

Evaluation
of the
United States Agency for International Development's
Cooperative Development Program of 2004-2009

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by

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LIST OF ACRONYMNS

AAC/MIS	Americas Association of Cooperative/Mutual Insurance Societies
ACDI/VOCA	Agricultural Cooperative Development International/Volunteers in Overseas Cooperative Assistance
BARA	Bureau of Applied Research in Anthropology (University of Arizona)
CAFTA-DR	Central America Free Trade Agreement-Dominican Republic
CAS	Corporate Advisory Services department (IFC)
CCI	Communications Cooperative International
CDA	Cooperative Development Authority (Philippines)
CDO	Cooperative Development Organization
CDP	Cooperative Development Program
CFC	[National Rural Utilities] Cooperative Finance Corporation
CHF	Cooperative Housing Foundation International
CLARITY	Cooperative Law and Regulation Initiative
COOPCENTRAL	Cooperativa Central (Dominican Republic)
COOP-SEGUROS	Cooperativa Nacional de Seguros, Inc. (Dominican Republic)
CONACADO	Confederación Nacional de Cacaocultores Dominicanos (Dominican Republic)
CRI	Cooperative Resources International
CUES	Credit Union Empowerment and Strengthening project (USAID/Philippines)
DCHA/PVC	Bureau for Democracy, Conflict and Humanitarian Assistance, Office of Private and Voluntary Cooperation (USAID)
IFC	International Finance Corporation (World Bank)
IFI	International Financial Institution
IMPACTS	Innovating, Measuring and Promoting Poverty Alleviation by Cooperatives in Transition Societies project (CHF)
IQC	Indefinite Quantity Contract
LOL	Land O'Lakes
MDB	Multilateral Development Banks
REFC	Rural Electrification Finance Corporation (Philippines)
NGO	Non-governmental organization
NCBA	National Cooperative Business Association
NC-RCC&AD	Rural Credit Cooperative and Agribusiness Development program (Russia)
NRECA	National Rural Electric Cooperative Association International
OCDC	U.S. Overseas Cooperative Development Council
ODP	Office of Development Partners (USAID)
RAL	Russian American Lending program
RCC	Rural Credit Cooperative (Russia)
RFA	Request for Application

SCWE	Savings and Credit with Education methodology
SO	Strategic Objective
SOW	Scope of Work
TDY	Temporary Duty trip
USAID	United States Agency for International Development
USAID/W	United States Agency for International Development's Washington, DC, Headquarters
USDA	United States Department of Agriculture
USTDA	United States Trade and Development Agency
WOCCU	World Council of Credit Unions

EXECUTIVE SUMMARY

INTRODUCTION AND BACKGROUND

One of the ways in which the United States Agency for International Development (USAID, or “the Agency”) provides support to U.S.-based cooperative development organizations (CDOs) is through a series of multiyear grants-in-aid from USAID headquarters. The most recent grant, the FY 2004-2009 Cooperative Development Program (CDP), totals \$29 million, including a \$2 million supplemental appropriation in FY 2007. The CDP provides only a small portion of the USAID funding available to the CDOs. The CDP's importance both to those organizations and the Agency is disproportionately great, however, because of its focus on improving the CDOs' performance in delivering cooperative development services, particularly through building their intellectual capital.

Eight CDOs receiving the FY 2004-2009 CDP funding are:

- Americas Association of Cooperative and Mutual Insurance Societies (AAC/MIS);
- Agricultural Cooperative Development International/Volunteers in Overseas Cooperative Assistance (ACDI-VOCA);
- Communications Cooperative International (CCI);
- Cooperative Housing Foundation International (CHF);
- Land O'Lakes International (LO'L);
- National Cooperative Business Association (NCBA);
- National Rural Electric Cooperative Association (NRECA); and
- World Council of Credit Unions (WOCCU).

Current CDP projects that the CDOs are implementing include the insurance, telecommunications, housing and community services, agribusiness, rural electrification, health, and business sectors.

USAID's stated mission for the CDP is to “deliver the quality and magnitude of support necessary for CDOs to attract the human, institutional and financial resources necessary to significantly enhance their impact on cooperative development worldwide.” The CDP has six strategic objectives: reform of cooperative law and regulation; institutionalization of effective governance and training; expansion in good-performing, self-sustaining cooperatives; growth in other-donor support for cooperative development; initiation of significant US cooperative investments in joint ventures with developing and transition economy cooperatives; and diversification of CDO financing. The CDP also has five strategy components: leverage overall cooperative development quality and impact by financing CDO learning and innovation (intellectual capital); focus development community attention on cooperative development's potential; catalyze support for legal and regulatory reform; create incentives for US cooperative engagement in cooperative

development activities; and encourage alliances between US CDOs and like-minded organizations.

The request for application (RFA) for the current CDP calls for the CDOs to focus on developing, testing, evaluating, and disseminating solutions to key problems (or “issues,” to quote the RFA) that impede the success of cooperative development efforts. Those problems are:

- principles of sound cooperative law and strategies to improve the legislative and regulatory environments;
- organizational change strategies;
- addressing HIV/AIDS, its impact on cooperatives and their members;
- strengthening cooperative participation and governance;
- planning and implementation systems;
- replication, scale, and salience of successful cooperative development efforts;
- alliances in support of cooperative development objectives;
- avoiding dependency—accelerating progress from donor support to commercial operations; and
- design (of cooperative project interventions and research activities).

EVALUATION PURPOSE

The specific purpose of the evaluation is twofold: to assess whether the performance and results of the 2004-2009 CDP justify a new one; and to tap the lessons learned from the current program for purposes of applying them to a successor. In assessing the program’s performance and results, including the lessons-learning and dissemination processes, the evaluation is to examine USAID’s central support to U.S. CDOs in the development, testing, evaluation and dissemination of solutions to the key cooperative development issues specified in the RFA. In particular, the evaluation is to assess the degree to which the CDP has met its goal of encouraging the learning of lessons through an applied-research orientation and the dissemination of those lessons, both among the CDOs and to the broader development community. Any indicated improvements resulting from that assessment are to feed into the design and development of the prospective new program.

OVERALL FINDINGS AND CONCLUSIONS

The 2004-2009 Cooperative Development Program has been quite successful overall. The program’s accomplishments, in strengthening cooperative development in low-income countries, transitioning nation-states, and emerging democracies, have been impressive.

The improved performance in cooperative development has taken place primarily through CDO-managed projects, which the current CDP has underwritten, in over 30 countries during the past five years. Those projects have bolstered broad-based, participatory,

member-owned enterprises that generate economic and social development, relieve poverty, and underpin community self-help and democratic governance. At the same time, they have often served as learning laboratories that have yielded lessons for improved cooperative development interventions that the CDOs have then disseminated widely.

In addition to funding the CDOs' in-country projects, the CDP has also provided highly useful financial support for programmatic initiatives, in the form of research studies, that are not field-project specific. The eight CDOs have collaborated on initiatives to address two challenges confronting cooperative development. The Cooperative Law and Regulation Initiative (CLARITY) is successfully tackling the constraints that the legal and regulatory environment often creates for cooperative development. The other initiative is identifying a set of key indicators of long-term viability and sustainability of cooperatives as businesses in a developing country context.

SPECIFIC FINDINGS AND RECOMMENDATIONS

Finding 1: This evaluation has found that the performance of the current CDP justifies the development of a new one. The learning and dissemination emphases, combined with programming flexibility, are essential ingredients of the current CDP that clearly deserve inclusion in a new one.

Recommendation 1. USAID should proceed with a new five-year Cooperative Development Program patterned after the 2004-2009 CDP.

Finding 2: The level of funding for the CDP is modest in relation both to the needs of cooperative development and to the amounts of money flowing into the sectors in which cooperatives operate. The CDP funding level is limited even in relation to the budgets of many of the CDOs. Even so, given the way in which USAID's Office of Development Partners (ODP) has strategically programmed the money, the CDOs have been able to use it in ways that realize benefits for cooperative development that far outweigh the meager costs.

Recommendation 2. USAID should increase the level of effort and funding for the new CDP.

Finding 3: The CDP's success has yielded a number of positive lessons for the new program, including: the desirability of mandating collaboration on additional basic research projects such as CLARITY; the effectiveness of invoking scale and salience considerations for cooperatives in pursuing sectoral expansion; and the value of promoting an organizational learning orientation in innovative project activities.

Performance has been mixed in the case of certain CDP objectives: fostering appropriately paced growth in other-donor support for expansion of cooperative development; initiating significant US cooperative investments in joint ventures; and

diversifying CDO financing. The prospects for the achievement of these important objectives in a new CDP could be significantly enhanced by certain improvements in aspects of program design and development, CDO implementation arrangements, and interactions between USAID and the CDOs.

Recommendation 3. Experience with the current CDP has yielded specific lessons both about capitalizing on successes (in learning and innovation, collaborative research, and replication, scale and salience, in particular) and about improving the program's performance (especially in pursuing other-donor support for cooperative development, joint ventures, and diversification of CDO financing); ODP should incorporate those lessons in the new program.

Finding 4. CDP-induced collaboration among the CDOs has been instrumental in the development of CLARITY and other initiatives important to improving cooperative development. Expanding collaboration support to cover other important issues in the next CDP would undoubtedly enhance the effectiveness of this special feature of the program.

Recommendation 4. The emphasis on practical collaboration among the CDOs should continue in the new CDP

Finding 5. In addition to collaboration, there are three other special features of the current CDP that have proven extremely important to its success. They are flexibility, experimentation, and continuity.

The flexibility the CDP allows the CDOs, in responding nimbly and effectively to changing conditions as the action research unfolds during project implementation, has proven crucial, for both improving project performance itself and strengthening the lessons-learning process. An important component of the CDP's flexibility is the fact that ODP has been willing and able to grant the CDOs considerable freedom of action. This evaluation has found that the Agency, in the person primarily of the cognizant technical officer, has overseen the CDOs responsibly and effectively.

The experimental approach the CDP embodies – developing, testing, evaluating, and disseminating solutions to cooperative development problems – has enabled the CDOs to use the resources effectively in two ways that have proven instrumental for cooperative development. It has allowed the funding of key innovations that spell the difference at the margin between project (and cooperative development) success or failure. It has also permitted the luxury of exercising the kind of risk-taking that is essential for a learning-based organization.

The Agency's central support for cooperative development, of which the CDP is the latest manifestation, has evolved significantly over the course of its three-plus decades. Even so, the relatively high degree of consistency in the nature and magnitude of that support has been invaluable for a program that focuses on institutional development,

which inherently demands long-term commitments. The continuity feature of the CDP has allowed many of the CDOs to build on and enhance accomplishments from earlier programs.

Recommendation 5. The Agency should ensure that the CDP's special features, of flexibility, experimentation, and continuity, which have been essential to its success, are incorporated in the new program.

Finding 6. Although most of the CDOs agreed that learning and dissemination are central to the CDP's primary purpose, the degree to which the CDOs' implementation of these two pivotal processes has been accomplishing the desired results has varied widely among CDOs and projects. Overall, there is room for more systematic, rigorous, explicit learning and dissemination components in the various projects.

The CDO community could benefit significantly from support in carrying out the learning and dissemination agenda more fully. Such help might include funding, perhaps from a central CDP account, for training and technical assistance for CDP staff in incorporating an operations-research like component in projects.

Recommendation 6. The new CDP should incorporate specific, concrete provisions for improving performance in the learning and dissemination components of projects, including possibly tying CDP funding to credible initiatives in this regard.

Finding 7. There seems to be a distinct appetite among the CDOs for additional work on the more "basic," non-experimental research initiatives, such as CLARITY, and more recently the sustainability indicators project. Such activities could usefully consume sizable amounts of CDP resources, a fact that constitutes part of the case for a higher funding level in the new CDP. However, the current CDP's support for the more operations-oriented, applied research, in which the projects are partly experiments with solutions to key cooperative development problems, is also quite important to the CDO community. That kind of project-based, experimental research helps the community improve its cooperative development capabilities, by learning through doing and by sharing – through concerted, goal-oriented dissemination regimens – experience-based lessons learned.

Recommendation 7. In the process of developing the RFA, ODP should organize an effort to sort out how much emphasis the new CDP should put on "basic" research, such as that represented by the CLARITY and sustainability indicators activities, versus the more applied, project-based experimentation.

Finding 8: The RFA for the current CDP recognized that the issue of legal and regulatory reform was important enough to require that the CDOs mount a collaborative effort (CLARITY) to address it. Certain other issues are of such priority to the achievement of the CDP's objectives that the CDOs should be strongly encouraged, if not required, to address them. Such issues include: change strategies; replication, scale and

salience; strengthening cooperative participation and governance; alliances in support of cooperative development objectives; and avoiding dependency.

ODP should conduct a review, in consultation with the CDOs and OCDC, of the list of key issues, to determine whether any changes are necessary, including any further prioritization. ODP should then devise a means of ensuring that the CDOs' proposals and projects tackle the most critical issues on the list.

Recommendation 8. After carrying out a review of the list of key issues, revising and prioritizing them as necessary, ODP should ensure that the RFA for the new CDP accounts for the fact that certain key issues are clearly critical to the success of the program, by mandating that the CDOs' proposals take on those critical issues.

Finding 9. A substantial diversity of interpretations and understandings exists among the CDOs about what key aspects of the RFA mean. Those aspects include, most importantly, the nature and role of the learning-based approach to CDP activities and of the dissemination of proven solutions to key CDP issues. However, they also extend to: the operational distinctions among alliances, joint ventures, and other-donor, foundation, academia, and related organization involvement with the CDP; and the relationship between change and innovation processes. A tighter, simpler, and conceptually cleaner RFA for the new CDP would almost certainly help improve the CDOs' proposals and implementation performance.

