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European Research Institute on Cooperative and Social Enterprises

Agricultural Cooperatives in Africa

Report on the mapping data of CDOs and their projects

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International Cooperative Research Group

OCDC US Overseas Cooperative Development Council

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1. Purpose of the research

This report is the first outcome of a joint project by the International Cooperative Research Group, a division of the US Overseas Cooperative Development Council (OCDC), and the European Research Institute on Cooperatives and Social Enterprises (EURICSE). The purpose of the research is to provide an analysis of the legal, economic, and policy environments in which cooperatives operate in four African countries. The final research report will also look at the challenges and opportunities facing 16 selected cooperative development programs. The overall aim of the research is to support the creation of cooperatives and the scaling up of strategies in the agricultural sector of sub-Saharan Africa.

The research is focused on cooperative development programs conducted in the agrarian sector of the African countries by cooperative enterprises, as well as by cooperative development organizations (CDOs) linked to the North American and European cooperative movements.

In cooperative development, it is important to keep in mind not only the advantages that cooperatives can bring, but also the problems that can arise in trying to create them. The goal of this project is that, by developing a better understanding of the context of cooperatives in a variety of countries and the effectiveness of different cooperative projects, CDOs in North America and Europe will be able to improve the effectiveness of their co-op development strategies.

This work is the first phase of a wider research agenda, guided by the following research questions:

1. What is the national context for cooperatives in the selected African countries in terms of the economic environment and legal frameworks?
2. What is the history of the selected cooperative projects in each of these countries? What characterizes their membership and their relationship with foreign partners? What are the different strategies used by co-op development organizations to provide technical and financial assistance to these cooperatives? How do they interact with other actors in the value chain in which they are embedded? What benefits do they produce for their members? How are these benefits distributed? How are these benefits perceived?
3. What management strategies and public policies can maximize the advantages that cooperatives bring to a community and minimize potential problems?

The current phase of the research consists of developing a preliminary desk study that has the potential to lead to an in-depth field study of a selected number of cases. This first study is divided into two main tasks:

- Mapping existing projects implemented by the selected sample of CDOs.
- Selecting four countries and a number of projects in each country from this group. Subsequently, an exploratory study will be conducted, with the aim of investigating regulatory frameworks, legal backgrounds of the selected countries, and the main features of selected cooperative development projects to identify a set of hypotheses concerning project outcomes.

This report gives an overview resulting from the mapping of recent projects in the selected area of study.

2. Background literature

Cooperatives and producer organizations can play an important role in poverty reduction and increased wellbeing in rural areas, which is the reason they are supported as a crucial tool in development programs.

In most sub-Saharan African countries, agrarian cooperatives have a complex history. The "western" notion of cooperative enterprise was introduced by a colonial power, but often it became a tool used by the decolonization governments to promote development in rural areas. In most countries the cooperative movement declined between the 1980s and the 1990s for two main reasons (Develtere, Pollet and Wanyama, 2008):

- It became a top-down tool, where cooperatives became more akin to State enterprises, as happened, e.g., in Mozambique in the early 1980s.
- Structural adjustment policies negatively affected the development of cooperatives, has happened, e.g., in Zambia (or in Mozambique in later years).

However, many traditional forms of cooperation have survived the impact of colonialism and the adverse consequences of the structural adjustment policies. In n some instances, these organizations have paved the way for the emergence of modern unions and federations, resulting into the structural reorganizations of the cooperative movement (Borzaga and Galera, 2014). Today, we observe a renewed interest in cooperatives by international agencies, civil society organizations, and farmers' movements in most African countries. Cooperative enterprises can play an important role in economies where the agribusiness model is widely expanding and important issues are being tackled. Among these issues are the limited bargaining power of smallholders with respect to "big" buyers and the selection of large-scale growers into contract-farming arrangements. In both cases, lower transaction costs can result in a pattern of exclusion. Cooperatives can intervene by organizing the supply side, which counterbalances buyers' market power.

The plurality of ownership structures and organizational goals also helps to prevent the formation of monopolies, provides opportunities for innovation, and limits information asymmetries (Borzaga and Galera, 2012). Cooperatives can facilitate the introduction of agricultural production innovations where producers would not receive the necessary push from market forces alone (Logue and Yates, 2005). For example, sources of information may not be available or suitable for the smallholders' needs, while cooperatives can provide them.

Cooperatives can also play a role in mitigating the risk embedded in the production process by means of loss-sharing mechanisms. They serve this function through different tools: by transferring the risks from the individuals to the organization, by allowing for a more diversified range of activities, or by providing social security arrangements, reducing both idiosyncratic and collective risks (Birchall, 2003).

Nevertheless, in cooperative development projects, several problems may arise. Problems common to all interventions are, for example, promoting participation (Mansuri and Rao, 2013) and triggering bottom-up processes. Moreover, cooperatives rely crucially on regulatory frameworks that recognize their specificity and set the rules for their functioning. The absence or incompleteness of these legal instruments may affect the effectiveness and sustainability of cooperative enterprises.

3. Methodology

During August and September 2015, a selected sample of CDOs was invited to participate in a survey about their recent cooperative development projects in the agricultural sector in Africa. Selected CDOs provided information on 186 projects in 30 different countries. In this report, some descriptive figures of the resulting dataset are presented, disaggregated at the CDO, country, and project levels.

3.1 Selection of CDOs

The first step was the selection of 15 CDOs, which were chosen for their proximity to the North American and European cooperative movements.

CDOs are defined as organizations providing "technical assistance for the formation of cooperatives in the operation of established cooperatives. CDOs can be non-profit organizations, co-ops, for-profit entities, or government agencies," (Nadeau and Scott Kennedy, 2015: 4). This broad definition includes several types of organizations; nevertheless, a narrower range of CDOs was selected.

All selected CDOs are characterized by their proximity to the European, US, and Canadian cooperative movements, but they have different legal structures. Three types of CDOs are present in the selected sample: cooperative enterprises (or federations of cooperatives), non-profit organizations (NPOs) created by cooperative organizations for the promotion of the cooperative model in developing countries, and research institutions. These different organizational types will be addressed in the data analysis section devoted to CDOs.

The 15 selected organizations included the following:

- Six organizations headquartered in the US: Agricultural Cooperative Development International & Volunteers in Overseas Cooperative Assistance[1] (ACDI/VOCA), Cooperative Resources International[2] (CRI); Global Communities[3]; Land O'Lakes Inc.[4], World Council of Credit Unions[5] (WOCCU); and the National Cooperative Business Association CLUSA International[6] (NCBA-CLUSA).
- Two organizations based in Canada: Société de Coopération pour le Développement International[7] (SOCODEVI) and the Canadian Cooperative Association[8] (CCA).
- Seven organizations headquartered in different European countries: The Co-operative College[9] (UK); Coopermondo[10] and Legacoop[11](Italy); German Cooperative and Raiffeisen Confederation[12] (DGRV, Germany), European Community of Consumer Cooperatives[13]

[1] http://acdivoca.org
[2] http://cri.crinet.com
[3] http://www.globalcommunities.org
[4] http://www.landolakesinc.com
[5] http://www.woccu.org
[6] https://www.ncba.coop
[7] http://socodevi.org
[8] http://www.coopscanada.coop
[9] http://www.co-op.ac.uk
[10] http://www.coopermondo.it
[11] http://www.legacoop.coop/
[12] https://www.dgrv.de/en/home.html
[13] http://www.eurocoop.org

(EuroCoop, Belgium), Fédération Nationale des Coopératives d'Utilisation de Matériel Agricole[14] (FNCUMA, France); We Effect[15] (Sweden).

The selection was voluntarily non-random, as the research targets a specific type of CDO, those linked to the cooperative movement. The US-based organizations are members of OCDC[16], while the European ones are members of Cooperatives Europe and part of the initiative "Cooperatives in Development"[17].

An important caveat has to be made: these are non-exhaustive data on cooperative development in Africa, and the figures that are presented in this report should not be considered an exhaustive picture of cooperative development projects.

3.2 Questionnaire

Selected CDOs were asked to provide a list of their agricultural cooperative development projects initiated or completed in the past 5 years (2010–2015) in African countries, along with some information on each of them.

The questionnaire was composed of five sections:

- Basic information: project title, country(ies), start and end years of activity
- Funding: funding sources, organization names and types, project budget
- Partnerships: name, type and country of each partner, identification of the lead organization
- Activities: list of types of activities implemented
- Availability of post-study or project evaluation material

The types of funding organizations, lead organizations, partners, and activities had been coded in advance.

In regards to funding, the allowed options are listed in Table 1. The first two options include the CDO's own funds, while the others imply that the CDO applied for external funding, to public national agencies (e.g., USAID), multilateral agencies (e.g., UNDP), private donors (e.g., the Bill and Melinda Gates Foundation), or umbrella organizations of the cooperative movement (e.g., the International Cooperative Alliance, or national organizations such as Legacoop in Italy).

Table 1: Types of donors

1. CDO's own funds from members
2. CDO's own funds from fundraising
3. Public national donor
4. Public multilateral donor
5. Private donor/foundation
6. National federation of co-ops

[14] http://www.cuma.fr
[15] http://www.weeffect.org
[16] http://www.ocdc.coop/our_members.html
[17] https://coopseurope.coop/development/

To identify the type of partnership that was formed, we provided a detailed list of lead and partner organization types (illustrated in Table 2).

Table 2: Types of partner organizations

1. National cooperative federation (multi-sector or sectors other than agriculture)
2. Regional cooperative federation (multi-sector or sectors other than agriculture)
3. National cooperative federation (agricultural sector)
4. Regional cooperative federation (agricultural sector)
5. Other national federation of farmers
6. Other regional federation of farmers
7. First-level agricultural cooperative or farmers' organization
8. National government or local administration
9. Civil society organization or NGO based in the beneficiary country (local organization)
10. International civil society organization or NGO (including branches in the beneficiary country)
11. International multilateral/governmental organization (including branches in the beneficiary country)
12. For-profit company
13. Research institution
14. First-level cooperative, different from agrarian co-op

Options 1 and 2, as well as option 14 represent cooperative organizations that are not specifically agrarian; the first two options identify umbrella organizations, while the latter identifies first-level organizations. The same distinction applies to categories 3, 4, and 7, which are meant to identify agrarian cooperatives. Categories 5 and 6 identify organizations that represent farmers without being cooperatives themselves.

Categories 9 and 10 include non-profit organizations (NPOs), distinguished between international organizations (organizations based in Europe and North America) and local organizations (based in African countries). For the sake of clarity, it is worth noting that while in Europe cooperatives are generally considered part of the non-profit sector, in the US they are considered for-profit enterprises. Therefore, to avoid problems with overlapping categories or different organizational conceptualizations, a clear distinction has been made between first-level cooperative enterprises (category 7), NPOs (categories 9 and 10), and for-profit companies, intended as capital-managed firms (category 12). Categories 9 and 10 include civil society organizations, advocacy and faith based organizations, as well as development NGOs. Most of the selected CDOs (10 out of 15) belong to category 10, as they are NPOs created by the cooperative movement with the aim of promoting cooperation, farmers' organizations, or financial inclusion in developing countries, based on the experience of cooperative movements in their home country.

The coding of the different types of activities conducted by selected CDOs (listed in Table 3) was inspired by the classification used by the Cooperatives Europe initiative "Cooperatives in Development". The use of the same classification has been considered convenient for data comparison and analysis.

Table 3: Types of activities

1. Training & capacity building
2. Consulting
3. Institutional building
4. Financial support & investment
5. Network building & strengthening
6. Technology & knowledge exchange
7. Trading
8. Legal framework & policy reform
9. Budget support & donations
10. Social integration

3.3 Questionnaire collection and methodology notes for dealing with missing information

Completion of the questionnaire was done in three steps:

- The research team developed the questionnaire and contacted the CDOs to let them know about the research and ask for their contribution. In a few cases, the CDOs directly completed the questionnaire, while in most cases, they provided the information and material needed to fill the questionnaire (web sites, project fiches, etc.).
- The research team completed the questionnaires with all the information available. With regard to the European organizations, the research team drew upon the "Cooperatives in Development" platform[18].
- Subsequently, the research team asked the CDOs to check and complete the questionnaires.

The overall response of the selected CDOs was positive. Only one out of 15 CDOs never replied to the invitation to participate in the research. However, as pointed out later in this report, not all sections of the questionnaire have been exhaustively answered by the CDOs. In particular, budget information on the implemented projects was most frequently missing. In these cases, the following general rules were applied:

- With regard to multi-country projects, in some cases CDOs provided a unified budget. In these cases the overall budget has been divided by the number of countries, making the assumption that the budget was distributed equally among them.
- When the budget information was missing, but the CDOs provided information on a budget range, the average value of the range was used, except for budget range 7 (see Table 4), where we used the lower value US$10 million.

