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# INCOME GENERATION BY RURAL WOMEN

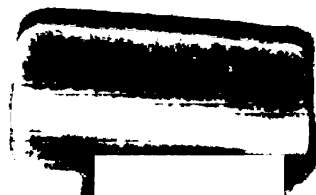
CREATING AN INTEGRATED SYSTEM  
TO SUPPORT SELF-MANAGED, LABOUR  
INTENSIVE PRODUCTION PROJECTS



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INCOME GENERATION BY RURAL WOMEN:  
CREATING AN INTEGRATED SYSTEM TO SUPPORT SELF-MANAGED  
LABOUR INTENSIVE PRODUCTION PROJECTS

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DEDICATED TO THE MANY RURAL WOMEN WHO ARE  
SLOWLY CHANGING THEIR WORLD

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## PREFACE TO THE FIRST EDITION

It is appropriate for IICA to present this monograph describing a programme for women and income generation as the Decade for Women comes to a close in 1985. The end of this important Decade offers the opportunity for reflexion. Reflexion and documentation enable others to avoid making similar mistakes. Building upon successful models can foster more effective development programmes in the future.

While IICA was not directly involved in developing the programme described in these pages, the IICA Office in the Dominican Republic made an important contribution. Through the expertise of IICA Rural Sociologist Roy Clifford an in-house evaluation methodology was developed and institutionalized. In addition, IICA's collaboration with SOLIDARIOS (the Council of Development Foundations of the Americas) at different points in time has led to an interest in and support of the national development foundation model. The programme described herein is the only attempt, so far, at building a women's organization based on this model.

IICA's actions during the Decade for Women have included a research project on rural women's organizations in Panama, a rural youth and women's credit system in Honduras, a women's production component in 2 regional rural development areas in Ecuador, strengthening of extension services for women in Paraguay and Brazil, and women's media in agricultural projects in the Dominican Republic and Colombia. The rural small enterprise management project presently implemented by the IICA Office in Jamaica, while directed at all low-income rural producers, is benefitting a large number of Jamaican women, together with men.

Claude F. Brouillard  
Caribbean Area Director

April, 1985  
Kingston, Jamaica

PREFACE TO THE SECOND EDITION

This monograph describes some of the thinking which went into the creation of MUDE, Dominican Republic's women's credit institution.

I was fortunate to have been one of the midwives at the birth. As sometimes happens in life, when one sets out to give, in the end, one receives ten-fold. Such was my experience with MUDE and the years I spent in the Dominican Republic.



Jan Hurwitch-MacDonald

Director a.i.

IICA Office in Jamaica

November, 1986

Kingston, Jamaica



## INTRODUCTION

In 1975, the concept of "women in development" was brought into the forefront by the Percy Amendment to the U.S. Foreign Assistance Act, and given additional importance by the United Nations' declaration of International Women's Year and subsequently the U.N. Decade for Women. Many new development efforts were inspired during this period; the programme described in the following pages is one of them.

Toward the end of 1975, nine U.S. women met to create a new non-profit organization for women. These women were committed to action programmes rather than research, to overseas programmes rather than domestic, and to grass-roots, trickle-up development rather than trickle-down. They were determined that the new organization develop a programme methodology responsive to the people it would serve. Early on, they decided that these people would be low-income, rural women in Latin America and the Caribbean.

The first activity sponsored by the new organization involved listening to representatives from women's organizations in Caribbean Basin countries discuss their priorities for rural women's development. The priority of income generation became clear at this informal gathering of 35 persons from 15 countries, held in March 1977. Credit and technical assistance were stressed as the key tools needed to make this happen. Taking their cue from these women leaders, the directors of the new organization worked on a methodology for supporting women's income generating projects through credit and technical assistance. The methodology was applied in both the Dominican Republic and Barbados, albeit differently in each, in response to local realities. Both, however, combined credit, training, technical assistance and marketing services into an integrated system.

This document describes the methodology used in the Dominican Republic with initial funding from PACT (Private Agencies Collaborating Together) and the Dominican Government. The programme began in 1977 with a loan to a pilot project in El Rio, Constanza, for a group of 8 women to diversify their sewn products. Eight years later, Annual Reports indicate that over 100 loans have been made in the following areas of production: agriculture, livestock rearing, handicraft, food-processing and rural services. In addition, over 750 training sessions in rural organization, production techniques and business skills have been held for over 2000 women.

No development programme is designed and implemented alone. The methodological approach received and receives inputs from a number of committed individuals, some of whom continue to dedicate their time to this effort. Two Dominican institutions collaborated extensively during the formative years of the programme: the Dominican Development Foundation (FDD) and the Dominican Institute for Social and Applied Studies (IDEAS)

The programme in the Dominican Republic continues under the leadership of Luz Maria Abreu (Mujeres en Desarrollo Dominicana, Inc. Apartado 325, Santo Domingo, Republica Dominicana) and in Barbados with Lynn Allison (Women in Development, Inc. Melbourne, Belmont Road, St. Michael Barbados).

## 1. WHY INCOME GENERATION?

Why, we may ask, do rural women need to develop income generating activities? Rural women tend small animals. These animals produce milk or meat for market and/or family consumption. Rural women grow vegetable gardens. These are consumed, fresh or processed, at home or at market. Rural women work as seasonal labourers in agriculture. Rural women spin wool, weave cotton, braid macrame, and twist sisal into traditional and contemporary handicrafts for local, national and international markets. Rural women migrate to urban centers to work as domestics, sending their meager earnings back to rural home. Some go into factories, or find that prostitution is more lucrative. Other rural women stay in their rural communities, take in laundry, cook for workmen, and watch their men migrate to towns nearby in search of additional family income.

However, these activities are proving economically inadequate; the rural majority continue a subsistence level existence. In addition, family unity is suffering. Rural women can and should become involved in well-organized, profitable income generating activities. This is particularly true when they are single heads of households.

Looking for rural employment however, may be difficult. Employment statistics for rural areas already reflect high levels of under and unemployment. This is the reality faced by rural women attempting to seek rural employment. In addition, poor rural women face a series of socio-cultural constraints when looking for the same job opportunities as rural men.

An alternative to looking for employment in the rural areas is creating employment by organizing self-managed production projects. Organizing is only the first step in a series required for successful generation of additional income.

Organizing, and the other steps essential to success, can best be facilitated by an integrated support system which responds to the needs of low-income women. In this manner, the inputs needed for production are provided in a timely and systematic manner. These inputs include organization, credit, business training, production skills training, technical assistance, marketing counselling and social services. The production projects should produce marketable, high-quality products. The projects should be self-managed, as this will reduce the exploitation of rural women. And, as much as possible, these projects should contribute to diversifying rural family income sources. This will reduce work migration, and hopefully, family fragmentation.

An integrated approach to supporting self-managed, labour-intensive production projects can provide rural women with additional income from agricultural and non-agricultural sources. The integrated support system provides rural women with the inputs usually unavailable to them, and critical to socio-economic development. These inputs are but the tools for generating additional income. Important decisions regarding types of production, risks to be taken and potential markets are in the hands of the women producers. Those of us working with them cannot make their decisions, but can provide critical information to encourage effective decision-making, skills training to implement projects more efficiently, and timely credit where and when it is needed. This, in short, is what the support system should accomplish.

## 2. DIVERSIFYING RURAL FAMILY INCOME SOURCES

A substantial number of rural families in low-income countries throughout the world are engaged in non-agricultural production activities. Most of these families are also engaged in agricultural activities at the same time. In his paper on "Sources and Systems of Rural Off-Farm Employment" (given at the Continental Dialogue on Agrarian Reform and Integrated Rural Development, Caracas, October 1980) Carl Liedholm states that non-agricultural rural employment is increasing. Those involved in this increased non-agricultural production are generally landless and near landless peasants. Among the types of non-agricultural production which are providing an important source of labour-intensive income in the rural areas, Liedholm identifies tailoring, sewing, carpentry, baking, grain milling as those increasing in importance as income sources. Those activities related to the servicing of goods used in the rural areas, such as bicycles and small electric appliances, are also increasing in importance in the rural economy. Other non-agricultural activities have been identified by Liedholm as existing in the rural areas, yet his research shows that these activities are decreasing in importance with regard to the generation of off-farm employment. These include ceramics and leatherwork. Handicrafts, which are indigenous to specific nations and regions, are increasing in economic importance: two examples cited by Liedholm are wood-carving in Haiti and tie-dyeing in Sierra Leone.

Efforts to diversify rural income sources are particularly important to rural families headed by single women. A conservative estimate of the percentage of rural families headed by women in developing areas of the world is between 35-50%. The reality of this important figure must be coupled with the fact that rural women have very little access to arable land, technical and financial resources, production training and cooperative membership. Therefore, efforts to diversify income offer new hope to these rural women heading families, while trying to eke out a living at subsistence level.

Although diversifying rural income sources cannot be considered a panacea for the many rural problems to be attacked, opening up new employment opportunities is a priority concern for rural people. When designing new strategies to attend these priorities, those involved in planning and implementation can make an important contribution by considering non-traditional areas of production which will lead to a diversification of rural family income sources.

### 3. AN INTEGRATED SUPPORT SYSTEM

#### 3.1 Overview

A programme for creating self-managed, labour intensive production projects can best reach rural communities if it is structured into an integrated support system. The integrated support system described in the following pages consists of a fourteen step process. This process begins with a survey of the region to be served (1), identification of rural women's associations interested in the service (2,3), selection of those that will receive the service (4), and strengthening of the participating rural women's associations (5). Once the rural women's association decides upon an economic project and its potential viability is determined, economic training begins (6), followed by project preparation (7), and loan request (8). Before the loan is delivered, management training is initiated (9). Ongoing projects are provided technical assistance (12), advanced training in production and marketing (13), and advisory services on community problems and social responsibility (14).

The backbone of the system is a revolving loan fund. Small loans are made to rural women's associations which have decided to invest (or reinvest) in the inputs needed to initiate (or maintain) an income-generating project in agriculture, livestock, handicrafts, agro-industry or service business (such as laundry, bakery, etc.). Loan requests are processed by a loan committee, with special attention given to agricultural projects due to their seasonal nature.

Technical assistance during and before, after financing is provided at the rural women's associations' request. Market studies and strategies are developed jointly with the rural women's associations, in an effort to assure markets to the degree possible.

A competent and dedicated staff is the key to the success of effective services delivered through an integrated system. The staff structure should permit specialized members to work as teams in each region. Staff members should participate at all decision-making levels in order to increase teamwork and commitment to effective service delivery.

The rural women's associations should be involved in evaluating the effectiveness of the service. As the purpose of the service is to respond to rural women's associations' needs for income-generating projects, they are in the best position to determine whether their needs are being met. While service personnel are encouraged to adopt an attitude of accountability toward the women, similarly the women are encouraged to adopt an attitude of responsibility toward the service. This two-way dynamic between the service personnel and the women they serve characterizes the service as a serious, participatory development effort, rather than one based upon paternalism and dependency.

The overall objective of the integrated support system is to increase the social and economic status of low-income rural women. The focus of the service, and therefore that of the implementing institution, is to respond to the needs of the rural women's associations, rather than to direct their



aspirations. Therefore, within the context of this responsive stance, project objectives should be defined and measures selected for determining their achievement.

Objectives of the institutions implementing an integrated support system for income generation should include: (a) the number of projects to be serviced each year, (b) the number of loans to be disbursed each year, (c) the number of women to be trained each year, and (d) the number of rural women's associations that will participate each year.

At the project level, objectives include profits to be earned from each economic project and the amount of additional family income to be generated by each project. At the individual level, objectives include additional income to be earned as well as new skills to be learned by each woman.

Finally, the social objective involves achieving a high degree of participation by the rural women's associations with local, regional and national authorities when defining and attaining their project goals. At the individual level, the women should be able to attest to a qualitative improvement in their lives, their families' lives and in their communities in general.

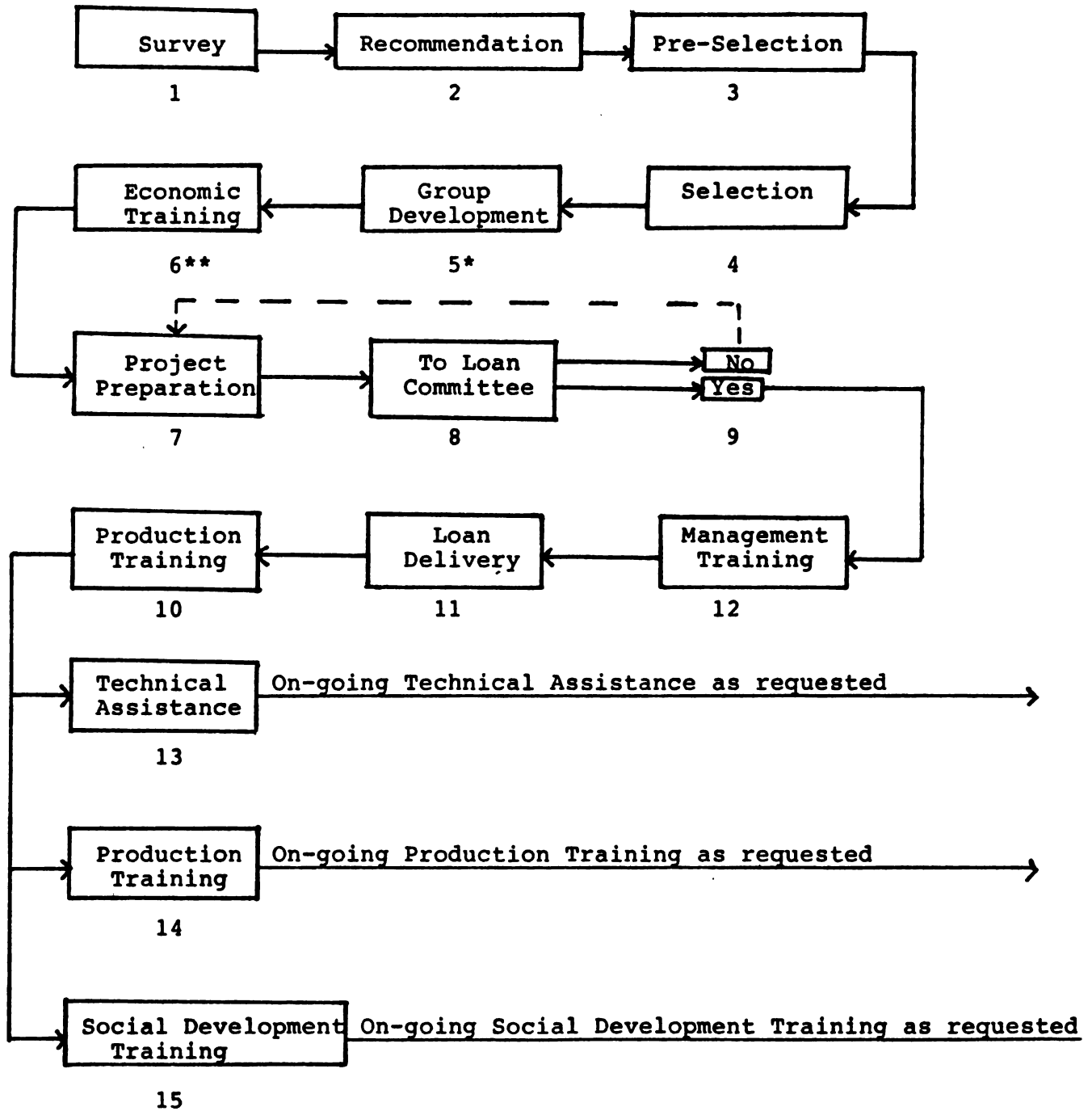
The integrated support system is divided into fourteen steps. This division is made to simplify service delivery in order to respond more efficiently to the rural women's associations. It does not signify a recommended "recipe" for development, or that the women's associations are necessarily led along a predetermined path.