Recommendation 9. ODP should see that the RFA or other solicitation instrument for the new CDP contains a simple, straightforward, tightly reasoned enunciation of the goals, objectives, issues, and other key elements of the assistance being solicited of the CDOs.

Finding 10. Although the CDP, being a centrally funded program, is not an integral part of USAID mission and bureau program portfolios, CDP project activities can furnish significant benefits to USAID's country development efforts.. Similarly, missions and regional bureaus can contribute importantly to CDOs' project work, by facilitating access to policymakers and coordinating other USAID programs with CDP activities, for example.

Recommendation 10. ODP should pursue means of strengthening the interactions between CDP projects and USAID mission and bureau programs, activities, and operations. Such means could include: establishing cooperative development (liaison or program) officer positions in missions and bureaus; assigning the CTO responsibility and authority for keeping concerned mission and bureau staff informed about CDP activities in their countries and regions; ensuring that the CTO has funding for several CDP country visits annually; and stipulating in the RFA that CDO staff, on a regular, frequent basis, provide reports to mission and bureau personnel and have consultation meetings with them.

Finding 11. A strong field presence tends to make a major positive difference in CDP project performance. If the head of the CDO's operation in the country is not just a technician or administrator but is, instead, the CDO's country representative able to carry out the entire range of in-country program management duties, the performance of the CDP project is likely to improve greatly.

Recommendation 11. For the new CDP, ODP should provide inducements for the CDOs to enhance their in-country staffing and project management by, for example, incorporating in their application proposal a country representative, chief of party, or project manager position; the inducements could include such provisions as additional funding for field staff or extra points in the scoring of the proposals that effectively addressed the field presence issue.

Finding 12. Linking in-country interventions in, for example, rural electrification, rural credit, and agricultural production presents obvious possibilities for creating synergy that benefits rural development. If the CDP were to offer incentives to CDOs for capitalizing on such linkages through formal in-country project collaboration, an added benefit might be that a concentration of two or more CDOs in one country could facilitate economies of scale in program and project management (if, for example, the CDOs were to share staff).

Recommendation 12. The new CDP should promote collaboration among CDOs at the field level and on specific projects, particularly where the linking of sector interventions can contribute to development.

Finding 13. There is some sentiment, although no consensus, within the CDOs and USAID for a funding and procurement instrument other than the cooperative agreement. Some expressed an interest in an IQC-like acquisition or assistance instrument for facilitating USAID mission and other donor buy-in to innovative cooperative development activities. Others suggested a leader-with-associates grant as an alternative procurement and funding mechanism.

Recommendation 13. ODP should explore alternative procurement and funding mechanisms for the new CDP.

Finding 14. There is a widely shared opinion within the CDO community that cooperative development can be an effective tool for promoting both economic growth and democracy but there is not enough documentation as to how to work via cooperatives in crisis and post-crisis environments. The role of cooperative development models in aiding democratization and governance reform in a wide range of transition countries offers fertile ground for research, of both a basic and an applied nature, in the new CDP. More resources for such work are warranted, given all that the cooperative development model has to offer especially to transition assistance.

Recommendation 14. The new CDP should promote further experimentation with cooperative development in conflict and post-conflict countries, as part of transition

assistance programs; ODP should also consider funding research into cooperative development's relationship to the field of democracy and governance, including interactions with economic stabilization and growth.

Finding 15. Questions have arisen about both potential new applicants to the CDP and those CDOs that have been grant recipients long enough to be ready, at least arguably, to "graduate" from the program. The graduation argument is not compelling in the case of the CDP.

There are other cooperative development organizations that have the potential to participate in the CDP. Whether there is an increase in funding for the next CDP or not, additional CDOs beyond the current eight should be invited to submit applications.

Recommendation 15. All of the CDOs participating in the current CDP should be allowed to submit applications for the new one, and new CDOs should also be permitted to apply.

I. INTRODUCTION

The United States Agency for International Development (USAID, or “the Agency”) has supported the development of cooperatives as an integral part of its foreign aid program for over four decades. The Foreign Assistance Act of 1961 contained Congressional language directing USAID to “encourage the development of cooperatives as a means of strengthening the participation and involvement of the rural and urban poor in development through self-help activities, and as a way to mobilize private U.S. financial and human resources to benefit poor people in developing countries.”

The Agency has delivered this encouragement of cooperative development primarily in two ways. First, through the USAID field offices (“missions”) in developing countries and emerging democracies, the Agency’s projects have supported the establishment and expansion of cooperatives and related institutions. Second, at the level of USAID headquarters in Washington, D.C. (USAID/W), the Agency has assisted U.S.-based cooperative development organizations (CDOs) by means of a series of centrally funded grants-in-aid. This series of grant¹ programs has provided the CDO recipients more than \$125 million during the last 38 years.² The duration of each grant program has usually been three to five years.

These centrally funded grants have constituted only a small portion of the funding available to the CDOs. During the nearly four decades between 1970 and 2008, U.S. CDOs received an estimated \$1.5 billion in USAID funds for projects in more than 80 countries. This sum does not include funds available to CDOs from the proceeds of the sale (“monetization”) of PL 480 commodities for cooperative development activities. Funding from PL 480 monetization can be quite large. For example, a cooperative development activity for oilseed producers in India received over \$100 million in PL 480 sales proceeds. The country funding levels for cooperative development programs have ranged from modest sums to over \$40 million in at least one case.³

¹ This evaluation report uses the term “grant” throughout when referring to the funding instrument for this USAID/W-administered program. The actual instrumentality that USAID/W has employed has evolved over the years, ranging from centrally-funded task orders, to basic ordering agreements, to cooperative agreements, to specific support grants. Although the assistance or acquisition mechanism has varied, the program has remained a source of CDO funding administered by a central (that is, non-regional) USAID/W organizational unit (a “functional” bureau or an independent office).

² Sources: “Report to Congress on the Implementation of the Support for Overseas Cooperative Development Act” of November 2001 and “Congressional Budget Submission FY 2005.” (Washington, D.C.: USAID.)

³ Sources: Ibid.

In the year 2000, Congress enacted the Support for Overseas Cooperative Development Act. It required, among other actions, a reassessment of cooperative development activities past and present. The purpose of the reassessment was to: (1) discern lessons learned; (2) develop guidelines for future support for cooperative development; and (3) determine how best USAID could position itself to implement these guidelines. The Agency completed the reassessment in 2003, which included a Program Review, in collaboration with the Overseas Cooperative Development Council and its member CDOs. The results of the review informed the design and development of the Cooperative Development Program of fiscal years 2004-2009.⁴

⁴ Annex A of the Request for Application Number M/OP/DCHA/AFP-04-173 for the FY 2005-2009 Cooperative Development Program contains a report on the results of the Program Review.

II. BACKGROUND OF THE CURRENT CDP

The current Cooperative Development Program (CDP), which began in fiscal year 2004, originally totaled \$27 million for its five-year life-of-project duration. The CDOs receiving the grant awards are:

- Americas Association of Cooperative and Mutual Insurance Societies (AAC/MIS);
- Agricultural Cooperative Development International/Volunteers in Overseas Cooperative Assistance (ACDI-VOCA);
- Communications Cooperative International (CCI);
- Cooperative Housing Foundation International (CHF);
- Land O'Lakes International (LO'L);
- National Cooperative Business Association (NCBA);
- National Rural Electric Cooperative Association (NRECA); and
- World Council of Credit Unions (WOCCU).

Current CDP projects that the CDOs are implementing center around the insurance, telecommunications, housing and community services, agribusiness, rural electrification, and business sectors. Some CDOs have also become involved with cooperative efforts in the health sector using resources from the current grant. Appendix A to this report contains additional information on the CDOs and their CDP projects.

In an FY 2007 supplemental appropriation, Congress provided an additional \$2,000,000 in funding for the 2004-2009 CDP. USAID solicited proposals from the eight CDOs for use of the supplemental funding. The supplemental amounts that were added to the original awards largely went for ongoing activities the CDOs were carrying out under the CDP, along with funds for a collaborative research project on sustainability indicators.

The mission of the CDP, according to USAID's "CDP Strategy: 2004-2009" statement, is to "deliver the quality and magnitude of support necessary for CDOs to attract the human, institutional and financial resources necessary to significantly enhance their impact on cooperative development worldwide." The statement specifies six strategic objectives for the CDP:

1. reform of cooperative law and regulation in a significant number of countries;
2. institutionalization of effective governance models and training as self-sustaining activities in all countries with reformed law and regulation;

3. demonstration by each CDO each year of at least one substantial, self-sustaining cooperative expansion within a sector, consistent with continued superior performance;
4. growth in bilateral, multilateral, and foundation support commensurate with the pace of expansion of cooperative development, accompanied by equivalent growth of members' own funds;
5. initiation of significant US cooperative investments in joint ventures with developing and transition economy cooperatives; and
6. diversification of CDO financing with significant increases in fees and related income from US alliances and overseas partners.

The statement also cites five CDP strategy components:

1. leverage overall cooperative development quality and impact by financing CDO learning, innovation (intellectual capital);
2. focus donor, IFI, foundation, academic, and opinion leader attention on the high development returns achieved through cooperative development;
3. catalyze committed bilateral and multilateral support for reform of cooperative law and regulation;
4. create incentives for US cooperative engagement in cooperative development activities (consistent with mutual long-term financial benefit); and
5. encourage alliances between US CDOs and their international counterparts, academic resources, cooperatives and other like-minded agencies.

The RFA for the 2004-2009 CDP reiterates these strategic objectives and components.

As already noted, in response to a requirement in the Support for Overseas Cooperative Development Act of 2000, USAID carried out a painstaking exercise, in consultation with the CDO community including the Overseas Cooperative Development Council (OCDC), to reassess and revise the guidelines for investing in cooperative development. The results of this exercise, which were reported formally to Congress, established a new agenda for cooperative development that included:

- devising and testing cooperative solutions to current problems, such as rebuilding HIV/AIDS-devastated communities in East Africa;
- seeking and disseminating improved methods to adapt Western cooperative approaches to emerging market economies;

- developing strategies that target assistance to cooperatives in ways that achieve greater scale and impact;
- strengthening networks of cooperatives to solve multiple economic and social challenges and to advance specialized cooperatives in agriculture, financial systems, community-owned infrastructure, and community services; and
- developing new analytical tools, on the strengths and weaknesses of cooperatives, to promote among multilateral institutions, for purposes of reaching areas that lack private investment or cannot attract it.

The Program Review that USAID organized, in collaboration with the CDOs and OCDC, in the first half of 2003 to follow up on the results of the reassessment exercise set the direction for the 2004-2009 CDP. It also shaped the solicitation document, the request for application (RFA).

The RFA for the current CDP calls for the CDOs to focus on developing, testing, evaluating, and disseminating solutions to key problems (or “issues,” to quote the RFA) that impede the success of cooperative development efforts. Those problems are:

- principles of sound cooperative law and strategies to improve the legislative and regulatory environments;
- organizational change strategies;
- addressing HIV/AIDS, its impact on cooperatives and their members;
- strengthening cooperative participation and governance;
- planning and implementation systems;
- replication, scale, and salience of successful cooperative development efforts;
- alliances in support of cooperative development objectives;
- avoiding dependency—accelerating progress from donor support to commercial operations; and
- design (of cooperative project interventions and research activities).

III. PURPOSE, SCOPE, AND METHODOLOGY

The present evaluation stems from USAID's interest in determining the extent to which the 2004-2009 CDP has met its objectives. The Agency intends for that determination to inform its decisions about a prospective new five-year program. In particular, USAID wants the new CDP to incorporate the distillation of the lessons learned from the current program, particularly those regarding indicated improvements.

A. PURPOSE

The specific purpose of the evaluation is twofold: to assess whether the performance and results of the 2004-2009 CDP justify a new one; and to tap the lessons learned from the current program for purposes of applying them to a successor. In assessing the program's performance and results, including the lessons-learning and dissemination processes, the evaluation is to examine USAID's central support to U.S. CDOs in the development, testing, evaluation, and dissemination of solutions to the key cooperative development issues specified in the RFA. In particular, the evaluation is to assess the degree to which the CDP has met its aim of encouraging the learning of lessons through an applied-research orientation and the dissemination of those lessons, both among the CDOs and to the broader development community. Any indicated improvements resulting from that assessment are to feed into the design and development of the prospective new program.

Several noteworthy points about this evaluation concern purposes that it is not intended to serve. First, it is not meant to be an evaluation of the performance of the individual CDOs and the results of their projects, including those reviewed during two overseas visits. Rather, it is an evaluation of the Cooperative Development Program, in itself. So, although this evaluation strove to derive an understanding of the individual CDOs' projects and other CDP related activities, including their successes and shortcomings, it did not attempt an independent assessment of their performance. Instead, it took the information and insights gleaned from the reviews of the individual CDOs' work and used them to assess the performance and results of the CDP itself. Second, this is neither truly an impact nor a management evaluation. Instead, it focuses on program design and development. Third, even though it resembles a final evaluation, it is taking place in the middle of the last year of the CDP, rather than after its completion. Finally, this evaluation does not purport to settle the debate over cooperatives' role in development or their value as development tools. A concerted attempt to address any of these purposes would entail a much more extensive, elaborate, and in-depth evaluation than the timeframe, scope, and level of effort of this one permitted.

