WOCCU/CUNA's Global Projects Office (GPO), the Government of the United Republic of Cameroon (GURC), and other collaborating organizations. Based on a thorough analysis of credit unions' present and projected needs, this plan specified all technical assistance requirements (resident technicians and consultants), as well as financial and material resources necessary to achieve technical self-sufficiency within the project's five year life.

The priority activity during the first two years of the project will be the liquidation, merger, or reorganization of Cameroon's dormant and non-viable credit unions. This will have the effect of reducing the number of credit unions from a current 222 (as of December 31, 1978) to about 160, thus substantially reducing the amount of supervisory personnel required by CamCCUL. Other major activities planned during the project period include expansion of CamCCUL's Small Farmer Production Credit (SFPC) Program to increasing numbers of rural credit unions; strengthening of CamCCUL's central financial services, including development of accounting services; closer coordination, and eventual integration of activities of francophone and anglophone areas; substantial training of both CamCCUL and credit union personnel; development of an ongoing planning process; and production of credit union operating manuals in key areas such as bookkeeping, budgeting,



credit policy and procedures, and internal auditing.

As a result of these activities, local credit union personnel and leadership will be better able to adequately manage and direct society activities, thus enabling credit unions to more fully serve the community, and strengthening their role as vital community service organizations, providing savings, credit and other financial services to a growing number of families.

2. End of Project Conditions

By the end of the project, CamCCUL should, in addition to becoming technically self-sufficient, have raised its level of financial self-sufficiency from its current level of about 65% to a full 100%. Further, all League staff's skills should be at an acceptable level, and a sound personnel system will be in place which will allow the organization to maintain these skills by recruiting capable individuals to replace departing personnel.

At the provincial level, semi-autonomous Leagues will have been established to provide those services to credit unions which cannot be efficiently provided centrally by CamCCUL headquarters staff.

At the primary society (credit union) level, more than 170 credit unions should be operating, with 75% or more having

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attained financial and technical self-sufficiency.

3. Services to Be Provided Target Groups

According to a 1975 survey, credit union membership is distributed fairly equally between urban and rural areas, with 52 per cent earning their livelihood primarily from agriculture. To serve this majority, the project proposes a major expansion of CamCCUL's successful SFPC program to 28 or more credit unions. Housing and small business development lending schemes will be developed to serve predominantly urban credit union members. In addition, CamCCUL will develop improved operating systems for credit union use, provide training in their use, and strengthen its own ability to provide meaningful technical assistance to credit unions where problems exist. Finally, alternative approaches to management of smaller and moribund credit unions will be developed, so that members of these societies can also receive the same quality services provided by larger, more self-sufficient credit unions.

APPENDIX VIII

**PRELIMINARY SUMMARY AND SYNTHESIS OF THE REPORT ON THE
MARKETING OF AGRICULTURAL PRODUCTS IN THE NORTH WEST PROVINCE**

PREPARED BY: JOHN LEWIS

DECEMBER 1979

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Summary Format

This summary evaluation will attempt to synthesize the findings of the various specialists--whose contributions follow--in an evolutionary perspective. The constraints on market access that have been identified in the individual papers cannot be overcome unless their origins are understood. For this reason, constraints are not presented as a list, but rather in the context of the causal and historical relationships that produced them. No attempt is made to cite a particular specialist. Frequently, several findings figure simultaneously in a single statement in this summary. This blending of disciplinary skills into a unitary conclusion has been a methodological objective of this case study from the outset.

Employment in Trade

The most striking feature of the marketing system in the North-West Province, particularly when viewed in a West African perspective, is the relatively small number of producers engaged as part-time retailers in trade. The most obvious explanation for this difference might seem to lie in the mountainous isolation of the area. On account of the terrain, the costs of moving goods in and out of the High Plateau zone have always been high. Only commodities that could not be produced elsewhere and commanded a premium were moved out of the zone into other markets.

Pre-Colonial Trade - Apparently few commodities were grown for trade in the pre-colonial period. Kola nuts--in high demand to the

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arid north of the Plateau--were produced in abundance and traded for cloth and salt. From south of the Plateau the demand was primarily for slaves, and, later, for plantation labor. That the High Plateau had this labor to offer can be attributed both to the salubrious climate at that altitude, and to the relative geographic isolation that protected the Highlands from earlier slave merchant raiders.

It appears that the introduction of maize cultivation in the Plateau in the post-Portuguese period allowed the population to expand. The indigenous staple food crops (sorghum, millet, African yam) are not as successful at High Plateau altitudes as maize (or as New World *Xanthosoma*--cocoyam--at Momo division altitude). Refugees from slave raids could feed themselves more reliably on the High Plateau with a maize based agriculture. Nevertheless, with high population growth it was inevitable that slave raiders would follow these refugees onto the High Plateau.

Meanwhile, the competition for good land on the Plateau had led to the formation of chieftaincies that could guarantee tenure security. The chiefdoms that were most successful in this respect were those that could control producers across a major ecological boundary. The borders of Kom, Bafut, Mankon (with its Meta connections), and Bali all ran from maize producing highlands to oil palm producing valleys to the south. Likewise, on the other side of the Plateau,

Wiya and Nso were able to control maize, raffia, and kola producing zones simultaneously.