Figure 1 on page 14 gives a general overview of the sequential work steps involved. The steps are listed below with a brief explanation for each one. A more detailed description of each step begins on page 23, once the staff functions have been explained.

1. Regional Survey provides a general overview of the region and community in order to understand the political, social, and economic realities affecting the rural women's associations.
2. Recommendation is then made by the field worker of rural women's associations showing promise for income-generating work.
3. Pre-Selection is made by the Regional Coordinator endorsing the field worker's recommendation and encouraging additional meetings with the recommended rural women's associations.
4. Selection is made by the programme staff to offer income-generating training and credit services to the rural women's associations.
5. Group Development training begins with the decision of the rural women's associations to accept the offer to participate in the programme and ends when an economic project has been defined (3-6 months).
6. Economic Training begins with feasibility studies to determine the economic viability of the project and ends when the rural women's associations determine readiness to prepare an economic project for financing (3-6 months).
7. Project Preparation involves completing the economic analysis and loan forms to present the project to the loan committee.

8. Loan Committee review includes an analysis of each rural women's association and the projects being presented for financing. A negative committee decision will lead to project reformulation, but not to breaking the commitment to rural women's association.
9. Management Training begins for the rural women's associations about to embark on economic projects. Aspects of money handling, record-keeping, and basic business management are addressed.
10. Loan Delivery and contract signature mark the beginning of a financial relationship between the rural women's association and the programme. At this moment, the importance of loan repayment is emphasized.
11. Production Training focuses upon actual production and marketing techniques as well as applied self-management in the context of the project initiated.
12. Ongoing Technical Assistance is provided in production, marketing and management at the request of rural women's associations.
13. Ongoing Training in Production is provided through advanced courses in production and management at the request of rural women's associations.
14. Ongoing Social Development Training begins when economic projects show financial stability and only at the request of the rural women's associations. The aim is to develop consciousness toward community action and community problem solving.

FIGURE 1: SEQUENTIAL WORK STEPS



\* Formal Relationship begins

\*\* Project defined

### 3.2 The Staff Functions and Organizational Chart

Efficient service implementation is in part due to clear staff assignments. The programme staff members specialize in one of the following areas:

- |                                   |                    |
|-----------------------------------|--------------------|
| 1. Group Organization/Development | 3. Training        |
| 2. Finance and Administration     | 4. Social Services |

It is important that each staff member fully understand his/her specialized area of responsibility as well as the overall programme strategy. This enables the staff to work together as a team, moving toward the same goal. It also encourages staff members to help improve programme services, and to understand when changes in the programme must be made.

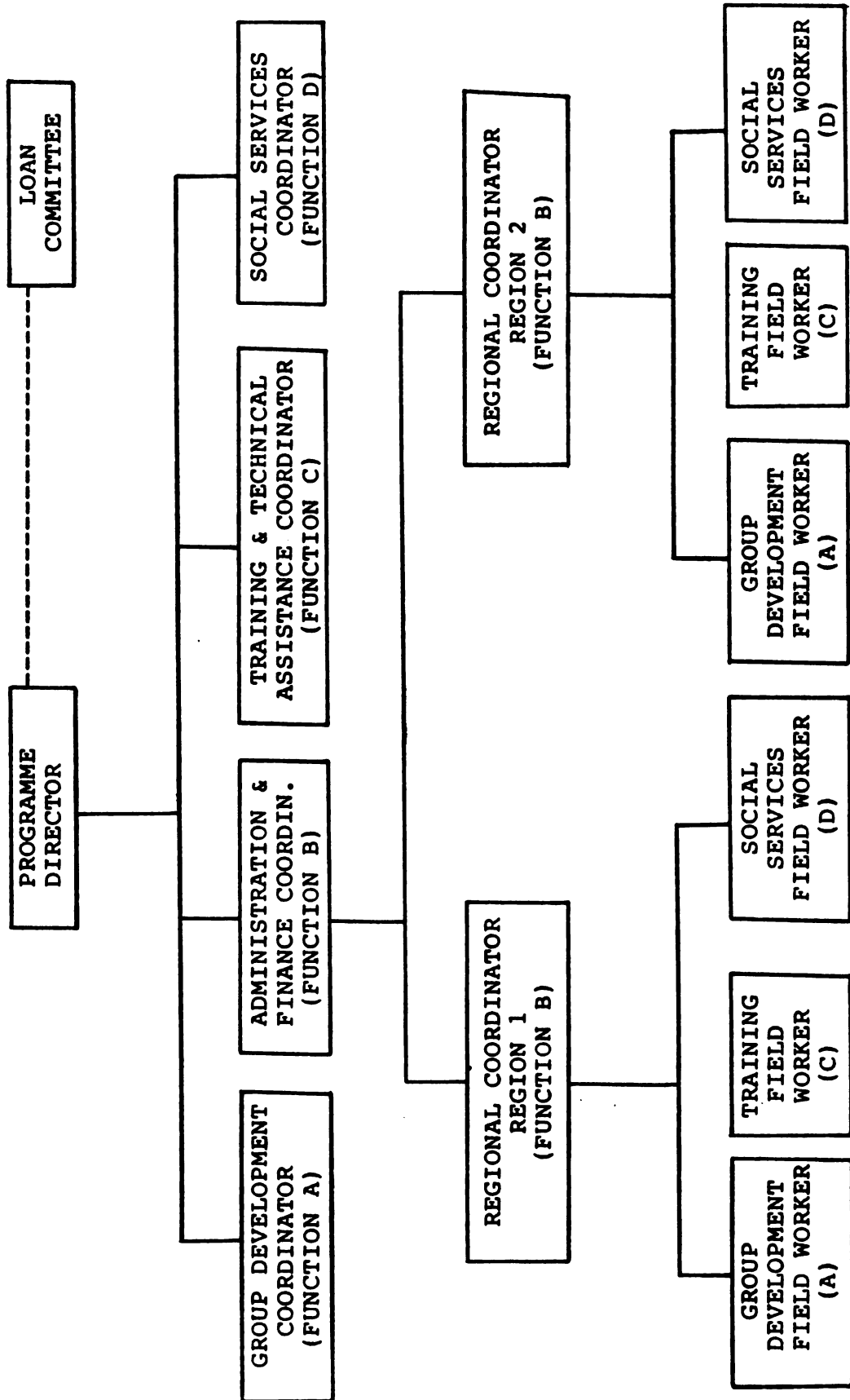
There are four types of staff positions for the support service:

- |                           |                          |
|---------------------------|--------------------------|
| 1. Field Workers          | 3. Regional Coordinators |
| 2. Technical Coordinators | 4. Programme Director    |

In addition, the loan review committee, composed of local citizens sympathizing with the goals of the programme, meets regularly to review loan requests.

The organizational chart on page 16 shows the personnel by function and by region to be served. Each region receives services from a team headed by a Regional Coordinator who is also a specialist in Administration and Finance (function B) and three field workers: a specialist in Group Development (function A), a specialist in training and technical assistance (function C) and a specialist in social services (function D). The description of personnel functions and responsibilities as they relate to the delivery of programme services come after the chart, beginning on page 17.

FIGURE 2: ORGANIZATIONAL CHART FOR INTEGRATED SUPPORT SYSTEM



3.2.1 Field Workers: The service is represented at the community level by the field workers, whose job involves working directly with the rural women's associations (RWA) on an egalitarian basis. The field workers do not promote or direct projects, but rather, visit RWA to provide information, services and technical inputs specified by and agreed upon with the RWA. This type of egalitarian interaction fosters independence within the RWA rather than dependency upon the service and its representatives.

Field workers maintain direct and continuous contact with the RWA in their region. The field workers are specialized in either group development, training or social services. They are supervised directly by a regional coordinator, who is responsible for the work in a particular geographic region and who is specialized in administration and finance. The team working in each geographic region is thus composed of a specialist in each of the four technical areas critical to income generation: group development, administration and finance, training and social services.

A description of field worker specializations follows:

- (a) The Group Development Field Worker makes initial contact with RWA's, recommends the groups for services, and trains in group development. The responsibility for developing individual and group consciousness, and sound social organization, positive group dynamics, self-reliance and independence within the group rests with this field worker.

- (b) The Training Field Worker trains the RWAs in economic project feasibility, project and loan preparation, and aspects of money handling, record-keeping, and basic business management. He/she coordinates all technical assistance required for production, management and marketing, and assures loan repayment according to the agreed-upon schedule. The responsibility for providing services essential to economic success, from project preparation to marketing and loan repayment rests with this field worker.
- (c) The Social Services Field Worker trains the RWA in possibilities available to them for improving community life through social and human services. The responsibility for encouraging community action and social development rests with this field worker.

3.2.2 Regional Coordinators: the regional coordinators are directly responsible for the field workers and the services they provide to the rural women's associations. They assure democratic interaction with the RWA by setting an example with the field workers. They work closely with the technical coordinators providing practical suggestions on service delivery problems and by giving re-direction and training to field workers when necessary. They supervise the implementation of the fourteen work steps in each region, assuring that tasks are completed, services are rendered to satisfaction, production is not impaired, and marketing needs are addressed. The overall responsibility for assuring that the programme services are provided efficiently and that the RWA achieve their social and economic objectives in each region rests with each Regional Coordinator, reporting directly to the Programme Director.



In addition, each Regional Coordinator has the technical responsibility for administration and finance at the regional level. This involves supervising the loan emission and repayment process, acting as "bill collector" when necessary. The responsibility for assuring administrative efficiency for the region rests with the Regional Coordinator.

3.2.3 Technical Coordinators: the technical coordinators are specialized in the four technical areas critical to income generation. They work closely with the field workers specialized in the same area, providing them with technical information, work methods and new programme techniques as well as assuring that they have the necessary administrative instruments for their work (i.e. planning guides, programming manuals, forms, etc.) At the same time, the technical coordinators work as a team with one another and the programme director. This team makes decisions about programme changes, both in methodology and concept, with an eye to keeping service delivery as responsive and effective as possible. They are guided by the service needs of the RWAs and by a mandate to simplify the work of the field workers and the regional coordinators delivering those services.

A description of the functions of each technical coordinator follows:

- (a) Group Development Coordinator: this technical coordinator is responsible for steps 1 through 5 of the integrated support service. This includes developing the criteria for recommendation, pre-selection, selection of RWA's, as well as establishing a formal relationship with them. This coordinator prepares the training modules and materials for group development, monitors the group

development process, and trains field workers as the need arises. The responsibility for developing the methods used by the group development field workers, improving upon these when necessary, and assuring sound social organization of RWA's before economic production begins, rests with the Group Development Coordinator, who reports directly to the Programme Director.

- (b) Administration and Finance Coordinator: this technical coordinator is responsible for steps 8 and 10 of the integrated support service. The Administration and Finance Coordinator works with the Regional Coordinators to make sure that economic projects are well designed, that market studies are adequate, and that loan request forms will meet the satisfaction of the Loan Review Committee. Guidelines and criteria for preparing projects and studies are developed by this coordinator, who then trains the Regional Coordinators to use them. The A&F Coordinator works closely with the Loan Review Committee, assuring that once a loan request is received, an answer is transmitted to the RWA no later than the specified 15 days. He/she develops loans criteria with the Loan Review Committee and presents loan requests for its review. He/she organizes and manages the revolving loan fund, and supervises loan payment and repayment schedules. The A&F Coordinator works closely with the Programme Director to assure that the administrative aspects of the programme operate efficiently, acting as a deputy for and reporting directly to the Programme Director.

- (c) Training and Technical Assistance Coordinator: this technical coordinator is responsible for steps 6 through 13 in the integrated support service, excluding those steps involving the loan emission and repayment (8 and 10). This separation of function should reinforce the idea (for both the RWA and programme staff) that in each region a particular person is connected with "money matters". This person should not be the trainer, who may want to develop a special relationship with the RWA for training purposes. The T&TA Coordinator develops training materials on production, administration and marketing for income generating projects, as well as instructing the field workers in the use of these materials. This Coordinator organizes supplemental training and technical assistance from more specialized institutions for those projects requiring them. Acting as a monitor for all technical inputs to the projects, this coordinator reports directly to the Programme Director.
- (d) Social Services Coordinator: this technical coordinator is responsible for step 14 in the integrated support service. The Social Services Coordinator develops a work methodology whereby the RWA already involved in an income generating project begins to consider community-oriented problems, discusses services available in the country, and determines which have a priority for its community. The Social Services Coordinator develops the training materials, trains the social service field workers and coordinates with the social services institutions working in the region. Responsible for monitoring the social service activities in the programme, assuring that they become an integrated part of the programme's activities, this coordinator reports directly to the Programme Director.

3.2.4 Programme Director: the Programme Director is responsible for providing integrated services and financing to the RWA. The Director works closely with the technical coordinators, guiding and supporting their efforts to develop innovative training materials which respond to the needs of the RWA, as well as working closely with regional coordinators to assure that field personnel are adequately trained and services efficiently delivered.

The Programme Director heads up the management team, making final decisions and authorizing changes where necessary. While this person is ultimately responsible for the programme, the degree to which staff members can be encouraged to share in the responsibility for programme successes and failures can only strengthen the efficiency and effectiveness of the integrated support system.

The Programme Director and technical supervisors live in the location where the programme is headquartered, yet should spend a good percentage of their time in the regions where services are provided. Depending upon the stage of programme development, and the types of problems to be confronted, it is recommended that the technical coordinators spend between 30 and 60 percent of their time working in the regions and that the Programme Director spend between 20 and 40 percent of his/her time in the regions.

The Programme Director is actively involved in fund-raising for the programme and for relations with outside institutions, both nationally and internationally. The supervision of programme planning, implementation and evaluation is the responsibility of the Programme Director, who reports directly to the Executive Director or the Board of Directors.

