

One Village One Product Movement in Africa

— Issues and Feasibility in Ethiopia —

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Background and Objective of the Study

Development initiative was launched by the then Prime Minister Koizumi in the WTO ministerial-level meeting held in Hong Kong in December 2005. Since then the initiative has been promoted in the area of agriculture, forestry and fisheries by the Ministry of Agriculture, Forestry and Fisheries. A part of this initiative is “a project of acquisition and analysis of basic information for the assistance of developing countries”, which started in FY2006 as a 5-year-plan. One of the central pillars of this project is “the study on agricultural and rural institutions”.

The objective of the study is to collect, organize and analyze basic information on formal (public) institutions and customary practices in agriculture and rural areas closely related with cooperation in agriculture and forestry in order to realize effective cooperation with sub-Saharan Africa (hereafter referred to as Africa) and the less developed ASEAN countries. The study in FY2006 had been focused on assessment of the extent of acceptance of the fundamental principles of “One-Village One-Product” movement in developing countries. The study was also conducted, in particular, in the Republic of Ghana and the Republic of Uganda where the former has already started the said movement and the latter was likely to promote it, focusing on the identification of regional and national characteristics as well as on the evaluation of needs for technical assistance in these countries. In FY2007 as well, the same theme, “One-Village One-Product movement in Africa”, was selected and the study was pursued focusing on issues more specific to Africa. Federal Democratic Republic of Ethiopia having a huge potential in agriculture was selected as the objective country of study.

The One-Village One-Product (hereafter OVOP) movement, originated in Oita prefecture, has been spreading world-wide, adopted not only in other parts of Japan but also in the Kingdom of Thailand, the People’s Republic of China, Malaysia, the Republic of the Philippines, Mongolia, the Republic of Malawi and so on. Contrary to the situation in East and Southeast Asia achieving high economic growth, the OVOP movement in Africa, where there are many of the least developed countries (LDCs), has been fully implemented only in a few countries such as Malawi, and thus they have limited accumulation of information on the movement. African countries, however, have been furthering economic liberalization, integration into global economy, democratization, decentralization of power, and efforts to reduce poverty based on Poverty Reduction Strategy Paper (PRSP) and UN Millennium Development Goals. As a result, in those countries more interest has been aroused in rural development for poverty reduction, in strategy for regional promotion and in development of special products for export. From the

above point of view, high possibility can be seen in introducing the OVOP movement into more African countries. In this respect Japan is certain to play an important role in assisting them. Concerning the background above mentioned, this study is of deep significance in exploring the possibilities of the OVOP movement in Africa and in examining the means of concrete support Japan can offer.

This study is developed along the following lines; firstly, fundamental principles and lessons of the OVOP movement were confirmed through the examination of experiences of the movement in Japan and other Asian Countries such as Thailand, and then applicability of the movement to Africa is considered. Secondly, basic information was gathered and analyzed within Japan on agricultural and rural institutions in Federal Democratic Republic of Ethiopia. Lastly, field surveys were carried out in the country in order to collect useful information otherwise impossible to get in Japan.

Chapter I : Principles of OVOP Movement and Its Realization in Developing Countries

1. Principles of OVOP movement and its realization in developing countries

1) Principles of OVOP movement

(1) The movement of OVOP is a sort of communal endeavors expressed in various terms, such as “*chiiki-zukuri*” (regional promotion or development), “*mura-okoshi*” (village development) or “*machi-okoshi*” (municipality development), and differs from a simple economic development project targeting a particular sector, like the development of medium and small enterprises, that of a rural manufacturing industry or that of an exporting industry.

(2) OVOP movement is a “movement” the principal actors of which are the inhabitants of a community, and is neither a project nor an undertaking of top-down nature, imposed by and implemented under the auspices of external entities like the central government or donor agencies

(3) Three fundamental principles of OVOP movement are: “self-reliance and self-help”; “human resources development”; “local yet global”. Originality and ingenuity on the part of a local community are its essential attributes and what counts most is the creation of a commodity that is unique to a particular locality by mobilizing such originality and ingenuity and by exploiting locally available but undeveloped resources (local resources). To speak of self-reliance and self-help by relying on originality and ingenuity, for the international cooperation in the context of OVOP movement, it is essential to share the spirit of OVOP movement, which should not be the imposition of a particular formula or a particular mode of approach to the problem.