With this geographic control, trade could be also rigidly controlled by the chieftancy. In several chiefdoms the Fon's 'market bag' had to be rented for trading expedition to take place. The tree crops producing much of this trade wealth were not inherited by the brothers or sons of the planters, but reverted to the discretion of the lineage elder of the planter who had been designated by the Fon to attend at his court.

It was not so much that one could not trade without approval by a powerful chieftancy, it was just that the risks of being traded, of becoming a slave, were greater without such approval. Wars generated slaves that were marketed through the warrior/trading secret societies of the chieftancy. Loyal subjects of the chief were not, of course, traded.

The constant threat of Fulani slave raiding and the empire building activities from north of the Plateau favored strong administration of trade by the paramilitary organizations of the chieftancy, even though the slave generating expansion efforts of Nso, as the Bamun to the east, were instrumental in forestalling Fulani attempts to generate slave trade through their own expansion into the Plateau.

There was less of a demand for women as slaves; their labor could be exploited equally effectively when they were wives. This has had

implications for the producing/marketing style that followed. With so much of the long distance trading activity controlled by the male, secret societies of the chieftaincy, there was little employment alternative for the women but to remain on their farms and hand over their tradable income to their husbands. The fact that a lone male on a farm was more vulnerable to removal as a slave than a lone female was, may also have favored this particular sexual division of labor.

Colonial Trade - After the German conquest, the High Plateau remained primarily a source of labor (now for the plantations to the south) rather than of produce. The conquered chieftaincies were able to re-establish some of their power by facilitating this labor recruitment process. The more Spartan warrior organizations of Bali, which were unique in that lineage membership was not a criterion of membership, were mobilized by the Germans as henchmen. Hence, after the establishment of PAX GERMANICA it remained risky for a small producer or petty trader to travel too far afield on a marketing venture.

Throughout the colonial period few roads were built to the Bamenda Highlands. When coffee production finally spread from the francophone West Province to the anglophone Northwest, there was a shortage of coffee buyers. Even Greek traders who had penetrated the lowland cocoa producing areas did not venture to the High Plateau to buy coffee. To prevent the Northwest coffee from being marketed through

the French controlled West Province, the British hastily organized co-operatives in the Northwest.

Co-operatives and the Federal Period - The co-operative structure duplicated the pre-colonial pattern of indigeneous government presiding over major marketing activities. In fact, it was not long before first-level co-operatives were organized into unions that, in many cases, corresponded to their jurisdictions of the pre-colonial chiefdoms. But the co-operatives offered more opportunities for more producers (male) to become involved in marketing activities than they had as members of the chief's secret societies in the pre-colonial period.

With the growth of coffee co-operatives, however, there was little stimulus for male labor, freed from the burden of defense and plantation work, to assist females in producing food crops for a wider market. Men had increased three crop specialization (kola to the northeast, oil palm to the southwest; and raffia, plantain and banana everywhere) with the cessation of warfare in the colonial period. But excess labor was absorbed by the southern plantations to the point that women's food producing responsibilities, far from being alleviated, were intensified. The spread of coffee as a male-managed, market-oriented tree crop solidly perpetuated the rigorous sexual division of labor. In fact, to the degree that coffee trees took over fields nearer home (like the home compound, coffee trees need to be set on well-drained ground),

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women had to walk further in order to cultivate adequate subsistence for the family. Furthermore, frequently women will assist, if not totally supplant, the men in pruning and weeding the coffee. Thus, the spread of the coffee economy has placed more demand on a woman's time, leaving little time for travel to marketplaces or marketing employment.

The United Republic: the Baffousam - Bamenda Road

The importance of the recent all-weather link between Bamenda and the West Province cannot be overstated. Surplus crop production has increased significantly as shown by the production and marketing statistics cited in the economics sections of this report. This road has allowed the Northwest to compete with production from the ecologically similar West Province for southern markets.

However, the indications are that employment in trade has not been proportionally stimulated. Rather, larger, urban-based merchants are extending their activities up the marketing chain, engaging a minimum number of local buying agents. Producers are not moving further down the marketing chain to trade with each other and to take advantage of reciprocal ecological advantages for certain crops. This lack of market aggressiveness by the local population remains one of the key concerns in trying to understand the role of market participants and the resultant impact on producer income. I will review our findings on the influence of trader organizations, producer organizations, demand structure, and storage and handling technology on this

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characteristic of the marketing system before evaluating the possible role of market interventions (co-operatives, credit unions, etc.) in correcting it.

Trade Organizations

Just as one is struck with the small proportion (by West African standards) of producer/retailers (particularly female) in the Northwest, one also notes the absence of ethnically exclusive associations among the long distance traders. To be sure, industrial imports from Nigeria are handled almost exclusively by Ibos; Bamileke from the West Province dominate small stock, particularly goat, purchases in the Northwest; and while butchers are almost all Hausa, or conveniently identified as such--Hausa Muslims have a reputation for handling only sanitary meat--the major cattle traders appear to come from diverse ethnic backgrounds.