Another important point for this evaluation is that the eight CDOs by no means constitute a homogeneous group. They are quite disparate in many ways. They work in a wide variety of sectors, including dairy, other agriculture and agribusiness,

telecommunications and information technology, credit, rural electrification, insurance, health, housing, and community services. They range in size from basically a one-person show (although that executive director is supported by a contract with a sizable support-services firm), to large organizations with professional and support staffs well in excess of 100. Their budgets cover an equally wide range. Five of the eight CDOs are membership organizations. However, four of those (AAC/MIS, NCBA, NRECA and WOCCU) are basically international divisions of large cooperative associations. ACDI/VOCA is a merger of an international cooperative development organization that has agribusiness cooperatives as affiliates and a volunteer placement agency. CHF and CCI, which recently separated from the National Telephone Cooperative Association, are not membership organizations. LO'L is a non-profit division of a commercially successful cooperative of the same name. Several of the CDOs have evolved into organizations that have programs in development sectors well beyond the cooperative sphere. Devising a program capable of accommodating this great diversity of the CDO community has undoubtedly been a test for CDP designers. That diversity has equally proved a challenge for this evaluation.⁵

This evaluation takes as a starting point the facts that Congress has directed the Agency to focus special attention on supporting cooperative development and that it is indeed USAID's intention to do so. Furthermore, the evaluation accepts as a given that the Agency has determined USAID/W support of the CDOs to be an essential element in developing and maintaining a specialized cooperative development capability. The focus of the evaluation is not to question these decisions but to examine the strengths and weaknesses of the present support as they relate to the Agency's effectiveness in stimulating efficacious and sustainable cooperative development in the countries served.

B. SCOPE

The scope of work (SOW), which is Appendix B of this report, for the evaluation specifies that its foundation documents are the Implementation Report (IR),⁶ the USAID Cooperative Policy (CP) paper, the CDP Strategy (CDP-S) statement, the RFA,⁷ and the

⁵ See AMA Technologies, Inc, "Mid-Term Evaluation of the Cooperative Development Program of the Office of Private and Voluntary Cooperation, Bureau for Humanitarian Response, US Agency for International Development" (August, 1986) for further information on CDO evaluation issues.

⁶ United States Agency for International Development. 2001. "Report to the Congress on the Implementation of the Support for Overseas Cooperative Development." (Washington, D.C.: USAID)

⁷ United States Agency for International Development. 2003. Request for Applications (RFA) Number M/OP/DCHA/AFP-04-173--"Development and Expansion of Economic Assistance Programs that Fully Utilize Cooperatives and Credit Unions." (Washington, D.C.: USAID.)

Action Memo (AM)⁸. The SOW calls for the evaluation to determine whether CDP achievements have been at all inconsistent with these documents and, if so, how the inconsistencies have impacted CDP results. Making these determinations has required analyzing the dynamics of the inconsistencies and impacts. It has also entailed attempting to answer the question of what other elements of program design, management, and implementation, including those related to the RFA, individual applications, and annual plans, have accounted for changes in performance or results, and how they have done so.

The evaluation's scope encompasses an examination of the extent to which the CDOs have responded effectively to the CDP's call for not only the development of solution strategies for key issues, but also the testing of those strategies. The last paragraph in Section II of this report lists those six key issues.

The scope also covers other issues, including:

- dissemination of learning, which is a priority for the CDP;
- grantee collaboration on at least one activity, for purposes both of enhancing the quality of work on cooperative law reform and of fostering greater cooperative activity among recipients;
- encouragement of mutually-beneficial alliances between US cooperatives and developing country partners;
- significant, empirically verifiable, attributable improvements, that result from the CDP, in cooperative member incomes or in the financial or related performance of CDO-partner cooperatives or cooperative service organizations; and
- any inadequacies in CDP funding and their consequences.

In all cases, the analysis of the issues is to address not only what has happened under the CDP, but also why and how it has happened, and what changes it suggests for the new program.

C. METHODOLOGY

The SOW stipulated that the evaluation was to be carried out by one consultant-evaluator during a period of approximately three and a half months. The design and methodology, which were the result of consultation and agreement between the consultant-evaluator and cognizant USAID officers, called for the evaluation to be conducted in four phases.

⁸ United States Agency for International Development. 2004. Action Memorandum--Funding Authorization for the Cooperative Development Program. (Washington, D.C.: USAID.)

Phase One—Preparation and Document Research. This phase included review of the foundation documents cited above, individual applications, and award agreements. It also entailed collection of specific data, documents, and other material from individual cooperative development organizations, USAID/W offices and missions, and initial review of the documentation collected. This first phase also involved the preparation of a detailed work plan for the evaluation and the preparatory development of plans, schedules, and arrangements for meetings and travel both in the U.S. and abroad.

Phase Two—Domestic Research. This phase consisted of interviews, meetings, and other consultations with individual CDOs, OCDC, USAID offices, academicians, and other US-based organizations directly associated with cooperative development or knowledgeable about the subject. The collection and review of documentation that began in phase one continued during this second phase, as did the preparations for two international TDYs.

Phase Three—Overseas Field Work. During this phase of the evaluation, the consultant-evaluator visited two representative countries, the Dominican Republic and the Philippines, to assess CDP implementation activities.⁹ The visits included meetings with CDO staff, members and employees of cooperatives, government officials, USAID mission officers, and other individuals and organizations relevant to the evaluation. In-country travel to sites where cooperatives are active was also a part of the visits. The results of the first two phases of the evaluation informed the selection of the two countries and the in-county sites to be visited.

Phase Four—Analysis and Final Documentation. The final phase of the evaluation has involved the completion of the analysis of the findings from the data and other information gathered from the documentation reviews, interviews, meetings, consultations, and visits, and the formulation of the conclusions and recommendations for the prospective new CDP program. Phase four has also included the preparation and presentation of the final report by the consultant-evaluator.

The main documents, which the consultant-evaluator collected from each CDO, for the evaluation were:

- FY 2004-2009 CDP Proposal;
- FY 2007 Supplemental Proposal;
- Semi-Annual Performance Reports;
- Annual Work Plans;

⁹ Appendix D of this report contains the schedules for the visits to the two countries.

- Final Cooperative Agreement for FY 2004-2009 CDP; and
- Quarterly Financial Reports.

The CDOs also submitted supplemental documentation on various aspects of CDP performance and results.

IV. OVERALL FINDINGS AND CONCLUSIONS

The 2004-2009 Cooperative Development Program has been quite successful overall. The program's accomplishments, in strengthening cooperative development in low-income countries, transitioning nation-states, and emerging democracies, have been impressive.

A. IN-COUNTRY PROJECT RESULTS

The improved performance in cooperative development has taken place primarily through CDO-managed projects, which the current CDP has underwritten, in over 30 countries during the past five years. Those projects have bolstered broad-based, participatory, member-owned enterprises that generate economic and social development, relieve poverty, and underpin community self-help and democratic governance. At the same time, they have often served as learning laboratories that have yielded lessons for improved cooperative development interventions that the CDOs have then disseminated widely.

During this period, membership in cooperatives overseas has expanded more than three fold, including the enrolment of nearly 15,000 poor women in credit unions with mobilized savings amounting to almost \$550,000 and loans totaling nearly \$400,000. Some 32,000 micro-enterprises have received direct assistance from the program during the last four and a half years. More than 10,000 farmers have undergone a range of agricultural training programs the CDOs have sponsored. Projects supported by the CDP have helped cooperatives engage in commercial trade to the tune of roughly \$22 million. Approximately twenty million people in developing countries have benefited from new or improved infrastructure facilities and services. The program has leveraged financing commitments or follow-on investments in rural energy and telecommunications totaling more than \$400 million from in-country cooperative partners, their governments, and international aid agencies. The eight CDO grantees have come up with over \$13 million in counterpart contributions to date.¹⁰

As one example of the kinds of country-specific results the CDP has achieved, in the Philippines NRECA has combined CDP funding with financing from other sources in a project to facilitate the strengthening of the Rural Electrification Financing Corporation (REFC) to the point where it is now in a position to serve as the principal lender for the rural electric cooperative community in the country. The project has been instrumental in

¹⁰ The information in this paragraph comes largely from the U.S. Overseas Cooperative Development Council (OCDC).

helping the REFC meet the qualification requirements of commercial development banks for providing development financing. After qualifying, the REFC has already been able to provide financing and TA support benefiting about 3 million rural households, farms, and businesses. This ready source of financing for electric co-ops has been pivotal in underpinning the expansion and strengthening of cooperative-led rural electrification in the Philippines.

Another country-specific case in point is a CDP-funded project being implemented by LO'L in the Dominican Republic. The project is assisting CONACADO, a cocoa processing and marketing cooperative that represents over 9,500 Dominican small cacao farmers. The primary objective of this project is to open new niche markets for organic cocoa and to strengthen CONACADO institutionally. The project, which was initiated as a result of CAFTA-DR to increase Dominican exports of high-quality organic cocoa, has enabled CONACADO to find enough of a market in the U.S to pursue opening an office in Texas.

These are but two of numerous examples of CDP-supported projects that have achieved impressively successful results for cooperative development and development in general.¹¹ In both these cases, widely applicable lessons have emerged from the project implementation experience, and both CDOs have incorporated them in "tool kit" or manual publications for broader dissemination.

B. COLLABORATIVE PROGRAMMATIC INITIATIVES

In addition to the CDOs' in-country project work that has been receiving funding from the current CDP, the program has also provided highly useful financial support for programmatic initiatives, in the form of research studies, that are not field-project specific. After receiving their FY 2004-2009 awards, the eight CDOs pooled some of the funding to initiate collaborative work to address two sets of challenges confronting cooperative development.

One set has to do with improving the enabling environment, in the form of cooperative law and regulation, for the operation and development of cooperatives. The first activity, Cooperative Law and Regulation Initiative I (CLARITY I), addressed the constraints that the legal and regulatory environment often create for cooperative development. In this initiative, CDO staff, membership representatives, academicians, and other professional experts and practitioners in the field organized and participated in a series of workshops, studies, and research that led to the formulation and publication of a set of principles for legal reform to improve the enabling environment for the cooperative segment of the economy generally, but also for specific sectors. The CLARITY I

¹¹ The information in the two preceding paragraphs comes from the consultant-evaluator's field visits to the two countries, the Philippines and the Dominican Republic.

publication, "Enabling Cooperative Development--Principles for Legal Reform," also provided analytical "rubrics," or rules for implementing the principles (accompanied by rationales and examples), for both general and sector-specific cases. CLARITY I devoted special attention to the need for ensuring that the legal and regulatory environment in developing countries contains safeguards for two essential features of cooperatives: their democratic, member-ownership nature; and their independence as autonomous private enterprises. The CLARITY I publication, which has been translated into several languages, including Arabic, Spanish and Swahili, has been disseminated and applied widely within the cooperative development community and beyond. This evaluation has concluded that the CLARITY I project has been an excellent use of CDP resources, significantly furthering the program's lessons-learning orientation and dissemination thrust.

The CDO collaboration launched a second phase of this initiative, CLARITY II, last year. It is aimed at offering a set of practical tools to practitioners for addressing a variety of factors that affect the legal and regulatory environment. It also includes an advocacy component. The consensus within the CDO community seems, based on interviews by the consultant-evaluator, to be that CLARITY II holds considerable promise for doubling down on the value of CLARITY I. On the basis of independent evidence, including progress reports and statements by CDO staff and others, this evaluation has concluded that this second phase of the CLARITY initiative is likely to advance the collaboration objective of the CDP substantially, while contributing importantly to the body of knowledge about improving the enabling environments for cooperatives and development.

The CDOs have recently initiated another collaborative CDP project. Its goal is to identify a set of key indicators of long-term viability and sustainability of cooperatives as businesses in a developing country context. The CDO group has engaged the services of a well-known development economist, John Mellor, to conduct research into factors that can reliably predict the future likelihood that a cooperative enterprise will survive and succeed regardless of the sector or business in which it is engaged. The research will entail validating key indicators for CDOs to use as a guide to carrying out cooperative development efforts that produce effective, sustainable results. CDO representatives interviewed are optimistic about the potential value of this sustainability indicators initiative, and this evaluation concurs in that view.

V. SPECIFIC FINDINGS AND RECOMMENDATIONS

The specific evaluation findings and recommendations that this section of the report lays out focus on the new CDP. The categories into which they are divided relate to four key considerations planning for the new program will inevitably have to address.

A. PROGRAM JUSTIFICATION AND LEVEL

1. Justification for a New CDP

The CDOs have achieved numerous successes in the case of the majority of the CDP's objectives. Those objectives for which the most has been accomplished include: the aforementioned collaborative work on cooperative law and regulation; demonstration of cooperative expansion within a sector; encouragement of alliances among CDOs and like-minded agencies; and the leveraging of overall cooperative development quality and impact, primarily through innovation.