[18] See https://coopseurope.coop/development/

Table 4: Budget range of implemented projects

1. < 5,000 US$
2. 5,000–100,000 US$
3. 100,000–500,000 US$
4. 500,000–1 million US$
5. 1–5 million US$
6. 5–10 million US$
7. > 10 million US$

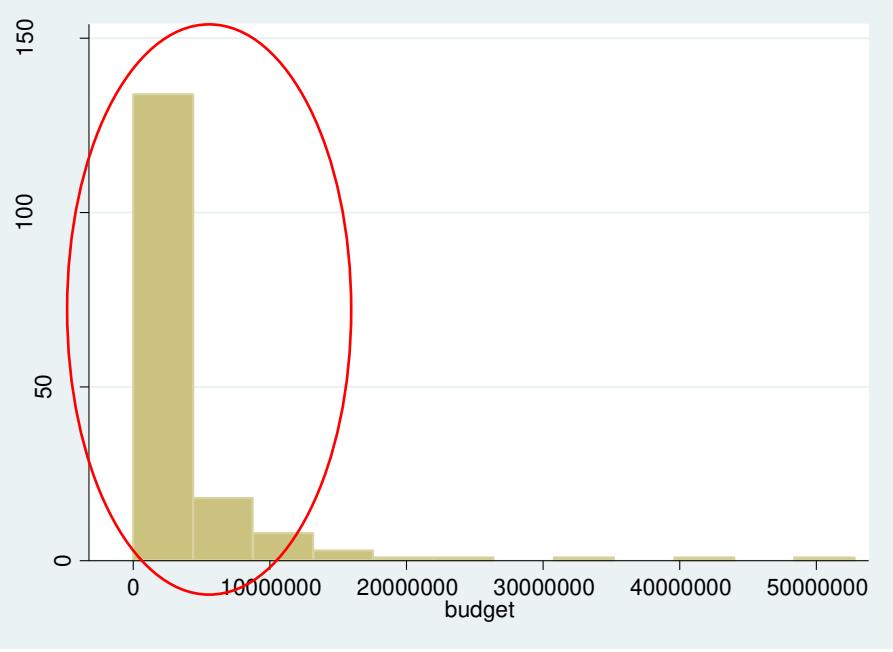
4. Data overview

A total of 186 projects in 30 countries have been identified, almost entirely in sub-Saharan Africa[19]. From North Africa, only Morocco and Tunisia are present, with two projects each. This is probably due to the fact that, in the activities of CDOs, North Africa is typically considered a separate region, considered a part of the Middle East in the MENA region.

The average budget was US$3,116,305, but the distribution is skewed toward the left tail. This means that there was a large number of small projects and a few large ones. The median was US$863,600, which means that half of the projects have budgets below that amount.

The observed budget distribution is as follows:

Figure 1: Budget distribution



If we limit the distribution to the zone of the histogram where we find the great majority of projects, which excludes projects with budgets greater than US$10 million, the distribution is still skewed (see Figure 2).

[19] Multi-country projects have been considered different projects, counting one project per country.

It should be noted that we only had budget information on 168 projects out of the total 186. The remaining 15 projects are not considered when discussing budget-related issues.

Concerning their status, 74 out of 186 projects are ongoing, while 104 are closed. Information on the current status of the remaining eight projects is not available.

The average duration of a project is almost 4 years (3.93 years), but 50% of projects last for 3 years or less. A few projects cover a much longer span of time: 5 projects last 10 years or more. The mode is 2 years, which is to say that this is the project duration that appears more frequently (in 41 cases over the 175 that provide information on start and end year). The distribution of projects according with their duration is depicted in Figure 3.

Figure 2: Budget distribution for projects below US$10 million

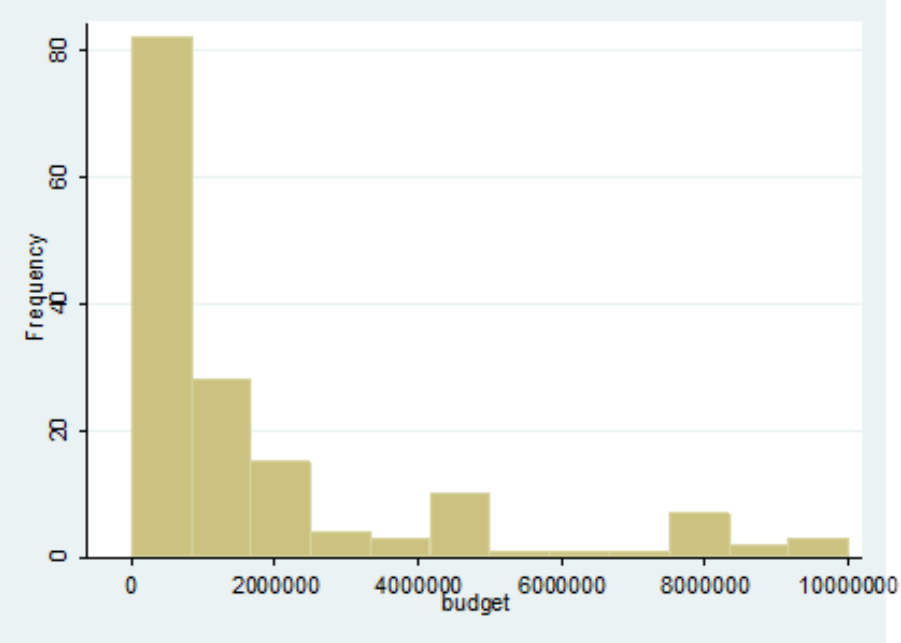
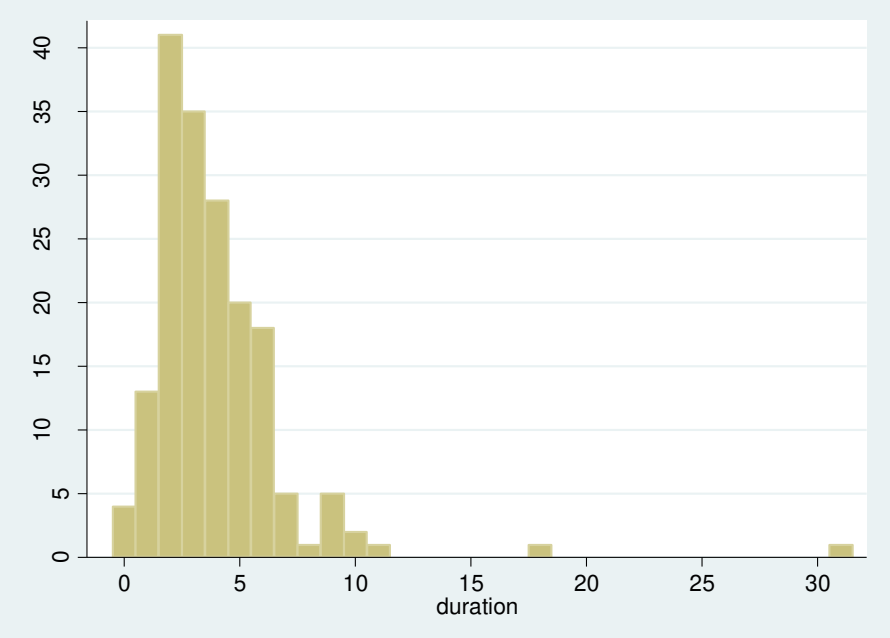


Figure 3: Frequency of projects duration



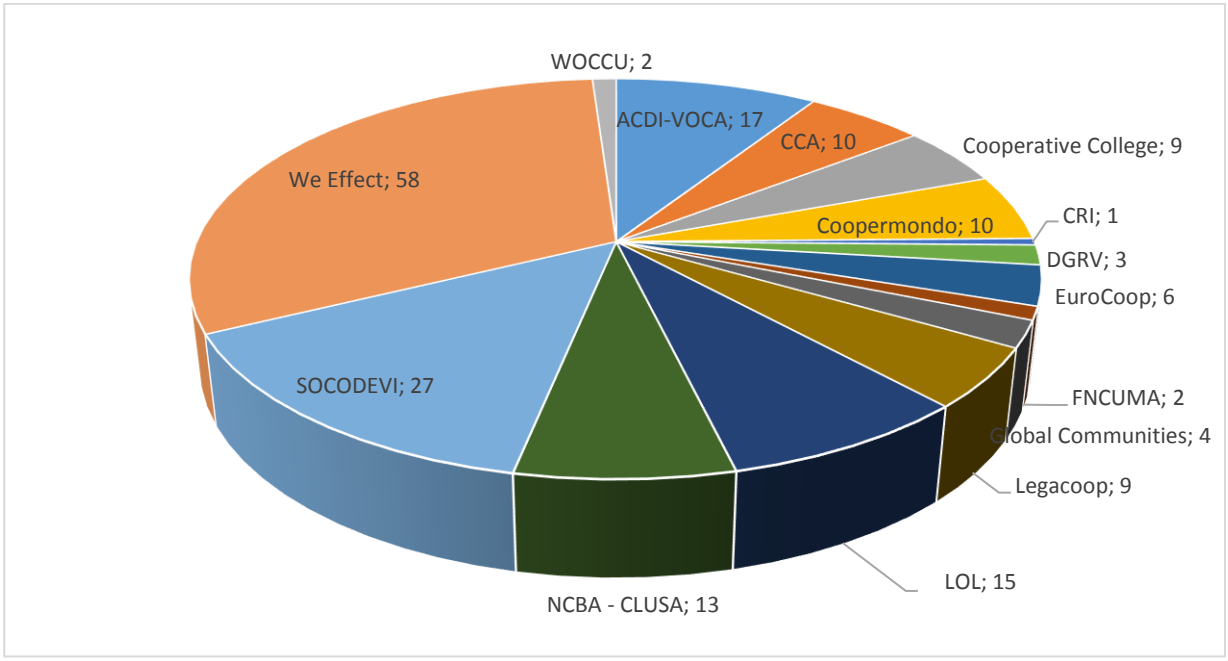
5. Summary statistics at the CDO level

In the classification of organizations shown in Table 2, among the selected CDOs it was possible to identify two national (multisector) federations of cooperatives, two national federations of agricultural cooperatives, one first-level cooperative, and one research institution, while the remaining nine organizations are NPOs supported by the cooperative movement for advocacy purposes and the promotion of cooperation around the world. These distinctions can be quite blurred, and in some cases, they can overlap. The main example is the Cooperative College, which is both an NPO linked to the cooperative movement and a research institution.

Dividing the CDO sample into two main groups according to the organization type highlighted some interesting differences. One group is made up of CDOs that are non-profit organizations (10, including the aforementioned, plus the Cooperative College), while a second one is made up of cooperative enterprises or cooperative federations (five organizations). The former group implements the great majority of projects (156), while the second carries on 30 projects.

It should be underlined that in a noticeable number of cases (59 out of 186[20]), the CDO was not the project's lead organization, but participated in a partnership led by another organization. This was a more-frequent option in the case of CDOs that are cooperatives or cooperative federations, where 40% of projects have a lead organization different from the CDO. This was the case for 24.3% of projects among CDOs that are NPOs.

Figure 4: Number of projects by CDOs



Concerning budget size, non-profit CDOs had, on average, larger projects (US$3.8 million), compared to US$2.7 million, but the difference was not statistically significant. Taking a closer look at each CDO, we obtain a different picture based on the project size. The organization that

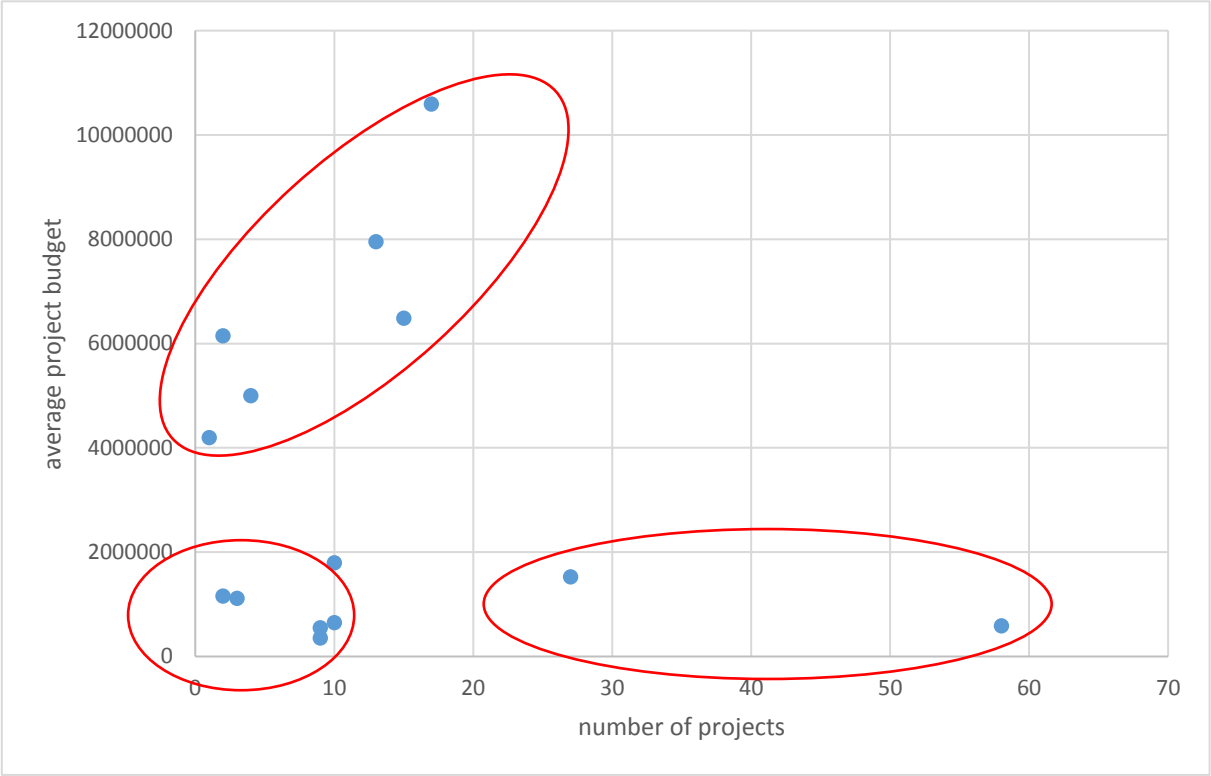
[20] The information on the lead organization is missing for 25 projects.

implemented the greatest number of projects was the Swedish CDO, We Effect, with 58 projects, almost one-third of the whole sample. Following We Effect were SOCODEVI (Canada) and three US-based CDOs (ACDI/VOCA, Land O'Lakes Inc., and NCBA-CLUSA).