(4) OVOP movement is not a simple process of fabrication of things but an objective-oriented endeavor for the development of human resources through fabrication of things.

2) Variation of actual cases of OVOP movement

The designation of OVOP movement is a phrase which is easy to understand

and appealing as a buzzword, but it is liable to mislead. As a misunderstanding due to the phrase “One-Product”, people often erroneously interpret the OVOP movement as an activity of specialization in the production of a particular product. Another common misunderstanding tends to lead people to presuppose that the OVOP movement is the only solution for regional development, inducing them to try to solve all the problems solely by OVOP movement.

Because actually practiced cases of OVOP movement present a relatively wide range of variation, it is important to examine in what sense of the term the OVOP movement has been put into practice.

- (1) Actual cases designated as an OVOP movement include those undertaken on the national level as well as those realized on the level of local government.
- (2) OVOP movements in developing countries have a character that they are practiced more as an undertaking or a project of a central government than as a movement of local people.
- (3) Basic principles of OVOP movement advocate the human resources development, where the creation of products is only a motive for that purpose, so to speak. However, as a matter of fact, the majority of OVOP movements in developing countries have a character more oriented to the creation of products.

In view of the above-mentioned characteristics of OVOP movements proliferating all over the world, in the implementation of an OVOP movement as cooperation for development, it is needed to establish a common understanding among actors concerned about the movement objective that will have to be defined in advance by stating in clear terms what kind of movement shall be promoted. However, on the other hand, it could be also noted that there would be more opportunities of drawing on originality, ingenuity and diversity of the local community, if a wider range of choices is offered by positively appreciating such variation of concepts and reality, rather than to impose a particular type of the movement by defining it narrowly in fixed terms.

While the OVOP movement is one having the inhabitants of a local community (including organizations of inhabitants) as principal actors, it is needless to say that it does not signify that they are left alone to act on their own or independently, but the movement evolves in partnership with other actors as well.

2. Feasibility of the OVOP movement in Africa

1) Significance and feasibility of the OVOP movement for the present day Africa

In the past 15 years, the political and economic circumstances surrounding Africa have undergone a great change. Firstly, as a result of policies of economic liberalization in Africa, it has begun to take a course to reintegrate into the global economy. In NEPAD as well, the orientation toward the integration into globalization is clearly stated. It can hardly be said that the policies of structural adjustment and economic liberalization have brought about an economic growth with a broad base and export expansion to Africa. The OVOP movement, if it is firmly interwoven in rural development and local community, hides potentials to contribute to the realization of pro-poor economic growth with a broad base. Only, it is necessary to take heed to the fact that the globalization by nature has two facets, offering opportunities on one hand and imposing threats on the other.

The second aspect of recent change of circumstances about Africa is the emergence of importance of regional development or regional economic development. In African countries as well, the cases where local inhabitants themselves embark voluntarily on regional development are on the increase. In this sense, it can be said that the present day Africa offers a good opportunity for the OVOP movement to be accepted and to develop.

In present day Africa, the OVOP movement is considered to have the significance enumerated as follows:

- (1) It is precisely relevant to the priority issue on the part of Africa, reduction of poverty. Comprising elements needed for rural developments, the OVOP movement can be expected to contribute greatly, in particular, to the poverty reduction in rural areas.
- (2) The trend of decentralization is lately taking root also in Africa, and finally conditions are getting ready for regional development. By focusing on the regional development in rural sector, the OVOP movement is likely to provide a motive force to strengthen the part that has traditionally been a weak link in Africa.
- (3) The significance of the promotion of products creation and economic growth in a region that the OVOP movement will bring about. Until quite recently in Africa, there has been a tendency that the efforts for poverty reduction are mainly focused on the aspect of social development, with a relatively lower priority being given to the efforts for economic development.

- (4) The OVOP movement is likely to contribute to the expansion and the diversification of exports. Only, as mentioned previously, it is needed to take note of the fact that the effect of globalization on rural sector in Africa has positive as well as negative facets.
- (5) The OVOP movement is also likely to be able to contribute to the elimination of gender inequality. The consideration to gender issue is indispensable also in the development of Africa, being a cross-sectoral subject requiring solution. The prospect that the OVOP movement will lead to augmentation of income, enhancement of capability and organization formation for women has great significance.
- (6) OVOP movement as a solution for the issue of rural youths. In the present day Africa, young people account for the majority of population. Particularly in rural areas, however, the opportunities of employment and earning income for young people in rural areas are not offered sufficiently. The OVOP movement, through its contribution to development of regional economy and human resources development, will provide the opportunities of employment and earning income as well as the knowledge and technical skills to young people in rural areas.