The foregoing Section IV-B discusses the successes and promise of the collaborative work (CLARITY I and II) on cooperative law and regulation. The following are examples of achievements related to the objectives of cooperative expansion, encouragement of alliances, and innovation leveraging.

a. Within-Sector Cooperative Expansion

ACDI/VOCA's CDP project in Russia, which aims to develop and expand rural credit cooperatives (RCCs) in the country, has achieved significant results. As of the end of last year, there were 1,779 rural credit cooperatives in 69 regions of Russia, 373 rural districts, and over 792 rural settlements, starting from a base of 661 in 2004 (and zero in the mid-1990s). Those 1,779 RCCs now have over 143,600 members, whereas the membership five years ago totaled less than 69,000. Annual growth in membership over the half-decade has averaged 22,800 members.

b. Encouragement of Alliances

NRECA's CDP activity centers on the creation of alliances with the major multilateral agencies, which provide most of the policy influence and financing for rural electrification, together with other strategic partners that share similar goals. The alliances have continued to pay dividends throughout the current CDP. In Yemen, work has progressed, in concert with a consortium of international financing agencies and with support from USTDA, on a national electrification strategy for enabling system development. In Africa, work in Nigeria in partnership with the World Bank and the International Finance Corporation (IFC) has continued

to expand, including a proposed partnership with a new rural electrification development agency and assistance in setting up an electric distribution company in the southern city of Aba. Finally, NRECA has continued its consultations with USTDA and several local financial institutions in the Philippines for the development of a major program of investments in efficiency improvements for electric cooperative distribution, in concert with REFC, including the launching of two other initiatives with cooperatives in the Panay-Guimaras region.

c. Leveraging of Impact—Innovation

WOCCU developed an innovative group savings and credit with education (SCWE) methodology in the Philippines beginning in 2002, which it subsequently introduced into Ecuador. Under the current CDP, it completed the transfer of the SCWE methodology and researched the results. The experience helped WOCCU learn more about the methodology, including how it works in a different country context and whether it would likely be sustainable in credit unions in an even wider variety of institutional and cultural contexts. WOCCU learned that the Ecuadorian credit unions adopting SCWE exceeded all key targets for the project, including those concerning outreach, delinquency, and self-sufficiency. WOCCU also found out that the replication potential of the SCWE would be limited, because of the extra cost of the education component.

The CDOs have also achieved considerable success in pursuing the objectives of institutionalizing effective governance and training for cooperatives and of focusing attention on the potential of cooperative development. Most of the CDOs have included activities serving one or both of these objectives in their in-country projects.

The combination of the CDP's emphasis on a learning-oriented approach to solving key problems (and disseminating the solutions) and its allowing the CDOs a degree of leeway in picking key issues to address has proven to be effective. The next paragraph and the one that follows it present only two of many examples of how this pair of central characteristics of the CDP has made for productive CDO projects.

When WOCCU, on the basis of lessons learned from its considerable earlier experience, saw a need and an opening in Nicaragua for catalyzing the transformation of shared banking into an automated national network for both domestic and cross-border transactions, it was able to use a share of its CDP funds to provide critical support to that endeavor. The initiative included the development within the credit union network of debit card and remittance processing systems. Without the freedom of choice built into the CDP, it is likely that this initiative would not have moved forward, at least not in as successful and timely a manner.

Similarly, once ACDI/VOCA learned from experience of an opportunity to help turn the Russian American Lending (RAL) program into a full-scale, indigenous cooperative

credit system for rural areas of the country, it was able obtain CDP resources to jumpstart the establishment of this institution for financing farms and rural businesses, a linchpin in the recovery of Russia's agriculture sector. The programmatic room to maneuver the CDP allows enabled ACDI/VOCA to access funding readily for carrying out a project that has achieved impressive results.

The CDP's emphasis on lessons-learning and dissemination has provided a stimulus to the CDOs in devising ways to enhance their impact on cooperative development worldwide. One CDO interviewee put it best when she told the consultant-evaluator that this emphasis of the CDP "institutionalizes thoughtfulness."

This evaluation has concluded that the performance of the current CDP justifies the development of a new one. The evaluation has further concluded that the learning and dissemination emphases, combined with a degree of freedom of choice in programming, are essential ingredients of the current CDP that clearly deserve inclusion in a new one.

Recommendation 1. USAID should proceed with a new five-year Cooperative Development Program patterned after the 2004-2009 CDP.

2. Level of Effort and Funding for a New CDP

The level of funding for the CDP is modest in relation both to the needs of cooperative development and to the amounts of money flowing into the sectors in which cooperatives operate. The CDP funding level is limited even in relation to the budgets of many of the CDOs. Even so, given the way in which USAID's Office of Development Partners (ODP) has strategically programmed the money, the CDOs have been able to use it in ways that realize benefits for cooperative development that far outweigh the meager costs.

The evaluation has found that the lessons-learning and dissemination orientation of the CDP, in combination with the discretion the CDOs have in deciding which program objectives to pursue, as discussed in the previous section ((Section V-A), has made it an efficient and effective tool for responding to pivotal areas of need within cooperative development. That combination has also served to increase the prospects that the limited CDP resources make crucial contributions to key, catalytic targets of opportunity within the whole range of cooperative development needs for assistance.

As discussed in several sections of this report, experience with the current CDP has pointed up the need for an increase in funding for the new one. Additional funds are necessary for: providing a bigger budget for ODP, so that the CTO may do field trips, for example; expanding collaborative research, such as the CLARITY I and II activities; strengthening the dissemination initiatives of the CDOs; underwriting further experimentation with cooperative development in countries in transition: and giving other CDOs the chance to take part in the program.

Of course, in analyzing the value of an investment in a development venture there is always the question of whether the benefits were worth the costs, particularly in comparison to alternative uses of the resources. Although any comparative analysis of the cost-effectiveness of the CDP versus other potential uses of the funds would be difficult to do (and there will be no attempt at any such analysis in this report), the results of this evaluation provide sound evidence that a significant increase in funding for the new CDP would be justifiable, given the kind of strategic results projects like the two described in the previous section have been achieving.

Recommendation 2. USAID should increase the level of effort and funding for the new CDP.

B. DESIGN ELEMENTS AND REQUIREMENTS

1. Lessons from the Current CDP

The CDP's success especially toward achieving the four objectives mentioned in the foregoing Section V-A-1 has yielded a number of positive lessons for the new program. Those lessons include: the desirability of mandating collaboration on additional basic research projects such as CLARITY; the effectiveness of invoking scale and salience considerations for cooperatives in pursuing sectoral expansion; and the value of promoting an organizational learning orientation in innovative project activities.

The contribution and value to the CDP of the collaboration mandate has been discussed in detail in Section IV-B above. Concerning scale and salience lessons, CHF's IMPACTS project in Mongolia has worked to expand and improve the group-based business sector. As a result, over 113 new business groups have formed, yielding nearly 25 commercial linkages with large scale buyers and producing a 25 percent increase in revenue in two years. The effort has also led to an initiative to examine the role cooperatives play in the competitiveness of value chains, thereby tackling the salience issue. As for lessons having to do with organizational learning and innovation, ACDI/VOCA's CDP-supported project in several South American countries was designed to apply change theory to promoting successful cooperative and member adoption of selected innovations. Not only has the project helped numerous cooperatives and memberships improve their performance, mostly through technical assistance and training from volunteers, but it has produced considerable organizational-learning oriented research results through the study conducted by the Bureau of Applied Research in Anthropology (BARA) at The University of Arizona in Tucson.¹²

Further progress toward accomplishing these three important objectives (collaboration; replication, scale and salience; and organizational learning and innovation) would

¹² See Section V-F, paragraph three, on page 23 of this report, for further information on the BARA study.

contribute significantly to the achievement of the CDP's mission. The evaluation has concluded that the lessons learned for these objectives from the implementation of the current CDP should be incorporated in the new one.

In the case of certain other CDP objectives, success has "proved elusive," as the Report to Congress¹³ says. The evaluation has found that the CDP's performance has been particularly mixed in relation to the following objectives: fostering appropriately paced growth in bilateral, multilateral, and foundation support for expansion of cooperative development, along with equivalent growth of members' own funds; initiating significant US cooperative investments in joint ventures with developing and transition economy cooperatives; and diversifying CDO financing.

- a. the benefits of continuing to include highly experienced, capable CDOs in the CDP outweigh the negative concerns. Other-Donor Support for Cooperative Development

Several CDOs have carried out successful efforts to enlist financial support for cooperative development from bilateral and multilateral donors and foundations. NRECA, for example, has formed a formal partnership with the Corporate Advisory Services (CAS) department of the IFC. In the Philippines, the partnership leveraged policy and financial support for scaling up the rural electrification effort. Also in the Philippines, CHF succeeded in forming an alliance with the Asian Development Bank's Japan Fund for Poverty Reduction. The alliance enabled a smooth handoff of CHF's CDP-sponsored project for strengthening the nation's Cooperative Development Authority. As a result, a sustained effort continues to transform the CDA into a competent, sustainable regulatory agency for cooperatives in the Philippines.

In general, however, the CDP's effort to promote such partnerships and alliances has yet to realize its full potential. Some of the hurdles still to be crossed include: the amount of time, effort, and other resources the forming of these relationships seems to require; and the number of competing demands there are on CDO staff time, including simply managing the implementation of what is a relatively complex, challenging CDP. This evaluation also found some evidence that CDO staff were not sufficiently clear on the import of this objective, and particularly its role in the larger CDP scheme.

- b. Joint Ventures

Some CDOs have had success in arranging for involvement of cooperatives and other businesses, from the U.S. and elsewhere, in CDP-supported activities. NRECA enlisted the support of the U.S. National Rural Utilities Cooperative

¹³ Op. cit., page 1.

Finance Corporation to assist the REFC in its Philippines project. ACDI/VOCA has arranged for U.S. and other companies to participate in aspects of the CDO's projects in several countries:

- Heinz has provided \$5 million for a tomato growing and processing project in Egypt.
- Chevron-Texaco has given \$3 million for a project to develop horticulture producer associations and cooperatives in Angola.
- British Petroleum has furnished \$3.7 million to a project for small- and medium-scale suppliers for the oil industry.

CHF arranged for the management consulting firm, Accenture, to furnish ICT services to the Philippines CDA. LO'L subcontracted with HealthPartners, another Minnesota based cooperative, to join forces with the Uganda Health Cooperative to develop a model pre-paid healthcare delivery system. In its Dominican Republic project, LO'L has assisted the cacao cooperative CONACADO in its efforts to negotiate long-term supply agreements with potential international customers such as Chocolove, Land O'Lakes/Precision Foods, and TCHO Ventures. Also in the Dominican Republic, AAC/MIS's CDP-funded project helped the premiere local insurance cooperative, Coop-Seguros, establish an extended contractual relationship with Pricewaterhouse Coopers to install and launch an Enterprise Risk Management system.

However, these activities, though apparently quite productive, do not seem to stem from true business-partnership interests. Most of them appear to reflect corporate responsibility kinds of motives more than they do entrepreneurial motivations. Others resemble standard technical assistance or consultancy types of relationships.

The reasons for the lack of examples of true joint-venture initiatives among the CDP-funded activities are no doubt similar to those cited for explaining the relatively halting progress toward achieving the objective of marshaling other-donor support for cooperatives: the resource-intensive nature of the effort, and competing demands on those resources. While some CDO representatives expressed reservations about the CDP's joint-venture initiative, most seemed to feel that the basic problem has been one of finding a way to make joint ventures happen.

c. Diversification of CDO Financing

This evaluation did not find many examples of CDP activities that help to diversify the financing CDOs receive through the realization of direct fees for service or contributions to other than specific in-country projects. There are many illustrations of the CDOs leveraging financial or in-kind contributions, either directly or indirectly, to specific projects from other sources, such as those

mentioned in the section above on joint ventures (Section IV-C-3-b above). Also, in-country cooperatives' incomes from membership fees and business revenues have risen during the current CDP, as have counterpart contributions. However, these do not pay the CDOs' bills, nor do they make the CDOs less reliant on USAID funding. The clear conclusion is that the CDP is not likely to accomplish the objective of diversifying the CDOs' own financing from U.S. alliances and overseas partners. Competing demands on the CDOs' time and other resources and the difficult nature of the task help to account for the slow pace of progress toward this objective. The main reason for the relative lack of results in this objective's case, however, seems to be insufficient attention to it.¹⁴

This evaluation has found that the prospects for the achievement of these important objectives in a new CDP could be significantly enhanced by improvements in aspects of program design and development, CDO implementation arrangements, and interactions between USAID and the CDOs. The evaluation has concluded that ODP needs to make every effort to ensure that RFA and other guidance on these objectives is sound and clear. Those efforts might include sessions with the CDOs to hammer out, first, what the guidance should be and, then, how to implement it. ODP should also make sure, in part with reinforcement in the RFA, that the necessary resources to implement the objectives are accounted for in the CDOs' proposals. Those resources could include incentives (and sanctions) built into the new CDP to induce the CDOs to pursue these three objectives more effectively. Another clear conclusion is that this is an area where the CDP's emphasis on the testing and disseminating of solutions definitely applies.

Recommendation 3. Experience with the current CDP has yielded specific lessons both about capitalizing on successes (in learning and innovation, collaborative research, and replication, scale and salience, in particular) and about improving the program's performance (especially in pursuing other-donor support for cooperative development, joint ventures, and diversification of CDO financing); ODP should incorporate those lessons in the new program.

2. Practical Collaboration

The RFA for the current CDP did not order the CDOs as a group to collaborate on what has become the CLARITY initiative – or on any other issue, for that matter. It did, however, convey the clear impression to the CDOs that they had to collaborate. During

¹⁴ For an earlier report on CDO dependency concerns, see Automation Research Systems, Limited, "Cooperative Development and the U. S. Agency for International Development—An Evaluation," 1989, and "Mid-Term Evaluation of the Cooperative Development Program of the Office of Private and Voluntary Cooperation, Bureau for Humanitarian Response, US Agency for International Development," 1996.

interviews with the consultant-evaluator, the CDO representatives almost unanimously expressed two reactions to the collaboration “requirement.” First, the representatives said they resented being told that they must collaborate, over cooperative law and regulatory reform or anything else. That was almost immediately followed by their second, near-unanimous reaction, namely, that the collaboration – “forced” or not – has proven to be a most positive contribution to their work on the CDP and beyond.