### 3.3 The Work Content of the Support System

The work content of the support system is described in the following pages. A detailed explanation is given of each step in the system. In addition, the responsibilities of the personnel toward the rural women's associations and of the RWA toward the programme are specified, as this interaction is essential to the delivery of integrated services.

#### Step 1. Regional Survey

A regional survey is conducted in order to understand more clearly the social, economic and political contexts of the region in which the rural women's associations are located. Appropriate forms are developed which will permit the group development field worker to gather and assess the information.

The information to be obtained includes:

- (a) Physical analysis of the region; including land accessibility and type, irrigation, infrastructure, types of cultivation, rainfall, etc.
- (b) Agencies working in the region; including public and private, religious, development, social service, foreign and national.

(c) Communities in the region in which rural women's associations have been organized:

- geographic location of rural women's associations, their access to transportation and other services,
- principal forms of earning a living in each community
- types of existing community services (water, electricity, sewer, health post, school)
- community activities accomplished or under way
- other community groups or associations which are active
- how the women use their time; their contribution to economic remunerated and non-remunerated activities within the family and the community

**Step 2. Recommendation**

When recommending a rural women's association as a potential for income-generation training and credit through the integrated system, the group development field worker determines that the group, as a minimum, evidence the following characteristics:

- (a) As an indicator of permanence, the association consists of:
- Officers with clarity of function, alternation of positions and a high degree of motivation for accomplishing tasks.
  - Activities which take place regularly, such as meetings; and special activities which are planned and executed, all with a high participation (at least two-thirds) of the registered membership.

- Membership number should be over the minimum required in the country for obtaining legal incorporation, where this is possible.

(b) As an indicator of potential, the group is motivated to develop an income-generating project together. Once the field worker determines that a rural women's association meets the criteria, the appropriate forms for recommendation should be filled out and sent to the regional coordinator with an indication of recommendation (see Appendix A for an example of the form used by the group development field worker for recommending a rural women's association in the MUDE Programme, Dominican Republic).

(c) In addition, to allow for efficient service delivery, there should be reasonable access to the community and meeting place either by motor vehicle, motor cycle or horseback.

### Step 3. Pre-Selection

If the Regional Coordinator is in agreement with the group development field worker's recommendation, his or her endorsement will indicate pre-selection. After visiting the RWA, the Regional Coordinator will prepare the pre-selection form designed to assess group stability and motivational level (see Appendix B for an example of this form) and send it to the Group Development Coordinator.

Neither the group development field worker nor the Regional Coordinator can at this point commit the programme services to the RWA, for a final selection based upon these recommendations will be made at the Selection Meeting.

#### Step 4. Selection

The Selection Meeting, held once a month or more frequently if necessary, is chaired by the Group Development Coordinator. It is attended by all the technical Coordinators, the Programme Director and the Regional Coordinators who represent the RWA's they are recommending from their regions. This selection team analyses the information and considers a programme commitment to each RWA being presented. The deliberation at this point is extremely serious, as once the commitment to selection is made, it represents a long-term commitment of services, financing and overall support for economic project success. (see Appendix C for additional information presented to the Selection Meeting for each RWA).

The criteria used to select a RWA are both social and economic, reflecting the fact that the programme is a development effort as well as an integrated system for delivering services in training and financing. The social criteria are applied by the Regional Coordinator on the Pre-Selection Form. A RWA should show a "minimum" level of responsibility, impetus, distribution, critical reflection status and autonomy. "Minimum" must be defined by the programme staff. The economic criteria are applied by the field worker and revised by the Regional Coordinator on the Recommendation Form. These include an analysis of previous use of funds, past experience and present aspirations regarding economic projects, capacity to manage economic projects, and inclination to work cooperatively.

The results of the selection meeting are communicated to the group development field workers by their respective regional coordinator. Field workers are encouraged to



initiate a dialogue with the selected RWA asking them to reflect upon entering into a commitment with the programme. The underlying philosophy is that just as the programme forces a rigorous selection process, so the RWA should seriously analyse the services programme, and make its own decision about receiving services.

In order to make an enlightened decision, the RWA should be well informed about the programme services, operations and requirements. The members should be encouraged to analyze the advantages and disadvantages of contracting with the programme and arrive at a group decision. Once again, serious deliberation should be encouraged, so that the commitment, once made, not be taken lightly.

If the RWA communicates it has chosen to participate in the programme, the field worker will inform the Regional Coordinator and then group development training will begin .

#### Step 5. Group Development

Group development marks the beginning of a long-term relationship between the RWA and the integrated service system. For this reason, at the start of group development training, an activity is planned which emphasizes this important beginning. This activity, called establishing a formal relationship, can be a simple but solemn act during a regular RWA meeting when the field worker and the RWA president say a few words. To stress the importance of the act, the Regional Coordinator and/or the Group Development Coordinator may also attend. The idea behind the act is to formalize the commitment which the two organizations are making to each other and to reinforce the egalitarian relationship between them.

Because this development programme involves credit, it is also advisable at this point, to emphasize the idea that a business relationship exists between the two parties. This formal act offers the opportunity for clarifying the business relationship.

The objective of group development training is to strengthen the social structure of the RWA which will become the foundation for the economic project. It provides an opportunity for the field worker to assess individual strengths and weaknesses as well as those of the group. The training itself is divided into 8 modules, composed of the following material:

Module 1: Focuses on questions such as: Who are we? What is an association? What is the service programme? What services are a priority for the association? What are the association's objectives/aspirations? What possibilities are there for the association and the service programme to work together?

Module 2: Focuses on women's role in our society; emphasizes women's different roles in family, community and society; places importance upon decision-making, contributions and participation of women in community and society.

Module 3: Focuses on decision-making. How to analyze problems and weigh solutions; how to prioritize alternative choices; how to make a decision and take advantage of opportunities.

- Module 4: Focuses on organizational structure. Includes how to encourage participation for better group functioning, meetings and activities. Develops themes of belonging to a group and achieving group goals, as well as understanding individual member responsibilities. Explains organizational chart for carrying out an economic project.
- Module 5: Focuses on needs and resources. Addresses the question, what is development? Encourages exercises for understanding community needs and available resources (human, physical and financial). Includes description and analysis of possible services available to the community and group through public and private institutions.
- Module 6: Focuses on working cooperatively, understanding the advantages and the disadvantages of working cooperatively. Encourages group discussion and decision making. Analyzes possibilities for this group to work cooperatively on an economic project and stresses commitment.
- Module 7: Focuses on loans. Stresses an understanding of the uses of loans, problems of indebtedness, the loan request and repayment process, minimum requirements, types of projects financed and types of institutions offering financing. Describes the particular loan process of the service system.

Module 8: Focuses on uses of money. Stresses efficient use of financial resources, savings, where and how to bank. Includes introduction to the use of forms in record-keeping and banking. Explains basics of pricing and marketing products.

The modules in group development are presented as "dialogues", the idea being that the RWA is dialoguing (two-way) with the field worker rather than receiving information (one-way) from her. The techniques used by the field worker for stimulating the dialogue are varied and each field worker develops an individual work style. Techniques are suggested to field workers for encouraging dialogue such as seating arrangements (circular rather than auditorium), movement and body expression (ask members to act things out), and other mechanisms such as games, and role-play which will encourage involvement of all members in the dialogue rather than just the more outgoing ones.

Field workers are encouraged to improve upon the dialogues rather than take them as gospel, to re-order them when necessary, to ask the RWA if they agree with them, like them, find them useful. The purpose of this type of interaction is to encourage questioning, which is fundamental to consciousness raising. Field workers who are not free to question the content of their own work, the validity of certain techniques and their supervisors' suggestions, cannot be expected to encourage questioning among the peasants they work with, and thus the consciousness-raising process is severely hampered. At the same time, raising consciousness can be over emphasized to the exclusion of other elements which are also fundamental to strong socio-economic projects, such

as organizing members for production tasks and learning basic book-keeping. The Regional Coordinator and the Group Development Coordinator can join together to give the group development field worker the support and orientation needed to strike the required balance. The group development process will last from 3 to 9 months, depending upon the group's motivation and the length of time members worked together before establishing contact with the programme. The group development training will result in the selection of an economic project. It won't be a final decision however, until the feasibility studies confirm economic viability. (see Step 6).

Training in group development is not a static step in this methodology. In other words, at any time the RWA and the field worker may agree upon a refresher course in any of the modules or in new substantive areas considered important by either.

#### Step 6. Economic Training

Once the RWA members decide upon an economic project, economic training begins. The objective of this training is to determine viability, i.e. whether the product or service can generate enough profit for the RWA members. In addition, the human skills required for a successful project must be identified and compared to the human skills available among the RWA members.

The training course should cover the following:

- (1) Defining the production steps involved in producing the end product or service.
- (2) Defining the marketing steps involved in selling the product or service.
- (3) Identifying skills RWA members have for performing production and marketing.

- (4) Identifying skills which must be developed among the RWA members for performing production and marketing tasks.
- (5) Testing for market demand. The nature of the product and the market size must be kept in mind here. A large market must be identified for products which are not consumed or worn out and therefore only bought once (a wooden salad bowl). A middle size market will suffice for products which wear out (clothing, for example). A smaller market will do for a product which is consumed regularly, such as goat meat or chicken meat.
- (6) Preparing a cost-benefit analysis for the project. Project feasibility is determined here, i.e. can the item be produced and sold at a price that will yield sufficient profit.
- (7) Estimating project financial needs over time. Loan repayment, refinancing and maintenance of members until the project shows a profit must be considered here. A commitment over time should be made by members if they are to go into debt together to start the project. This is the point to discuss the commitment and make a final decision.
- (8) Studying the basics of business, such as banking and record-keeping.
- (9) Making a preliminary selection of who will perform which tasks in production, management and marketing.

Economic training is the responsibility of the Training Field Worker, with support from the Training and Technical Assistance Coordinator. Once RWA members master the basic information in the course, they will be able to make an informal decision as to whether or not to proceed with the

project selected, request a loan, and initiate a group production effort. The Training Field Worker will assure that these decisions are reached through group discussion and consensus. Human solidarity is as important to project success as is financial stability.

During the economic training process, which takes from 1 to 3 months, the RWA members may conclude at any time that the economic project selected is not viable. This may be due to lack of market demand, higher production costs than anticipated, or lack of sufficient human skills to implement the project. Should this occur, RWA members must select a new economic project which appears more viable. The process of selecting the appropriate economic project is time well invested, both for the field worker and the RWA. It is better to find out during the planning stage that a project is not viable, than to find out once the human and financial capital have been committed. Taking the time necessary to make an enlightened decision about an appropriate economic project can save time and money for the RWA and will ensure the credibility of the programme.

**Step 7: Project Preparation**

When the RWA is convinced that the project is economically feasible, that there is a reasonable assurance of a market, and that its members have adequate skills and commitment, then project preparation can begin. The project loan forms are studied with the Training Field Worker and completed with the Regional Coordinator (see example Appendix D\*). The following forms should be completed:

1. Background information on the RWA: This should include location, number of members, and a brief history of projects done in the past. Information regarding the present financial request should consist of a brief project description, financing needed, and counterpart funds to be provided by RWA and other collaborating agencies. Indication should be made of type of payment preferred: monthly, quarterly or annually. This form should be signed by all the RWA members, and should include their respective identification numbers.
  
2. Description of the project to be financed:  
This should include project objectives, economic justification, market potential, social impact, and group experience. A section where the group development field worker provides specific information, such as assessment group levels of organization and training, would be appropriate here. These first two forms can be completed with the help of the Training Field Worker.

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\*These forms are used in MUDE, Dominican Republic, and were adapted from those used by the Dominican Development Foundation (DDF)



3. Investment Plan:

Different forms will be used depending upon the type of project: agricultural, livestock or small industries. A basic description of the costs of production will help to determine whether the financing requested will be sufficient.

4. Cost Benefit Analysis:

This is also to be prepared for each project, using a form appropriate to each type. This analysis will help to determine whether the gross profit will be sufficient to cover costs of reinvestment and loan repayment, leaving an adequate net profit. The Investment Plan and the Cost Benefit Analysis are best completed with the help of the Regional Coordinator.

5. A Recommendation:

From the field worker and/or other persons knowledgeable about the RWA is also necessary. This recommendation will speak to the character of individuals in the RWA as well as community support for the RWA. This is important as character is the only collateral the RWA provides.

Before the project loan forms are submitted to the Loan Committee, they are reviewed by the Administration and Finance Coordinator. A registration number and date of receipt is given in each case. The Group Development Coordinator is asked to prepare a social evaluation of the group while the A & F Coordinator completes a financial analysis of the project. Any need for clarification or elaboration must be identified at this point and discussed with the RWA. Once the A & F Coordinator is satisfied that the loan forms are in order and that the project is socially and economically viable, a "resolution for loan approval" is attached to the loan request and the case is sent to the Programme Director for presentation to the Loan Committee.

Preparing these forms is fundamental to planning for a successful income generation project. Market assessment and an analysis of costs and potential income are critical to the economic foundation of the project. Therefore, the process for completing the project loan forms should be viewed as an educational one for the group members and may take anywhere from one to six weeks.

**Step 8: Loan Committee Review**

The Loan Committee, which is composed of local citizens concerned for the programme, meets on a regular basis to consider loan requests. The frequency of their meetings will depend on the number of loan requests under preparation. As the programme must respond to the RWA within 15 days after it submits a loan request, careful monitoring of the loan preparation process is done by each Regional Coordinator. In this way, the Programme Director is kept informed of the preparation process and knows whether to schedule weekly, bi-weekly, or monthly meetings of the Loan Committee.

Requests for financing are presented at the Loan Committee Meeting by the Programme Director or the Administration and Finance Coordinator. The Regional Coordinators are available for questioning and clarification. Any other staff members may be invited to attend should the Programme Director consider this advisable.

The Loan Committee members will come to the meeting better informed if they have read over each loan request in advance. The Programme Director is responsible for making this possible. Committee members should attend the meeting with a list of questions or concerns they will raise with regard to each loan request. As each case is presented by the Programme Director, committee members ask their questions, discussion ensues, and a vote is taken. Only the members of the Loan Committee should vote, except in the case of a tie when the Programme Director may vote to break the tie.

If the Loan Committee is not sure that a project is economically viable, or for some other reason, does not consider financing opportune for a particular RWA, the loan request is "not accepted" rather than denied. This is so because a commitment has already been made to the RWA (See Step 4, Selection). The "not accepted" loan request will be returned to the RWA for the appropriate adjustments. And the project preparation process will continue until the request is acceptable to the Loan Committee.

The results of the Loan Committee Meeting will be communicated promptly to the Group Development Field Workers by the respective Regional Coordinators. In this way, each RWA should receive a verbal response within 15 days from the time of loan request submission.