Comparing this picture to the distribution of the total budget across CDOs showed some important differences. More than 70% of the total budget in the sample (the sum of all 186 projects) was managed by the three bigger US-based organizations: ACDI/VOCA, Land O'Lakes, Inc., and NCBA-CLUSA[21]. The differences between each CDO in terms of the number of projects and share of the total budget revealed differences in the project size and, probably, in intervention strategies.

Some organizations opted for a model based on a large number of relatively small projects, while others relied on a smaller number of larger projects. Figure 5 shows the average project size of each CDO, matched with the number of projects. Three main groups of CDOs can be identified according to these factors. In addition to the largest group in the bottom left corner, there are two organizations with a large number of projects, each with a relatively low budget, and six CDOs with relatively high budgets concentrated on a smaller number of projects.

Figure 5: Scatterplot of the number of projects and project size



Note: Each dot is a CDO. No budget information is available for one of the selected CDOs, therefore only 14 CDOs are represented in the graphic.

In terms of sources of funding, the research team wondered whether the CDOs rely on different donors and fundraising strategies. All selected CDOs apply for external funds (public or private), and the great majority of projects are funded by public national agencies. A comparison between the two main types of CDOs (Figures 6 and 7) showed some differences in funding sources:

[21] The data for one CDO, Euro Coop, are missing, as any budget information was provided.

- Both heavily relied on public donors, but this was stronger for CDOs that are cooperatives or cooperative federations. However, these CDOs are more likely to mobilize their own funds or funding from national cooperative federations.
- NPOs among CDOs are more likely to obtain funds from multilateral agencies and from private donors, such as private foundations.

Figure 6: Funding sources of CDOs that are NPOs promoted by the cooperative movement

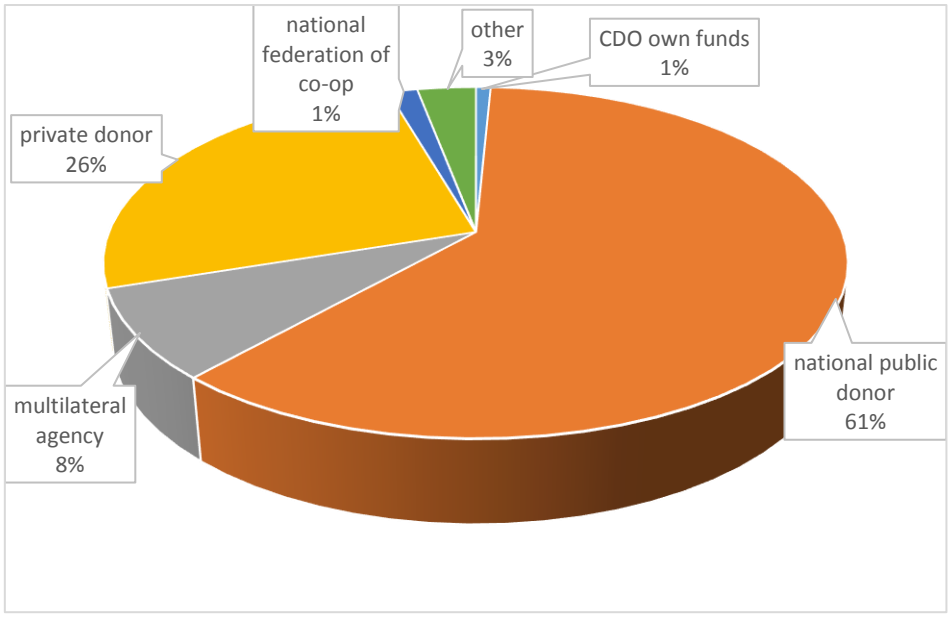
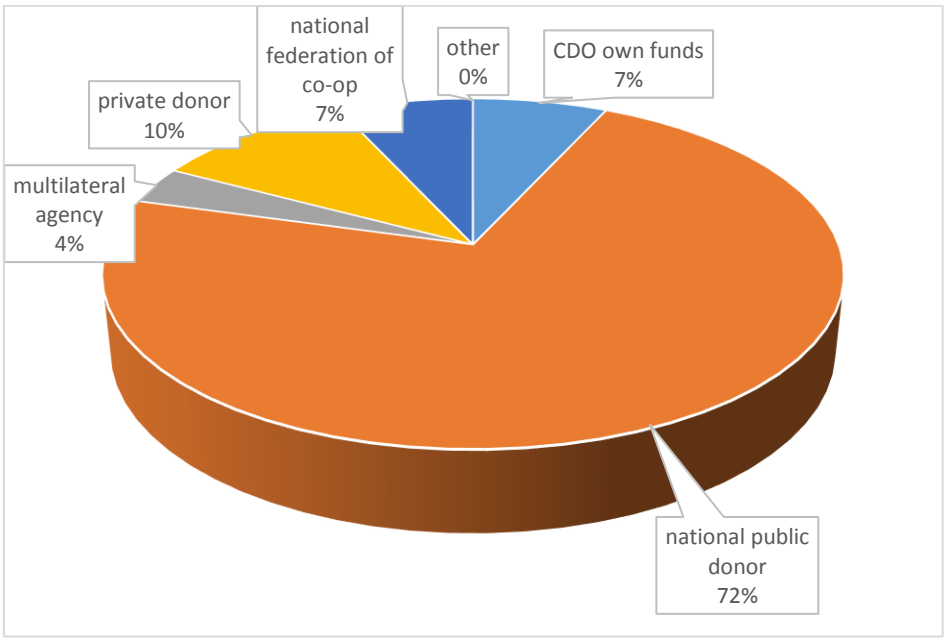


Figure 7: Funding sources of CDOs that are cooperatives or co-op federations



Note: Two CDOs are excluded since information on their sources of funding was not available. The total on which the shares was calculated does not correspond exactly to the number of projects, as some projects are missing due to lack of data, while some projects were entered more than once because they have more than one source of funding.

Figure 8: Partnerships of CDOs that are NPOs promoted by the cooperative movement

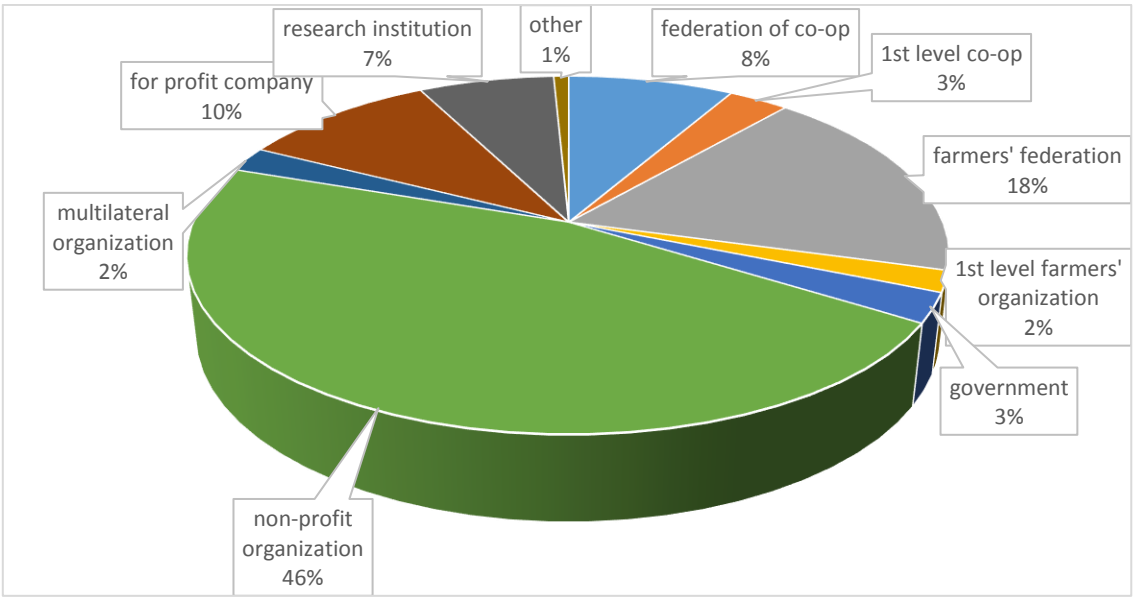
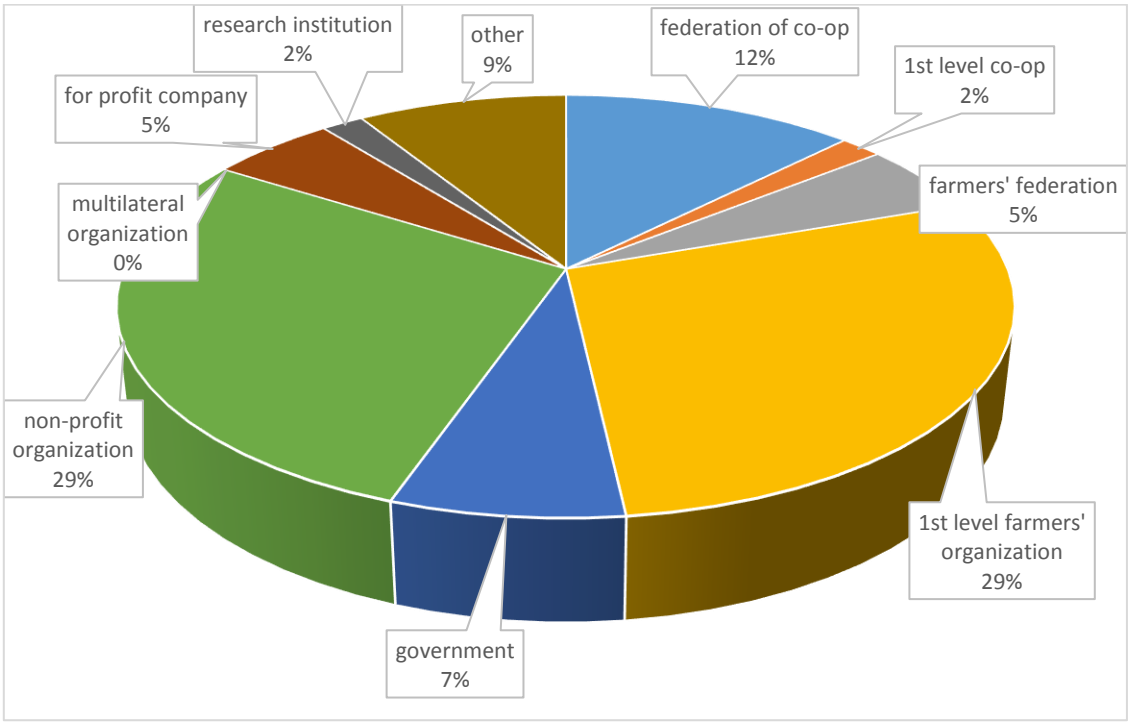


Figure 9: Partnerships of CDOs that are cooperatives or co-op federations



The same comparison can be done on the type of other partners involved in the projects. Figures 8 and 9 represent the share of times a type of organization appeared in a partnership with the two main types of CDOs. A single project may have been counted more than once, as it may have involved more than one partner. It seemed more likely that a non-profit CDO had a partnership with another NPO, while a co-op-CDO was more likely to have a partnership with a first-level cooperative firm.

This was likely driven by the fact that CDOs usually are considered partners themselves[22], and therefore were counted in the graph. It is worth to note that cases where an NPO-CDO engaged in a partnership with a first-level cooperative were rare, while it was more likely that they entered into a partnership with a farmers' federation. Co-op CDOs were more likely to enter into partnerships with governments and local administrations. It was also more likely that NPOs jointly worked with private for-profit companies and research institutions.

Concerning project duration, we can see that projects carried out by first-level cooperatives or farmers' organizations are a bit above the average.