Indeed, the evaluation has found that the collaboration among the CDOs has worked well. It has been instrumental in the development of CLARITY and other initiatives important to improving cooperative development. Expanding collaboration support to cover other important issues in the next CDP would undoubtedly enhance the effectiveness of this special feature of the program.

Recommendation 4. The emphasis on practical collaboration among the CDOs should continue in the new CDP.

3. Special Features

In addition to collaboration, there are three other special features of the current CDP that have proven extremely important to its success. They are flexibility, experimentation, and continuity.

a. Flexibility

The flexibility the CDP allows the CDOs, in responding nimbly and effectively to changing conditions as the action research unfolds during project implementation, has proven crucial, for both improving project performance itself and strengthening the lessons-learning process. Given the experimental, learning-oriented nature of the projects under the CDP, it is to be expected that unforeseen developments would arise unexpectedly during implementation, calling for quick adjustments by the CDO. The ability to respond agilely and quickly to such unexpected changes in circumstances, without having to go through a lot of rigmarole and delays, has made the CDP a most effective tool for developing both cooperatives and the CDOs themselves. For example, when the government of the Dominican Republic suddenly announced a new policy restricting the ability of rural electric cooperatives to tap into national power grids, NRECA was able to quickly switch the focus of its CDP-sponsored project to alternative, renewable energy sources, without suffering bureaucratic hiccups and hassles. Also in the DR, when an initial CDP-supported attempt by the insurance cooperative Coop-Seguros proved unsuccessful at addressing the problem of HIV/AIDS’s negative impact on big credit unions that were self-insuring, AAC/MIS quickly changed its project’s focus to general risk mitigation. The project now pays for a Risk Mitigation manager, who has experience with Pricewaterhouse Coopers, to identify and reduce risks for both Coop-Seguros and its member/owners, which in turn mitigates risk for the

cooperative itself. Similarly, in Colombia, when an individual policy offered by the insurance cooperative LaEquidad turned out not to be financially viable, the flexibility of the CDP enabled AAC/MIS to quickly shift project gears toward helping LaEquidad develop and market products, originally designed for small and micro enterprise or for other purposes, through their cooperatives members.

An important component of the CDP's flexibility has been the willingness and ability of ODP (and DCHA/PVC before it) to grant the CDOs considerable freedom of action during project implementation. This evaluation found no evidence of abuse of this freedom. The evaluation concluded that the Agency, in the person primarily of the cognizant technical officer, has exercised its oversight authority and responsibility appropriately. Nearly all of the CDO representatives interviewed expressed great appreciation for the availability of such effective flexibility under the CDP.

A surprisingly large percentage of the people the consultant-evaluator interviewed, including those from the USAID missions and governments in which the project were being implemented, cited this flexibility feature of the CDP as valuable. One mission staff member indicated that the flexibility the CDP offered gave it "real advantages" for integration into suitable mission programs.

b. Experimentation

The experimental approach the CDP embodies – developing, testing, evaluating, and disseminating solutions to cooperative development problems – has enabled the CDOs to use the resources effectively in two ways that have proven instrumental for cooperative development. It has allowed CDOs to fund key innovations (such as installing a groundbreaking Enterprise Risk Management system in the Dominican Republic's national insurance cooperative, Coop-Seguros) that spell the difference at the margin between project (and cooperative development) success or failure. It has also permitted the CDOs the luxury of exercising the kind of risk-taking that is essential for a learning-based organization. CCI would likely have never been willing – or able – to establish itself and launch innovative ICT projects in a half-dozen countries without the availability of this venture-capital-like funding (although there have been some bureaucratic problems, more typically associated with more mainstream USAID project management processes, that have stymied CCI's work).

Many of the CDO representatives interviewed, as well as some from missions and host-county governments, seemed to recognize how valuable the experimentation feature of the CDP is. One such person interviewed said this feature alone was enough to justify the effort necessary to obtain such a relatively modest sum of money through the CDP.

c. Continuity

The Agency's central support for cooperative development, of which the CDP is the latest manifestation, has evolved significantly over the course of its three-plus decades. Even so, the relatively high degree of consistency in the nature and magnitude of that support has been invaluable for a program that focuses on institutional development, which inherently demands long-term commitments.

The continuity feature of the CDP has allowed many of the CDOs to build on and enhance accomplishments from earlier programs. WOCCU, for example, has been able to use the current CDP to refine its Model Credit Union Building methodology, through further field testing, and apply it more widely to new country and institutional contexts. Also, because of the continuity of CDP support, WOCCU was able to carry out the exceptionally useful research in Ecuador to follow up on the introduction of the SCWE methodology there. Because of the relative predictability of CDP support, ACDI/VOCA has been able to continue its work with cooperatives in Russia, such a large and diverse country where it would be unrealistic to expect sustainable institutional development on any significant scale to be complete in the kinds of timeframes that typify donor project lifespans.

Several of the CDO representatives interviewed commented positively about the continuity feature of the CDP. One of those interviewees said that continuity has proven very important for the CDOs' work on the legislative and regulatory enabling environment. Another observed that the CDP works best when there is ongoing activity with cooperative organizations. A third cited continuity's importance to sustainability.

Recommendation 5. The Agency should ensure that the CDP's special features, of flexibility, experimentation, and continuity, which have been essential to its success, are incorporated in the new program.

4. Learning and Dissemination

Most of the CDOs evinced, in documentation and interviews with the consultant-evaluator, an appreciation that learning and dissemination are central to the CDP's primary purpose. However, the degree to which the CDOs' implementation of these two pivotal processes has been accomplishing the desired results has varied widely among CDOs and projects. Overall, the evaluation found room for more systematic, rigorous, explicit learning and dissemination components in the various projects.

Several CDOs have incorporated a more formal, action-oriented, operations-research-like approach, including a dissemination component, in the design, development, and implementation of their CDP-supported projects. Those projects, while intended to provide significant benefits to the cooperatives, communities, agencies, or other

recipients they serve, also have an experimental side to them. Their objective is not only to help the project beneficiaries, but also to test and evaluate whether each project represents a solution to a cooperative development problem that can be disseminated for wider application. The following paragraph briefly discusses two good examples of projects with an experimental, operations–research oriented facet.

In two South American countries, Brazil and Paraguay, ACDI/VOCA has been implementing an applied research project on strategies for management of change in agricultural cooperatives. As part of the project, ACDI/VOCA engaged the services of the University of Arizona research institute, BARA, to conduct a study of eight smallholder agricultural cooperatives in the two countries. The research project, which included sample surveys, a “rapid ethnographic assessment,” and case studies, had five interrelated objectives:

- to document the process of change that individual cooperatives have undergone, by focusing on such variables as the adoption of technical and organizational innovation, increases in the economic status of individual members, strengthening of the cooperative’s financial sustainability, and improvements in governance;
- to document the impacts of cooperatives on the well-being of members, local communities, and development processes at regional and national levels;
- to document the lessons learned in relation to successes and difficulties experienced by cooperatives;
- to offer a set of recommendations to assist individual cooperatives in developing organizational strategies consistent with their own context and institutional objectives; and
- to create a forum where the cooperative process can be discussed across cooperatives and across countries.

ACDI/VOCA is publishing a book and producing a professional video on the BARA study.

CHF characterizes its IMPPACTS project, which the CDP funds, as “a high-impact, innovative learning and behavior change initiative.” One of its components has entailed the analysis, testing, and design of cooperative program tools and methodologies for use by cooperatives and by support and enabling organizations, such as CDOs and donors. The implementation of the IMPPACTS project has involved testing and developing these tools and methodologies fully in two target countries, Mongolia and Bosnia & Herzegovina, and as comparative applied research and pilot micro-projects in Africa and

the Philippines. These efforts have yielded a number of publications, including handbooks, manuals, and reference materials.

Several of the CDOs have produced and disseminated a prodigious number of monographs, booklets, reports, handbooks, and other documents as part of their CDP work. The list of reference materials in Appendix C of this report provides ample evidence of how prolific the CDOs have been in publishing and disseminating documentation funded by the CDP. The ACDI/VOCA website, Resource for Cooperative & Association Excellence in International Development (acdivocacoopex.org), is also noteworthy as a dissemination initiative.

Despite these and other successful CDO efforts to put the CDP's learning and dissemination agenda into practice, there is room for more to be done. In some cases there still has been more talk about rigorously trying to learn lessons through project implementation, and about painstaking efforts to disseminate those lessons, than there has been effective action. Part of the reason seems to be a lack within the CDO community of the necessary specialized, practical expertise in this discipline.

This evaluation has concluded that the CDO community could benefit significantly from assistance in carrying out this learning and dissemination agenda more fully. Such assistance might include funding, perhaps from a central CDP account, for training and technical assistance for CDP staff in incorporating an action- (or operations- or applied-) research component in projects. Similarly, the consultant-evaluator has come to the conclusion, after assessing CDOs' capacities, that they might well profit from ODP encouragement, in the form of both carrots and sticks (such as a tied funding provision in the RFA), to hire advisors and contract with consultants with practical expertise in learning organizations and knowledge management.

Recommendation 6. The new CDP should incorporate specific, concrete provisions for improving performance in the learning and dissemination components of projects, including possibly tying CDP funding to credible initiatives in this regard.

5. Basic Versus Applied Research

As discussed earlier in this report, the evaluation has found that the CDO community generally considers the introduction in the current CDP of the more "basic," non-experimental research initiatives, such as CLARITY (in its first two phases at least), and more recently the sustainability indicators project, to have been quite valuable. There seems to be a distinct appetite for additional work along these lines, possibly covering such inquiry topics as the business case for the cooperative approach to development, the development case for that approach, salience and scale, and the cooperative approach itself (behavior and attitudes). Such activities could usefully consume sizable amounts of CDP resources, a fact that constitutes part of the case for a higher funding level in the

new CDP. However, the current CDP's support for the more operations-oriented, applied research, in which the projects are partly experiments with solutions to key cooperative development problems, is also quite important to the CDO community. That kind of project-based, experimental research helps the community improve its cooperative development capabilities, by learning through doing and by sharing – through concerted, goal-oriented dissemination regimens – experience-based lessons learned. Perhaps the best way for ODP to decide on the level of effort to devote to each of these kinds of research thrusts in the new CDP would be through a consultative process involving the CDO community, including OCDC, and possibility academic institutions, other donors, and related organizations.

Recommendation 7. In the process of developing the RFA, ODP should organize an effort to sort out how much emphasis the new CDP should put on “basic” research, such as that represented by the CLARITY and sustainability indicators activities, versus the more applied, project-based experimentation.

6. Treatment of Key Issues

The RFA for the current CDP recognized that the issue of legal and regulatory reform was important enough to require that the CDOs mount a collaborative effort (CLARITY) to address it. Similarly, the evaluation has found, on the basis primarily of a review of CDO projects, that certain other issues are especially important to the achievement of the CDP's objectives and they should be treated as such in the RFA.

One such issue is that having to do with change strategies. The change-agent role is at the heart of what CDOs do (as the RFA says). Management of change, or the adoption of innovation, is central to progress toward all the other objectives of the CDP. Since development is all about change for the better, effective strategies for successful adoption of innovation are also essential to carrying out successful cooperative development projects in-country. When project implementation follows a sound change management strategy, such as has been the case with the ACIDI/VOCA project in Paraguay and WOCCU's CDP-sponsored activity in Ecuador, the results are usually impressive. Having the individual CDOs come up with well-designed projects that serve the objectives of both in-country cooperative development and learning-oriented testing of solutions to important cooperative development problems will contribute greatly to the success of the CDP.

Another issue that is key to the success of the CDP is the one that concerns replication, scale, and salience. The RFA for the current CDP makes the case convincingly that progress on all three dimensions is critical to successful cooperative enterprise and development. NCBA'S West Africa Health Cooperative Project, a research endeavor to assess the cooperative approach's applicability to improving the operations and sustainability of mutual health organizations, is a prime example of how addressing these

three dimensions of cooperative development can significantly advance the objectives of the CDP. The evaluation has concluded that inducing the CDOs to incorporate such replication, scale, and salience initiatives in their projects is important for the new program.

Aggressively pursuing alliances in support of cooperative development objectives is yet another key issue for the CDP to support fully. Networking and coalition-building are fast becoming essential for enterprises to survive and thrive in the 21st century's global economy, as the RFA notes. Several CDOs, including NRECA, NCBA, CHF, and ACDI/VOCA, have formed productive alliances underwritten by CDP resources. The conclusion of this evaluation is that a strong rationale exists for ensuring that the CDOs include alliance building in their proposals for the new CDP.

Finally, the issue of avoiding dependency is key to the long-term success of the program. If the CDP is to accomplish its mission of helping the CDOs to obtain the resources necessary to become instrumental in cooperative development worldwide, it must foster financial independence, self-reliance, and sustainability on the part of both cooperatives and the CDOs. NCBA's CDP-funded effort to avoid dependency and accelerate progress from donor support to commercial operations has concentrated on correcting problems that lead to dependency. That has entailed a comprehensive approach that includes: gearing recruitment and training toward ensuring staff commitment; building self-reliance; balancing and sequencing the flow of internal and external funding; and systematically identifying and addressing governance and management weaknesses. The evaluation has found, however, that there is more to be done by the CDO community in regard to reducing dependency, as the discussion in Section V-B-1-c above points out, and it has concluded that there is every reason to make this a key issue for the new CDP.

No one the consultant-evaluator spoke to suggested making any additions to the list of the nine key issues laid out in the CDP. However, as discussed earlier in this report, the CDOs did make considerably more progress in addressing some of the issues than others, such as those dealing with promoting joint ventures and diversifying funding sources. A few CDO staff interviewed did question, mostly in a roundabout way, the inclusion of certain issues in the list. This suggests that the list needs revisiting in preparation for the new CDP.