#### Step 9: Management Training

When the RWA receives word that their loan has been approved, management training begins. This training is the responsibility of the Training Field Worker under the supervision of the Training and Technical Assistance Coordinator. The purpose of management training is to lay the foundation for sound management and business practices within the project. The following topics should be covered:

Financial Management  
 Accounting & Budgeting  
 Banking Procedures  
 Cash Flow Planning

Marketing  
 Quality Control  
 Sales and contracts

Human Development

Division of responsibilities

Financial Incentives

Human relations

Leadership development

Self-management

Production

Production planning

Organizational structure

Goal setting for product  
outputs

Goal implementation

Cost controls

Inventory

Time factor

The Training Field Worker can consult the RWA regarding who will participate in management training. They may decide that all members should, or only a selected few who have some managerial skills. Or a decision may be made that everyone in the RWA receive an introductory course in management, and based on this experience, a few interested or more inclined members can continue with more advanced training.

It is important to note, at this point, that more associative production efforts in rural development have failed due to poor management than any other single factor. Two dimensions appear to be at play here: management competency on the part of the administrators and sufficient basic understanding of administrative matters on the part of the other association members. There is no doubt that several members must become competent administrators for the project to be a success and remain so. This, however, is not enough. All members must acquire an understanding of how management works in practice. This is the only way they will be able to participate in the decision-making which guides their business operations.

### Step 10:Loan Delivery

While management training takes place, the approved loan is being processed. The contract and repayment schedule are drawn up, the check is prepared for the first or entire payment, and a date is set to deliver the payment. The Field Workers and the Regional Coordinators work with the RWA Officers to plan the important event.

The Programme Director should make every effort to attend the loan delivery event, or in his/her absence, the Administration and Finance Coordinator, along with the Regional Coordinator. This ceremony, which marks the beginning of a financial relationship between the two organizations, includes signing the contract and repayment schedule and delivering the check.

The repayment schedule and process: the repayment schedule is a table prepared with each RWA for the repayment of their loan. If payments are to be made each month, then there will be 12 payments each year. This will include payments on the principal and interest. For example, the repayment schedule for a loan of \$1,000 at 12% interest to be repaid over a 2 year period in 24 monthly payments ranges from \$51.57 for the first payment to \$42.01 for the last payment (See Appendix E). This example would be relevant for repayment on a project generating a constant income over time; this would not be the case for an agricultural loan where the entire payment would be made at harvest time or shortly thereafter.

The best procedure for recuperating loans is to make repayment as simple as possible. Arrangements with a bank having branches in rural towns will enable each RWA to make payments in its area. Otherwise one staff person in each region can assume this responsibility, preferably the Regional Coordinator who also handles Administration and Finance for this same region. The Field Workers may be

delegated this responsibility but experience has shown that it can be counter-productive to combine the functions of debt collector with those of group developer or trainer.

**Step 11: Production Training**

Once the loan is delivered, production training begins. This initial production training enables RWA members to acquire all the skills and know-how needed to produce the product they will sell. If the project is to be a bakery, members must know where to purchase ingredients, how to combine them, how long to bake them, as well as who will carry out these responsibilities.

Production training will depend in complexity upon the product cultivated, processed or manufactured. However, all production training must include:

1. Establishing objectives:
  - (a) considering resources available (human, financial, physical)
  - (b) considering production time requirements
2. Directing efforts to achieve the objectives:
  - (a) determining an efficient organizational structure for production
  - (b) dividing production responsibilities
  - (c) teaching production techniques to individuals responsible for each step of the process
  - (d) determining the production operating plan
  - (e) determining systems for monitoring and evaluating the production process
  - (f) determining mechanisms for joint decision-making to assure participation and self-management.

The Training Field Worker is responsible for coordinating seminars, informal sessions and on-going technical advice on the various production aspects of project implementation. This does not mean that the Training Field Worker must be a specialist in all areas of production, but rather, that he/she be able to locate the appropriate trainers from either government or private agencies or both. Continuing contact with the Ministry of Agriculture will assure the support of its technicians for agricultural and livestock projects. The national craft institute and Ministry of Commerce and Industry should be key to providing information on handicraft and food processing projects, as well as other types of manufacturing. Private voluntary organizations as well as private enterprise should be explored for useful information in the production and marketing areas.

A directory of resource agencies can be compiled by the Coordinator for Training and Technical Assistance with the help of the Training Field Workers. This directory would provide everyone in the programme with the entire spectrum of national resources available to the RWA's.

There are other important ways in which the Coordinator for Training and Technical Assistance can work to support the work of the Training Field Workers in the key area of production training. These should be determined jointly by the staff of each service programme. Some suggestions follow:

1. Assuring the participation of key RWA project members in on-going training courses given by established development agencies, both public and private sector.
2. Preparing manuals on production techniques, as well as administration and marketing.



3. Developing a working library and reading bibliography for programme staff and RWA members.
4. Obtaining overseas scholarships for programme staff and RWA teachers in subjects of importance to the programme and RWA project.
5. Joining with other development programmes to obtain opportunities for the income generation projects otherwise not available to them, such as better credit terms, broader marketing agreements including government quotas for export items, and lower costs on production inputs due to quantity purchasing.

At this point in the process the RWA's project is ready to operate on its own. The following three steps provide on-going support services as the project develops and matures. These services are provided only at the request of RWA members.

Step 12: On-going Technical Assistance

Once the initial training in production, management, and marketing is completed, on-going technical assistance should be provided at the request of the RWA. In securing these services, the programme acts as a broker or catalyst for the RWA's and the agencies which provide the technical assistance. These agencies include those mentioned in the previous section (Step 11: Production Training) as well as international agencies, consultants, volunteers and others having specific technical know-how. The technical advice should be tailor-made for the particular situation of each RWA.

Technical assistance will frequently be required to handle aspects of the production-marketing process not clearly foreseen in pre-production phases of the project or when new circumstances arise. These would include dealing with

unusual weather, new insect or disease threats, problems of raw materials supplies, changing market conditions, refinancing or others of this nature.

Technical assistance in production techniques will include information on more efficient means of production, overcoming obstacles (diseases in plants and animals, set-backs in manufacturing), and developing better quality products.

Technical assistance in administrative techniques will include information on better management of the production process, and more efficient use of labour and physical resources.

Technical assistance in handling of business and financial matters will include information on better recordkeeping, access to new credit services, and possibilities for recapitalizing for growth or due to financial setbacks.

Technical assistance in marketing techniques will include information on pricing, trends, new market possibilities and how to take advantage of them.

The technical assistance required to maintain quality and efficient production cannot be under-estimated. Low-income groups of producers can only compete if they have access to technical support in all areas essential to production.

#### Step 13: Ongoing Production Training

On-going production training assures that the project, once it is operating, has access to the information needed to help it grow economically. This will involve using the

integrated support system as a broker (as in step 12) and working closely with the agencies that provide content training in the production areas (step 11).

For example, RWA members operating a goat-rearing project may feel competent at operating their project until it reaches a certain size. They may then request additional training on how to handle a larger herd (i.e., feeding, corralling, butchering, etc.). Or an unexpected occurrence, such as a natural disaster or a disease, may adversely effect the project and require an influx of new techniques and knowledge.

In short, on-going training in production must be a continuous concern of those working in the integrated support system.

#### Step 14: On-going Social Development Training

In development projects designed to benefit the rural population and particularly those directed at improving family well-being, the social aspect is of special importance. The social aspect of income generation projects may be described as the investment of profits for community purposes. The profits, or more precisely the net profits of the enterprise, are destined to various uses. Part of the profits are reinvested in expanding and improving the enterprise. Another part becomes added benefits for the owners, which in the case of a worker's self-managed enterprise, would be additional benefits for the workers. Finally, another part may be invested for community purposes. The investment of profits for community purposes is important to projects involving women in economic production.

Examples of social projects for the community include: in the health sector, construction of health posts and small clinics, hiring nurses, paramedics and doctors, creating services for family planning or disease eradication, latrine building and potable water services; in the education sector, construction of schools, buying school materials, hiring teachers, creating cultural or popular arts programmes; in community organization, constructing community meeting halls, leadership training for youth, sports development, developing pressure groups at the community level to secure government collaboration for the above-mentioned efforts.

Women community members have an important role to play in investing enterprise profits for community purposes. They participate as much as men, and at times more, in making decisions about community projects. For this reason, support services for women's production projects should include a component regarding decision-making for the investment of profits for community purposes.

It may take many years before an income generating project shows substantial profits for its members and even more before community social projects can be established. However, once a RWA has an economic project underway, it is imperative that they begin to think in terms of what they could do for their community in the future.

The Social Services Field Worker works with the members on this aspect of the project. Once the type of social project has been decided upon, the Social Services Field Worker will coordinate activities with the appropriate public or private agency in the region. For example, a central place for collecting water may be needed in the

community. The RWA has no funds to provide this, but as an organized group, can pressure the appropriate agency for service. The Social Services Field Worker works on this problem with the RWA until it is solved.

With the community problem solved, the RWA is perceived by other community members as a concerned community organization. At the same time that the income generation project provides a vehicle for earning income for some community members, it serves the community-at-large by attending to an important community problem.

The fourteen steps just described show how an integrated support system can be broken down into practical work steps for the purposes of programme implementation. Any type of division for work will be useful for the staff having to implement the system and these exact 14 steps need not be followed. What remains important is that a process is developed and followed; and that staff understand this process and are able to work with it.

#### 4. PARTICIPATION

Peasant participation is indispensable to the success of the programme. During programme design, involving those who will receive the programme's services will assure that activities are aimed at the population's felt needs. This is, of course, if peasant's concerns are heeded. During programme implementation, involving service receivers will provide constant feedback on whether services are actually meeting needs and which adjustments can make services more effective.

For example, very early in the women's income generation programme in the Dominican Republic, a field worker arrived at the central office concerned about her visit that day to a rural women's association (RWA). She had been working with this association for six months. At the meeting, she had been informed by members of the RWA that they were sending back the loan check issued by the programme. The letter accompanying the returned check explained that they had not clearly understood the terms of the loan until they had received the check and agreement. They stated that they were not in agreement with the terms as stated, and due to the long relationship they hoped to have with the programme, did not want to take a loan under those terms. The field worker could not understand how a rural woman's association with absolutely no access to credit and in serious need of starting an income generating project, could return a check for \$500.00. We analyzed the situation and the loan terms; we met several times with the RWA to understand their point of view and concerns. We discovered that the terms of the agreement were, in effect, potentially prejudicial to the RWA. We worked out a new loan agreement, with terms mutually agreeable to both organizations. We thanked the RWA for helping us to correct an error on our part so

early in the programme. They told us they could have taken the loan on the old terms and knew they were taking a risk by returning the check. However, they felt that they owed us the same consideration that we had shown them, and they owed this consideration to future women's organizations requesting loans from us. This experience taught us early in the programme that an egalitarian relationship created between our organization and the rural women's associations would not only result in the much sought-after participation, but would also encourage inputs by beneficiaries which would make the programme more effective.

This example is one of many that can be cited to show the importance of peasant participation in a programme. Unfortunately, there are many more examples, of how programmes have failed in part due to a lack of peasant participation.

The key to assuring peasant participation is the method used. Meeting once with rural dwellers to get their reaction to a particular idea is useless without continued follow-up. But meeting once is a good first step. What follows is even more important.

The method for assuring peasant participation must be grounded in an egalitarian attitude on the part of the programme designers. If programme designers believe they are better than peasants because they are better off, it will be difficult to elicit real participation. But if programme designers understand and believe that actions directly affecting people's lives should be consulted with them, a positive beginning can be made.

Very few of us who work in development programmes would be able to initiate complex activities in our neighbourhood without consulting our neighbours. The fact that we don't have to coexist side by side with the peasants we serve in rural communities, is no excuse for excluding them from the planning and implementation process. Rather, this should encourage us to be even more responsible about the way in which the programme will affect their lives.

Involving the RWA's in the programme can result in different levels of participation. These can be defined as follows:

- A. Consultation - an occasional input at the discretion of programme personnel, but no on-going involvement from RWA's would indicate the least amount of participation. At this level, the programme personnel control 100% of the decisions and responsibilities, while RWA's have no decision-sharing authority.
- B. Representation - on-going input, but only on formally organized occasions, would be the next level of participation. At this level, the RWA's assume minor responsibilities and share authority, usually through representation, such as sitting on a committee and attending regularly scheduled meetings.
- C. Incorporation - on-going involvement, both formally and informally, would indicate a greater degree of participation. At this level, the RWA's assume major responsibilities and have an increasing and important decision-sharing role. For example, they attend regularly scheduled committee meetings and represent their own interests informally with programme staff.



- D. Direction - complete control and leadership in the project with a goal toward self- management would represent the most advanced level of participation.

The rural recipients of programme services should also be involved in all three of the major stages of programme development:

1. Planning - the stage where the programme is designed; institutional, financial, and personnel resources are considered in terms of programme needs and potential impact.
2. Implementation - the stage where the programme is operational, made possible through a series of activities and events.
3. Evaluation - the stage where the programme is assessed to determine whether it is meeting the objectives it set out to achieve. This should be a continuous process, giving feedback for continued programme improvement and strengthening.

A matrix depicting possible levels of participation during different programme stages would look like this:

Level of Participation	A.Consultation	B.Representation	C.Incorporation	D.Direction
Programme stages:				
1. Planning	1A	1B	1C	1D
2. Implemenation	2A	2B	2C	2D
3. Evaluation	3A	3B	3C	3D

The sections in the matrix can be defined in the following ways:

During the Planning Stage

- 1A. Consultation during planning:  
Occasional input during the design of the programme, at the discretion of programme staff.
- 1B. Representation during planning:  
On-going formal input during the design of the programme, and some responsibilities shared with programme staff.
- 1C. Incorporation during planning:  
On-going involvement during the design of the programme, increased responsibilities, and authority for decision making.
- 1D. Direction during planning:  
Leadership and control during the design of the programme; authority to make decisions and take responsibility in the hands of the RWA's.

During the Implementation Stage

- 2A. Consultation during implementation:  
Occasional input during programme activities, at the discretion of programme staff.
- 2B. Representation during implementation:  
On-going formal input during programme activities, and some responsibilities shared with programme staff.

- 2C. Incorporation during implementation:  
On-going involvement during programme activities; increased responsibilities and authority for decision-making.
- 2D. Direction during implementation:  
Leadership and control during programme activities; authority to make decisions and take responsibility in the hands of the RWA's.

During the evaluation stage

- 3A. Consultation during evaluation:  
Occasional input during programme assessment, at the discretion of programme staff.
- 3B. Representation during evaluation:  
On-going formal input during programme assessment, and some responsibilities shared with programme staff.
- 3C. Incorporation during evaluation:  
On-going involvement during programme assessment; increased responsibilities and authority for decision-making.
- 3D. Direction during evaluation:  
Leadership and control during programme assessment; authority to make decisions and take responsibility in the hands of the RWA's.