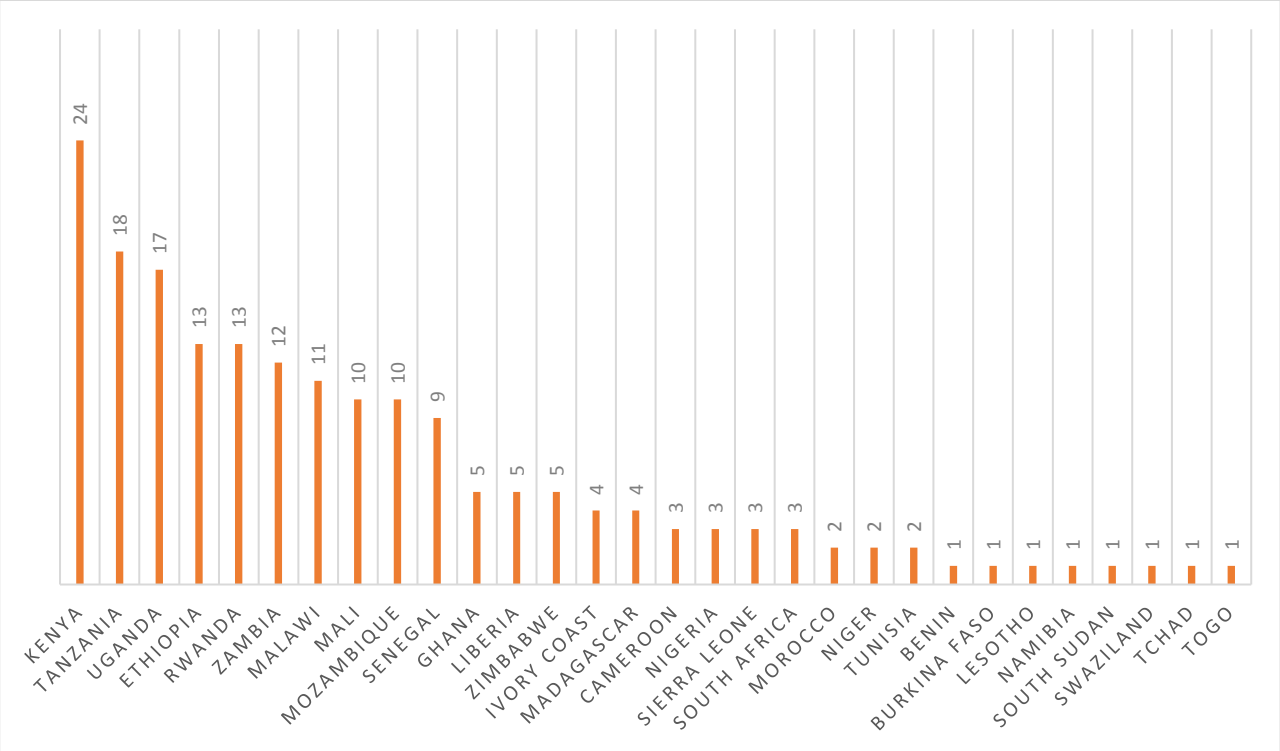
Table 5: Average project duration by type of CDO

Type of CDO	Average duration
National cooperative federation (multi-sector or sectors other than agriculture)	3,8
First-level agricultural cooperative or farmers' organization	4,6
International civil society organization or NGO (including branches in the beneficiary country)	3,9
Research institution	2,5

6. Summary statistics at the country level

Information collected shows that projects were quite concentrated in a small number of countries, mainly in eastern and southern Africa, with the first 10 countries hosting 132 projects out of 186—more than 70%. Among these 10 countries, the only West African countries were Senegal and Mali; the latter was mainly a focus of one CDO, the Canada-based SOCODEVI.

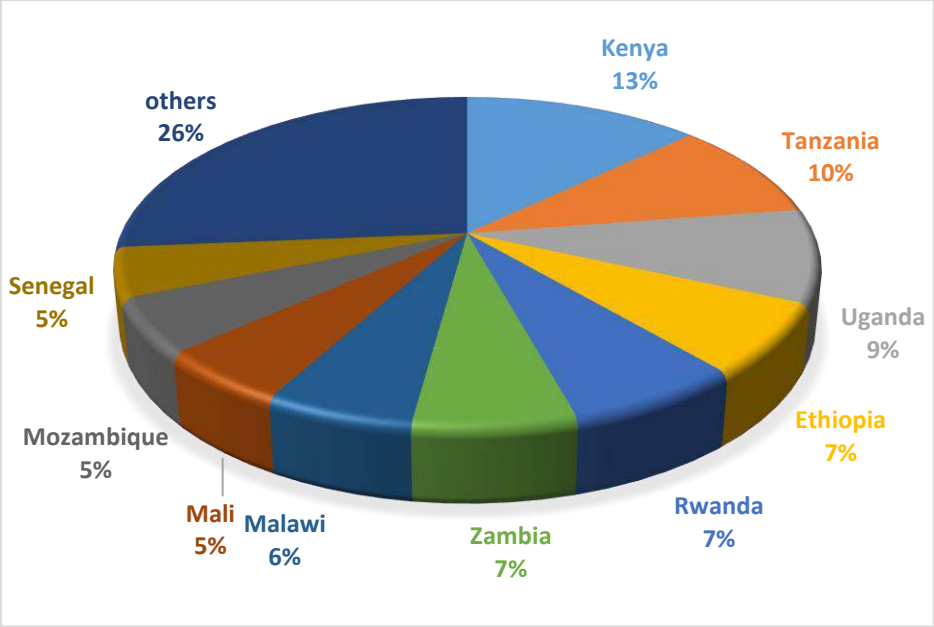
Figure 10: Number of projects by country



[22] This is not always the case, as some CDOs simply add supporting agencies for their members, which is often the case for the Italian Legacoop.

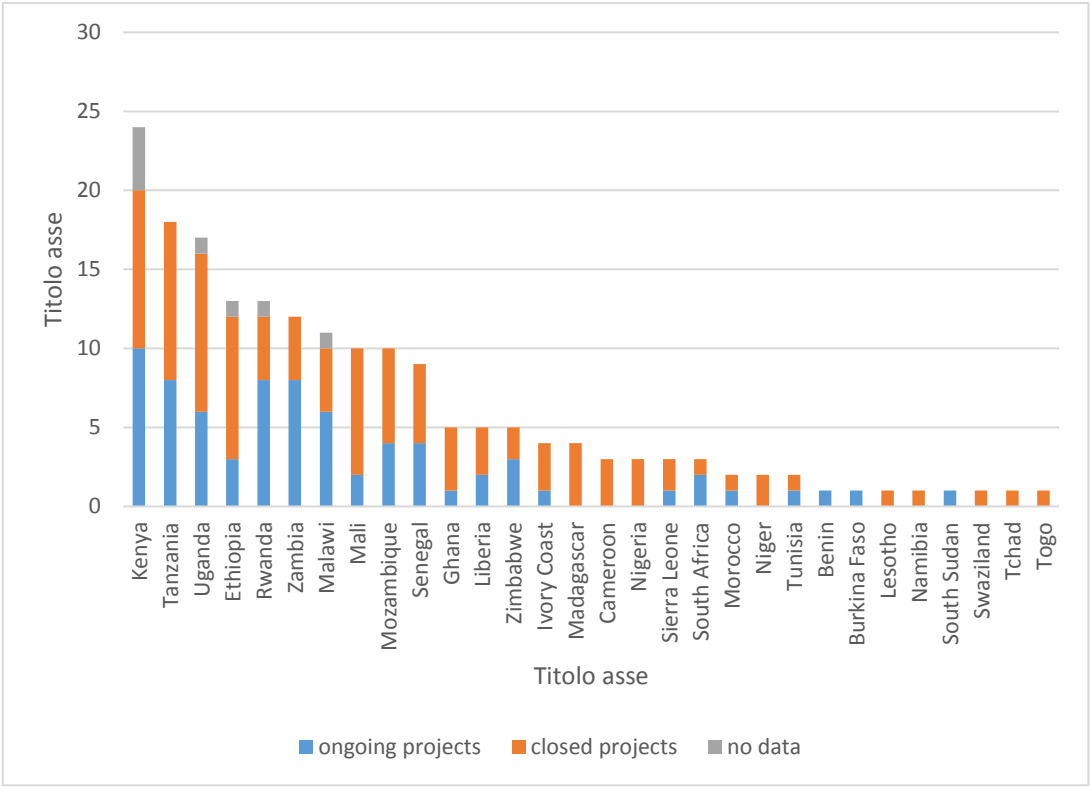
The countries that host the most projects were Kenya (24), Tanzania (18) and Uganda (17), followed by Ethiopia and Rwanda (13), Zambia (12), Malawi (11), Mali and Mozambique (10), and Senegal (9).

Figure 11: Share of projects according to country distribution



The distribution of the project status in each country is illustrated in Figure 12.

Figure 12: Number of projects by country and status



A single CDO, We Effect (Sweden), carried out about one-third of the projects—17 of 24 in Kenya, nine of 18 in Tanzania, and 12 of 16 in Uganda. The number of donors active in a specific country varied. As mentioned before about Mali, some countries were the focus of one or a few CDOs. In other countries, we observed the presence of a greater number of donors. This meant that the donors' scope in each country was quite variable. This is captured in Figure 13, which plots the number of projects and CDOs in each country.

Figure 13: Number of projects and CDOs

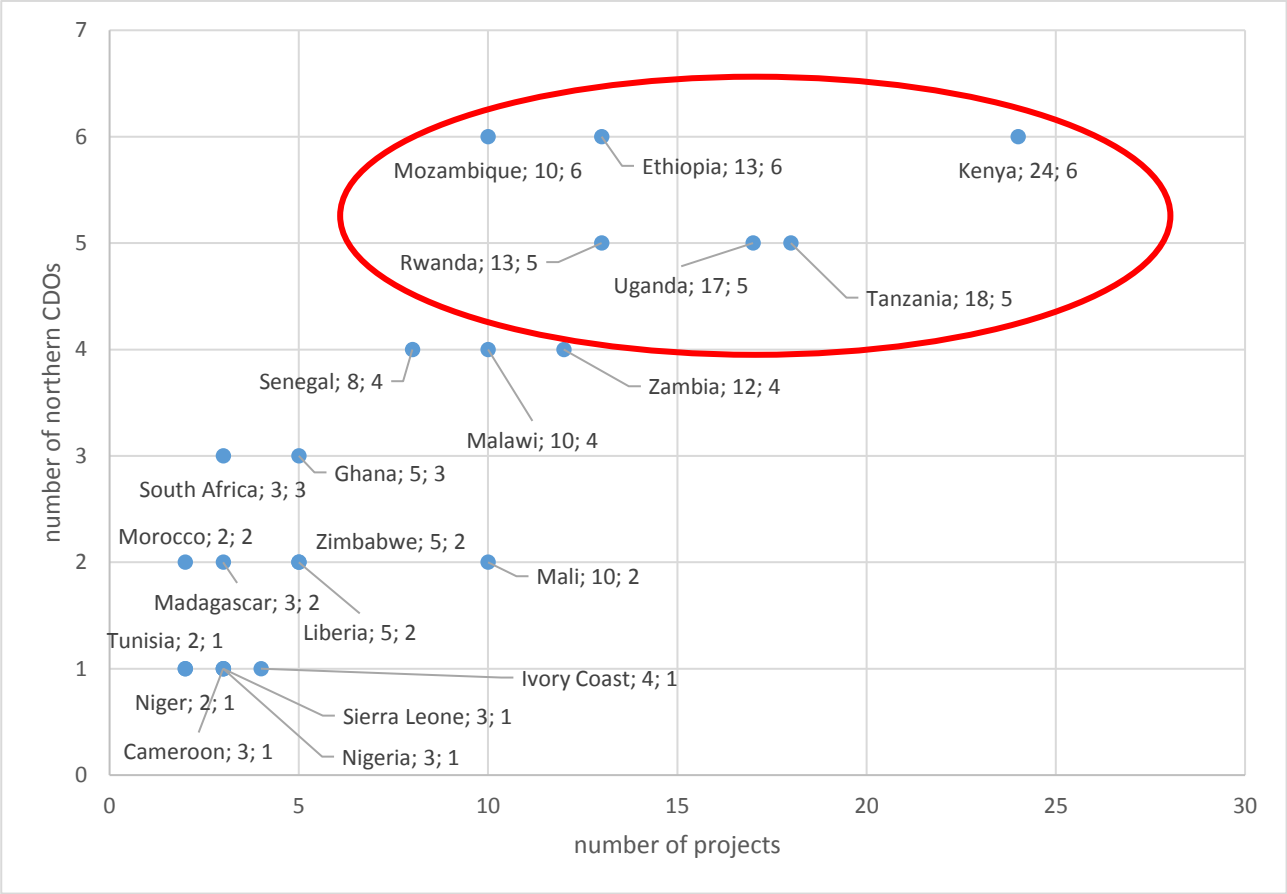
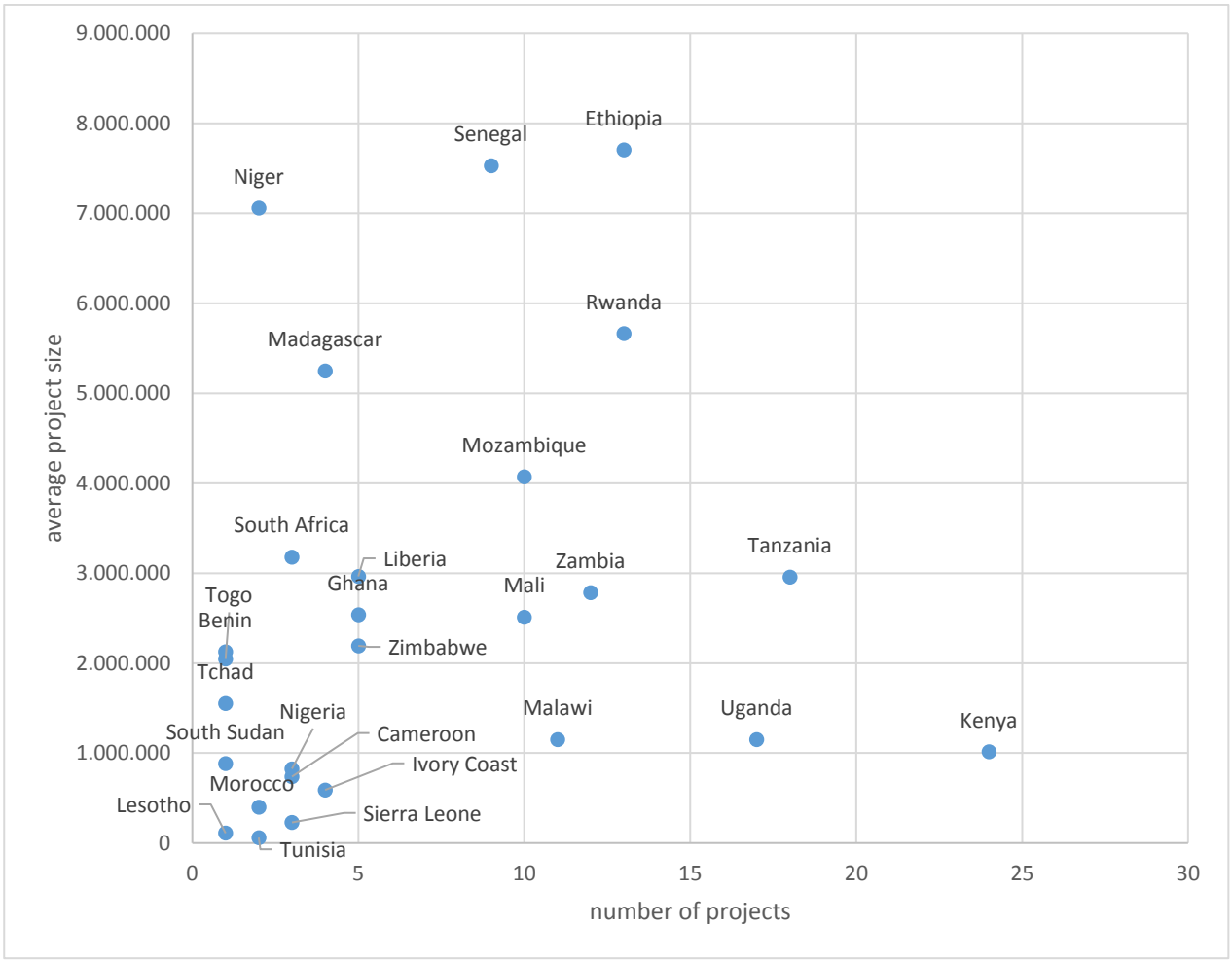