The evaluation concludes that, as a first step in the process of preparing for the new RFA, ODP should conduct a review of the list of key issues, in consultation with the CDOs and OCDC, to determine whether any changes are necessary, including any further prioritization. The second step would be to devise a means of ensuring that the CDOs' proposals and projects tackle the most critical issues on the list. The means could include requiring that each CDO's proposal incorporate a component dealing explicitly with each of the critical issues or giving disproportionately more weight in the review and approval process to those proposals that contain such explicit components.

Recommendation 8. After carrying out a review of the list of key issues, revising and prioritizing them as necessary, ODP should ensure that the RFA for the new CDP accounts for the fact that certain key issues are clearly critical to the success of the program, by mandating that the CDOs' proposals take on those critical issues.

C. MANAGEMENT AND IMPLEMENTATION

1. Program Definition and Description

The evaluation has found a substantial diversity of interpretations and understandings among the CDOs about what key aspects of the RFA mean. Those aspects include, most importantly, the nature and role of the learning-based approach to CDP activities and of the dissemination of proven solutions to key CDP issues. However, they also extend to: the operational distinctions among alliances, joint ventures, and other-donor, foundation, academia, and related organization involvement with the CDP; and the relationship between change and innovation processes.

The evaluation has found differences of opinion about what pursuing an organizational learning agenda means in practice. Some have felt it meant monitoring implementation progress and trying to draw lessons from the experience. Others seemed to have believed that a learning-oriented organization must pursue its objectives in this area in a much more concerted, research-like manner, be it of the operations variety or the more basic type. Concerning the dissemination objective of the CDP, too, the evaluation has found differing understandings of the practical meaning of the concept. One interpretation has been that it is as much about processes as it is about content, with the argument being that the dissemination activities must be well planned and organized, geared toward explicit objectives, and aimed at particular groups. Another reading has been that dissemination is more a matter of ensuring wide coverage and plentiful information flow.

The RFA section on strengthening cooperative participation and governance, in particular, seemed to strike CDO interviewees as obscure and of unclear relevance. The discussion of the role values play in the performance of cooperatives seemed to be lost on people. They tended to find it too abstract and short on specifics about how to apply such analytical tools as typologies of "progress proneness" to practical project interventions. In contrast, the RFA's treatment of the issues of the legal and regulatory environment, of replication, scale, and salience, of planning and implementation systems, and of project design appear to have been well received and understood. The consensus seemed to be that the RFA presentations of those issues were clear, concrete, and straightforward.

A general problem area has to do with the relationship of the CDP's six objectives and five strategy components (as they are called in the CDP-S), which appear on pages five and six of the RFA, to the Program Summary statement and the rest of the document.

This evaluation has found that the relationship is not clear, direct, and complete. The evaluation has concluded, therefore, that a tighter, simpler, and conceptually cleaner RFA for the new CDP would almost certainly help improve the CDOs' proposals and implementation performance.

Recommendation 9. ODP should see that RFA or other solicitation instrument for the new CDP contains a simple, straightforward, tightly reasoned enunciation of the goals, objectives, issues, and other key elements of the assistance being solicited of the CDOs.

2. CDP—Mission Interactions

Although the CDP, being a centrally funded program, is not an integral part of the USAID mission and bureau program portfolios, this evaluation has confirmed, largely on the basis of in-country observations and discussions, that CDP project activities can furnish significant benefits to USAID's country development efforts, even when there are no formal links between the two. For example, the work that the CDP-funded CHF project in the Philippines has done to strengthen the CDA has contributed substantially to the USAID mission's Credit Union Empowerment and Strengthening (CUES) project. A mission staffer told the consultant-evaluator that the work done to capacitate CDA was "essential." In the Dominican Republic, an initiative is underway to bring together AAC/MIS's CDP-sponsored project with mission activities. The mission is exploring possibilities for enlisting the Coop-Seguros network and its 500,000 cooperative members, who constitute 25 percent of the country's population, to help with advocacy for its democracy and governance programs.

Similarly, missions and regional bureaus can contribute importantly to CDOs' project work, by facilitating access to policymakers and coordinating other USAID programs with CDP activities, for example. ACDI/VOCA's work on the USAID-funded North Caucasus—Rural Credit Cooperative & Agribusiness Development (NC—RCC&AD) Program, which meshes well with the CDP project, is a prime case in point. The combining of USAID and ACDI/VOCA forces has succeeded in involving regional ministers of agriculture of the North Caucasus and representatives of the Ministry of Agriculture of Russia in the implementation of the activity.

Even though there have been notable instances of collaboration between CDOs and USAID missions, there are some areas where improvements could be made. One has to do with staffing.

In missions and regional bureaus, the responsibility for cooperative development activities tends to be divided among several offices or divisions, often along sectoral lines. The mission or bureau economist might be responsible for relations with NRECA and its project, for example, while a food and agriculture officer might handle LO'L and

its project. As a result, the mission or bureau dealings with CDOs might not be as well coordinated as they could be. The solution to this problem could be creating and filling cooperative development (liaison or program) officer positions in missions and bureaus.

Another problem has to do with concerns expressed by some mission personnel that they were not kept well enough informed about CDP activities in their countries and regions. Ensuring that the CTO has clear responsibility and authority for seeing that concerned mission and bureau staff are kept informed about the CDP would help solve that problem.

A related difficulty is that the CTO has not had the resources to do virtually any travel to countries where the CDP is operating. Since the CTO is funded out of program rather than operating expense funds, there is a simple solution to this problem: setting aside and reserving money from the next CDP (or even from the current one) in sufficient amounts to allow the CTO to make several visits annually to CDP countries.

Another answer to the call for more reporting to mission staff would be for the RFA to stipulate that CDO representatives, on a regular, frequent basis, provide reports to mission and bureau personnel and have consultation meetings with them. This would also help foster closer relations between the CDO and the mission, which could facilitate further cooperation and collaboration.

Recommendation 10. ODP should pursue means of strengthening the interactions between CDP projects and USAID mission and bureau programs, activities, and operations. Such means could include: establishing cooperative development (liaison or program) officer positions in missions and bureaus; assigning the CTO responsibility and authority for keeping concerned mission and bureau staff informed about CDP activities in their countries and regions; ensuring that the CTO has funding for several CDP country visits annually; and stipulating in the RFA that CDO staff, on a regular, frequent basis, provide reports to mission and bureau personnel and have consultation meetings with them.

3. CDO Staffing

The consultant-evaluator found, primarily on the basis of in-country observations and discussions, that a strong field presence tends to make a major positive difference in CDP project performance. Some sentiment was expressed within the CDO community that the presence should be in the form of an expatriate, or even an American, serving as the CDO representative and general manager of the project. What seemed clear, however, is that it is preferable for the head of the CDO's operation in the country to be more than just a technician or administrator. If, instead, the CDO's country representative is able to carry out the entire range of in-country program management duties, including serving as a senior manager, maintaining relations with cooperatives at various levels, government,

USAID, other donors, and related organizations and institutions, and leading the entire project implementation effort, the performance of the CDP project is likely to improve greatly. The in-country staff of CHF and NRECA that the consultant-evaluator worked with in the Philippines and the Dominican Republic certainly filled this bill, and the success of the two CDOs' projects bore witness to the value of having such well-qualified and competent individuals and assigning them the necessary authority to carry out the full range of project management responsibilities.

Recommendation 11. For the new CDP, ODP should provide inducements for the CDOs to enhance their in-country staffing and project management by, for example, incorporating in their application proposal a country representative, chief of party, or project manager position; the inducements could include such provisions as additional funding for field staff or extra points in the scoring of the proposals that effectively addressed the field presence issue.

4. Field-Level Collaboration

Linking in-country interventions in, for example, rural electrification, rural credit, and agricultural production presents obvious possibilities for creating synergy that benefits rural development. If the CDP were to offer incentives to CDOs for capitalizing on such linkages through formal in-country project collaboration, an added benefit might be that a concentration of two or more CDOs in one country could facilitate economies of scale in program and project management (if, for example, the CDOs were to share staff).

The USAID/Dominican Republic mission is working with NRECA to officially include cooperative-based rural electrification in its Rural Economic Diversification (RED) program. That program may even include pairing NRECA and the LO'L-supported CONACADO in an effort to ensure reliable electricity supplies for CONACADO's cocoa producers. It might well be possible in such a case for the CDOs involved to pool some staff and other resources.

Recommendation 12. The new CDP should promote collaboration among CDOs at the field level and on specific projects, particularly where the linking of sector interventions can contribute to development.

5. Procurement and Funding Mechanisms

The evaluation found some sentiment within the CDOs and USAID for a funding and procurement instrument other than the cooperative agreement. However, there was no consensus, on either whether a new mechanism would be desirable or what kind it should be.

Some of those interviewed expressed an interest in an IQC-like acquisition or assistance instrument for facilitating USAID mission and other donor buy-in to innovative cooperative development activities. It is worth noting, too, that more than one CDO representative mentioned the problems that existing IQCs create for CDOs, with one interviewee saying: "It's too easy for missions to just put money into them" for procuring cooperative development help, rather than looking to the CDOs for assistance. The CDO interest in the IQC option seemed to be at least partly a reflection of a desire to improve the community's ability to compete with consulting firms. However, some within the community felt that the CDOs should try to maintain their distinct identities as development agencies, rather than service purveyors.

It is important to note that the CDP and its predecessor grants have generally not represented overhead subsidies to the CDOs. The grants fund activities that consulting firms would normally not perform, such as publication and dissemination of studies, handbooks, guides, and related information, mobilization of domestic and international financial resources and other support for the program, and development of methodologies, models, and systems for use by USAID, other donors, and even competitors. For-profit enterprises would not provide such services unless explicitly contracted to do so. The evaluation concluded that providing sustained support to a corps of CDOs with well-honed expertise in providing those kinds of services to the important field of cooperative development is in the Agency's interest.

Some CDO interviewees suggested a leader-with-associates grant as an alternative procurement and funding mechanism. Such an alternative, those CDO representatives argued, could facilitate collaborative CDP efforts, foster diversification of funding sources, and promote bilateral, multilateral, and foundation financial support. This could also be another argument for additional funding for the next CDP.

Recommendation 13. ODP should explore alternative procurement and funding mechanisms for the new CDP.

D. NEW EMPHASES

1. Conflict-Prone Countries

Evaluation interviewees expressed a widely shared opinion within the CDO community that, as an OCDC paper puts it, "cooperatives, which are founded on principles of good governance and participation, are a mechanism that can promote both economic growth and democracy; however, there is not enough documentation as to how to work via cooperatives in crisis and post-crisis environments and the impacts achieved." Several persons interviewed readily agreed that the role of cooperative development models in aiding democratization and governance reform in a wide range of transition countries offers fertile ground for research, of both a basic and an applied nature, in the new CDP.

The operations-research-oriented cooperative development work that has been done so far, primarily by WOCCO, NRECA, NCBA, and CHF, in conflict-prone countries such as Afghanistan, East Timor, Rwanda, and Southern Sudan, while interesting and promising, has proved slow-going and challenging. The evaluation has concluded that more resources for further such work are warranted, given all that the cooperative development model has to offer especially to transition assistance.

Recommendation 14. The new CDP should promote further experimentation with cooperative development in conflict and post-conflict countries, as part of transition assistance programs; ODP should also consider funding research into cooperative development's relationship to the field of democracy and governance, including interactions with economic stabilization and growth.

2. CDP Graduates and New Entrants

During the course of the evaluation, questions arose about whether ODP should apply revised eligibility rules for CDOs wishing to submit applications in response to the new RFA. The rules would have to do with both potential new applicants to the CDP and those CDOs that had been grant recipients long enough to be ready, at least arguably, to "graduate" from the program. One argument for "graduating" some of the CDOs has to do with the concern that the potential for hidebound approaches and attitudes might dominate the development and implementation of the CDP. A related issue is whether any entitlement mentality about the CDP among the CDOs might be negatively affecting the program, by acting as a hindrance to new entrants, for example.

After critical review of the documentation on CDO performance during the current CDP and before, this evaluation has concluded that the graduation argument is not compelling in the case of the CDP. The evaluation found that the benefits of continuing to include highly experienced, capable CDOs in the CDP outweigh the negative concerns. The relatively long-term investment in strengthening the CDOs' capacity to carry out effective cooperative development work such CDOs are doing is paying off in terms both of the quality of project implementation and the value, actual and potential, of the collaborative research projects under the current CDP.

The evaluation has also found that there are cooperative development organizations, such as Cooperative Resources International (CRI), that have the potential to participate in the CDP. Although such organizations may well need special support to bring them up to speed quickly so that they can participate effectively in the program, the fresh perspectives and other resources they would bring to the CDP should be worth the extra effort. If, as this evaluation recommends, there is an increase in funding for the next CDP, it seems clear that additional CDOs beyond the current eight should be invited to submit applications. Even if increased funding is not available, it would be worth adjusting the allocations to the other CDOs to accommodate the new entrants.

Recommendation 15. All of the CDOs participating in the current CDP should be allowed to submit applications for the new one, and new CDOs should also be permitted to apply.

APPENDIX A – CDO CDP PROPOSALS

Cooperative Development Organization

2004-2009 Cooperative Development Program Proposals

Americas Association of Cooperative and Mutual Insurance Societies (AAC/MIS)

The AAC/MIS proposal focuses on: (1) addressing HIV/AIDS in the Dominican Republic; (2) achieving scale and salience in rural Colombia and Nicaragua; and (3) addressing the legal and regulatory environment in all three countries, in collaboration with partner organizations and other CDOs.