The amount and kind of participation in any given programme should be compatible with the socio-political environment in which it must function. Constraints are sometimes placed upon development workers and/or peasant organizations by the government. Many good efforts at achieving local participation have failed because those running the programme tried to go faster and farther than this environment would permit. The level of participation should also be compatible with the institutional reality in which the programme must operate. A new organization, with a participatory orientation, can more likely foster a greater level of participation, than modifications made to an existing programme. Bureaucratic constraints of existing organizations, particularly governmental, may limit real participation in decision-making regarding expenditures, programme approval, etc. In addition, there are some psychological constraints to be considered. Individuals who have lived under a democracy for 20 years or more will be more responsive to participatory efforts than those who have lived under a repressive regime for the same period of time.

Additionally, some cultures and subcultures tend to be more authoritarian than others. Therefore, consideration given to socio-political and institutional, as well as psychological constraints, before setting 'participatory level' goals will be time well spent.

When designing a new programme involving participation, speak with those already operating development programmes in the country. Those sensitive to the problems of achieving peasant participation should be able to give sound advice as to which level of participation a new programme could aim for. Changes in a country's political reality might mean changes in participation achievable. The matrix on page 51 should prove useful in this respect.

Following are some concrete examples of peasant participation at each level:

A. Consultation

1A. plans for designing a new programme are discussed with RWA members once at an informally organized meeting in their community.

2A. RWA's are occasionally consulted about activities in the programme, usually during a field worker's visit.

3A RWA's are interviewed when the programme is over to find out how they think it went.

B. Representation

1B. The RWA's select members to sit on the programme's planning committee.

2B. The RWA's select members to represent them on the programme's loan committee or advisory committee.

3B. The RWA's select members to sit on the programme's evaluation committee.

C. Incorporation

1C. The RWA's involved decide what they can contribute to the programme in terms of time, money and materials, as well as 1B.

2C. The RWA's sign-off on field worker visiting reports and receive copies of all matters relating to their project, as well as 2B.

3C. The RWA's select members who will work with programme staff on the evaluation, as well as 3B.

D. Direction

1D. The RWA members select representatives to direct the planning of the programme, while programme staff act as advisors, including 1C.

2D. The RWA members select representatives to interact with programme staff during all phases of implementation, with a strong voice in the direction of staff activities. (This would include 2C & 2B). The individual community projects are structured to be self-managed, i.e. participants in the project decide upon how they will manage their enterprise and use outside services only in an advisory capacity.

3D. The RWA members select representatives to conduct the evaluation, while programme staff act as advisors.

These examples of RWA participation at each level depict a trend from a formal advisory capacity (consultation) to a broader advisory capacity (representation) to a minor decision-making role (incorporation) to a leadership role (direction). The same level of participation may not be reached at each stage of programme development. For example, during the planning stage, participation may be at the "consultation" level, while the "incorporation" or "direction" levels may only evolve at the implementation and evaluation stages. The important consideration here is that the pattern be one of moving toward a greater degree of participation as the programme unfolds.

Some useful examples from the MUDE programme may be cited of "incorporation" level participation during implementation. "Participatory programming" describes the method used to involve the beneficiaries in establishing their training needs and selecting programme services for the next 6 month period. A series of meetings at different levels result in the preparation of a work guide for field workers. With work guide in hand, field workers know what they are expected to do for the next six months, the RWA's know what services to expect, and the supervisors can assess field worker performance. The method for developing the work guide is the following:

- (a) First Meeting: Field workers meet with each rural women's association to determine jointly their training needs for the coming six months.

- (b) Second Meeting: Regional supervisors meet with field workers to consolidate organization, training, credit and marketing needs for the region. This results in three types of programming charts for the region; focused by: community, service and month.
- (c) Third Meeting A final programming meeting is held to compile the regional programming and to assure that training needs in each region will be met efficiently. All of the programme staff, both office and field, participate in this final programming session.

Different techniques are recommended for eliciting the maximum in response and decision-making from the RWA's in the first meeting, from the field workers in the second meeting, and from the entire staff in the third meeting. Visual aids should be used as much as possible, especially those which permit the participants to visualize the entire six months ahead.

Once there is consensus on the 3 programming schedules for the 6 month period among those attending the final meeting, these are typed immediately onto stencils and mimeographed. The booklets should be given to the field workers before they go back to their field work so they can begin to study the plans.



A description of the 3 types of programming (by community, by service and by month) continues with an example of each:

1. Programming by community

Programming by community focuses upon providing training in a different subject each month to the RWA's groups involved in the programme. As can be seen in Figure 3: Example of Programming by Community, a simple chart has been devised where the months are listed horizontally and the RWA's vertically. As the RWA and the field worker discuss their work plans for the next 6 months, each month is devoted to a different training subject. A simple code has been devised to separate RWA's into three major categories, depending upon the type of attention they require. These are:

A = RWA's which have financing at the beginning of the 6 month period.

B = RWA's which have a formal relationship established with the support service at the beginning of the 6 month period.

C = RWA's which are possibilities for income generating projects at the beginning of the 6 month period.

FIGURE 3 EXAMPLE OF PROGRAMMING BY COMMUNITY SOUTHERN REGION PROGRAMMING

RWA's:	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY
EL ABEY A	Course: Management	Course: Nutritional Supplements	Course: Pasture Preparation	Course: Production Process	Meeting with other groups	Course: Marketing	Course: Social Services Management and Administration
LAS TABLAS B	Community Enterprise Group Development	Social Services Accounting	Goat Keeping	Nutritional Supplement	Pasture Conservation Project	Marketing	Management and Administration
PIZARRETE B	Group Structure Session	Project Definition Session	Community Enterprise	Management and Admin.	Feasibility Study and Preparation	Accounting	
	Work with MUDE	Group Development What is MUDE	Identification of needs and resources	Group Structure	Project Definition and Accounting	Management and Administration	Preparing and Application
FONDO NEGRO B	Group Development	What is MUDE and why does it work with women	Identification of needs and resources	Community Enterprise	Accounting	Project Definition; Management and Administration	Possible Project Preparation
	Structural Session	Structure The reason it works with women	Groups Needs	Feasibility study community enterprise	Project Identification	Accounting	
QUITA CORAZA B	Definition of MUDE						

## 2. Programming by service

Programming by service, the second type of programming technique, was developed to complement the first type and especially for use by illiterate and semi-illiterate participants. As with the first type, it is structured with the months listed horizontally and the RWA's vertically. Instead of listing training areas in a box under each month, a symbol signifying the training is placed on a line referring to each RWA. An example of this programming can be found in Figure 4: Example of Programming by Service. The key for the symbols used is:








	=	Group Development begins
	=	Production training begins
	=	Financial training begins
	=	Social Service training begins
	=	Technical assistance begins
	=	Loan request to committee
	=	Loan committee meeting

FIGURE 4 EXAMPLE OF PROGRAMMING BY SERVICE  
SERVICE PROGRAMME: CENTRAL REGION.

RWA's:	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	DEC
EL RIO								
PIEDRA BLANCA								
ESTANCITA								
LA PALMA								
LOS CALABAZOS								
COMPADRE PASCUAL								
DESCUBIERTA								
MATA GORDA								
RIO ARRIBA								

The arrows at the end of each line signify the process orientation of the programme in that the work methodology is continuous through the end of the year and beyond.

3. Programming by month\* Programming by month is the third type of programming. The structure of the programming guide includes a horizontal listing of the following categories: objective, activity, time, where, who, responsible. The vertical listing is by month. (See figures 5, 6 & 7). Programming is done according to service, and a separate section is dedicated to determining activities in each service for the 6 month period. The example in Figure 5 refers to the Group Development Service. The first activity in this example in the "objectives" column is: "Training of personnel in support material". This will be carried out by an "introductory seminar", from the 3-6 of January, etc. This same format is followed for the other services: Training and Technical Assistance (Figure 6) and Financing (Figure 7).

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\*NOTE: The basic idea for this procedure was learned from FUNDE in Nicaragua, Fundacion Nicaraguense de Desarrollo.

FIGURE 5. EXAMPLE OF PROGRAMMING BY MONTH/GROUP DEVELOPMENT SERVICE

OBJECTIVE	ACTIVITY	TIME	LOCATION	PARTICIPANTS	LEADER
Support training	Basic Seminar	January 3-6	Santo Domingo	Entire Programme	Programme Leaders
Group Structural session	Directed Dialogue	Second half of January	Pizarrete	Members	Southern Zone Leader
Basic Information	Directed Dialogue MUDE and the role of women	Second half of January	Fondo Negro	"	"
"	"	"	Quita Coraza	"	"
"	"	"	Carreton	"	"
"	"	"	La Palma	"	"
"	"	"	Los Calabazos	"	Jacinta Norma
"	"	"	Piedra Blanca	"	Norma
Use of support materials	Use of support materials. Group development in working zones	February	Different Areas	Community	Group Development Leader and Field personnel
Reinforcing organization	Organizational Dynamics	First-third week of February	Fondo Negro	Members	Southern Zone Leader
Basic training	Directed Dialogue social conditions	First week of February	Quita Coraza	"	Southern Zone Leader
"	"	"	La Palma	"	Jacinta Norma
Identification of economic needs and resources	Dynamics	Second half of February	Pizarrete	Members	Southern Zone Leader

FIGURE 6. EXAMPLE OF PROGRAMMING BY MONTH/TRAINING AND TECHNICAL ASSISTANCE

OBJECTIVE	ACTIVITY	TIME	LOCATION	PARTICIPANTS	LEADER
Support training for staff	Basic Seminar	January 3 - 6	Capital	Entire Programme	Programme Leaders
Basic Information	Directed Dialogue: What is the role of MUDE	Second half of January	Fondo Negro	Members	Zone Leader
"	"	"	Quinta Coraza	"	"
"	"	"	Carreton	"	"
"	"	"	La Palma	"	Jacinta Norma
"	"	"	Los Calabozos	"	Norma
"	"	"	Piedra Blanca	"	"
Reinforce organization	Directed Dialogue: Organization/organizational chart	"	Pizarrete	"	Southern Zone Leader
Begin management training	Course on Community enterprise	"	Las Tablas	"	TTA Div. Leader
Managerial Strengthening	Course and Accounting and Administration	Second half of January Third week of January	El Rio El Abey	"	Leader-TTA Central Zone
Provide agricultural training	Talk on use of inputs	Third week of January	Estancita	"	Leader-Southern Development Norma/ Rena
Technical training in sewing	Preparing embroidery models	Fourth week of January	Capital	4 members	Division Leader/ Alicia. TTA

FIGURE 7: EXAMPLE OF PROGRAMMING BY MONTH/FINANCING SERVICE

OBJECTIVE	ACTIVITY	TIME	LOCATION	PARTICIPANTS	LEADER
Use of forms	Seminar	January 3 - 6	Office	Programme Staff	Finance Director
Loan control systems and revolving loan fund.	FDD follow-up and design of special contract for El Rio	Second week of January	Office	Financial and Accounting Directors	Finance Director
Final Revision of forms, processing loans	Prepare new forms Investment Plan. Cash flow.	Second week of January	Office	Finance Director	Finance Director
Administrative control and analysis of loan requests	Prepare application for funds, Programme inventory, expenditure reports and general activities				Finance Director
Begin supervision of filling out proposal forms	Group training in the use of forms	February	Estancia Las Tablas	Members	Southern Zone Leader Central Zone Leader
Submit applications for Estancia and Las Tablas	Financial	Third week of January	Office	Finance Director	Finance Director



Another example from the Dominican programme, "participatory reporting", proves that participation need not be complex to be effective. Every time a field worker visits a RWA, a technical assistance report is completed and signed by the field workers and a representative from the RWA. The report forms are one page long (see sample on next page) and come in a gummed pad in triplicate.

After listing basic information such as RWA visited, time, date and location, the field worker briefly writes down the plan of work for the visit. Under this are listed the actual accomplishments during the visit and the recommendations. This report is reviewed with the RWA after the visit is completed, and once signed by both the field worker and an RWA representative, a copy is left with the RWA. Of the remaining 2 copies, one is retained by the field worker and the other sent to the regional coordinator.

This simple technical assistance reporting system makes the field worker accountable to the RWA, as well as providing the field worker with an on-going history of his/her activities with each RWA. The main office is also able to give the field worker feedback and better support, as it has a file of field worker visits and activities with each RWA.

This procedure was learned from the Fundacion Nicaraguense de Desarrollo (FUNDE), Nicaragua.



Three forms are used in the MUDE Programme in the Dominican Republic to assess levels of past participation and future potential. These are:

Recommendation Form  
Group Preselection Form  
Group Selection Form

The Recommendation Form (See Appendix A) is used by the group development field worker to provide basic background information on a RWA being suggested for the programme services. Several questions on this form are directed at assessing the RWA's potential for participation, these are:

11. How are the directors elected; how often?
13. How does the group view associative production activities?
14. What activities has this association done jointly with other groups to benefit the community?
16. What does the association expect of the programme?

In answering these questions, the field worker is assessing past levels of intra-association participation (Q.11) and association - community participatory (Q.14), as well as attitudes toward future participatory activities (Q.13 and Q.16).

The Group Preselection Form (See Appendix B) is used by the Regional Coordinator to endorse the field worker's recommendation, while at the same time assessing group motivational level, applying indicators which measure participation. (These indicators were developed at the Inter-American Foundation, Rosslyn, Va, U.S.A.).

The group Preselection Form uses these 6 indicators to assess levels of participation in the RWA; these are:

1. Responsibility: that they carry out programmed activities
2. Impetus: motivation and enthusiasm in carrying out group activities
3. Distribution:
  - (a) that their activities benefit all members of the group
  - (b) that group activities benefit the community at large
4. Critical reflection: the capacity to analyze and decide between various alternatives
5. Status:
  - (a) that members have confidence in the group
  - (b) that the community has confidence in the group
6. Autonomy: concern and capability of the group to define its problems and analyze possible solutions.

After visiting the RWA, the Regional Coordinator completes the group Preselection Form, listing 3 examples of how the RWA has exhibited each of the 6 participation indicators.

The Group Selection Form (See Appendix C) is completed when a RWA is being presented for final selection to receive programme services. This form assesses solidarity among groups members (Q1,2 & 3) by reporting changes in the number of members, from point of first contact to the present. This form also assesses how well the RWA has been able to assimilate the following concepts and capabilities:

- (a) all are responsible for their project, owners and participants as well as beneficiaries
- (b) capacity for analyzing problems, for formulating alternative solutions, and making respective decisions
- (c) capacity for engaging in the decision-making process through participation and motivation.

As already stated in Step 4 of the previous chapter, once the programme has selected an RWA, a participatory process ensues where the RWA makes a decision regarding the programme. When an RWA does decide to participate in programme services, staff can assume that the decision was their own and that the RWA is committed to their decision. This level of commitment is essential to having a successful associative production project.