Figure 13 identifies a group of countries (upper-right part of the scatterplot) that had both a large number of projects and high diversification among the CDOs involved: Kenya, Tanzania, Uganda, Rwanda, Mozambique, and Ethiopia.

At the country level, an important information is the average size of projects or the ratio between the overall resource allocation and the number of projects implemented. Countries where a greater budget overall (US$50–100 million) was disbursed were Ethiopia, Rwanda, Senegal, and Tanzania. The ranking only partially overlapped with the rank based on the number of projects where the top countries were Kenya, Tanzania, Ethiopia, and Rwanda. Figure 14 shows where the largest projects in terms of budget were located: Ethiopia, Senegal, and Niger, followed by Rwanda, Madagascar, and Mozambique.

Figure 14: Average project size and the number of projects in each country



Note: Burkina Faso, Namibia, and Swaziland are missing because they have only one project each, and budget information on them was lacking.

Table 6 summarizes the size of the projects' budgets and the total budget disbursed in each country.

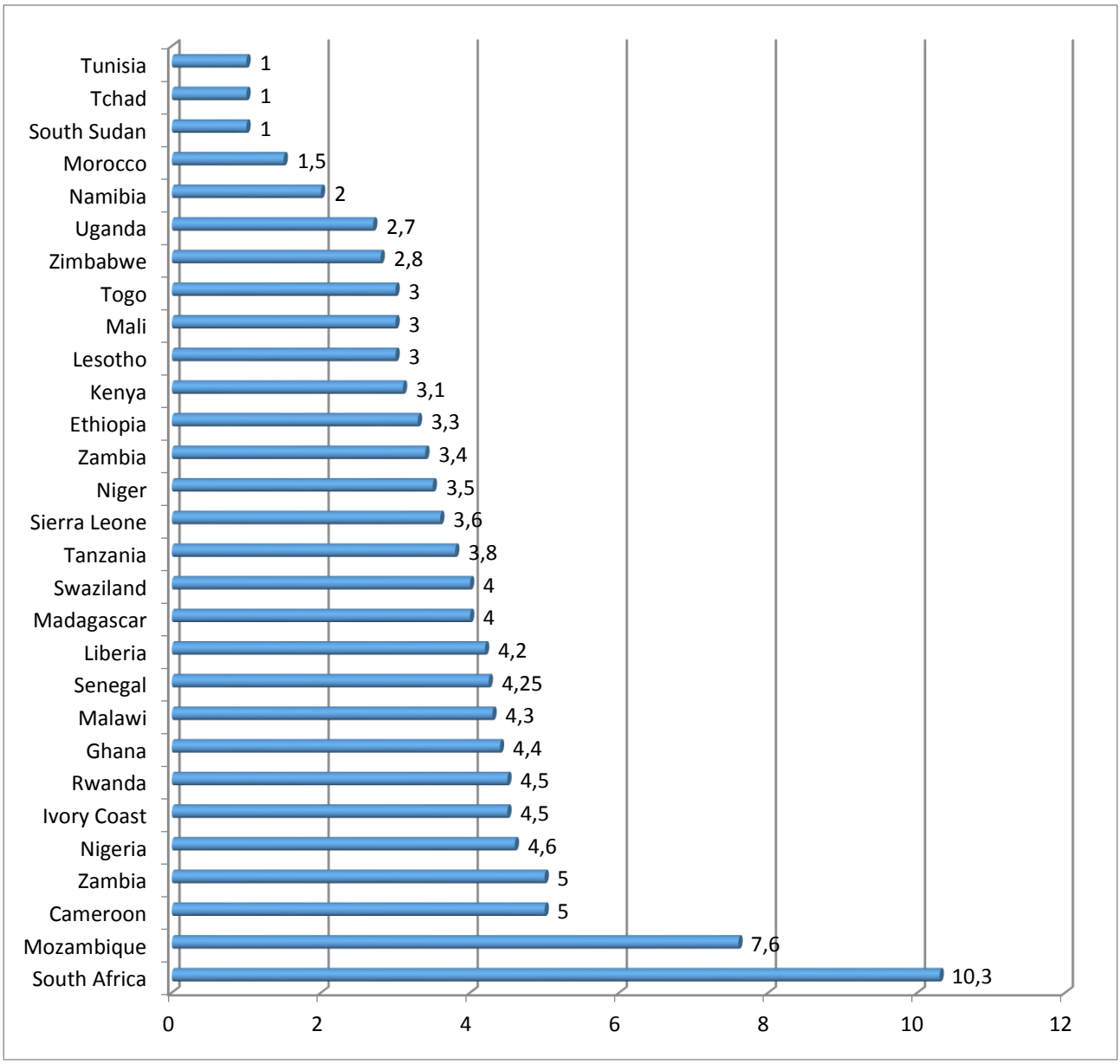
Table 6: Number of projects, average project size, and total budget per country

Country	Number of projects	Average budget (US$)	Total budget disbursed (US$)
Ethiopia	13	7,705,422	100,170,488
Rwanda	13	5,663,204	73,621,648
Senegal	9	7,529,865	67,768,784
Tanzania	18	2,955,723	53,203,008
Zambia	12	2,782,878	33,394,534
Mozambique	10	4,070,906	32,567,248
Mali	10	2,511,156	25,111,554
Uganda	17	1,149,161	18,386,576
Kenya	24	1,015,899	18,286,188
Madagascar	4	5,247,900	15,743,700
Liberia	5	2,963,926	14,819,630
Niger	2	7,058,608	14,117,215
Malawi	11	1,151,961	11,519,614
Zimbabwe	5	2,192,435	10,962,176
Ghana	5	2,537,592	10,150,368
South Africa	3	3,179,973	9,539,920
Nigeria	3	825,175	2,475,527
Ivory Coast	4	590,327	2,361,310
Benin	1	2,125,000	2,125,000
Togo	1	2,045,763	2,045,763
Tchad	1	1,550,747	1,550,747
Cameroon	3	737,968	1,475,936
South Sudan	1	885,074	885,074
Sierra Leone	3	228,750	686,252
Morocco	2	399,996	399,996
Lesotho	1	110,465	110,465
Tunisia	2	60,554	60,554
Total	**183**	**2,565,794**	**523,478,721**

Note: When data on projects were missing, an interpolation was made, using the average budget size of each country. This also explains the difference between the total average and the total average discussed in the previous pages. Burkina Faso, Namibia, and Swaziland are missing because they had only one project each, and budget information was not provided.

As regards the duration of implemented projects, differences by country are depicted in the following figure.

Figure 15: Average duration of projects by country (in years)



7. Summary statistics at the project level

The primary information analyzed for each project is the type of lead organization, which is the organization indicated in the questionnaire as the main project partner. When applying for funding, the lead organization is the one who presents the project to the call for proposals. According to the information collected, in most cases the surveyed CDOs indicated themselves as lead organizations, while the lead organization was other than one of the surveyed CDOs in 59 projects.

As shown in Table 7, the majority of projects were led by NPOs based in the donor countries. In most cases, these were the CDOs themselves, but they could also be international development NGOs. In 28 cases, the leading organization was a cooperative enterprise or second-level organization.

Table 7: Frequency table of lead organization types

Lead organization	Frequency
1. National cooperative federation (multisector or sectors other than agriculture)	9
3. National cooperative federation (agricultural sector)	1
4. Regional cooperative federation (agricultural sector)	1
6. Other regional federation of farmers	1
7. First-level agricultural cooperative or farmers' organization	15
8. National government or local administration	2
9. Civil society organization or NGO based in the beneficiary country (local organization)	1
10. International civil society organization or NGO (including branches in the beneficiary country)	121
12. For-profit company	3
13. Research institution	6
14. First-level cooperative, different from agricultural co-op	1

Note: Twenty-five projects are missing from the count because information on the lead organization was not available.

Table 8 shows who was leading the partnership when the CDO was not the leading organization. This picture is similar to the overall one, as NPOs were the most-frequent option. However, in this subsample a greater role is played by national multisector cooperative federations.

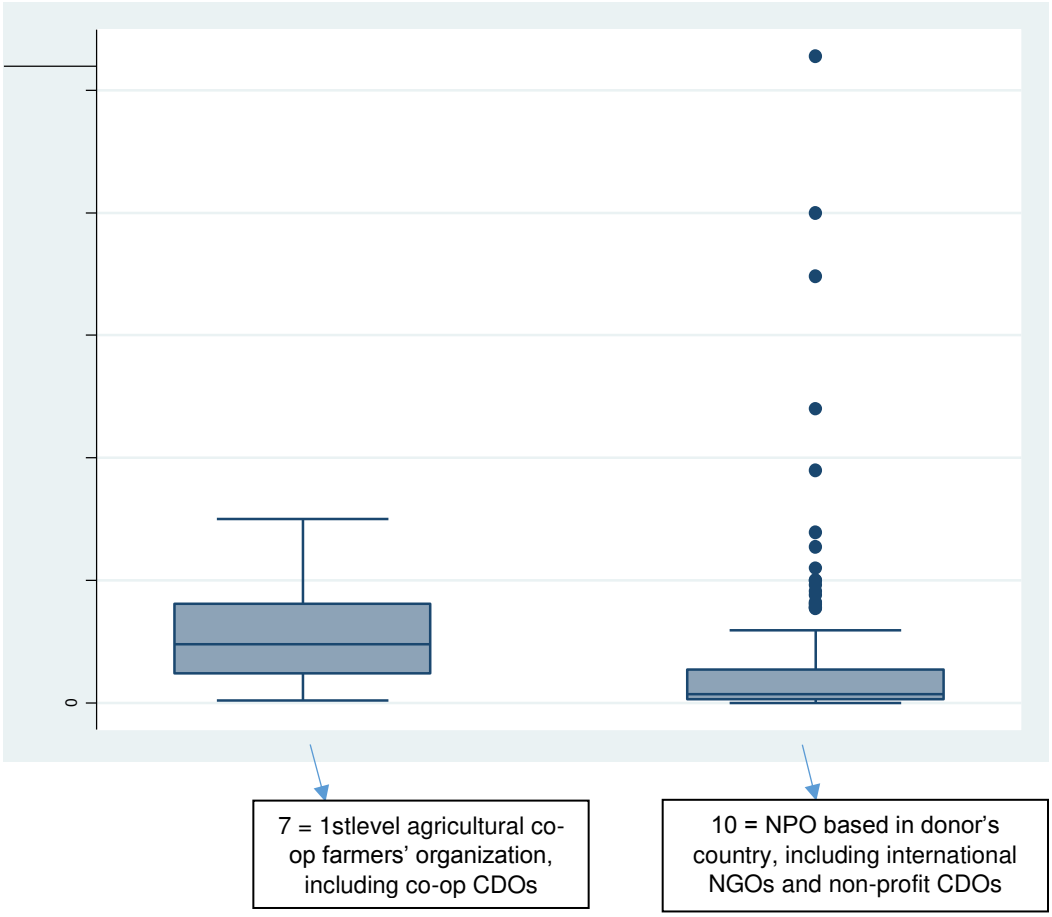
Table 8: Frequency table of lead organization types when CDO is not the leading organization

Lead organization	Frequency
1. National cooperative federation (multisector or sectors other than agriculture)	6
4. Regional cooperative federation (agricultural sector)	1
6. Other regional federation of farmers	1
7. First-level agricultural cooperative or farmers' organization	1
8. National government or local administration	2
9. Civil society organization or NGO based in the beneficiary country (local organization)	1
10. International civil society organization or NGO (including branches in the beneficiary's country)	18
12. For profit company	3
14. First-level cooperative, different from agricultural co-op	1

The comparison between the two main types of lead organizations in terms of budget size showed the huge dispersion of projects led by an NPO. Figure 16 summarizes the budget distribution for the main types of lead organizations. The limits of the box are the 25th and the 75th quartiles (the interquartile range), while the line inside the box is the median, which is the value that divides the distribution in a half (leaving 50% of observations below it). The "whiskers" represent 1.5 x (interquartile range); the values left out are considered outliers. The plot on the right represents a situation in which a large number of projects is above the limit that defines the outliers.