2) Points to take note of in developing the OVOP movement in Africa

In the preceding section, the significance that the OVOP movement holds for Africa was summarized from the viewpoint of its potentials there. In reality, there could be certain cases where the movement cannot produce intended effects owing to the conditions which are generally and particularly found in Africa. The OVOP movement is not an all-purpose cure for regional development or for rural development. Least of all, it is not a magic wand for export expansion. In order to make each of the efforts succeed, the only sure alternative is to combine the movement ingeniously with other policies or projects.

- (1) In Africa, the reality of poverty is widely spread and grave, and the level of industrial development is low. The diversification of rural economy, the progress of rural industry and the development of signature agricultural products are also still limited in extent. With a low rate of school enrollment, short average expectation of life, a high rate of infection with HIV/AIDS or other communicable diseases, the situation could be summarized as that the prerequisites for economic development are still not sufficiently in place.

- (2) Since the tradition that any region or any locality, as a principal acting entity, takes the initiative in an attempt to develop the region is almost nonexistent in Africa, both local inhabitants and local government officials lack the experience and the competence in this regard.
- (3) In Africa, economic infrastructure including that for transport or communication is still underdeveloped. The situation presents constraints for the market-oriented production, whether it aims at domestic market or at international market.

In view of the abovementioned 3 aspects of constraint, it should be understood that, in Africa, even if the OVOP movement is introduced, the undertaking alone will not always assure successful results in a short term perspective. Consequently, in the international cooperation for introducing the OVOP movement, it is necessary to have a long term outlook in undertaking it.

In African countries, international organizations and donor countries from the West have a strong influence on the framework of development or assistance. In order to introduce as assistance into such an established structure a new and unique concept or mechanism derived from experiences in Japan or Asia, such as the OVOP movement, it is needed to find a suitable place to fit into within the development plan and the framework of foreign aid of the concerned country.

3. Reviewing other projects similar to the OVOP movement in Africa

This section is devoted to discuss other projects which are similar to the OVOP movement and have been implemented in the past, in order to further clarify the principles and significance of the OVOP movement.

1) Millennium Village Project

(1) What is Millennium Village Project?

Millennium Village Project (MVP) is an undertaking being implemented by international organizations and other agencies in order to alleviate the poverty situation in Africa that has attracted much attention and in which Japan also has been participating through financial assistance by the Government and donation of materials by private enterprises. On the other hand, as to the relevance of the project, questions have been raised about its broad applicability in the framework of development policies which promote human resources development and decentralization, because the MVP is a simple extension of the conventional gap

approach.

The MVP is a project that is being implemented in many parts of Africa with the goal that by 2015 the extreme poverty in destitute villages shall be eliminated and the villages capable of autonomous development shall be created, through the investment in health services, food production, education, access to clean water and construction of basic infrastructure.

(2) Evaluation of the MVP and its relationship with OVOP.

When the OVOP movement is to be promoted in Africa, it is desirable to identify clearly the difference in contents and the concept about the developmental intervention between such an internationally well recognized project and the OVOP, and also to define the objective and the relevance of Japan's projected cooperation associated with the OVOP movement.

The way of development pursued by such a project as MVP where the inputs from outside constitute the main element is, before the sustainability of financing is questioned, contradictory to its own advocacy of bottom-up approach, throwing an inevitable doubt about its sustainability. As for the "Campaign" approach it adopts, too, although the approach works with ease on a pilot scale, it is criticized for the lack of universality. The OVOP movement is also a campaign but of a different nature, where efforts are focused on the creation of specialty products and culture that will make frontal faces of respective regions, while exploiting fully the local characteristics and resources with originality and ingenuity. Consequently, Japan's cooperation could draw on these features of the OVOP movement to make scale-up of the scope of MVP based on "Campaign" approach, to transform it into a model with expanded attributes of sounder sustainability and broader dimensions. By introducing the mechanism of collaboration between local inhabitants and public administration in the original OVOP movement in Oita Prefecture, through practices of concrete cases, it would be possible to overcome the problems of the "Campaign" approach.