## 5. SELECTION OF INCOME GENERATING PROJECTS

Selecting the appropriate type of production project is, perhaps, the most important decision the RWA will make. Women's associations involved in expanding rural production, as well as those interested in initiating an economic project, must weigh the advantages and disadvantages that each production alternative represents. Programmes serving women producers should aim for rural diversification, not only for the benefit of the rural population but for national economic development as well. In the search for rural diversification, the human resource represented by rural women is often underestimated or completely forgotten.

An important consideration for rural women wishing to generate income is lack of access to arable land. This is a reality for rural women, as it is oftentimes for rural men. Therefore, it is recommended that production areas be identified which are related to agriculture, but not necessarily having to do with growing crops. If non-arable land is available, for example, small animals such as chickens, pigs, goats or sheep, could be raised. Another possibility would be processing agricultural products (cottage industry) which would result in edible products (marmalades, jellies, dried fruits and vegetables) or elaborating them into handicraft products (basketry, weaving, woodworking). A production area which deserves attention is that of agricultural retailing: buying and distributing production inputs, and classifying, packaging, storing and distributing production outputs. All of the above represent options for organized rural women.

Production activities which are not directly related to agriculture, but nevertheless related to the rural areas, include retail businesses (food, clothing and provision stores), construction businesses (houses, building, and infrastructure), transportation services, factories and workshops which manufacture consumer items for the region (shoes, clothing, etc.) Economic production in these non-agricultural areas may, at times, require large initial investments which are outside of the possibilities of rural women. With financing, however, these may become viable alternatives. And smaller scale activities (bakeries, dressmaking) do represent other options for groups of women interested in rural production, but unwilling to incur large debts.

There are many ways to go about advising rural women on selecting the appropriate income generation project. The following method, used in the MUDE programme, consists of five steps:

1. Preliminary listing of possible income generating projects.
2. Assessment of available human, physical and financial resources and market demand.
3. Reviewing these assessments to arrive at 3 choices for income generation.
4. Comparing the advantages and disadvantages of these alternatives and arriving at a first choice.

5. Preparing a feasibility study \*\* of the first choice to arrive at a final decision. If this choice does not prove feasible, one must return to step four and select the next choice.

See the flow chart on the next page for a visual presentation of the decision making process.

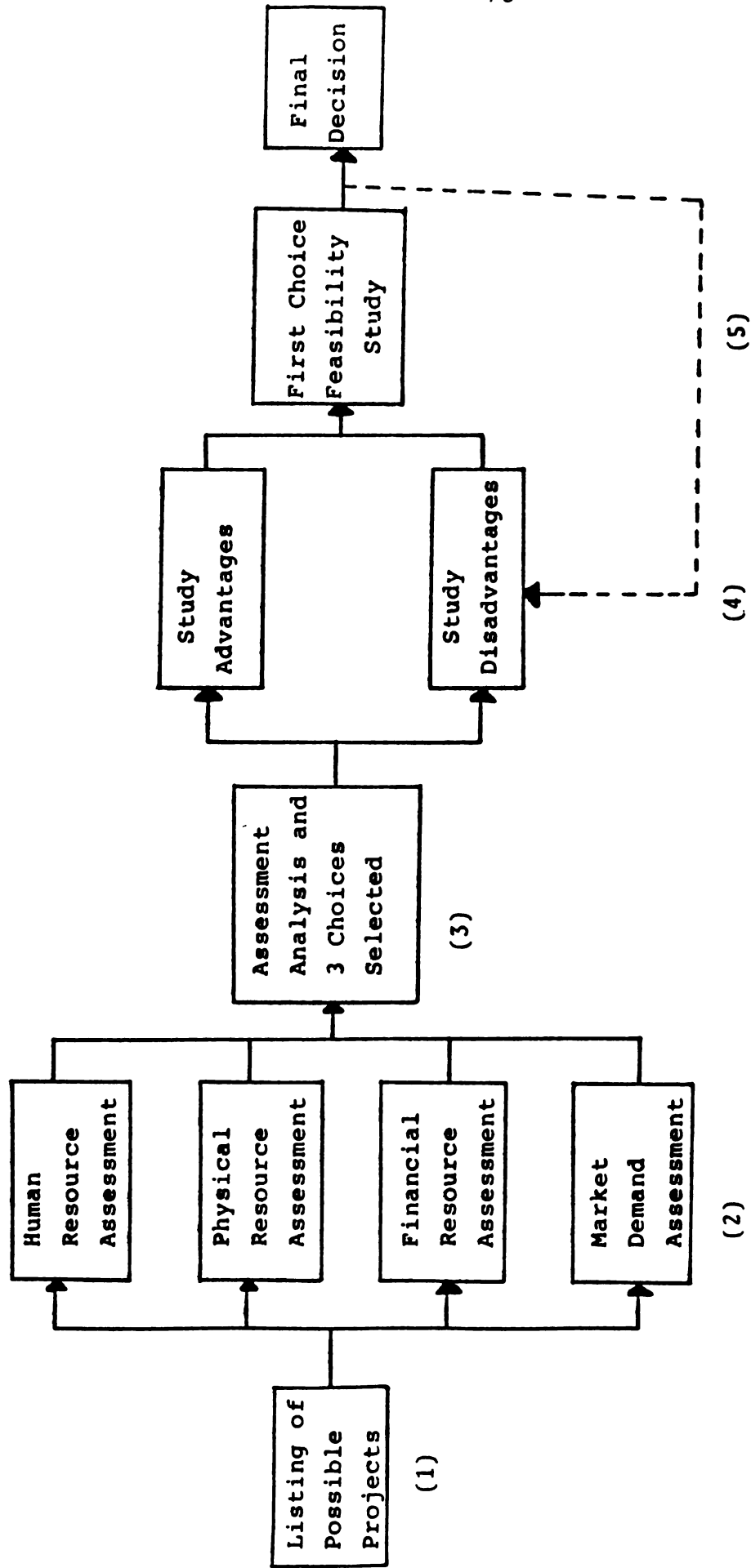
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\*\* This term usually needs to be defined for the rural women's group. Some suggestions:

"deciding if a project will be profitable enough for us, make us enough money", "studying what it would cost us and what we can earn from this project".



**DECISION-MAKING PROCESS FOR SELECTING AN INCOME  
GENERATING PROJECT**



The five steps represent a logical procedure for reaching alternatives and arriving at a final decision. The steps are important in themselves. However, the procedure should be useful to stimulate group interaction, thus strengthening the group's ability to arrive at decisions together. Such a group strengthening process is very important to laying a solid foundation for an income generating project.

When working with this five-step procedure, there are possibilities of changing the order of steps when it proves more useful to those involved. For example, Steps 1 and 2 can be reversed. Some may find that analyzing resources and market demand should come before listing possible projects. Or, Steps 2 and 4 may be exchanged, so that advantages and disadvantages are analyzed before resources are assessed.

It is not advisable, however, for the feasibility study to be done on more than one project idea at the same time. This is time-consuming and unnecessary. Should the feasibility study on the first choice show the project to be unfeasible, then a feasibility study is done on the next choice, and so on.

#### Step 1: Preliminary Listing of Possible Income Generating Projects

The women's group should make a preliminary listing of possible income generating projects which interest them. They should ask themselves what they would like to do and what they think they would enjoy doing. They should also ask themselves whether they have experience doing this type of work. If they don't, can they learn (are they willing to learn and do they know someone to teach them).

They should not exclude a possibility simply because they don't have experience, at this stage. They should, however, exclude every possibility they are not interested in.

There is a listing of eight general categories of production, with examples under each category, at the end of this chapter. These categories are:

- A. Craft
- B. Small manufacturing
- C. Agriculture
- D. Livestock
- E. Food Processing
- F. Repairs
- G. Services
- H. Retailing

This list can be used as a reference tool by the field worker or by the women themselves. The preliminary list that the women make should not exceed 10 alternatives and 5 would be more manageable.

Step 2: Assessment of available human, physical and financial resources and market demand

This step represents the first "cut", i.e., applying certain criteria in order to eliminate choices which do not appear as appropriate as others. The group should arrive at a general consensus in eliminating these choices.

Three different types of resources must be assessed with respect to the projects on the preliminary list. These are human resources, physical resources and financial resources. In addition, a preliminary assessment of market demand must be made.

## 2.1 Human Resources

Human resources must be analyzed in terms of strengths and limitations and in terms of time available, physical considerations and experience.

A grid for analyzing human possibilities using these factors would look like this:

	Strengths	Limitations
A. <u>time available</u> number of members average time/member		
B. <u>physical considerations</u> age handicaps other		
C. <u>experience</u> skills inclinations interests		

## 2.2 Physical Resources

The physical resources which are available to the group for projects, should be listed. These would include building, tools, equipment and land. While

it is helpful if all physical resources are already owned by the group, possible projects should not be eliminated if the needed resources are not available. It may be possible to obtain them through rental, lease or purchase. The added cost is a disadvantage, but not necessarily insurmountable.

### 2.3 Financial Resources

The group must take stock of what finances are already available to them. Savings, membership dues or a partner can all be used toward an income generating project. In addition, possibilities for obtaining loans or grants for the project must be considered.

### 2.4 Market Demand

This part of the assessment is critical, for if the group cannot sell the product or service being considered, they should eliminate it from the list. Simple questions about possible buyers should be asked, such as:

- \* How much of this product or service do I think I can sell?  
At what price?
- \* Who would my buyers be?
- \* Where are they located?

Step 3: Reviewing these assessments to arrive at 3 choices for income generation

This step involves matching the results of steps 1 & 2. The preliminary list is reviewed in the context of the different assessments made in step 2: human, physical, financial and market. Once this analysis has taken place, the list is brought down to 3 choices, through a process of elimination.

Step 4: Comparing the advantages and disadvantages of these alternatives and arriving at a first choice

The group is now ready to begin the second "cut". This involves a second look at important factors such as market, price and production costs. When reflecting on these, the group should consider the advantages that one choice would have over another.

Again, a grid can be used for this analysis:

	Advantages	Disadvantages
Choice A		
Choice B		
Choice C		

After the women's group has reviewed the advantages and disadvantages of each choice, they should be able to prioritize their choices. For example:

1st	_____	Choice B
2nd	_____	Choice A
3rd	_____	Choice C

Step 5: Preparing a feasibility study of the first choice to arrive at a final decision

This final step involves arriving at as exact an estimate as possible. A feasibility study, including a cost calculation, is prepared.\*\*\*

It would be helpful, at this point, to obtain a tentative commitment for resources and markets.

Applying this five-step procedure should give the rural women's groups a clearer idea of what type of income generation project is possible within their reality. The decision-making process should also help to strengthen group solidarity. And field workers using the five-step procedure as a development tool should find their work made simpler, more effective and, hopefully, more rewarding.

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\*\*\* IICA has prepared a feasibility study as part of its manual titled "Starting and Financing a Small Business in Jamaica", which may be used for this purpose.

EXAMPLES OF RURAL INCOME GENERATING PROJECTS BY MAJOR CATEGORIESA. CRAFT

basketry  
crochet  
doll making  
embroidery  
jewelry-making  
leather craft  
pottery-making  
sewing  
textile dying  
toy making  
weaving  
wood carving  
wood working

B. SMALL MANUFACTURING

dressmaking  
furniture construction  
hand tool production  
shoe making  
tailoring  
welding

C. AGRICULTURE

aloe vera  
cash crops  
flowers  
ornamental plants  
tree crops (citrus, ackee, mango, pawpaw)  
winter vegetables

D. LIVESTOCK

cattle (dairy and beef)  
chickens (broilers and layers)  
ducks  
goats  
pigs  
rabbits  
sheep



**E**    FOOD PROCESSING

canned and jarred foods  
chips (potato, banana, breadfruit, coconut)  
dried fruits  
dried meat  
dried vegetables  
jellies and jams  
pickling  
relishes  
sea salt  
smoked meat and fish  
sweeties

**F.**    REPAIRS

car repair  
clothing repair  
furniture repair  
shoe repair  
small appliance repair  
toy repair

**G.**    SERVICES

bakery  
catering  
laundry  
transport

**H.**    RETAILING

craft shop  
distributing agricultural  
inputs  
distributing agricultural  
outputs  
grocery shop  
higglering  
tuck shop

## 6. INSTITUTIONAL COLLABORATION

An integrated support system designed to service rural women's associations must collaborate with other institutions to make this possible. The three major areas where collaboration is usually needed are financial, operational and technical. Necessary components of the support system which can be effectively provided by existing institutions, by means of cooperative arrangements, lower the cost of establishing and operating the system. This tends to make the system more comprehensive, and avoids duplication of efforts.

Financing for the integrated support system can be raised from private foundations, the national government and the business sector. Assistance in operation may be forthcoming from similar alternative credit systems, from integrated technical assistance programmes or from combined credit and technical assistance operations, and technical input should be available from specialized ministries, and international organizations as well as free-lance consultants.

The MUDE Loan programme is based on the model of national development foundations (NDF's), alternative credit systems which are created to provide loans rather than hand-outs to low-income producers in Latin America and the Caribbean. Most NDF's also involve business executives on their board of directors and in fund-raising activities, thus strengthening the sense of social responsibility in this sector. In 1982, MUDE was admitted to SOLIDARIOS, the consortium of alternative credit institutions. (See Appendix H for a membership list of SOLIDARIOS).

During the design phase of the MUDE loan programme, a number of NDF's were visited\* and the different approaches they used were studied carefully. This was very helpful during

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\*Guatemala, Costa Rica, Nicaragua, Mexico, Dominican Republic.

the formative years of the MUDE programme and is highly recommended, particularly now when there are so many more NDF's than in 1977 when MUDE was designed.

The relationship between MUDE and the Dominican Development Foundation (DDF) was essential to a successful beginning. At the time MUDE was founded (1977), the DDF had 10 years of experience managing a loan programme for groups of small producers and a fine reputation among business and private foundation donors. The DDF agreed to manage MUDE's revolving loan fund in a separate account, until MUDE had trained its staff, developed its training materials, and begun its work with the RWA's.

What was devised as the most secure and expedient way to initiate the revolving loan fund turned out to be much more. When MUDE began fund-raising with the business sector for its loan programme, the fact that the DDF would be managing the funds for MUDE lent credibility to the effort. It is doubtful that \$35,000 could have been raised from businesses during that first year without the DDF's credibility to back MUDE. (See Appendix F for how the DDF managed MUDE's loan fund).

In addition to credibility, DDF provided MUDE with trained staff in accounting and administration when MUDE was ready to set up these units. Auditing of MUDE's books at a reasonable rate was arranged by DDF staff; DDF staff volunteered their time to sit on MUDE's loan/advisory committee, and MUDE staff were invited to a number of staff training sessions held by DDF.

Because of the true spirit of development cooperation exhibited by DDF, the birth, infancy and adolescence of MUDE was less painful than that of most non-profit organizations.