This confirmed and refined a previous finding that a large number of small projects lives together with a small number of very large ones, which is represented by a low median value associated with a large number of outliers. This phenomenon was concentrated in cases where the lead organization was an NPO. A lower level of dispersion was found when the lead organization was a first-level cooperative, where the median was higher and there was no polarization compared to the cases where the lead organization was an NPO.

Figure 16: Budget distribution in two main cases of lead organizations



Considering every possible organization taking part in a project, instead of the lead organization alone, a picture emerged that is illustrated in Table 9. In this table, a project may appear several times, as it was counted every time a new partner appeared (e.g., a project having three different kinds of organizations taking part in the partnership appears three times[23]).

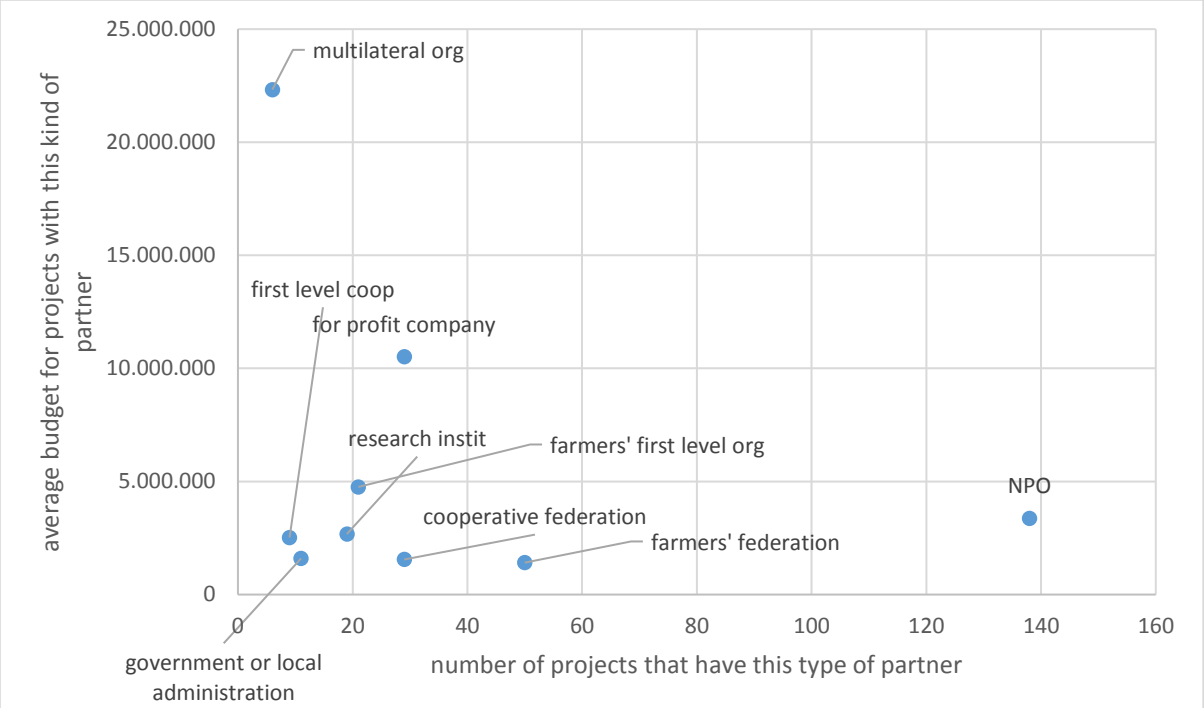
A visual representation of the differences is shown in Figure 17.

[23] This also explains why the resulting average budget size does not correspond to the overall average budget presented previously in this report.

Table 9: Number of projects and average budget per project identified by different kinds of partners

Type of organization included in the partnership	Number of projects	Average budget (US$)
Cooperative federation (not specifically agricultural)	29	1,552,096
First-level co-op (not specifically agricultural)	9	2,522,298
Farmers' federation	50	1,411,857
Farmers' first-level organization	21	4,760,770
Government or local administration	11	1,594,939
NPO	138	3,368,443
Multilateral organization	6	22,327,168
For-profit company	29	10,515,518
Research institution	19	2,680,197
Other organizations	7	3,124,331

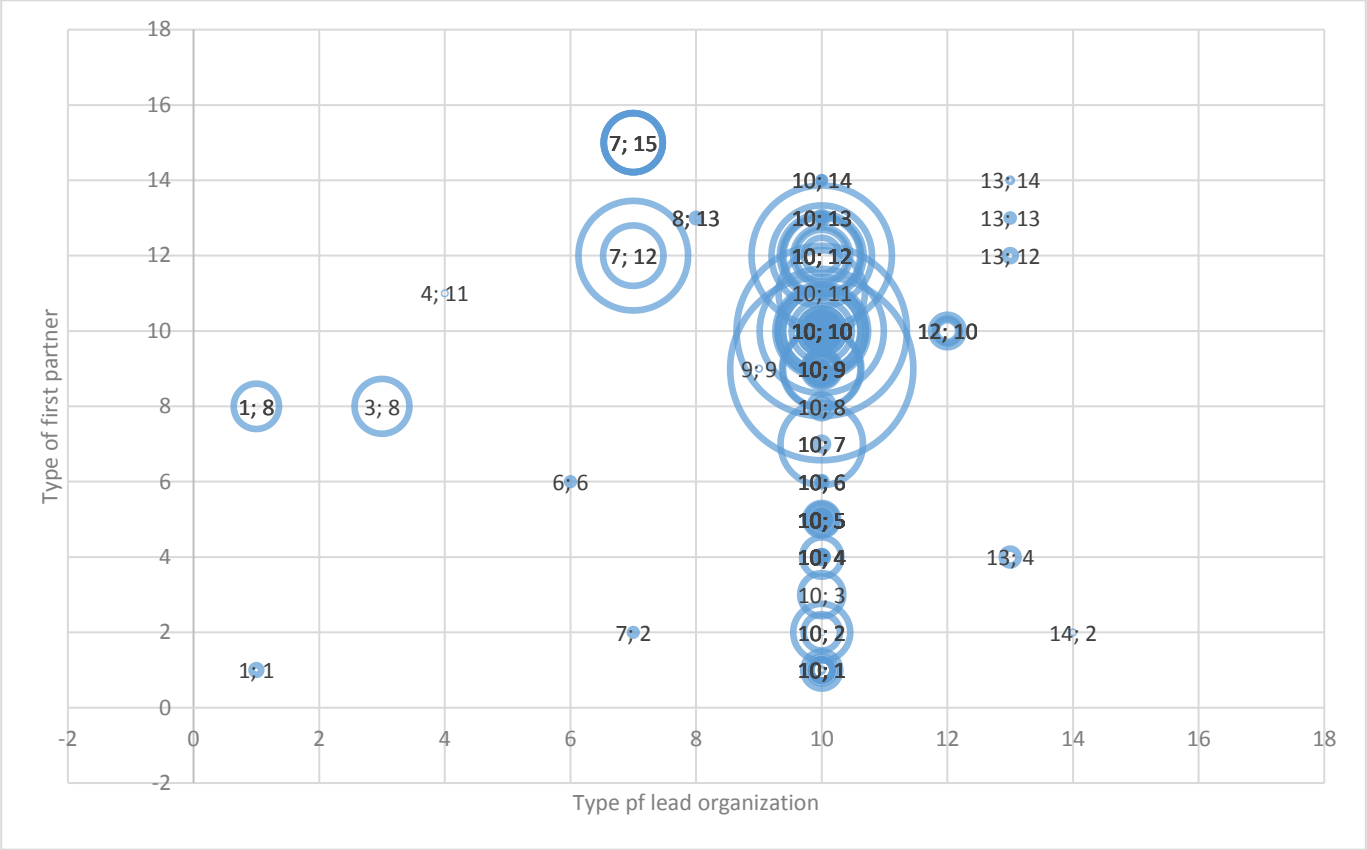
Figure 17: Budget size and frequencies of different partnerships



In Figure 17, the x-axis shows the frequency of projects that involved at least one partner of the corresponding type, while the y-axis shows the average budget for each type. If a project had more than one type of partner, it was counted more than one time in the plot. This graph illustrates that projects involving multilateral organizations are much larger than the others, but they are relatively infrequent. NPOs are the most frequent partners and appear in the majority of projects, while their budgets are below the average. Projects involving a cooperative or farmers' federation had, on average, the smallest budgets.

In Figure 18 the first partner was added in the picture, and plotted with the lead organization. The size of the bubbles represents the budget size.

Figure 18: Partnership and budget size



The x-axis is the lead organization type and the y-axis is the first partner type. The legend for both axes is Table 2 (type of organizations). The numbers on the circle represent the partnership; the area of the circle represents the budget size of each project. It is clear that the majority of projects were led by NPOs headquartered in the donor country. These may have had different kind of partners, but bigger projects were concentrated in partnerships with other NPOs, with multilateral organizations and for-profit companies. In addition, a few big projects were led by first-level cooperatives, mostly in partnership with private for-profit firms.

When we look at the two main partners instead of the presence of "at least one" organization, projects involving multilateral organizations looked smaller. If we rank the projects by size, the largest projects appeared to be promoted by NPOs. Still, in the 10 largest projects, multilateral organizations appear three times.

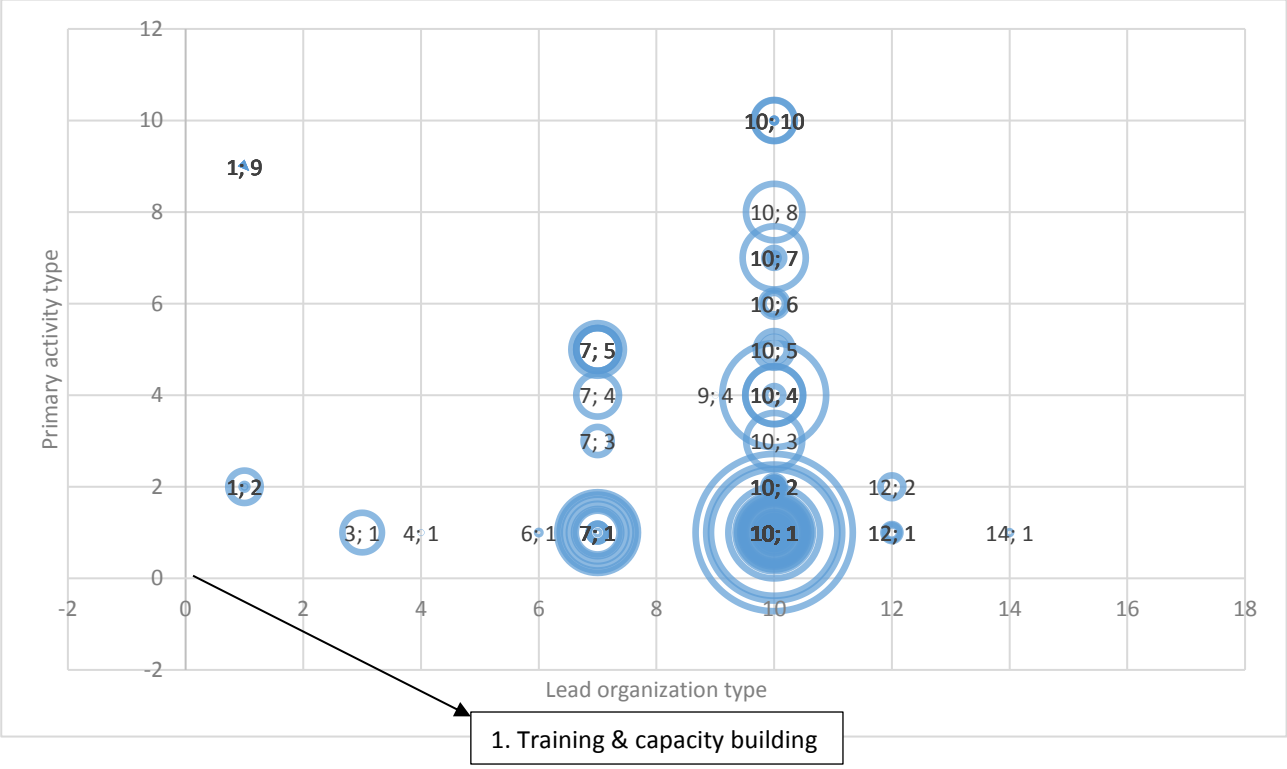
Table 10 presents a summary of the type and frequency of activities, which revealed training and capacity building as the most common primary activities.