In the Dominican Republic, the project calls for supporting the AAC/MIS partner cooperative, *Coop-Seguros*, in two areas: (a) the design and delivery of programs to change behaviors that are associated with that country's growing incidence of HIV/AIDS; and (b) the development of insurance products that enable *Coop-Seguros* to drop the HIV/AIDS exclusion from health and life policies. *Coop-Seguros* is owned by thirty member cooperatives that in turn are owned by more than 300,000 individual members. The goal is to both educate and insure these members and their families, representing close to 15 percent of the country's population.

La Equidad, an AAC/MIS member and Colombia's largest insurance company, owned by more than 1,200 cooperatives and other not-for-profits, has more than four million policies in force. These are almost exclusively written in the country's urban areas. AAC/MIS is working with *La Equidad* to develop and deliver insurance products appropriate to the needs and incomes of rural Colombians. The initial target is to insure 24,000 families in rural Colombia. The project supports *La Equidad's* efforts to design appropriate policies and document the attempt to achieve salience and, over the longer term, scale. On completion of the activity, *La Equidad's* foundation is to contribute \$600,000 to support similar efforts in Colombia and other Latin American countries.

The goal in Nicaragua is to achieve scale, increasing the number of insured from 26,000 to 200,000 over a five year period. The project contemplates: (a) assisting current AAC/MIS partner, *Central Cooperativa Financiera de Cooperativas de Ahorro y Credito*, to strengthen and expand its insurance program; and (b) working with up to fifteen other cooperative and not-for-profit organizations to create insurance programs. The goal is to link these individual entities with a common underwriter and, potentially, to create a new cooperative insurer in Nicaragua.

The project proposes collaborating with other CDOs on cooperative law and focusing on building an informed, committed constituency in support of reform in the Dominican Republic, Nicaragua and Colombia.

Agricultural Cooperative Development International/Volunteers in Overseas Cooperative Assistance (ACDI/VOCA)

ACDI/VOCA's CDP project has three components: (1) in Russia, addressing the challenges of achieving scale and salience, strengthening planning and information systems, and improving the legislative and regulatory environment; (2) in four South American countries, attempting to apply change theory to promote successful cooperative and member adoption of selected innovations; and (3) in collaboration with other Cooperative Development Organizations, promoting a policy, legal, and regulatory environment that supports cooperation.

The Russia component builds on several years of ACDI/VOCA's support for rural agricultural credit cooperatives. By addressing scale, systems, and the environment, the activity intends to increase the net equity of rural financial institutions, build the assets of the organization lending to cooperatives, substantially increase cooperative membership, and achieve uniform adherence to a standard chart of accounts and prudential norms. These three objectives contribute to creating the conditions for achievement of scale – a cooperative financial system with the potential to ultimately reach Russia's 262,000 private farmers.

The South American component focuses on cooperatives in Bolivia, Brazil, Colombia and Paraguay. Working with the University of Arizona's Bureau of Applied Research in Anthropology and selected cooperatives, an attempt is to be made to successfully promote a number of organizational and individual member changes that contribute to their strengthened ability to compete in a global economy. The critical element is the design and documentation of an effective change process.

Communications Cooperative International (CCI)

The CCI proposal calls for work in Albania, the Ukraine, South Africa, Ethiopia and Nigeria. Proposed outcomes include: (1) development, testing, and adoption of a systematic method for designing telecommunications cooperative projects that is based on services rather than facilities; (2) design and documentation of strategies to promote enabling environments for cooperative and community-based telecommunications; and

(3) development and documentation of effective approaches to technical support for telecommunications cooperatives.

The proposal calls for a total of five project designs to be developed, tested, refined, and then documented: reform of cooperative law in at least one country by the end of the project; new or significantly amended telecommunications law enabling operation of community and cooperative telecommunications in at least one country; and establishment of at least five telecommunications cooperatives, with each covering between 5,000 and 7,000 member households.

Cooperative Housing Foundation International (CHF)

Recognizing the importance of achieving scale, CHF's project focuses on working with and through cooperative service organizations, equipping them with the background and skills required to effectively promote and support housing, financial, and community services cooperatives. The proposal calls for working in Bosnia, Mongolia, the Philippines, South Africa and Uzbekistan.

A major element of the CHF proposal is development of empirical methods to assess the economic impact of cooperatives. In this area, the project's plan is to collaborate with a group of U.S. cooperative experts who have done similar analyses in this country. The CHF project also includes working with other CDOs in helping to create a positive legal and regulatory environment for cooperatives.

Land O'Lakes International (LOL)

Land O'Lakes' project focuses on strengthening the planning, management, financial systems, and financial strength of dairy cooperatives in Tanzania, Uganda, and South Africa. It also involves incorporating HIV/AIDS education and treatment into the prepaid health cooperative system developed by sub-grantee HealthPartners in Uganda. Working with other CDOs, the project addresses legal and regulatory constraints faced by cooperatives in these countries.

Drawing on in-country assessments that identified financial and management weaknesses in dairy cooperatives, the project has developed a set of management and financial performance indicators to serve as the targets for work with dairy cooperatives in Tanzania, Uganda, and South Africa. A key element is the engendering of member confidence through strengthened management and financial performance, thereby attracting substantially greater member investment in the cooperatives. The proposal

calls for LOL to develop, test, and then widely disseminate training and technical support modules that address planning, management, and financial systems.

During the previous CDP, LOL's sub-grantee HealthPartners helped establish a prepaid health cooperative system with 53 groups serving approximately 6,000 families as members. In its expansion into HIV/AIDS, HealthPartners is not to directly test or provide treatment; rather, it is to work in coordination with existing facilities, using its growing reach to encourage use of these services.

National Cooperative Business Association/Cooperative League of the USA (NCBA/CLUSA)

NCBA/CLUSA's project, covering Angola, Indonesia, Mozambique, Nicaragua, and the West Africa Region, focuses on the enabling environment; on replication, scale and salience; and on accelerating progress from external support to self-reliance.

In addressing the need for an enabling environment for cooperatives, the project's aim is to collaborate with other CDOs to identify the principles of good cooperative law and identify industry specific regulatory needs. In Nicaragua, the NCBA/CLUSA project involves work with AAC/MIS and WOCCU, as well as with local cooperative partners, to address limiting provisions in the current law relative to articles of incorporation, capitalization, distribution of surplus, and unequal regulation relative to other forms of enterprise. In Mozambique and Angola, the focus is on simplification of registration to enable cooperatives to become legal persons, i.e. to sign contracts, obtain credit, and operate in the formal sector.

Replication, scale and salience efforts in Indonesia focus on development of two joint venture entities that partner Indonesian cooperatives with Cooperative Business International. Beginning with \$350,000 in equity and \$1 million in debt capital, the joint ventures should double revenues, farmers served, and profits. In Nicaragua, NCBA/CLUSA's work is with partner cooperatives to identify international market opportunities where that country has a competitive advantage and to support diversification and marketing. In West Africa, the approach is focused on a collaborative effort to reduce trade barriers thereby increasing marketing opportunities for cooperatives.

NCBA/CLUSA's effort to avoid dependency and accelerate progress from donor support to commercial operations concentrates on correcting problems that lead to dependency through a comprehensive approach that includes emphasis on: recruitment and training for staff commitment; building self-reliance; designing projects with a long-term business as opposed to a short-term results focus; balancing and sequencing the flow of internal

and external funding; and systematically identifying and addressing governance and management system weaknesses.

National Rural Electric Cooperative Association (NRECA)

NRECA is focused on achieving scale through three key results: (1) adoption of an electric cooperative development strategy by multilateral financial institutions; (2) application of that strategy in new national-scale cooperative investment programs; and (3) creation of electric cooperatives that meet or exceed local standards governing electric utilities. Supporting this effort will be development and documentation of a systematic approach to the design of rural electric cooperative systems.

The NRECA application focuses attention on the Dominican Republic, Bolivia, the Philippines, Central America, and West Africa. A collaborative agreement is in place with the International Finance Corporation's Corporate Advisory Services with similar arrangements being discussed with the Multilateral Investment Fund of the Inter-American Development Bank and the Private-Sector Department of the African Development Bank.

The design component of NRECA's application calls for development of institutional templates for (1) rural electric cooperative enabling legislation; (2) cooperative legal and organizational structure including charter, bylaws, policy frameworks, staffing patterns, etc.; (3) guidelines for feasibility analyses and investment planning; (4) modules on distribution system design, management and operations support tools in engineering and construction standards, financial planning, tariff establishment and human resource development; and (5) specialized modules for membership relations, promotion of productive uses of power; cooperative financial structures; etc.

World Council of Credit Unions (WOCCU)

The WOCCU project addresses four challenges: (1) creating national and international cooperative business networks; (2) advancing the legislative and regulatory environment; (3) building human capital; and (4) adapting the model credit union approach to challenging environments, including HIV/AIDS-affected areas, conflict zones, and poor rural areas. The project covers Kenya, Nicaragua, Ecuador, the Philippines, and Afghanistan.

In its approach to cooperative business networks, WOCCU expects to successfully develop and test liquidity pooling, networking, remittances, debit cards, and international shared branching. Once implemented, these are to lead to stronger competitive positions

for credit unions while extending access to new services at a lower cost to credit union members, including first time access to financial services for substantial numbers of rural and urban poor.

In the legislative area, the project is focused on strengthening credit union performance through enhanced prudential disciplines and improved governance leading to sustained member trust in their credit unions. Similarly, developing effective approaches to building human capital is to enable credit unions to participate in business networks, while expanding member reach and building confidence. The most challenging element of the proposal is adapting village banking approaches from the Philippines to Ecuador, initiating credit union development in Afghanistan, and developing educational programs and services for members and their families in Kenya where HIV/AIDS has become a threat to the viability of the cooperative movement.

APPENDIX B – SCOPE OF WORK

Evaluation Scope of Work Statement

COOPERATIVE DEVELOPMENT PROGRAM EVALUATION

Background

The current (FY 2004-2009) Cooperative Development Program responds to the recommendations included in the “Report to Congress on the Implementation of the Support for Overseas Cooperative Development Act” (see Annex A) and, by reference, to that Act (P.L. 106-306, Section 401), which amended Section F111 of the Foreign Assistance Act of 1961. That report states, in part:

Cooperative Development Program Grants

Given the importance and complexity of issues faced in cooperative development, USAID central support to U.S. CDOs will be refocused on development, testing, evaluation, and dissemination of solutions. Among the issues that deserve attention are those related to cooperative law and governance, business strategy, leadership development, professional development, member education, resource mobilization, and business alliances with the U.S. cooperative and corporate sector. The goal of the central grants will be to encourage dissemination of lessons learned, both within the CDOs and to the broader development community. Using workshops, publications and the internet, CDOs will be encouraged to strengthen the intellectual foundations for cooperative development through dialogue engaging cooperative promoters, local partners, USAID missions, donors, and NGOs. The USAID office responsible for administering these grants will take a leadership role in ensuring that cooperative alternatives are considered in addressing agriculture, financial systems, community-based infrastructure, housing, and community services.

The Implementation Report to Congress complements the USAID Policy Paper, “Cooperative Development” (Annex B), published in April, 1985.

In 2003-04, PVC/CDP developed a five-year (FY 2004-2009) program strategy (Annex C) with specific objectives, including:

- Completion of a program review
- Issuance of an RFA for 2004-2009
- Awarding grants that best advance the Cooperative Development vision, mission and objectives
- Dissemination of eight papers documenting innovative approaches to cooperative development challenges
- Completion of four bureau/mission buy-ins
- Facilitation of one US Cooperative-Third Country cooperative alliance
- Support for a 25% increase in USAID financing for cooperative development

In November, 2003, a Cooperative Development Program RFA (Annex D) was issued to operationalize the emphases presented in the Implementation Report to Congress, and specifically to focus Cooperative Development Organization efforts on developing and testing solutions to critical cooperative development challenges and, when successful, disseminating these solution strategies within their own organizations as well as making the results available to the broader cooperative and development communities. Key issues that CDOs were asked to address included:

- A. Principles of sound cooperative law and strategies to improve the legislative and regulatory environments
- B. Organizational change strategies
- C. Addressing HIV/AIDs, its impact on cooperatives and their members
- D. Strengthening cooperative participation and governance
- E. Planning and information systems
- F. Replication, scale and salience of successful cooperative development efforts
- G. Alliances in support of cooperative development objectives
- H. Avoiding dependency: accelerating progress from donor support to commercial operations
- I. Cooperative Project design

Applications were reviewed in early 2004 and selections made in March/April of that year. These, including summaries of each award recipient's program objectives, are included in an Action Memorandum approved in April, 2004. Funding was approved and awards issued effective June 1, 2004.

In 2007 a supplemental RFA was issued to award a total of \$2 million in FY2006 funds. The RFA and awards complement the FY 2004-09 grants.

In 2007 and 2008, the Cooperative Development Program objectives and achievements have been incorporated into successive FACTS Operational Planning and Reporting data bases.

(Annexes are not attached to this document.)

Evaluation Scope

An evaluation of the Cooperative Development Program will be conducted to inform the decisions on a new, five-year (FY 2010-2015) program and to identify such improvements as will better serve overall USAID policies, strategies and programs. It is proposed that the evaluation exercise utilize 58 persondays of consultant expertise and take place between August 1 and October 10, 2008.