2) Project of participatory village development in isolated areas in Zambia

A project implemented in Zambia by Japan International Cooperation Agency, JICA, Project of Participatory Village Development in Isolated Areas (PaViDIA), is one that aims at capacity building of inhabitants in rural areas and empowerment of organizations supporting them, engaging in activities associated with the rural development by participatory approach and the extension of sustainable agriculture, to establish a model integrating those elements and to make the model take root in Zambia. Although the project has not necessarily adopted expressly the approach of the OVOP movement, its contents are considered to have many elements which are

common with those of the OVOP movement. Particularly its stated objective, “Through their activities of facilitation of the micro-projects, extension agents improve their skills for identifying farmers’ problems, for excavating excellent extension information and for transmitting them; through the process in which farmers plan and implement the micro-projects on their own initiatives, and experience directly the effect, they acquire the capacity to activate community activities afterward”, conforms to the objective of human resources development for the administration personnel as well as for farmers, advocated in the OVOP movement.

4. The OVOP movement and Japan’s international cooperation in Africa - Case in Malawi -

Exchange between Malawi and Oita Prefecture through the OVOP movement started since the 1990s. In 2003, then President Bakili Muluzi who visited Japan at the occasion of TICAD-III visited Oita and decided to introduce the OVOP movement into Malawi. Incumbent President Bingu wa Mutharika who succeeded the ex-president Muluzi instructed to further promote the OVOP movement, transferred the jurisdictional authority to the Ministry of Local Government and Rural Development, and decided to improve and strengthen the system for promoting the movement. As a form to assist the Malawi Government in its efforts for the OVOP movement, JICA initiated in October 2005 the technical cooperation project: “Project for institutional building and human resources development for OVOP movement in Malawi”, in which until now a number of experts, JOCV members, and senior overseas volunteers have been dispatched to Malawi, and several Malawian trainees have been accepted to participate in training in Japan.

1) Commitment of Malawi Government

(1) Budget allocation and establishment of the secretariat system

The budget for the secretariat of OVOP has been appropriated relatively amply from the beginning. The number of personnel of the secretariat has grown to 10 currently, indicating that a certain level of structure is being formed as a parent body of the movement.

(2) Collaboration with related organizations

Since the secretariat of OVOP is an organization on the national level committed to the promotion of the OVOP movement, it is expected that other external organizations would draw on its resources for engaging in respective

activities.

(3) Collaboration with local governments

In the undertaking of the OVOP movement, each one of extension agents is expected to play the role of promoting the movement in his or her daily activities. A training program has been implemented continuously for these extension agents, and as of December 2007, the program had so far received the extension agents from all the districts of Malawi.

2) Extension of the OVOP movement

In order to facilitate the extension of the OVOP movement, the human resources development for OVOP groups (technical training), the certification of OVOP groups, and the enlargement of the market (presentation in exhibitions, promotion of sales to supermarkets, etc.) have been carried out.

3) Points to take note of in the OVOP movement

Following points can be indicated from the experience in Malawi.

(1) Necessity of the driving force behind the movement

Although in the initial phase of the OVOP movement in Malawi, it was approached, in a way, from the political perspective, the role of former President was significantly large from the viewpoint of publicity of the movement. It would be worthwhile to take note of the fact that the presence of such an influential leader makes a great difference in its dimensions of expanse.

(2) Creation of mechanism to reward those who endeavor

In the certification of groups of the OVOP movement, care has been taken to create a mechanism to assure the subsequent sustainability by establishing such selection criteria as those in which groups having been engaged in activities on their own initiatives, or groups owning reserves of capital (monetary asset) of a certain amount are to be certified, so that the groups with spirit of commitment may be selected. In the cooperation of JICA as well, the approach was elaborated by not selecting in advance a specific region and a specific product and instead by providing assistance in collaboration with the secretariat to active groups, and thus avoiding the situation that the donor had to play the main role in activities

(3) Utilization of existing organizations

In considering the strategy for industrial development in Africa, it is

important, from the viewpoint of sustainability, to make effective use of existing organizations, rather than to create a new organization starting from scratch. In Malawi also, there are already present a multitude of organizations of microfinance, technical assistance, etc, and hence, in undertaking the OVOP movement, the necessity to take the trouble to create from scratch a new organization independent from these organizations is insignificant. The secretariat of OVOP, driving force and facilitator of the movement, makes it a basic principle to concentrate its resources on the activation of existing organizations.