During the initial stages, MUDE also worked closely with IDEA (the Dominican Institute for Applied Studies) on developing the social aspects of the programme, as well as the social indicators and evaluation methodology. An in-house evaluation mechanism was eventually installed with the help of IICA, but the initial evaluation method was developed by IDEA. (See Appendix G for a description)

Institutions may be asked to collaborate in different ways. The DDF and IDEA collaborated with MUDE to a great degree. This on-going, close relationship could be considered the "inner circle" (#1) of a series of concentric circles which are depicted in Figure 9.

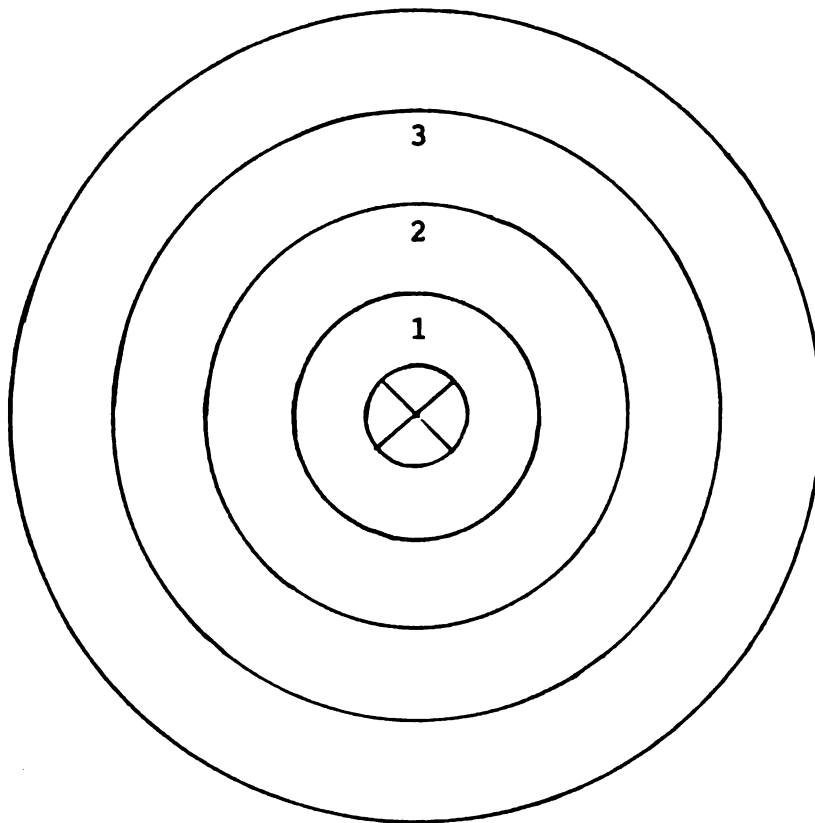


Figure 9: Concentric circles depicting degrees of institutional collaboration.

The next degree of collaboration, represented by circle #2, would consist of on-going relationships with national technical assistance organizations, such as the Ministries of Agriculture and Commerce. And the next degree of collaboration, represented by circle #3, would consist of sporadic collaboration provided by international organizations and other technical cooperation agencies.

The general idea of the concentric circles is to clarify that all institutional relationships are not the same in terms of type and degree of collaboration. Nevertheless, all types of institutional relationships are important to a successful integrated support system.

## 7. CONCLUSION

A number of ideas with regard to women and income generation have been discussed in this monograph. In summary, these are:

- \* the need for rural women to be organized in order to produce efficiently
- \* the need for an integrated support system to service women's production groups effectively
- \* the importance of involving women in areas of production which will diversify rural family income sources
- \* the importance of generating participation at all levels
- \* the selection of income generating projects using an analytic decision-making approach
- \* the importance of institutional collaboration

7.1 The need for rural women to be organized in order to produce efficiently cannot be over-estimated. There are many more opportunities for organized groups, than for individuals, to have access to the inputs required to generate income. This is especially true if the groups are serviced by an integrated support system like the one described here.

7.2. An integrated support system which provides the inputs critical to successful income generation is the most effective method for reaching the organized women's groups with needed services. The structure and work steps of this system should be clear so that staff can function effectively when providing these services. The successful

operation of the system depends largely on the efficiency and effectiveness of staff and the coordination with other institutions.

- 7.3 Rural women should become involved in ways of generating income which will contribute to diversifying their family's income. This will add some economic stability to their precarious lives. If the crop yields are low this year, it will be reassuring to know that the cooperative bakery is doing well.
- 7.4 Generating participation at all levels of the programme will give it an operational integrity possible only because it continues to be responsive to the people it serves.
- 7.5 Selecting the type of income generation by using an analytic decision-making approach reduces the risk involved in project selection. This approach consists of analyzing available resources (both physical and human), analyzing advantages and disadvantages of production types and doing a financial analysis of the production areas under consideration (feasibility).
- 7.6 Collaboration with other institutions enables the support system to utilize existing services that the women's groups need, rather than originating and operating all the necessary components. As national resources in developing countries are so limited, this type of coordination is essential to avoiding duplication and to strengthening all programmes working in rural development efforts.

These six inter-related areas are worth studying by those considering a service programme to support women and income-generation. They are valid for both the creation of a new programme and the restructuring of an existing one. While not providing all of the answers, considering them will help to avoid some of the pitfalls. The rest is up to you.



APPENDIX A:

RECOMMENDATION FORM

MUDE

COMMUNITY: \_\_\_\_\_

1. Name of association: \_\_\_\_\_

2. Date founded: \_\_\_\_\_

3. Number of members when association was founded: \_\_\_\_\_

(a) Why was the association formed: \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

4. Institution which promoted the association's formation:

- \_\_\_\_\_ Ministry of Agriculture
- \_\_\_\_\_ Office of Community Development
- \_\_\_\_\_ Women's Bureau
- \_\_\_\_\_ Private Development Organization
- \_\_\_\_\_ Church Organization

Others: \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_

5. Projects or activities in progress or completed:

<u>Name of Project</u>	<u>Type</u>	<u>Date</u>	<u>Completed</u>
(a) _____	_____	_____	_____
(b) _____	_____	_____	_____
(c) _____	_____	_____	_____
_____	_____	_____	_____

6. Loans requested to whom and for what? \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

7. Loans obtained

<u>Institution</u>	<u>For what</u>	<u>Amount</u>	<u>Paid</u>	<u>To pay</u>
(a) _____	_____	_____	_____	_____
(b) _____	_____	_____	_____	_____
(c) _____	_____	_____	_____	_____

8. Number of actual members:

9. Category of members (in the space below clearly indicate what each category means in the association)

_____	Active	_____	Passive
_____	Director	_____	Other (specify)

\_\_\_\_\_

\_\_\_\_\_

(a) How often does the association meet: \_\_\_\_\_

(b) Meeting day and hour: \_\_\_\_\_

10. Association structure:

(a) Directors (number and functions) \_\_\_\_\_

(b) Committees (names and number of members) \_\_\_\_\_

(c) Other (names and number of members) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

11. How are the directors elected; how often: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

12. Economic activity for which the group demonstrates capability.

Describe possibilities in detail

\_\_\_\_\_

\_\_\_\_\_

13. How does the group view associative production activities

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

14. What activities has this association done jointly with other groups to benefit the community?

---

---

---

15. Should the programme establish a formal relationship with this association? why:

---

---

---

16. What does the association expect of the programme?

---

---

---

17. What does the field worker expect of the association?

---

---

---

Date \_\_\_\_\_ Name of the field worker \_\_\_\_\_

**APPENDIX B:                    GROUP PRESELECTION FORM****MUDE**

Zone: \_\_\_\_\_

Community: \_\_\_\_\_

Name of group: \_\_\_\_\_

Number of active members: \_\_\_\_\_

1. Note three examples which show that the group has a minimum of responsibility: that they carry out programmed activities

(a) \_\_\_\_\_

(b) \_\_\_\_\_

(c) \_\_\_\_\_

2. Impetus: motivation and enthusiasm in carrying out group activities:

(a) \_\_\_\_\_

(b) \_\_\_\_\_

(c) \_\_\_\_\_

3. Distribution:

(a) that their activities benefit all members of the group

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

(b) that group activities benefit the community at large

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

4. Critical reflection: capacity to analyze and decide between various alternatives:

(a) \_\_\_\_\_

(b) \_\_\_\_\_

(c) \_\_\_\_\_

5. Status:

(a) member confidence in the group

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_
- 3. \_\_\_\_\_

(b) What opinion does the community have of the group:

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_
- 3. \_\_\_\_\_

6. Autonomy: concern and capability of the group to define its problems and possible solutions

- (a) \_\_\_\_\_
- (b) \_\_\_\_\_
- (c) \_\_\_\_\_

Observations \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Programme Representative

APPENDIX C:

GROUP SELECTION FORM

MUDE

Zone: \_\_\_\_\_

Community: \_\_\_\_\_

Name of Group: \_\_\_\_\_

1. Number of existing members at MUDE's initial contact with the group \_\_\_\_\_

2. Number of members that have left since MUDE began attending meetings \_\_\_\_\_ Why (explain) \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. Number of members presently belonging to the group: \_\_\_\_\_ Why (explain) \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

4. Give examples of how the group has assimilated these concepts:  
(a) Woman's role (worker, mother, wife, etc)

1. \_\_\_\_\_

2. \_\_\_\_\_

(b) Community work (Are all responsible, owners and participants as well as beneficiaries)

1. \_\_\_\_\_

2. \_\_\_\_\_

\_\_\_\_\_

(c) Analysis of problems (capacity for analyzing problems, for formulating alternative solutions and making respective decisions)

- 1. \_\_\_\_\_  
\_\_\_\_\_
- 2. \_\_\_\_\_  
\_\_\_\_\_
- 3. \_\_\_\_\_  
\_\_\_\_\_

(d) What is a loan (benefits, utilization, etc):

- 1. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- 2. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(e) Decision making process (participation, motivation, decision taking, etc):

- 1. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- 2. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

APPENDIX D:                    LOAN APPLICATION FORM AND CONDITIONS  
FOR FINANCING

Following are the conditions governing the administration of funds allocated to MUDE's Revolving Loan Fund:

- (a) Loans are granted with the moral responsibility of groups being the sole guarantee
- (b) Loans are normally made for a maximum of DR\$15,000 (fifteen thousand dollars)
- (c) The period of time allowed for repayment of the loan must not exceed two (2) years, although in special cases, for example, when loans are for fixed investments, the period may be longer.
- (d) 8% (eight percent) interest is calculated annually on the remaining balance of the capital loaned, except in special cases approved by the Loans Committee.
- (e) Additionally, a 2% (two percent) charge is made on the total credit to cover closing costs.
- (f) The period of time and method of repayment of the loan requested will be decided between MUDE and the organization making the application, taking into consideration the type of economic activity and levels of production.



- (g) Groups in arrears with loan repayments will not be granted a new loan except where valid justification is furnished.
- (h) MUDE and DDF do not accept liabilities for projects; in case of failure, the group will still be obligated to repay the loan.
- (i) For refinancing, loans granted by MUDE through the DDF are made in decreasing sums to facilitate the transfer of resources to new groups. Money received in payment of loans is used to maintain and strengthen the Revolving Loan Fund.

\_\_\_\_\_  
 To be completed by MUDE:  
 Registration date:  
 Registration No.: \_\_\_\_\_

LOAN APPLICATION FORM

We hereby wish to apply for a loan, for which the following information is submitted, subject to verification;

MUDE calculates 8% (eight percent) interest annually on the loan and a 2% (two percent) charge on the total sum loaned, to cover closing costs which must be liquidated within 30 days (thirty days) of receipt of the loan.

All pages of this application must bear the initials of the signees.

1. ORGANIZATION REQUESTING LOAN:

- (a) Name: \_\_\_\_\_
- (b) Address: Street \_\_\_\_\_ House No. \_\_\_\_\_  
 Zone: \_\_\_\_\_ Section \_\_\_\_\_
- (c) Date established \_\_\_\_\_
- (d) Number of members \_\_\_\_\_
- (e) Number of projects already implemented with MUDE: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
- (f) Projects implemented with other institutions:  
 Name of institution: \_\_\_\_\_  
 Type of Project \_\_\_\_\_ Cost DR\$ \_\_\_\_\_  
 Date: \_\_\_\_\_  
 Name of institutions: \_\_\_\_\_  
 Type of project \_\_\_\_\_ Cost DR\$ \_\_\_\_\_  
 Date: \_\_\_\_\_

Name of institution: \_\_\_\_\_  
 Type of project \_\_\_\_\_ Cost DR\$ \_\_\_\_\_  
 Date: \_\_\_\_\_

2. TYPE OF ACTIVITY FOR WHICH LOAN REQUESTED FROM MUDE WILL BE USED:

3. AMOUNT REQUESTED DR\$ \_\_\_\_\_ ( \_\_\_\_\_ )

4. CONTRIBUTION FROM ORGANIZATION REQUESTING LOAN: (estimated in DR\$ for labour, materials etc.): DR\$ \_\_\_\_\_ ( \_\_\_\_\_ )

5. CONTRIBUTION FROM OTHER INSTITUTION(S):

Institution(s): \_\_\_\_\_ DR\$ \_\_\_\_\_  
 \_\_\_\_\_ DR\$ \_\_\_\_\_  
 \_\_\_\_\_ DR\$ \_\_\_\_\_

6. TOTAL PROJECT COST: DR\$ \_\_\_\_\_ ( \_\_\_\_\_ )

7. TIME FRAME AND METHOD OF REPAYMENT OF LOAN:

(a) Time: \_\_\_\_\_ months

(b) Method of Repayment: RD\$ \_\_\_\_\_ monthly  
 RD\$ \_\_\_\_\_ quarterly  
 RD\$ \_\_\_\_\_ bi-annually  
 RD\$ \_\_\_\_\_ annually

8. FOLLOWING MUST BE SUBMITTED BY ORGANIZATION REQUESTING THE LOAN ALONG WITH THE APPLICATION:

- (a) Project description
- (b) Investment Plan
- (c) Condition of profits and losses
- (d) Repayment plan

9. NAMES, IDENTIFICATION NUMBER AND SIGNATURES OF COMMITTEE MEMBERS:

<u>Names</u>	<u>ID No.</u>	<u>Position</u>	<u>Signature</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

10. NAMES, IDENTIFICATION NUMBER AND SIGNATURES OF MEMBERS PARTICIPATING IN PROJECT:

<u>Names</u>	<u>ID No.</u>	<u>Position</u>	<u>Signature</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

MUDE: representative to the organization: \_\_\_\_\_  
Address: \_\_\_\_\_

---

To be completed by MUDE  
Registration Date:  
Registration No.:

---

Sections I and II are to be completed by the group and section III by the MUDE representative.