This relative lack of any ethnically controlled specialization must be attributed to the relative low profitability of trade in the Northwest Province. Where the traders' margins are highest (potatoes, vegetables, and livestock), so are the risks. Most of the traders in the Northwest are there because it is their home, not because of the trading opportunities. Even the heavily capitalized Bamileke traders from the next Province, besides trading real estate in Bamenda, only come into the Northwest to purchase small stock. The unpopular but active Ibo have confined much of their trading interest to industrial imports. For other commodities, far from seeking to exclude a

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competitor, a Northwest trader cheerfully tolerates competition. He is more interested in an increased volume of trade serving to stimulate production and thereby lowering producer prices, and in investments in transport infrastructure, than he is threatened by the danger of having to outbid a competitor.

This trader knows that a large percentage of food crops spoil before they can be sold. He also knows that this producer is unlikely, for spatial and organizational reasons, to find or to reach alternative market places. The producer, for the same reasons, is unlikely (except perhaps around Bamenda) to take a step down the market chain towards the consumer. The limited marketing outlets lead to uneven coverage in the rural hinterland and therefore to periodic scarcities and price fluctuations. These events in turn dissuade the small producer from intensifying commitment to the commercial sector.

This uneven coverage raises transport costs. Without any guarantee of a timely backhaul load, the transporter is obliged to raise rates. As distances increase, trader margins also rise. The margin is as wide as the deals the trader can make are infrequent. He understands, however, that if the volume of trade would increase, transport costs could fall, and that, even with smaller margins, total profit would increase. Therefore he tolerates the entrance of new trader capital into the system. Only if transport costs to the lucrative and nearby Nigerian market were reduced would the issue of producer bargaining

power begin to make itself felt in the trader's calculation profit. Demand for produce in the Cameroon is not so high that the Northwest merchant runs across more competitors than he can handle.

A structural change in this situation could possibly be achieved if merchant credit were targeted on those petty traders purchasing foodstuffs in the Northwest. Such credit could capitalize them sufficiently to be able to effectively store cyclically high demand produce (maize, potatoes, beans) against periods of glut at the centers of consumption. In the present system the opportunity cost of capital is too high for them to want to tie up their investments in food stores long enough to achieve this advantage. FONADER and Credit Union loans to such merchants, however, while accelerating trade, have not lead to the pursuit of such a storage strategy. In a later section of this summary I will discuss whether or not accelerated storage-marketing linkage might not be most effectively managed by the co-operatives.

Producer Organizations

We have seen how the average producer has been kept by the sexual division of labor and other aspects of local-level political organization from a more active participation in marketing activities. In the pre-colonial period, political, and, hence, physical survival depended on the almost continuous consociation of male warrior groups and secret societies. The pressure towards migrant labor in the colonial period and coffee production in the post-colonial era per-

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petuated the male separation from food producing activities. Equally, women remained isolated from the sphere of majority marketing activities. Men, for their part, have only been likely to participate in food production in groups, varying in scale and legality from the njangi rotating credit associations to the credit unions and co-operatives, rather than as individual entrepreneurs. The latter more often appear out of the educated class, or from subgroups of Muslim merchants.

These historical constraints on female participation in marketing have not been as unnecessary as is implied by the popular view of women breaking their backs in the fields while men pass the afternoon drinking mimbo. For every male over forty passing the afternoon talking with his peers, there has been at least one under forty engaged as a member of a communal youth society in preparing a field, bringing in a harvest, or erecting a building (frequently the chief's palace). These communal work groups still play an important role in breaking labor bottlenecks for both the male and female farming enterprises, as no technological alternatives are available. The organization, networking, disciplining, and, often, the precise disposition of these communal work groups is adjudicated at great fairness in these male, afternoon discussion sessions. Women farmers may choose which youth groups to invite or hire onto their farms, and when it is to be done, but the social networks underlying the organization and solidarity of these work groups are fine-tuned by the male elders in their informal meetings.

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In the past these group discussions were probably productive, in-as-much as an optimal distribution of the labor force was effected as a result. Recently, of course, much of that labor has disappeared, however temporarily, to the cities or plantations, leaving little labor to be allocated. However, an equally important function performed by these informal male group meetings has been land allocation. Elder males, many of whom have earned idleness as leaders of the land-holding lineages, plan land use at the community or even chieftaincy level. Empowered to make usufructory decisions for lineage land, these elders can use their afternoon discussions sessions to allocate land according to household need and ability, as well as to the soil and ecological characteristics.

This land assignment function of informal male meetings has become increasingly important as the demand for prime, accessible farmland has accelerated. What is now taking place is a relatively sophisticated attempt by an increasingly marginalized producer class to retain control over their farmland. Through these informal discussions, lineage elders are able to carefully adjudicate the allocation of lineage land between lineage members and certain strangers, so that few of either are able to alienate a parcel of this corporate property by obtaining an official land deed. The dangers that this land alienation process poses to the bulk of the farming population, who are unlikely to be able to obtain any of these written land-use decisions, particularly in-so-far as it perpetuates a sexual division of labor in agriculture, and, therefore, a low level of

market orientation and participation, should be evaluated in the wider framework of increasing landlessness in the more densely populated sections of the Province. For the farming majority that has both financial and procedural difficulty in obtaining land deeds, lineage solidarity, with all the discussion time that is required, is often their best hope for retaining equitable access to desirable and accessible farming space.

Resettlement to areas where farming land is not in such great demand is conceivable, but the costs of breaking with communal labor networks that have been carefully elaborated over the generations are high. These costs of resettlement could be reduced if some technological alternative to communal work groups for meeting seasonal labor bottlenecks were available.