Table 10: Type and frequency of activities

Type of activity	Primary activity	Secondary activity
1. Training & capacity building	123	16
2. Consulting	13	27
3. Institution building	2	21
4. Financial support & investment	6	24
5. Network building & strengthening	6	15
6. Technology & knowledge exchange	2	15
7. Trading	4	10
8. Legal framework & policy reform	1	1
9. Budget support & donations	6	
10. Social integration	5	2

Not only the majority of projects, but also the majority of funds went to capacity-building activities, as shown in Figure 19. Middle-level budgets were disbursed for other kinds of activities, such as financial support and investment, trading, legal and policy reform, and network building.

Figure 19: Lead organization, primary activity, and budget size



Note: The x-axis shows the types of lead organizations, and the y-axis shows the types of activities. The size of the bubbles represents the budget size. For cases where the lead organization was a national federation of cooperatives (1) and the activity was budget support (9), budget data were missing.

Figure 20: Budget distribution by the type of secondary activity for projects focused on training and capacity building

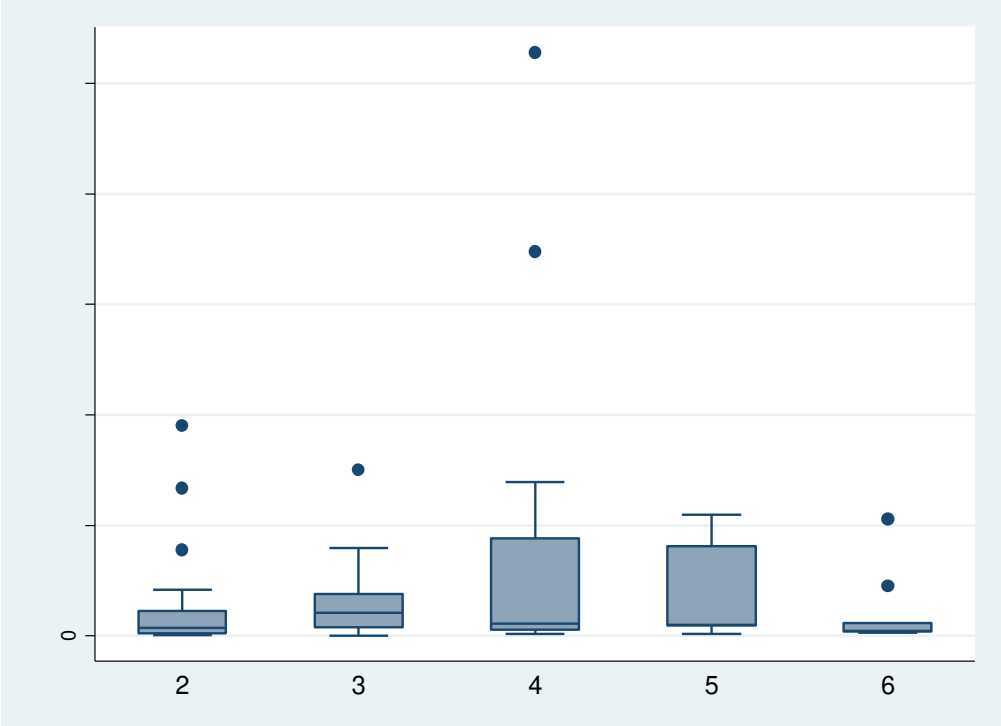


Figure 21: Lead organization, main donor, and budget

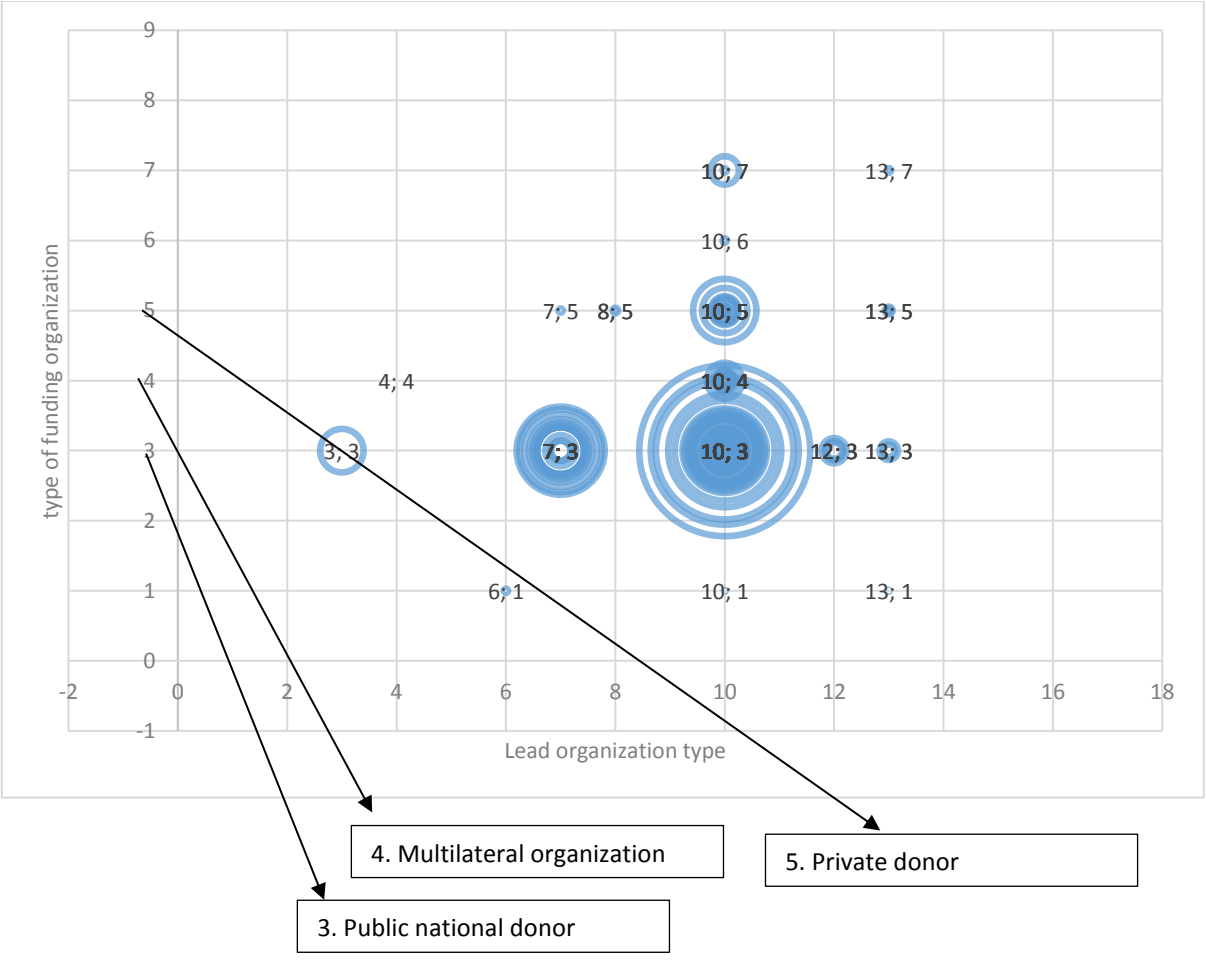
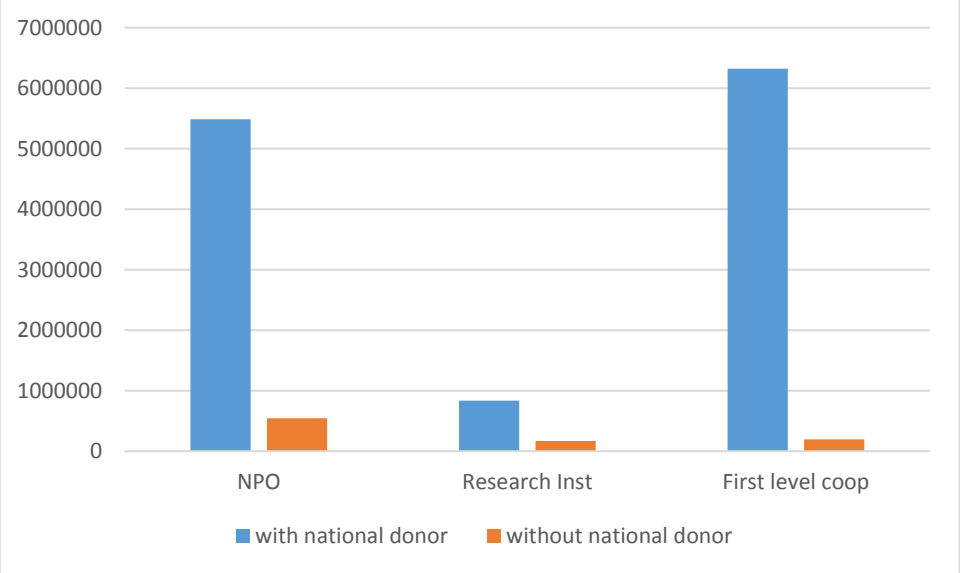


Figure 20 shows the distribution of budgets for secondary activities for projects that had training and capacity building as their primary activities. Projects that also did institution-building activities had a higher median, while projects focusing on financial support and investment were more dispersed and had higher budgets.

The great majority of projects relied on public national funds. This was true for all the main lead organization types. NPOs differentiated more in their sources of funding and showed greater access to funds from multilateral agencies and private donors.

A comparison of projects that received funds from national public donors and those that did not was possible only in a few cases. For all three, it was clear that access to public funds allowed for much larger projects. In Figure 22, the blue column represents the average budget size of projects in which national public donors were among the sources of funding; the orange bars are the average sizes of projects that did not have public funds.

Figure 22: Project budget by lead organization and source of funding

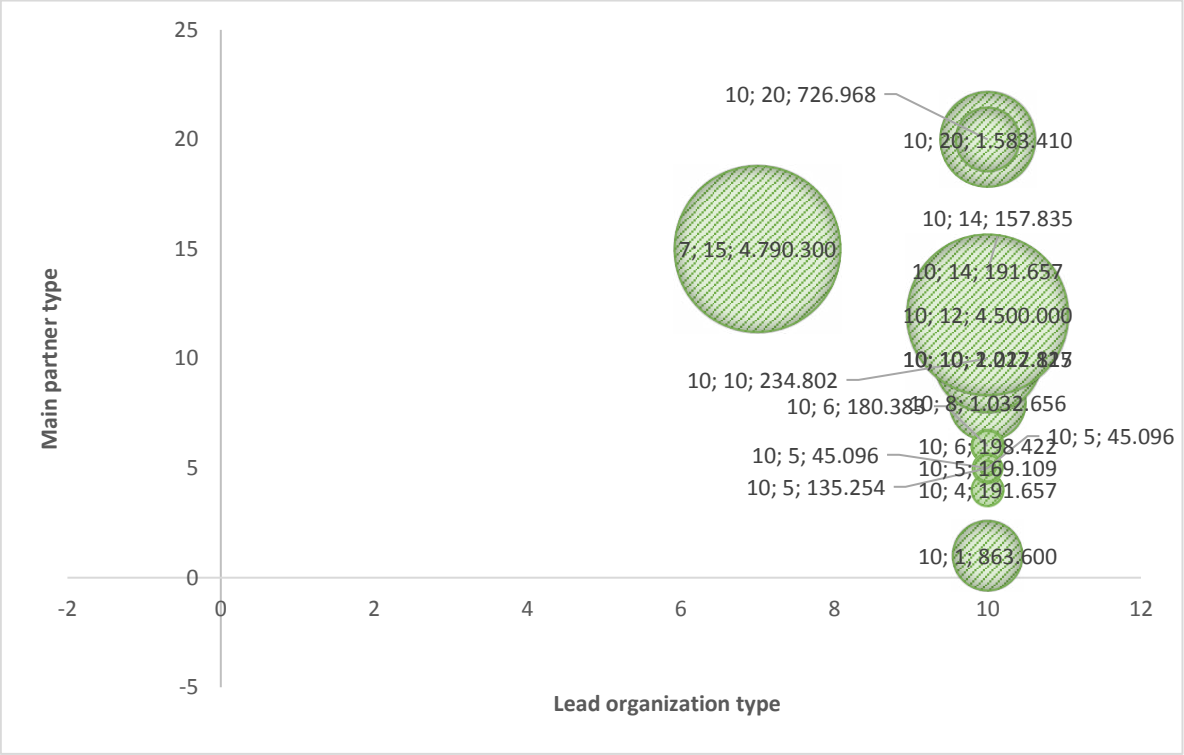


8. The selected countries

Based on different criteria, four countries have been selected for the second part of the study, namely: Kenya, Ethiopia, Mozambique and Senegal. The selection criteria identified by the research team included: number of relevant development projects implemented, diversity in historical contexts and legal background, availability of previous studies and literature on legal and economic context for cooperatives, and focus on "donor darling" countries.

