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Final Report Project Summary

The Fund for Development of Women and Youth Initiatives (FDWYI)

**Project: “Rural empowerment through rural co-operative
development”**

Project under FARM Responsive Mechanism

(July 2004-March 2005)

I. Executive Summary

The Project "Rural Empowerment through Rural Co-operatives" successfully held seminars and training in 5 pilot rayons. The seminars and training were held to provide the communities with the information needed to facilitate the development of civil society in agrarian sector and involvement of public organizations into lobbying activity in order to develop a legislative framework in the sphere of entrepreneurship and agricultural production. The project was implemented by Fund for Women and Youth initiatives (Fund) from Zolotonosha of Cherkassy oblast.

The Fund worked jointly to implement this project with Zolotonosha Milk Co-operative. The project produced a positive impact on private dairy producers by teaching methods to increase milk production and providing knowledge on ways to market milk.

A train the trainers' approach was used where members of the cooperative, in coordination with the Fund specialists delivered seminars for other communities in the Cherkasy oblast on subjects such as cooperative development, milk productivity, and practical business issues for women. Over 1000 people in the oblast received this timely training and information.

To assist in the dissemination of information to a wider audience 'information points' were developed in which interested people could contact Fund specialists on topics such as legal land, and business issues. Printed information of interest to the community was also provided at these 'points'.

In achieving their tasks the Fund also learned some valuable insight that will help guide them in future activities of their non-profit organization. Knowledge gained, such as;

- Cooperative development should be supported by local authorities who would help the creation and operation of a cooperative.
- Lack of information is one of the biggest problems in the rural area, especially market information.
- Community members lack practical skills to run a business, as well as the funds needed to start a business.

II. Summary Project Description

a. Background and Rationale for the Project

Zolotonosha dairy co-operative was created in 2001 by a group of women, previously members of an informal group of milk collectors. This cooperative is a developing functioning dairy cooperative and represents a successful model for cooperatives. The main purpose of the co-operative is to increase income of women of eight rural communities (five rayons). Currently there are 126 members in the co-operative and its membership is being increased. Positive experience of Zolotonosha cooperative favored formation of initiative groups committed to working together to start dairy cooperatives in their rayons. The cooperative is not only helping its members increase milk production and market milk but it also serves as an example of a democratic organization for other to replicate. It is important that this positive experience of Zolotonosha cooperative be shared with other rayons of Cherkassy oblasts and in the neighboring Poltava and Kirovograd oblasts which are the main milk producing areas in Ukraine.

This project was designed to share this experience and thereby lead to improvements in market infrastructure development in rural areas in the oblast of Cherkasy. The benefits of this are considerable:

- Gains in income, improve
- Greater knowledge base amongst milk producers
- Increased access to necessary information
- Strengthened rural community

Moreover, a project such as this has the potential for even further reach as it will demonstrate the positive impact of the cooperative movement encouraging small household plot owners involved in milk production to work together for their mutual benefit.

b. Project Goal/Objectives

The overall objective of this project was empowering rural people through rural co-operatives. Specific objectives include:

Long-term objectives:

- Contribution to development of approaches aimed at income generation and creation of self-employment opportunities for rural people;
- Improvement of information provision channels for rural population;
- Creation of the association of dairy cooperatives in the region.

Short-term objectives:

- Creation of fully functional cooperative that will assist in developing supplier-clients marketing chain development;
- Improving sustainability prospects of the organization.

Accomplishing these objectives entailed:

- Training cooperative members in cooperative development issues;
- Training cooperative members in marketing issues;
- Preparation of business plan for the cooperative;
- Introduction of new services provided by the cooperative;
- Training on new services introduced (community pastures, artificial insemination)
- Business plans discussion with experts and members of the cooperative;
- Raising awareness through conducting seminars for the identified informal milk marketing groups;
- Development of materials based on the progress of the project implementation;
- Round tables on cooperatives development, mass media coverage.