5. Assistance for marketing and quality control on the aspect of export promotion

As the factors that lie behind the accelerated interest in “the OVOP movement as a development policy” in developing countries, one can point out the technological changes of extension of ICT and reduction of transportation cost as well as the social changes such as the heightened awareness toward environment and the augmentation of social responsibilities of enterprises.

In considering the differences and similarities between the approaches of Western donors and the aspect of export promotion with OVOP, Fair Trade and Millennium Village Project (MVP) are worth noting. While Fair Trade is a movement on the part of consumers and villagers of production countries opposing the monopoly by multinational enterprises, it still contains, at the same time, the potential of leading to the collaboration among the three parties, providing a lesson to the OVOP movement, too. As for the MVP, while it is different from the OVOP in that it is a comprehensive approach incorporating elements of education, health care and ICT, it has the methodology of assistance based on regional economy in common with the OVOP movement, and hence leaves a room for future collaboration with it.

As the organizations that are capable of engaging in export business in collaboration with the OVOP movement, foreign-financed private enterprises, NGOs, etc and indigenous organizations such as agricultural cooperatives, Chambers of Commerce, etc, are supposed to be eligible. In the OVOP movement, it is important to find an already existing organization that can be utilized and to make effective use of it, rather than to create a totally new one for the purpose.

As for the matter related to the possibility of assistance on the aspect of “quality control” in the OVOP movement, the approach, “Value Chain Analysis (VCA)” pursued extensively by Western donors is important. Particularly in EU, as imports of agricultural products from Africa increase, the approach has been expanded as Global VCA. In the future, the effort to explore the collaboration between the Global VCA and the OVOP movement would prove to be greatly

beneficial to both parties, since it will make available the strong features of Japan to complement those of VCA.

Recently, the strategy of regional development through “adding high value” to agricultural products, called “Brand Agriculture”, is rapidly extending. This is a concept in which the requirement of quality control is extended to production areas, special features, local characteristics and individuality of the raw materials. The OVOP movement can be said to be the ideal mechanism to promote Brand Agriculture as a “movement” to link consumers and producers together.

Chapter II: Agriculture and Rural Institutions in Ethiopia

1. Objective and background

Objective of this chapter is to examine the policy and strategy related to the application of OVOP movement in Ethiopia which aims at the improvement of lives of people in general, and smallholder farmers in particular, of Federal Democratic Republic of Ethiopia (FDRE).

In examining various conditions related to “One-Village-One-Product” movement in Ethiopia, we made extensive reviews of policy documents and strategy papers in order to elicit information on the production, processing and marketing of agricultural products. In this chapter we make reviews on the policies on agriculture and rural development in Ethiopia, based on the information acquired through interviews and documents conducted and obtained at the Ministry of Agricultural and Rural Development, the Association of Ethiopian Microfinance Institutions (AEMFIs) and Oromia National Regional State’s Commission for the Development and Promotion of Cooperatives.

1) Administrative Structures of Ethiopia

Ethiopia has a federal structure of government since 1991 change of government. Currently nine National Regional States (formed on ethno-linguistic basis) and two self-governing cities constitute the (FDRE). These National Regional States are administratively sub-divided into Zones, and districts (*woreda* in Amharic). The lowest level of administrative unit is called *kebele*, also called Peasant Associations (PAs). Although there has been significant decentralization, at least in theory, the regional states and levels of administration below them are heavily dependant on the policies and strategies prepared by the federal government.

2. Ethiopia’s Agricultural and Rural Development Policies and Strategies Related to OVOP

Agriculture is a pivotal sector of the Ethiopian Economy. The sector accounts for about 50 per cent of the GDP, 65 per cent of total exports and 80-85 per cent of all employments.

1) From ADLI to Market-Led Agricultural Development

The present government of Ethiopia came to power in 1991 by overthrowing the former military government that ruled the country under the banner of socialism (1974-1991). Shortly after it came to power the new government initiated an agricultural and rural development policy known as *Agricultural Development-Led Industrialization* (ADLI). It aimed at the development of both agricultural and industrial sectors, to pull the country out of decades long command economy and a chronic food shortage it faced. The specific objective of ADLI was to enhance the productivity of small farmers and to improve food security both in the rural and urban areas.