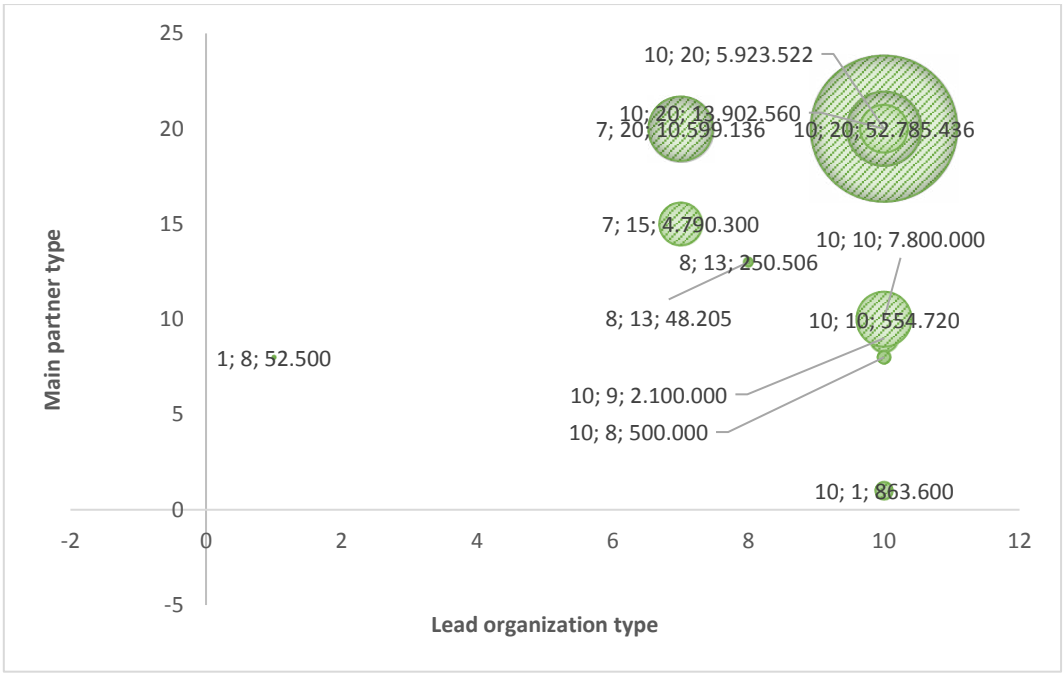
Figures 23 to 26 summarize partnerships and budgets information related to the projects implemented in the four selected countries. By convention, we identified the "main partner type" = 20 on the y-axis in the cases in which the lead organization had no other partners (according with the information collected).

Figure 23: Kenya - partnership and budget size



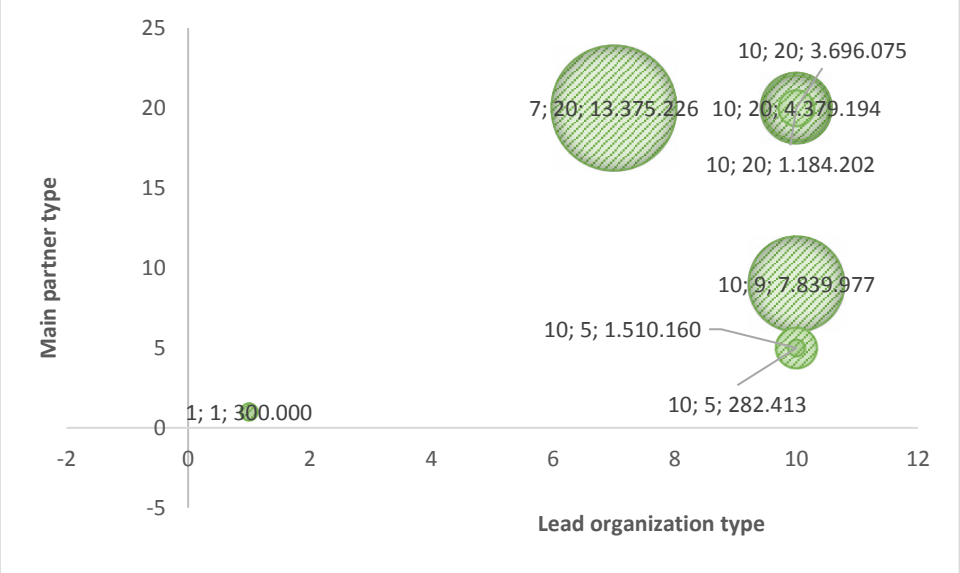
The main element of the Kenyan picture is the polarization between two large projects and a large number of small projects led by international NPOs with different kinds of partners. The two large projects were led by an NPO-for profit partnership and a first-level co-op organization.

Figure 24: Ethiopia - partnership and budget size



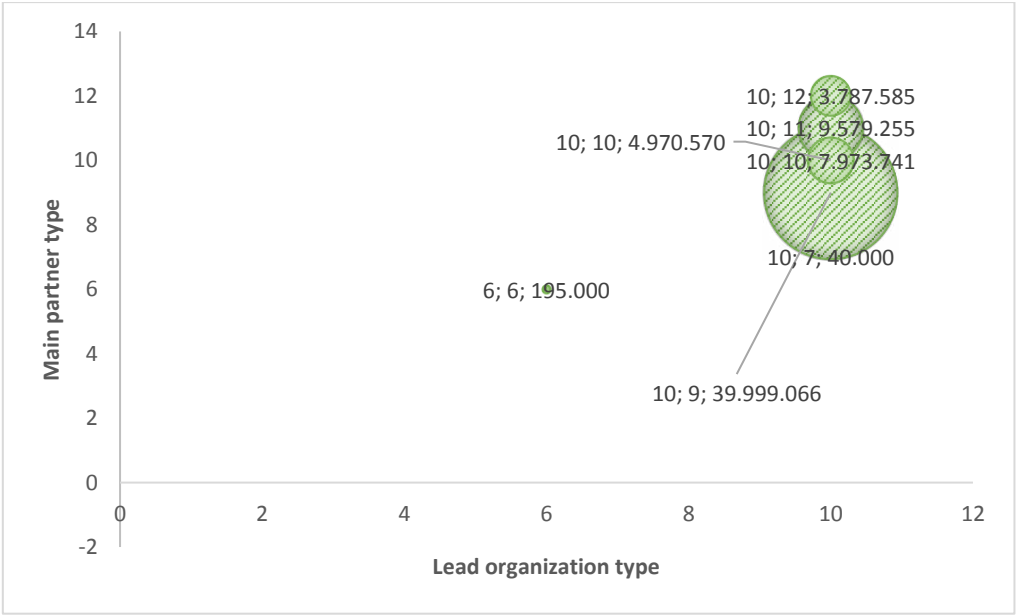
In the Ethiopian case, one project attracted the lion's share of funds and involved an international NPO. Between this and a large number of very small projects, it was possible to identify two mid-range projects led by an NPO and a first-level cooperative.

Figure 25: Mozambique - partnership and budget size



In Mozambique, larger projects were promoted by first-level cooperatives and NPOs. More frequently than in other countries, we found farmers' federations as partners, although on smaller projects in terms of budget.

Figure 26: Senegal - partnership and budget size



In Senegal a smaller number of projects was observed, almost all led by NPOs, but quite differentiated in size: one very large project with an NGO partnership and three medium-sized ones.

9. Concluding summary

This report drew upon a brief survey of 15 CDOs headquartered in the US, Canada, and Europe, conducted between August and September 2015. The CDOs were selected for being closely related to the cooperative movement of the countries in which they are based. They were mainly cooperatives, cooperative federations, or non-profit organizations set up by the cooperative movement to promote cooperation in developing countries. The survey specifically targeted projects that these CDOs conducted in Africa in the agricultural sector over the past five years (2010-2015) and included both concluded and ongoing activities.

The selected sample of CDOs was non-random and should not to be considered representative of the universe of initiatives aimed at promoting cooperative creation in rural Africa. However, the selected CDOs are all relevant actors in the field and represent a significant portion of this universe.

The results of the survey were characterized by several missing values, which affected the number of observations that could be used for the analysis. To partially address this issue, the project team filled in some of the missing information by systematizing the materials collected with the CDOs' help, as well as through information available on the Internet. The missing information was still a major concern, which significantly reduced the number of observations illustrating budget data or project partners.

Despite these caveats, the data showed an interesting and quite diverse picture.

Overview

The survey mapped 186 distinct projects in 30 countries, counting a multi-country project as different projects, one per country. The average project budget was about US$3 million, but the distribution was skewed toward the left tail, which includes a large number of small projects and a few large ones. More than half of the projects had a budget lower than US$900,000.

Out of the total, 74 projects are currently ongoing (end after 2015), while 104 are finalized (the status of the remaining eight projects is unknown). The average duration of projects is 3.9 years, but 50% of projects last 3 years or less. Only 5 projects last for 10 years or more.

The analysis was conducted on three levels: CDO, country, and project.

CDO-level analysis

The selected sample included CDOs with different organizational forms: two national (multisector) federations of cooperatives, two national federations of agricultural cooperatives, one first-level cooperative, one research institution. The remaining nine organizations were NPOs created by the cooperative movement for advocacy purposes and the development of cooperation around the world. The CDO sample was split into two main groups, according to the organization type: NPOs and cooperative enterprises/cooperative federations (5). The former group implemented the majority of projects (156), while the second conducted 30 projects.

In terms of funding sources, both heavily relied on public donors. This was stronger for CDOs that are cooperatives or cooperative federations. Among the CDOs, NPOs were more likely to obtain funds from multilateral agencies and private donors, while cooperative enterprises/cooperative federations were more likely to mobilize cooperative movement internal funds. These two macro types of CDOs were also likely to enter into different kinds of partnerships. The CDOs displayed

different strategies with respect to the number of projects and their size. The analysis identified three main groups. Most CDOs had less than 10 projects and a budget below the average, while fewer CDOs pursued a strategy of implementing a few large projects, or chose to spread a large budget over a large number of relatively small projects.

Country-level analysis

The analysis at the country level revealed that the projects were quite concentrated in a small number of countries, mainly in eastern and southern Africa. The top 10 countries in terms of their number of projects hosted more than 70% of all projects. Within this group, the only western African countries were Senegal and Mali. The countries that hosted the most projects were Kenya, Tanzania, and Uganda, followed by Zambia, Ethiopia, Rwanda, Malawi, Mali, Mozambique, and Senegal. This ranking only partially overlapped with the ranking based on budget allocation, where the top recipients were Ethiopia, Rwanda, Senegal, and Tanzania. The largest projects in terms of allocated budget were implemented in Ethiopia, Senegal, and Niger, followed by Rwanda, Madagascar, and Mozambique. Some countries were the target of a specific CDO, while others attracted projects from different organizations. For example, Mozambique hosted fewer than the half the projects hosted by Kenya, but they were implemented by the same number of donors.

Partnerships

The great majority of projects (121) were led by NPOs based in the donor countries. In most cases leading organizations were the CDOs themselves, but in other cases they were international development NGOs. In 28 cases, the leading organization was a cooperative enterprise or a second-level cooperative organization. Project led by NPOs displayed a much greater variation in terms of budget: they had a relatively low median budget (indicative of many small projects), but some significant outliers.

The partnership analysis was conducted in two ways:

- Characterizing each project by the presence of different organizations among the partners, regardless of the position
- Analyzing the match between the lead organization and the first partner

The first part of the analysis showed that projects involving multilateral organizations were much larger than the others, but they were relatively a small number. NPOs were the most frequent partners, appeared in the majority of projects, and had average budget sizes just below the average. Projects involving cooperatives or farmers' federations had, on average, the smallest budgets.

The second part showed that the great majority of projects were led by NPOs based in the donor country. These may have had different kind of partners, but larger projects were concentrated in partnerships with other NPOs, multilateral organizations, and for-profit companies. In addition, a few large projects were led by first-level cooperatives, mostly in partnership with private, for-profit firms.

Activities

As regards the activities performed by the CDOs within the cooperative development projects implemented, there was a clear prevalence of training and capacity-building activities, both in terms of the number of projects and allocated budget. Mid-level budgets were disbursed for other kinds of

activities, such as financial support and investment, trading, legal and policy reform, and network building.

Funding

The great majority of projects relied on public national funds. This was true for all the main lead organization types, although NPOs seem to differentiate more in terms of funding sources and demonstrated greater access to funds from multilateral agencies and private donors. Having access to public funds significantly increased the size of the project budget.

Although conclusions need to be drawn with caution, this analysis highlighted that the overall picture is quite polarized in terms of budget size, with several small projects and a small group of very large ones. There seemed to be a tendency for CDOs to concentrate in a small number of countries, while some countries were targeted by many CDOs. What clearly emerged was the importance of public funds, which seemed to play a crucial role in cooperative development projects.

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