III. Project Achievements

a. Outputs/Deliverables

A series of trainings and seminars were held in five pilot communities of Zolotonosha rayon, Cherkasy oblast – Kropivna, Den'gi, Dmytrivka, Antypivka, Domantovo.

The following seminars were organized:

- Seminar on increase in milk productivity
- Seminar on community pastures development
- Seminar for women- members of cooperative on practical business skills
- Seminars for women-members of cooperative on their rights awareness

The following trainings were held:

- Training on cooperative development
- Training of trainers on cooperative development
- Training on business plans preparation

Also, Fund specialists arranged two round tables to discuss practical problems of business planning and cooperative development.

Specifically, as per the outputs and deliverables, the following was achieved:

- All members of the cooperative were involved in the seminars on cooperative development; together with 35 new members the total number of members of the cooperative involved was **161**. All participated in artificial insemination and milk productivity; community pastures seminars, and in conclusion received practical skills on basics of dairy cooperative operation.
- In addition to members of the cooperative, people from five local communities (villages) were involved in a series of seminars on cooperative development. Consultations provided through information points in the local villages included practical issues of cooperative operation and how to become a member of the cooperative in particular. About **1000** consultations in total were given by the Fund specialists during the project; the total number of people who received consultations is about **530**.
- At the beginning of the project the number of members in the cooperative was **126**. By the end of the project the number was **161**. Another **35** members joined the cooperative, which is about a **27%** increase.
- As a result of cooperative development seminars about **40** people expressed interest in further cooperation with the Fund in terms of being trainers at seminars in other rayons and oblasts. Those 40 active members were a key group in creation of three new cooperatives.
- During the milk productivity seminars milk control and artificial insemination initiatives were introduced and implemented.
- Preparation of the cooperative business plan was an important step to helping members increase sales of milk. Also, it is important that it was supported by other initiatives (milk productivity, artificial insemination). Conclusion of the agreement with the factory improved income of the cooperative members as their incomes are more stable and predictable.
- All members of cooperative plus other members of the community went through the milk productivity training. Conclusion of the agreement with the dairy factory requires them all to pass milk quality tests so the cooperative members had to make steps to improve quality of milk.

- All training series were supported by training materials that were distributed to participants of trainings and to village councils.
- The Fund organized experience-sharing seminars in other communities (villages) as it received requests from small farmers who were interested in organizing cooperatives.
- Two round tables were organized, 89 people participated.
- Information points were operational. They operate about 4-5 times a week and collect requests for consultations. Information is supplied to the points on regular basis. Other communities are requesting to have such points.
- 3 more cooperatives were created.
- The project activity was focused on the promotion of the cooperative idea in the rayon, as a result – membership increased and 3 new cooperatives were created. Also, dialogue was established with village councils and rayon authorities. Most of village heads from pilot communities have more knowledge on cooperatives and support (at least morally) creation of cooperatives in their communities.

IV. Project Sustainability

The Fund plans to involve people from the neighboring rayons so that they can develop cooperatives and form agreements with milk factories in their communities. At the same time it is planned to develop artificial insemination combined with veterinary services.

To continue the production of well received bulletins at the information points, the bulletins will be sold to people at reasonable price to generate funds for the cooperative. The Fund is hopeful that the information points in the 5 pilot communities will become fund branches.

As a result of project operation, 35 new members joined the cooperative. Three new dairy cooperatives are presently going through the registration process. The new cooperatives will comprise 20 to 35 members, most of them women.

V. Comments

The Project "Rural Empowerment through Rural Co-operatives" was successfully implemented by the Fund for Women and Youth Initiatives. They learned that dairy cooperatives have proved to be an effective mechanism to improve the lives of rural people by increasing their income and job opportunities. There is also a lack of information available to rural communities and this is one of the biggest problems in the rural area, especially market information.

The Fund plans to continue the work they have been doing to help the development of civil society in rural agrarian communities.