Evaluation is primarily a learning process. Well done, it allows us to avoid repeating mistakes; and suggests how to replicate our successes. Obviously, evaluation is concerned about project outcomes; but even more importantly it is concerned with understanding why or how the outcome came about. Put baldly, the fundamental question is: knowing what we know now, would we have approved the proposed program activities in 2004? If the answer to this is yes, we need to know what changes in objectives, strategy and methods are indicated.

More specifically, and with reference to the Implementation Report (IR), 1985 USAID Cooperative Policy (CP), CDP Strategy (CDP-S), RFA and Action Memo (AM), collectively referred to as the foundation documents:

1. Are CDP achievements, in aggregate, through the time of the evaluation consistent with the AM, RFA, CDP-S, USAID CP and the IR?
 - a. If achievements are inconsistent with any of the foundation documents, have any of the inconsistencies negatively or positively impacted CDP effectiveness? If so, how and why have these impacts occurred?
 - b. Might recasting of the RFA and CDP-S have led to more appropriate and significant achievements in the contexts of the IR and USAID CP? What do these evaluation findings suggest for changes in the design of a new program.
2. Without attempting to evaluate each individual award, does a review of aggregate CDO achievements in relation to the RFA, applications and subsequent annual plans suggest any significant shortcomings and/or deviations from the RFA and/or applications and plans?

- a. Where significant shortcomings/deviations/advancements have occurred, do these reflect adequate and appropriate action by the USAID CTO? What other elements of the program design, management and implementation account for reduced performance or results, and how do they?
 - b. Have deviations occurred that, in the event, have increased or enhanced the quality/quantity of results within the framework of the RFA and individual application?. If so, what are the lessons, in terms of both how and why these deviations and results came about, that should be applied to the design of a new program?
3. The CDP calls not only for the development, but the testing of solution strategies for key issues. Is there evidence that solution strategies have been systematically and rigorously tested?
4. A major emphasis of the CDP is the dissemination of learning. What evidence exists that such dissemination has:
 - a. resulted in a tangible improvement in non-CDP programs implemented by one or more individual CDOs?
 - b. produced objectively-measurable improvements in the performance of CDO-partner cooperatives and cooperative service organizations?
 - c. been effectively shared by the originating CDO with cooperatives, other CDOs and other members of the development community, including USAID?
 - d. where sharing of learning has taken place, has the originating CDO elicited feedback and, when received, acted on that feedback?
5. The RFA required that CDP award recipients collaborate on at least one activity. This requirement was intended both to enhance the quality of work on cooperative law reform as well as to foster greater cooperative activity between recipients. What evidence exists that this collaboration has:
 - a. improved the quality and utility of results obtained in the work on legal reform;
 - b. fostered broader and beneficial collaboration between CDP award recipients.
6. Are there any significant, empirically verifiable, attributable improvements in cooperative member incomes and/or in the financial and program/service performance of CDO-partner cooperatives/cooperative service organizations that result from the CDP? These should be documented along with the method used to determine attribution.

7. Funding increases have been proposed for a new Cooperative Development Program (FY2009-2014). Do these appear justifiable? If justifiable, why? If justifiable, how should these funds be best deployed?
8. In any new Cooperative Development Program, what are the key corrections and improvements that should be made in: CDP strategy?
 - a. CDP Program Design as reflected in the RFA (or other solicitation document)?
 - b. USAID non-financial support to CDP Program implementation?
 - c. other?

Evaluation Implementation

Personnel: One evaluator with demonstrated achievements in: development practice; design, management, monitoring and evaluation of development projects. Additionally, it is desirable that the evaluator be conversant with: USAID policies, programs and methods related to project design and evaluation; role/s of non-governmental organizations in economic, social and/or political development; training methodology; communication of innovation theory; cultural factors that impact development. The evaluator should not be currently or recently (last five years) associated with a CDP-participating cooperative development organization.

Approach: The final approach will be negotiated with the selected evaluator. For planning purposes it may be assumed that the evaluation will include:

1. Preparation: Review of foundation documents plus individual applications and award agreements; requests for and review of specific data/documentation from individual cooperative development organizations, USAID/OD/PVC and other USAID Missions/offices.
2. U.S.: Real and virtual meeting with individual CDOs, the Overseas Cooperative Development Council, USAID, US-based organizations directly associated with, or knowledgeable about cooperative development, academicians.
3. Field: Field assessment of CDP implementation activities in two or three representative countries. Final selection of which countries are visited will depend on the results of the preparation and U.S. phases of the evaluation..
4. Analysis and final documentation, including presentation.

APPENDIX C – REFERENCE MATERIALS

SELECTED REFERENCES

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APPENDIX D -- IN-COUNTRY VISIT SCHEDULES

IN-COUNTRY VISIT SCHEDULES

Philippines Visit November 10-14, 2009

<u>Date</u>	<u>Time</u>	<u>Activity</u>	<u>Place</u>
November 9	11:00 p.m.	Arrive Manila	Linden Suites Hotel
November 10	8:30 a.m.	Briefing by Steve Krueger, NRECA/Manila	NRECA/REFC Building
	9:00 a.m.	Meeting with Gil Medina, NRECA International Foundation	NRECA/REFC Building
	9:30 a.m.	Meeting with Tom Villafior, REFC	NRECA/REFC Building
	10:00 a.m.	Travel to Cagayan de Oro, Mindanao, by air	
	3:00 p.m.	Arrive Cagayan de Oro	
	4:00 p.m.	Meeting with Moresco I Corporate Social Responsibility Manager	Pryce Hotel
	5:00 p.m.	Meeting with Nick Nichols, NRECA consultant	Pryce Hotel
	7:00 p.m.	Dinner with Julie B. Real, Managing Director of electric cooperative Moresco I, and staff	City Center Restaurant
November 11	8:00 a.m.	Travel by road to Moresco I electric coop	
	9:30 a.m.	Briefings by Moresco I MD Real and staff, and tour of coop facilities	Lugait, Northern Mindanao

	1:30 p.m.	Travel back to Cagayan de Oro airport	
	4:00 p.m.	Leave for airport to return to Manila	
	7:30 p.m.	Arrive Manila	
November 12	8:00 a.m.	Breakfast meeting and briefing with Jing Aldeguer and Oliver Velasco, CHF/Manila	Linden Suites Hotel
	10:00 a.m.	Travel to Cooperative Development Authority (CDA) Headquarters	Benlor Building, Quezon City
	11:00 a.m.	Meeting with CDA Executive Director Tecira "Bing" V. Juarez	CDA Headquarters
	1:00 p.m.	Meeting with CDA Region IV director on registration and MIS	CDA Headquarters
	2:00 p.m.	Meeting with CDA chief accountant on standard charts of accounts	CDA Headquarters
	3:00 p.m.	Leave to return to hotel	
	4:00 p.m.	Debriefing meeting with Jing Aldeguer	Linden Suites Hotel
November 13	8:30 a.m.	Breakfast meeting with Sherwin Pelayo, Accenture-Philippines	Linden Suites Hotel
	9:30 a.m.	Meeting with Jing Aldeguer	Linden Suites Hotel
	10:30 a.m.	Meeting with National Credit Council Director Joselito Almario and Deputy Piedad Geron	Linden Suites Hotel
	12:30 p.m.	Meeting with Jephraim Oro, MIS consultant to CHF	Linden Suites Hotel
	3:00 p.m.	Travel to USAID/Manila	

	11:15 a.m.	Meeting with mission economist Duty Greene on RED and NRECA's CDP project	USAID Mission
	2:30 p.m.	Lunch with Dave Kittelson	Adrian Tropicale Restaurant
	1:30 p.m.	Travel to Cooperativa Central branch office	Avenida 27 de Febrero
	2:00 p.m.	Meeting with COOPCENTRAL branch office Manager Ramona B. Baez and Financial Officer Manolo Comas	COOPCENTRAL branch office
	3:00 p.m.	Travel to Cooperativa Electrica Las Flores	Cristo Rey, Las Flores
	4:00 p.m.	Meeting with leadership of Coop Electrica Las Flores	Cristo Rey, Las Flores
	5:30 p.m.	Debriefing with Dave Kittelson	Hotel Melia
November 19	8:00 a.m.	Travel by road to CONACADO cocoa plant, with Operations Manager Abel Fernandez and Karen Schwartz	
	10:30 a.m.	Briefing by manager, and tour of plant	San Pedro de Macoris
	12:00 a.m.	Travel to CONACADO cacao drying and processing facility	
	12:30 p.m.	Briefing by OM Fernandez, and tour of facility	San Pedro de Macoris
	2:30 p.m.	Lunch with OM Fernandez and Karen Schwartz	Fusion Restaurant
	4:00 p.m.	Return to Santo Domingo	
	6:00 p.m.	Debriefing with Karen Schwartz	Hotel Melia

November 20	7:30 a.m.	Breakfast meeting with Karen Schwartz	Hotel Melia
	8:30 a.m.	Travel to Coop-Seguros Headquarters	Av. Bolivar #452, Gazcue
	9:00 a.m.	Briefing and presentation by Coop-Seguros General Manager Pedro Abreu and staff	Coop-Seguros Headquarters
	11:00 a.m.	Presentation on Enterprise Risk Management by Manager Juan Suero	Coop-Seguros Headquarters
	12:00 a.m.	Presentation on HIV/AIDS program by Manager Rosa M. Aybar Brito	Coop-Seguros Headquarters
	1:00 p.m.	Lunch with Juan Suero, Rosa Aybar, and Karen Schwartz	Vegetarian Restaurant
	2:00 p.m.	Meeting with Coop-Seguros President Ignacio Valenzuela	Coop-Seguros Headquarters
	3:30 p.m.	Meeting with COOPROHARINA Managing Director Francisco A. Rosales and Hilario Sanchez on FUNDESCOOP and advocacy	Coop-Seguros Headquarters
	4:30 p.m.	Return to hotel	
	7:00 p.m.	Dinner and debriefing with Karen Schwartz	Alberto's Café Italian Restaurant
November 21	1:00 p.m.	Leave for airport to depart Santo Domingo	Linden Suites Hotel

APPENDIX E – CONTACT LIST

EVALUATION CONTACTS

Americas Association of Cooperative & Mutual Insurance Societies (AAC/MIS)

Edward L. Potter, Executive Director

Karen Schwartz, Consultant

Agricultural Cooperative Development International/Volunteers in Overseas Cooperative Assistance ACDI/VOCA

Charles Cox, Vice President

David Lindgren, Project Assistant

Communications Cooperative International (CCI)

Maria Kendro, Vice President, International

Cooperative Housing Foundation International (CHF)

Virginia “Jing” Aldeguer, CDP Manager, Phillipines

Kristin Beyard, Associate Program Officer

Rachel R. Blum, Senior Advisor

Barbara Czachorska-Jones, Director, Program Administration

Tracy Gerstle, Technical Advisor

Oliver Velasco, Assistant CDP Manager, Philippines

Land O’Lakes International Development Division (LO’L)

Bradley Buck, Director, Business and Practice Expansion

Rob Nooter, Director (Former)

National Cooperative Business Association/Cooperative League of the USA (NCBA/CLUSA)

Matt Buzby, Director of Program Operations

John Dunn, Vice President, International

Carl Hammerdorfer, consultant-evaluator

Ted Meinhover, Assistant Project Manager

Beth Melby, CDP Coordinator

National Rural Electric Cooperative Association International (NRECA)

Paul Clark, Senior Advisor

Martin Crowson, REFC Director (Philippines)

Eric Gibbs, Senior Program Manager

David A. Kittelson, Country Representative, Dominican Republic

Steve C. Krueger, Country Representative, Philippines

James A. “Nick” Nichols, Advisor, Philippines

World Council of Credit Unions (WOCCU)

Catherine Ford, CDP Manager

Barry Lennon, Senior Vice President

Dave Richardson, Senior Manager of Technical Development

Fidele Rabemananjara, consultant-evaluator

United States Agency for International Development (USAID)

Tom Carter, CDP Manager, ODP, USAID/W

Maria Teresita F. Espenilla, Project Management Specialist, USAID/Phillipines

Jose "Boy" B. Dulce, Project Management Specialist, USAID/Phillipines

Stephen Brager, General Development Officer, USAID/Dominican Republic

Duty D. Greene, Economic Policy Advisor, USAID/Dominican Republic

Dominican Republic

Pedro Abreu, General Manager, Cooperativa Nacional de Seguros, Inc. (Coop-Seguros)

Ramona B. Baez, Branch Manager, COOPCENTRAL

Rosa M. Aybar Brito, HIV/AIDS Program Manager, Cooperativa Nacional de Seguros, Inc. (Coop-Seguros)

Manolo Comas, Branch Financial Officer, COOPCENTRAL

Abel Fernandez, Operations Manager, Confederación Nacional de Cacaocultores Dominicanos (CONACADO)

Francisco A. Rosales, Managing Director, COOPROHARINA

Juan Suero, Enterprise Risk Management Program Manager, Cooperativa Nacional de Seguros, Inc. (Coop-Seguros)

Ignacio Valenzuela, President, Cooperativa Nacional de Seguros, Inc. (Coop-Seguros)

Antonio Vargas, President, Coop Electrica Las Flores

Philippines

Joselito Almario, Director, National Credit Council, Department of Finance, Government of the Republic of the Philippines

Piedad Geron, Deputy Director, National Credit Council Director, Department of Finance, Government of the Republic of the Philippines

Tecira "Bing" V. Juarez, Chairperson, Board of Directors, Cooperative Development Administration, Government of the Republic of the Philippines

Sherwin M. Pelayo, Accenture

Julie B. Real, Managing Director, Moresco I, National Electrification Administration

Thomas L. Villafior, Project Engineer, Rural Electrification Finance Corporation