Demand Structure & Purchasing Power

One of the objectives of the interdisciplinary methodology attempt in this study was a consideration of the relationship between increased supply from the rural hinterland and the generation of income there. In the economic system involving the Northwest Province, where the site of effective demand remains primarily urban, aggregate demand is low. Market linkages and trader networks are tilted in favor of urban purchasing power, with rural to rural, producer to consumer linkages found only in the immediate vicinity of an urban center such as Bamenda. The rural population closer to Bamenda is better served by

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more proximate rural market locations than equally dense rural populations elsewhere in the Province. This difference can be related to the greater rural purchasing power, and the consequent agricultural specialization, in the Bamenda suburbs.

The marketing system elsewhere in the Province does not engender either pricing alternatives or rural to rural exchanges such as to increase producer purchasing power. Little in the colonial and post-colonial marketing history of the Province has altered this pattern of centralizing trade around the seat of local political authority. Marketing in pre-colonial times led most often from the seat of a chiefdom directly to a border market rather than to an adjacent chiefdom. Trading was handled by male groups organized around the chief, so that diplomacy could be combined with marketing. Consequently, trade rarely took place between politically defined exchange centers. As much of the Province's post-colonial wealth has been earned from coffee, and as this wealth has circulated outside of the system of rural marketplaces, there has been little post-colonial inducement to the development of a classical hexagonal network of exchange points to supplant the long-standing dendritic connections.

Diminishing rural purchasing power has all the standard symptoms of underdevelopment: Declining nutrition (a DS/N household consumption survey was undertaken in a village in Momo division simultaneously with this study, but no exact findings are yet available) leading to declining health and energy for production initiatives. What is more specific to

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the Northwest, however, is the way in which such rural surplus income as there is gets channeled back into urban-oriented pursuits (schooling, real estate, shops, craft enterprises, etc.), rather than back into farm production. Even when women have surplus income from crop sales, that income more often goes into school fees, rising household expenditures, or is given to husbands rather than being spent on farm inputs. This trend can only partly be attributed to the lack of price incentives for those farm inputs. Men controlling this surplus income can only respond to price incentives for coffee, rice (in some areas), and, marginally, banana/plantain production. Price incentives would have to be significantly larger for them to direct any income toward investments in the broad range of crops that women cultivate.

National and regional demand for Northwest produce is given much attention in the middle section of this report. The growing demand for Northwest livestock is most conspicuous. Price rises for meat are the result of increased demand, not of increased costs from overgrazing and farmer/grazier disputes. This demand pull is less likely to be a key factor in price rises of the food commodities given the amount that remains unsold and unconsumed over the course of a year. Some of the rise in the price of these food commodities can be attributed to increasing costs of production. Under these circumstances, there is a slight danger of producer

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prices falling if the amount and timing of the supply of the higher demand crops (potatoes, beans, vegetables, and to a lesser extent, maize) were to meet the urban demand. Likewise, in-as-much as supply shortcomings are more attributable to storage rather than production blockages, cultivating this urban demand for far away Northwest produce will not immediately serve to raise the price of the latter. But the increase in volume handled, even at present prices, will lead to gains in producer incomes.

The key regional planning question, however, is whether this projected co-ordination of supply and demand through improved storage technology and management will also lead to: (1) Increased employment in marketing, and therefore to greater rural purchasing power, so that investments in rural production become more regular; or only to (2) A greater scale of operations for the small number of long distance traders already handling the bulk of Northwest produce. Only the first of these developments would rectify those market imperfections resulting from the paucity and lack of flexibility of the Province's formal and informal marketing personnel.

Again, it has not been our finding that imperfections of supply meeting demand are due to production constraints on that supply. Larger farms producing on a more efficient scale have not proved to be too much more competitive than the small farm.

Co-operatives, Credit Unions and Market Interventions

A separate feasibility report is being prepared on the precise optimal articulation between the co-operative structures and the marketing system of which this is a baseline study. Therefore, we have only sought to draw some lessons from the past experience of this articulation.

It has already been noted how much the vitality of the coffee and women's co-operatives can be explained by the absence of other opportunities for employment in marketing. Factors of spatial isolation and economic organization have been cited as constraints on these opportunities. A further constraint is related to the reluctance of the major traders to invest in elaborate storage and processing infrastructure. Private mill operators (even the larger scale Bamenda rice millers) conduct their business separately from their trader clients. However large their operations, these traders prefer to keep their assets maximally liquid and are reluctant to invest in fixed capital in marketing, except, perhaps, in trucks. Urban real estate and urban enterprise are considered safer refuges for this merchant capital.

Under those circumstances, a substantial argument could be made for the introduction of innovations in marketing infrastructure through the co-operative organizations--if that structure could be brought to meet certain managerial standards.* Part of this

*See report submitted by G. Shillinglaw to USAID for details.

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argument would have to include an evaluation of the co-operatives' ability to gain marketing contracts for the additional produce they are handling, since it is clear that at projected demand levels this additional produce will not automatically be absorbed. If a case could be made for such an ability, then a special organizational strategy for articulating with producers would have to be worked out for each commodity according to that commodity's production, processing and storage characteristics. Points of departure for each of the higher-demand food commodities might be listed as follows:

1. Purchasing and storing potatoes against periods of peak demand would be an elaborate technological and managerial feat which only the co-operatives might be organized on the appropriate scale to perform; but even then, only after restructuring their own management incentives, and after substantial (subsidized) investments in storage technology and management training have been made.