I. GENERAL DATA

- (a) Organization requesting loan:
- (b) Type of project
- (c) Number of participants in the project:
- (d) Total amount requested:

II. THE PROJECT

- (a) Objectives of the project:
- (b) Social importance (impact) of project:
- (c) Economic justification for the project:
- (d) Experience of group in this type of project:
- (e) Potential market:

III. EVALUATION & RECOMMENDATION OF MUDE'S REPRESENTATIVE

- (a) Organizational level of group:
  
  
  
  
  
  
  
  
  
  
- (b) Group's level of training:
  
  
  
  
  
  
  
  
  
  
- (c) Economic feasibility of project:
  
  
  
  
  
  
  
  
  
  
- (d) Recommendations:

Date: \_\_\_\_\_ Signature: \_\_\_\_\_

INVESTMENT PLAN

(Livestock Rearing)

PROJECT No. \_\_\_\_\_

PERIODS OF \_\_\_\_\_ MONTHS

TOTAL \_\_\_\_\_

P E R I O D S

1      2      3      4

Capital available by beginning of period:

- Group contribution.....
- MUDE.....
- Surplus from previous period.....

Total capital available at beginning of period.....

Operational Costs:

- Depreciation of fixed assets.....
- Cost of buying animals.....
- Feed.....
- Medicine.....
- Maintenance of equipment.....
- Wages.....
- Transportation.....
- Other:.....
- .....

Total operational costs.....

- Difference (capital available minus operational costs).....

Income from sales:

- Sale of animals.....
- Other.....
- .....

Total income from sales.....

Surplus (income from sales ± difference)

	1	2	3	4
Capital available by beginning of period:				
- Group contribution.....				
- MUDE.....				
- Surplus from previous period.....				
Total capital available at beginning of period.....				
Operational Costs:				
- Depreciation of fixed assets.....				
- Cost of buying animals.....				
- Feed.....				
- Medicine.....				
- Maintenance of equipment.....				
- Wages.....				
- Transportation.....				
- Other:.....				
.....				
Total operational costs.....				
- Difference (capital available minus operational costs).....				
Income from sales:				
- Sale of animals.....				
- Other.....				
.....				
Total income from sales.....				
Surplus (income from sales ± difference)				

Financial costs:

- 2% closing costs..... \_\_\_\_\_
- Interest..... \_\_\_\_\_
- Payment to MUDE..... \_\_\_\_\_
- Total financial costs..... \_\_\_\_\_
- Net surplus at end of period..... \_\_\_\_\_

Net surplus at end of project \$ \_\_\_\_\_  
Minus group's investment \$ \_\_\_\_\_  
Profit \$ \_\_\_\_\_

**OBSERVATIONS:**









PROFIT & LOSS

(Agricultural Project)

Period: \_\_\_\_\_ months

Income:

Sale of: \_\_\_\_\_ DR\$ \_\_\_\_\_

DR\$ \_\_\_\_\_

<u>C O S T S</u>	<u>QUANTITY</u>	<u>CONTRIBUTION</u>	<u>MUDE</u>	<u>TOTAL</u>
Depreciation of equipment		_____	_____	_____
Maintenance of equipment Expenses		_____	_____	_____
Seeds	_____	_____	_____	_____
Fertilizers	_____	_____	_____	_____
Herbicides	_____	_____	_____	_____
Insecticides	_____	_____	_____	_____
Fungicides	_____	_____	_____	_____
Other	_____	_____	_____	_____
Sub-total	_____	_____	_____	_____
<u>OPERATIONAL COSTS</u>				
Land preparation	_____	_____	_____	_____
Sowing	_____	_____	_____	_____
Expenses application	_____	_____	_____	_____
Weeding	_____	_____	_____	_____
Hilling	_____	_____	_____	_____
Recollection	_____	_____	_____	_____
Cleaning	_____	_____	_____	_____
Risks	_____	_____	_____	_____
Other	_____	_____	_____	_____
Sub-total	_____	_____	_____	_____

FINANCIAL COSTS

Interest (part applying to this period)	\$ _____
Closing costs (part applying to this project)	\$ _____
Total cost for this period	\$ _____
Project earnings or loss:	
(total income minus total costs)	\$ _____

PROFIT & LOSS

(Non-Agricultural)

Quantity	Description	Group Contribution	Requested from MUDE	TOTAL
T O T A L S				

COST OF PROJECT:

Interest for total period.....	\$ _____
Closing costs.....	\$ _____
Credit.....	\$ _____
Total costs.....	\$ _____
Total sold.....	\$ _____
Surplus for period.....	\$ _____
Value of Business.....	\$ _____
Total surplus.....	\$ _____

## APPENDIX E

APPENDIX E: EXAMPLE OF LOAN REPAYMENT SCHEDULELoan \$1,000Interest Rate 12%24 Months repayment

1. Equal monthly payments on principal plus interest on outstanding balance

$$\frac{\$1,000}{24} = \$41.67 \text{ principal payment}$$

Month	Principal Payment	Interest	Total Monthly Payment	Outstanding Loan, End of month
1	\$41.67	\$10.00	\$51.67	\$958.33
2	41.67	9.58	51.25	916.66
3	41.67	9.17	50.84	874.99
4	41.67	8.75	50.42	833.32
5	41.67	8.33	50.00	791.65
6	41.67	7.92	49.59	749.98
7	41.67	7.50	49.17	708.31
8	41.67	7.08	48.75	666.64
9	41.67	6.67	48.34	624.97
10	41.67	6.25	47.92	583.30
11	41.67	5.83	47.50	541.63
12	41.67	5.42	47.09	499.96
13	41.67	5.00	46.6	458.29
14	41.67	4.58	46.25	416.62
15	41.67	4.17	45.84	374.95
16	41.67	3.75	45.42	333.28
17	41.67	3.33	45.00	291.65
18	41.67	2.92	44.59	249.65
19	41.67	2.50	44.17	208.27
20	41.67	2.08	43.75	166.60
21	41.67	1.67	43.34	124.93
22	41.67	1.25	42.92	83.26
23	41.67	.83	42.50	41.59
24	41.59	.42	42.01	- Paid in full
Totals	\$1,000.00	\$125.00	\$1,125.00	-

**APPENDIX F: ADMINISTRATIVE MANAGEMENT OF LOANS: DDF**

The Dominican Development Foundation (DDF) administers resources allocated to the Revolving Fund of Mujeres en Desarrollo, Inc. (MUDE) for which a special account is available, which is charged separately using appropriate control mechanisms.

This account is available at any given time for obtaining information on behalf of MUDE or of any person or accounting firm duly accredited to do so.

MUDE relies on a loan committee responsible for analyzing loan applications which must give its approval or refuse the loan. Once it has been approved, MUDE sends to the DDF the request for a cheque, drawn in favour of the President and the group's Treasurer, who then divide it amongst the members of group in the proportion requested, or in accordance with some criteria agreed upon. On the other hand, to repay the loan received from MUDE, each member of the group must contribute an amount proportionate to the total loan.

It must be specified that the conditions governing the administration of the funds allocated to MUDE's Revolving Loan Fund are the following:

- Loans are made for a minimum of RD\$10.00 (ten) and a maximum of RD\$15,000 (fifteen thousand).
- The period of time agree on for repaying the loans must not exceed two (2) years, although in special cases, for example, when the loan is for fixed investments, the period may be longer.

- 8% interest is calculated annually on the remaining balance of the capital loaned, except in exceptional cases accepted by the Loan Committee.
- Also, 2% is charged on the total loan to cover closing costs.
- Installments must be made monthly, but in projects with fixed reproductive cycles, additional installments are agreed upon.
- A new loan cannot be given to groups that are in arrears with installments on a previous loan.
- MUDE and DDF do not accept the liabilities of the projects and in the case of failure, the group is still obligated to repay the loan.
- For refinancing, loans made by MUDE through the DDF are made in decreasing sums, in order to facilitate the transfer of resources to new groups. Payments made on loans are used to maintain and strengthen the Revolving Loan Fund.

#### FORMULATION OF REQUEST

The loan application (and the project which must accompany it), is set out on a form prepared by MUDE for this purpose. This form is processed through its field worker who helps the group to complete it. Under no circumstance is the form to be substituted.

Once the application form has been prepared, it is presented to MUDE, duly signed by the group's representative, and accompanied by a brief report from the field worker. This is registered with a number and the date of



receipt. MUDE is responsible for carrying out a social evaluation and a financial analysis of the project, which determines the capacity of the group and the economic viability of the project. Once this has been done, MUDE submits it (through a Loan Approval form), to the Loan Committee responsible for approving or refusing applications.

In the case where the loan has been approved by this Committee, MUDE remits the following documents to the DDF:

- (a) The form containing the application for the loan
- (b) Copy of the project evaluation of the project
- (c) Copy of the loan approval form (affirmative)
- (d) Request for issue of cheque

The DDF proceeds with the negotiation of the respective contract through the admission expressed in the loan approval form, consulting with the DDF Legal Advisor if necessary.

For the benefit of the representatives, a report is submitted notifying them of the approval of the loan. Once these requirements have been met, the accounting procedures are put into place and the accountant authorizes a cheque to be issued in favour of the President and the Treasurer of the group. The head of DDF Disbursement draws the cheque, returns it to the accountant for final revision and approval, and then sends it to the persons or officers who must sign it. The cheque is then forwarded to the group either through the MUDE field worker, or through the group's Executive Director or Director General.

The repayment of sums loaned to groups is supervised by MUDE, as is the supervision of administrative, legal and judicial actions that MUDE and the DDF May take against delinquent borrowers.

The normal channel for repaying loans is by direct payment, on a timely basis. Payments can be made in the following manner:

- (a) Bank deposit
- (b) Registered mail
- (c) Manager's cheque
- (d) Payment in person at the DDF or MUDE offices

Documents submitted when applying for a loan from MUDE whose Revolving Loan Fund is administered by the DDF will be placed in a single file, together with all documents pertaining to the case. These are kept in strict numerical order, by project, as they are approved or executed.

APPENDIX G: EVALUATION METHODOLOGY: IDEA

Mujeres en Desarrollo, Inc. has as its basic objectives a "5-year Credit programme designed to meet the social and economic needs defined by the interested parties". In addition, and as one means of facing the situation, "they grant small loans to community women's associations wishing to invest in the purchase of equipment, animals for breeding and fattening, for agricultural labour, construction materials, training, basic health services and family planning".

A programme of this nature requires, on a permanent basis, an evaluation which gives an indication of the achievements and errors, in order to correct the faults. Therefore, through the evaluations, it is hoped to achieve the following:

1. Establish clearly the work carried out by the administrative and management personnel in accordance with objectives outlined. This would allow them to determine:
  - (a) Amount and number of loans
  - (b) Types of projects financed (equipment, animals, agriculture, construction materials, technical and/or vocational training, family planning, health service, etc.)
  - (c) Group number and number of persons benefiting directly or indirectly from the loans

- (d) Amount of the loans according to levels and relations with the type of projects
  - (e) Number of promoters and labour carried out within the programme.
  - (f) Number of groups and persons in charge of promoters
  - (g) Activity of the Administrators (policy followed, relation with local, private, public and business institutions)
  - (h) Policy followed by the Loans Committee (criteria for granting loans, time frame involved, etc).
2. Determine the group's community participation, including its level of responsibility, dependence, dynamism and distribution.
3. Determine the level and tendencies of social advancements achieved by members of the group due to access, legitimization, reflexion, criticism, status and creative perceptions.
4. Establish the levels of economic advancements achieved through assistance received in:
- (a) Technical aspects, advice and training;
  - (b) Manner in which income is produced;
  - (c) Production of feed;

- (d) Animal breeding;
- (e) Commercialization
- (f) Saving

Methodology to be Employed In the continuous evaluations, interviews will be carried out with the executors of the programme, and members of the group and of the executive will be given questionnaires through which information noted in its objectives can be obtained. The technique to be employed in analysing information gathered will be that of statistical analysis of measures of central tendency and of significance.

## APPENDIX H

APPENDIX H: MEMBERS OF SOLIDARIOS\*ARGENTINA

Instituto de Desarrollo Social y Promoción Humana (INDES)  
Luis Saenz 277 - 5° Piso Of. X  
Buenos Aires

BOLIVIA

Centro para el Desarrollo Social y Económico (DESEC)  
Junin S - 142  
Casilla de Correos 1420  
Cochabamba

Fundación Boliviana de Desarrollo  
Avenida Sanchez Lima 2203  
Casilla No. 7204  
La Paz

COLOMBIA

Fundación Nacional para el Desarrollo Social (FUNDES)  
Carrera 9 No. 9 - 49 P. 40  
Apartado Aereo 5744  
Cali

COSTA RICA

Fundación Costarricense de Desarrollo (FUCODES)  
Edificio Mayo, Avenida Central entre  
Calle 1a. y 3a.  
Apartado 7 - 1270  
San Jose

\* as of March 1985

ECUADOR

Fundación Ecuatoriana de Desarrollo (Sur) (FEDED)

9 de Octubre 910 Piso 3

Apartado 9260

Guayaquil

Fundación Ecuatoriana de Desarrollo - Zona Norte (FED)

Calle Guayaquil 1494 y Oriente

Apartado Postal 2529

Quito

GUATEMALA

Fundación del Centavo (Fundación Guatemalteca para el  
Desarrollo)

8a. Calle 5 - 09, Zona 9

Apartado Postal 2211

Guatemala

HAITI

Fundación Haitiana de Desarrollo

106, Ave. Christophe

Port-au-Prince

HONDURAS

Fundación Hondureña de Desarrollo (FUNHDESA)

Apartado 989

Calle 4 #412 Piso 2 (4 & 5 Ave.)

Tegucigalpa

Instituto para el Desarrollo Hondureño (IDH)

Apartado Postal 288

1 Avenida y 6 Calle - Piso 2 & 3

Comayagua

Edificio Castillo

Tegucigalpa

JAMAICA

National Development Foundation of Jamaica  
22B Hope Road  
Kingston 5

MEXICO

Fundación Mexicana para el Desarrollo Rural (FMDR)  
Laguna de Mayran 258 - Piso 2  
México DF CP 11320 - Col. Anahuac

NICARAGUA

Fundación Nicaraguense de Desarrollo (FUNDE)  
De Montoya 1 calle Lago 1/2 abajo  
Apartado Postal 2598 Managua

REPUBLICA DOMINICANA

Fundación Dominicana de Desarrollo (FDD)  
Calle Mercedes No. 4  
Apartado Postal 857  
Santo Domingo, D.N.

Mujers en Desarrollo Dominicana, Inc. (MUDE)  
Ave. Máximo Gomez No. 70  
Apartado Postal 325  
Santo Domingo, D.N.

TRINIDAD & TOBAGO

Trinidad & Tobago Development Foundation Limited  
134 Frederick Street  
Port of Spain

URUGUAY

Instituto de Promoción Económico Social de Uruguay (IPEU)  
Apartado Postal 6583  
Cerrito 475, Piso 1  
Montevideo



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- \* Luz Maria Abreu who recognized the potential and is making it a reality.

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J.H.M.