Furthermore, even with such a subsidized storage advantage, the co-operatives could not compete with the private trade by retailing these potatoes. They would have to be flexible in exploiting market opportunities in order to develop regular marketing contracts with regular buyers. The price and reliability of these contracts would have to be such that these

buyers would not be induced to open bidding between the co-operatives and the private suppliers each time that they needed potatoes.

2. The high demand vegetable crops (tomatoes, cabbages, etc.) would be even trickier to store against those more frequent times when demand exceeds supply, and evacuation of surplus stock to the unsaturated expatriate market might prove more feasible. Expatriate truck farms in the West Province targeted on this market are presumably proof of this. Again, maybe only the co-operatives and not the private African trader or small farmer would be efficiently capitalized to compete with these expatriate agribusinesses.
3. The growing demand for Northwest beans is also conspicuous (as a protein alternative to increasingly expensive meat), but because storage of these beans is not too technologically complex, it is hard to see how the co-operatives with their expensive employee time could compete with the private trade here.
4. The threshold between on-farm maize storage and that which the cumbersome co-operatives could offer also seems to favor the farmer. Inspecting stocks for spoiled, weeviled morsels prior to storing it is an even more labor intensive process than

potato inspections. Thus, even if the scale and present instability of the maize trade were found to favor some co-operative involvement, it might make more sense to store the produce of discrete producer groups separately, without going to the expense of inspecting it, and then holding these groups accountable for spoilage. Thus the labor intensive inspection process would not have to be assumed by the co-operative management.

5. Rice has proved to be a bit of a problem for most of the co-operatives handling it. For one thing, the costs of producing, processing, and marketing it have not proved competitive with certain grades of imported rice. However, the co-operatives claim that with the proper grading and hulling equipment they could compete. This sort of equipment is not being obtained by private sector rice processors. Furthermore, when rice hulling is performed on a large enough scale--as could be done at the co-operative level--it could become attractive for the poultry enterprise in the West Provinces to come and purchase the bran by-products.

It is the firmest finding of this study, however, that the best food marketing opportunity for the co-operatives in the Northwest is with livestock fattened for the late dry season, when meat prices are high and availability low. The CAM/CUL credit unions and even

FONADER are finding loans to cattle traders attractive. But it is the farmers who are in the best position for producing live-stock forage for the dry season livestock fattening. The usual problems with such schemes are:

- (1) The extension overhead for establishing the proper timing for the proper feeding ration is high;
- (2) Inputs of mineral supplements have to be available in a timely fashion;
- (3) Such investments of labor (forage) and finance (feed supplements) in a single animal is risky without a guarantee of veterinary support;
- (4) Local livestock buyers know that fattened animals have to be sold promptly, so they are willing to wait out small farmer fatteners in order to get better prices.

In the Northwest these constraints are not as serious as elsewhere in West Africa because the existing co-operative structure is suited to overcoming some of them. For example:

1. Farmers who are already members of co-operatives are already involved in a system in the extension of farm interests: Adding livestock feeding inputs to those already being extended should not incur too much additional expenditure;
2. The well-established relations between the farmer and the co-operative might be more likely to lead to the timely provision

of mineral supplements than if relations have to be initiated with an extension service for the fattening scheme;

3. The co-operative could stock pile the necessary veterinary supplies to reduce animal loss risks to the fattener. At present such supplies are in such great demand from the veterinary service that they are apparently not regularly available to producers. Furthermore, the co-operative could impose an insurance fee on each participant in the fattening scheme to overcome the impact or any risk on the individual participant.
4. The co-operative could truck some of these fattened stock directly to the consumption centers to insure that local traders purchase the rest of them at their weight value.

Regional Planning

Overall livestock production increases, however, will require some thorough-going land use planning. The costs and benefits of using given areas of land for livestock or farming should be carefully examined, and top priority should be given to the land tenure reforms necessary to effecting this optimal land use. It seems clear that range management for cattle herds could be most effectively pursued if the grazier had secure land tenure claims, both in appropriate hillside pasture for the rainy season and in bottom land pasture for the dry season.

The coordination of this ecologically sound transhumance with overall land use planning is emphasized here, because in assessing the demand for commodities produced in the Northwest Province, we have found livestock predominant. However, at present, an insufficient proportion of the rural population is engaged in the production of this high demand commodity. Yet this fact should not lead planners to neglect livestock, but rather to focus on the sorts of sedentary fattening schemes mentioned above.

As far as crop commodities are concerned, it is our finding that marketing linkages could, at least initially, provide as much stimulus to production as would most presently proposed interventions in the production process itself. The development of these marketing linkages, as should be clear from what follows, will require the careful spatial planning of infrastructural support and the careful sociological planning of credit support.

APPENDIX IX

**COOPERATIVE SOCIETIES IN THE UNITED REPUBLIC OF CAMEROON:
EXISTING PERSONNEL, SHORT AND LONG TERM STAFFING AND CAPITAL NEEDS**

JANUARY 1980

SUMMARY

Since the information presented in this report is vast and varied, the major points are outlined below by category and type of cooperative:

A. Existing Personnel:

1. Marketing Cooperatives in the West Province -

Although there is a lack of trained accountants in these cooperatives, educational levels in general are high. Cooperative training levels are high even among the service chiefs and all managers have at least a secondary education. Only four civil servants are posted to the seven cooperatives in question.

2. Marketing Cooperatives in the North West Province -

There is a high degree of cooperative training among managers, although formal training at all other levels is low. Only one civil servant is posted to the thirteen responding cooperatives.

3. Marketing Cooperatives of the South West Province -

Almost all managers have had cooperative training, but there has been a lack of follow-up courses. In general, levels of formal training are very low.

4. Marketing Cooperatives in the Mungo Division -

Personnel is almost non-existent in these cooperatives. Only five of eight responding cooperatives reported having any staff, and total for these five was only seventeen.

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5. Marketing Cooperatives in the Lekie Division -

Of the four responding cooperatives, only two had accountants. Three of the four employed sixteen graduates of the CNFC, while the Saa cooperative reported no personnel with cooperative training.

6. SOCCOOPED's in the North Province -

There is a general lack of personnel and training at all levels. Including posted civil servants, each of these societies has an average of only six employees and, of the forty-three only eleven have had any job-related training. Only two accountants have second cycle secondary school degrees in accounting and only three of the seven managers have training in cooperatives (two overseas). All of the managers are posted civil servants.

7. Credit Unions in the North West and South West Provinces -

Most of these societies, with the notable exceptions being in Momo and Menchum Divisions, have bookkeepers who have attended credit union seminars held by CamCCUL.

8. Credit Discussion Groups in the North West and South West Provinces -

Only ten bookkeepers were reported throughout the two provinces. Training has been either on the job or at periodic seminars.

9. Credit Unions and Discussion Groups in the West and Littoral Provinces -

Except for the Nkongsamba credit union, no employees were noted, meaning that members perform the bookkeeping services.

10. Credit Discussion Groups in the Center-South Province -

At the level of the "Union" in Yaounde, there are thirteen employees, four of whom have received a secondary education or higher. Otherwise, the groups in the field employ seven cashiers who, in general, have attended three to four week training courses in Yaounde.

11. SOCOODERs -

For the fourteen responding cooperatives, only twenty-seven employees had a secondary school level education. All managers of these societies are posted civil servants. Of the fourteen, only five have been formally trained in cooperatives.

12. Women's Cooperatives -

Four of the eight responding societies have bookkeepers, two of whom have the equivalent of a secondary school education.

13. Other Diverse Cooperatives -

Several of the thirteen responding societies have no employees at all, and only one (the Cooperative Vegetable Society, Bamenda) has a civil servant posted to it. For all of the societies surveyed, only four employees had the equivalent of a secondary school education, three of these with formal cooperative training.

B. Staffing Needs:

1. Marketing Cooperatives in the West Province -
The outstanding need here is for accountants.
2. Marketing Cooperatives in the North West Province -
The present staff is deemed sufficient. However, refresher courses are needed, especially for managers, storekeepers, and cashiers.
3. Marketing Cooperatives in the South West Province -
Bookkeepers were noted as a pressing need. (Presently, their work is being done by the managers.)
4. Marketing Cooperatives in the Mungo Division -
Basic (or any) staff is an immediate necessity. Primarily, managers and accountants should be hired.
5. Marketing Cooperatives in the Lekie Division -
Notably lacking were accountants.
6. SOCOOPEDs in the North Province -
Although eventually the posted civil servants should be replaced by cooperative - employed staff, the immediate needs are for accountants and cooperative - trained personnel.
7. Credit Unions in the North West and South West Provinces -
Overall, trained bookkeepers are an expressed need for these societies. Several divisions (Bui, Meme, Mezam) also expressed a desire for education officers.

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8. Credit Discussion Groups in the North West and South West Provinces -

There is an overwhelming lack of bookkeepers here.

9. Credit Unions and Discussion Groups in the West and Littoral Provinces -

Again, bookkeepers are an immediate need.

10. Credit Discussion Groups in the Center-South Province -

Probably because the books are kept at the local level and audited monthly by the "Union"'s agents, the need for persons to perform this service was not generally expressed.

The perceived need was for education officers and commercial agents (to run supply stores).

11. SOCOODERs -

As with the SOCOOPEDs, the posted civil servants should eventually be replaced. Meanwhile, qualified staff and cooperative-trained staff in general is needed. Specifically mentioned in addition were cashiers, office agents, commercial agents and assistant accountants.

12. Women's Cooperatives -

Bookkeepers are the most important necessity at the moment. Also mentioned were inspectors (for cooperative societies and sections).

13. Other Diverse Cooperatives -

Basic staff is a requirement for these societies, just as for the marketing cooperative in the Mungo Division. Again,

managers and accountants should be regarded as the priority.

C. Capital Needs:

1. Marketing Cooperatives in the West Province -
These cooperatives feel that they need vehicles and agricultural facilities, e.g., hullers and silos.
2. Marketing Cooperatives in the North West Province -
Noted here were trucks, coffee processing equipment and the construction or extension of storage facilities.
3. Marketing Cooperatives in the South West Province -
Needed here are storage facilities, vehicles and coffee hullers.
4. Marketing Cooperatives in the Mungo Division -
As is the case with staff, virtually everything is lacking. Priority is given to coffee mills, warehouses and trucks.
5. Marketing Cooperatives in the Lekie Division -
While vehicles and storage facilities were again mentioned here, farmer credit and employee training courses were added.
6. SOCOOPEDs in the North Province -
As is the case with the staff of these societies, the basics are the priority needs. These are: vehicles, warehouses and facilities in general.
7. Credit Unions in the North West and South West Provinces -

Although expressed needs vary a bit from division to division, generally emphasis was on office buildings and office equipment, e. g., typewriters and calculators.

8. Credit Discussion Groups in the North West and South West Provinces -

The same needs were expressed here as for the more established credit unions of the same area, with the addition of safes.

9. Credit Unions and Discussion Groups in the West and Littoral Provinces -

Again, basic needs were expressed in terms of office equipment. Buildings were not mentioned, probably because the present interim facilities are deemed adequate, and the West Province noted a need for transport.

10. Credit Discussion Groups in the Center-South Province -

As in the West and Littoral Provinces, office equipment and transport were perceived as the greatest needs.

11. SOCCODERs -

The needs expressed here show a desire to become more involved in the cocoa marketing process (rather than acting as intermediaries for expatriate exporting companies). What will be required to commence the movement in this direction is: warehouses, storage facilities, trucks, and such cocoa marketing equipment as: scales, bags, cash, drying slabs, and samplers.

12. Women's Cooperatives -

Since the major operation of most of these societies is the marketing of palm oil, expressed requirements were for oil storage facilities, oil tankers and vehicles.

13. Other Diverse Cooperatives -

As previously noted, these societies are lacking in most everything. Thus, their needs are for such basic items as vehicles and general operating equipment.

As evidenced above, in most areas of the country (except perhaps the West and North West Provinces' marketing cooperatives) there is an enormous lack of trained personnel working for cooperatives. True, capital assets are also noted as lacking; however, a risk may be run in supplying these without the trained staff to effectively and efficiently utilize them to the societies' best advantage.

In each of the cooperative groupings, planning priorities should be ordered as follows:

- cooperative training for present personnel,
- the hiring of trained personnel,
- the acquisition of capital assets which would insure self-sufficiency and viability,
- the replacement of posted civil servants with cooperative-employed staff, and
- the acquisition of further capital assets in order to provide expansion of services to members.

Throughout these development stages and thereafter, regular refresher courses should be held for cooperative staff at all levels, taking into consideration, of course, the minimum and average levels of training already achieved.

APPENDIX X

**COOPERATIVES AND THEIR ACTIVITIES IN THE UNITED REPUBLIC OF
CAMEROON: A STATISTICAL ANALYSIS**

MARCH 1980

SUMMARY

<u>Table A.</u>	<u>Totals or Estimations</u>	<u>Responses</u>	
		<u>Number</u>	<u>Percentage</u>
Membership	314,118	264/303	87
Non-member Beneficiaries	1,145,290	250/309	81
Trained Full-time Employees	746	264/314	84
Untrained Full-time Employees	1,532	264/314	84
Part-time Employees	6,757	264/314	84
Civil Servants	48	266/314	85
External Personnel	58	266/314	85

<u>Table B.</u>	<u>Totals or Estimations</u>	<u>Responses</u>	
		<u>Number</u>	<u>Percentage</u>
<u>1978 Tonnages of Products Sold</u>			
Cocoa	82,636	32/34	94
Arabica Coffee	21,638	26/26	100
Robusta Coffee	13,179	29/29	100
Palm Oil	1,064	10/12	83
Rice	666	3/3	100
Corn	160	3/3	100
Palm Kernels	295	5/6	83
Fish	86	1/1	100
Assorted Vegetables	55	2/2	100
Manioc Flour	48	1/1	100
Beans	44	2/2	100
Potatoes	9	3/3	100
Meat	1	1/1	100
Others	1	1/1	100

<u>Table C.</u>	<u>Totals or Estimations</u> (CFA)	<u>Responses</u>	
		<u>Number</u>	<u>Percentage</u>
<u>Operational Profile</u>			
1978 Supply Service Surplus	553,574,841	37/58	64
1978 Profit Distribution	1,341,830,013	257/307	84
Paid-up Share Capital	605,035,481	250/314	80
Reserves at Cooperatives' Disposal	8,459,682,802	253/313	81
Present Value of Fixed Assets	2,614,683,863	193/313	62
1979 Savings	2,027,198,669	190/209	91
1979 Loans	1,315,344,123	188/209	90
1978 Year-End Surplus	2,529,207,301	229/312	73

Cooperatives in Cameroon directly benefit ^{1/} an estimated 1,460,000 persons and their families. Of these beneficiaries 21.5% are subscribed members with rights to participate in the decision-making process of these 429 societies. In areas where cooperatives have monopoly marketing rights the impact and member awareness of cooperation is inevitably high. It is interesting to note that within these monopoly zones membership as a percentage of total member and non-member beneficiaries is quite high and probably reflects both farmer awareness and their perception of the benefits to be derived from cooperative membership. By geographic area the percentages of member beneficiaries to all beneficiaries are as follows:

- Lekie Division	:	78.4%
- U.C.C.A.O.	:	63.0%
- South West Province	:	41.2%
- SOCOODERS	:	37.2%
- Mungo Division	:	34.8%
- North West Province	:	24.9%

Member/non-member ratios for the other types of societies are a direct function of their activities. For example, credit unions normally only service their members by providing them with savings and

^{1/} Beneficiaries are defined as heads of households who are served by a cooperative society's activities.

loan facilities and thus the number of non-member beneficiaries is negligible. Women's and other diverse societies normally provide access for services by their members to other parties, evidenced by their respective 4.3% and 4.0% ratios.

Approximately 2,300 persons are employed by cooperatives on a full-time basis, of which only 32.7% have been adequately trained for their jobs. The breakdown by cooperative grouping of the percentage of trained full-time employees is as follows:

- Diverse Cooperative Societies	:	77.0%
- Credit Unions	:	75.6%
- SOCOOPEDs of the North	:	40.6%
- North West Marketing Societies	:	36.2%
- SOCOODERs	:	33.0%
- Lekie Marketing Societies	:	29.9%
- South West Marketing Societies	:	14.4%
- Mungo Marketing Societies	:	11.6%
- U.C.C.A.O.	:	12.0%
- Women's Societies	:	11.6%

To be considered in conjunction with the above is that, although a type of society may presently have a high percentage of trained personnel, its total staff requirements may still not yet have been met. Thus, the above breakdown only reflects the effects of different types of hiring practices.

As a percentage of total staff, part-time employment is 74.8%

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for all cooperative societies. In those marketing societies where operations are carried out by the cooperatives themselves, this is reflected by a high proportion of seasonal (part-time) labor - North West: 91.7%, U.C.C.A.O.: 67%. The range among the other cooperatives is from 12.3% for the SOCOOPEDs of the North to 90.2% for the marketing cooperatives in the Mungo. (This latter figure is mostly due to the fact that these societies experience a serious lack of full-time staff).

The tonnages of products sold by cooperatives for members in 1978 was about 120,000, of which 69% was cocoa, 18% arabica coffee, and 11% robusta coffee. The fact that only 2% of these products were consumable foodstuff items points out the lack of a country-wide diversification program in this area. Actually, such a program has only taken root in several societies in the North West and West Provinces.

Supply services were operated by 58 cooperatives in Cameroon. Of these, 37 were able to provide statistics on this activity. The estimated total surplus for all societies was 553,575,000 francs (\$2,575,000).

The average profit distributed per member/farmer by cooperatives at the end of the 1978 fiscal year was 1,931 francs. This varied from no distribution at all from the Mungo societies to 4,258 francs from the U.C.C.A.O. societies. Total profits distributed were approximately 1,341,830,000 francs (\$6,241,000).

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Members of Cameroonian cooperatives averaged 1,927 francs in paid-up share capital. By group, the largest average payment per member was 4,633 francs for the diverse societies, while the smallest was 587 francs for the marketing cooperatives in the South West Province. Total payments throughout the country were 605,035,000 francs (\$2,814,000).

Reserve funds at the disposal of cooperative societies in 1979 were estimated to be 8,460,000,000 francs (\$39,350,000). Of these 7,533,000,000 francs (\$35,037,000) - 89% were held by the U.C.C.A.O. group. The lowest holdings per type of society were by the credit unions - 379,000 francs - and the Mungo Division marketing cooperatives - 452,000 francs.

The value of fixed assets (after depreciation) was determined to be 2,615,000,000 francs (\$12,161,000) for all societies. 68% of these were owned by three types of societies - U.C.C.A.O., the North West marketing cooperatives, and the SOCOODERs. The average value per society was 8,353,600 francs; by far, the lowest being among the credit unions, which, among those reporting, averaged only 51,270 francs each. In general, the value of fixed assets equaled 4.3 times the paid-up share capital, with variations from 12.99 among the South West marketing societies to 0.16 among the credit unions.

The following savings and loan figures reflect only the activities of credit unions and discussion groups. Savings in this category have

attained a level of over 2,000,000,000 francs (\$9.4 million) and loans 1,315,000,000 francs (\$6.1 million). The average loan granted per member was 64.9% of his/her savings. A point not obvious from the statistics given within this report is the growth of savings among credit unions. Since 1974, they have grown 8,891% (from 22.8 million) francs, while membership has only grown 173% (from 26,269).

The 1978 year-end surplus for all cooperatives in Cameroon was estimated at 2,529,000,000 francs (\$12,274,000), of which 1,585,000,000 francs (63%) was recorded by the six marketing cooperatives in the West Province and their union (U.C.C.A.O.). The average surplus per society was 8,106,433 francs (\$37,700), and per member was 8,051 francs (\$37). The breakdown per grouping is as follows:

	<u>Surplus per society</u> (FCFA)	<u>Surplus per member</u> (FCFA)
U.C.C.A.O.	144,650,300	16,527
Lekie Marketing Cooperatives	36,943,854	6,908
SOCOOPEDs of the North	10,878,986	-
Diverse Cooperative Societies	9,679,990	18,821
South West Marketing Cooperatives	1,510,281	10,039
SOCOODERs	1,416,301	2,995
Women's Cooperative Societies	804,947	1,263
Credit Unions	325,076	1,508
North West Marketing Cooperatives	273,600	84
Mungo Marketing Cooperatives	36,263	37

Several of the above rankings are influenced by wide ranges of

profits and/or losses, as well as average membership per society.
More detailed analyses are available in the full report.