Although this policy resulted in significant increase in production of cereal crops, it came with some unintended consequences that the prices of agricultural products significantly fell in the local markets. This has served the government with lessons to focus not only on increasing production but also to seriously consider the market side of the equation. Commercialization of agricultural products now occupies a central part of agricultural and rural development policies, having been summarized as *Market-Led Agricultural Development* (MALD). The success of MLAD requires: market analysis; support of smallholder farmers; provision of market price information; improvement of agricultural marketing system (system of labeling quality, communication of market information, strengthening and expanding cooperative societies).

2) Plan for Accelerated and Sustained Development to End Poverty (PASDEP)

PASDEP is a policy and strategy document issued by MARD in 2006. The major objective of PASDEP is the transformation of smallholder agriculture from subsistence to market-oriented one. The document emphasizes on promoting *area specialization in agricultural production* based on the agro-ecological diversity of the country. It aims at identifying different potential areas for the production of market-demanded products. PASDEP has identified agricultural products with high potential for export trade, including coffee, oil seeds, live animals, cotton, pulses, etc.

3. Agricultural Products for the Application of OVOP in Ethiopia

Ethiopian government has identified high-valued agricultural products demanded by the market in order to accelerate the market-oriented agricultural

development. Ethiopian Home Gardens Project is a project that is suitable for the effort for promoting the production and marketing of locally grown agricultural products. The aim of the project is to establish institutional, legal and promotional structure for introducing an approach called Geographical Indications (GI). We found the work of the Ethiopian Home Garden Project informative that need to be replicated in attempts to encourage market-oriented agricultural products. Encouraging and supporting the production of the products should only come after sustainable and reliable markets for the identified important agricultural products are identified.

4. Institutions: Micro finance and Cooperatives

1) Micro Financial Institutions (MFIs)

Rural MFIs have been considered by the government as major tools to promote market-oriented agricultural development. It is apparent that the rural poor have no access to formal financial institutions such as commercial banks, which are mainly confined in urban areas. The national development strategy of Ethiopia gives much attention to the provision of micro financial services to rural areas with the purpose of providing smallholders with access to farm inputs such as fertilizer, improved seeds and productive tools.

The development of MFIs in Ethiopia is a recent phenomenon. The government issued the legal framework for the development of MFIs in 1996. However, the sector is growing rapidly. The number of clients, volume of loan portfolio and saving increased by 263 %, 479 % and 206 % respectively between 2001 and 2005.

(1) Ownership Structure of MFIs in Ethiopia

NGOs, the Ethiopian government and international donors have contributed to the emergence and expansion of micro-credit services in the rural areas since 1970s. Still, NGOs and regional governments are important stakeholders in most of the existing MFIs in the country.

(2) Limitation in MFIs Services

Though a significant growth has been observed in the development of MFIs in Ethiopia, their service coverage is very limited. The majority of the rural poor do not have access to formal financial sources such as commercial banks, MFIs and cooperatives. There are other informal sources including individual moneylenders, traders, friends and relatives. The share of informal financial sources in the

provision of micro credit is very significant, which covered 69 % in terms of number of borrowers and 61 % in terms of loan size.

2) Cooperatives

The history of cooperatives in Ethiopia goes back to the 1960s. The development of cooperatives was relatively faster in the period of the military government (1975-1991). There were four types of cooperatives namely producers' cooperatives, service cooperatives, saving and credit cooperatives and housing cooperatives. However, most of the cooperatives of that period were disintegrated when the government came to an end in 1991. This was a good indication that the formation of cooperatives during the military regime was not based on the free will and consent of the people.

The current government of Ethiopia has placed much emphasis on the development of cooperative societies. In 1994, the government issued a cooperative law, Proclamation No. 85/1994, and in 2002, the government established the Federal Cooperative Commission (presently re-named as Federal Cooperative Agency-FGC), under the auspices of the Ministry of Agriculture and Rural Development (MARD). The major idea here is that cooperatives play an important role in facilitating input and output marketing and in the provision of financial services to rural smallholders.

The government has an ambitious target in relation to the development of cooperatives, intending to provide 70% of the country's population with access to cooperative services at the end of the five-year's plan (2006-2010).

3) Saving and Credit Cooperatives

Saving and credit cooperatives (SACCOs) are among the various types of cooperative societies flourishing in the country. In 2004 there were 2,146 SACCOs with 155,120 members, and this figure was almost doubled in 2006 by 5,437 SACCOs with 381,212 members.

Rural SACCOs are small in number. 72% of the SACCOs in 2003 were found in Addis Ababa. Rural SACCOs provide different services to rural smallholders, including mainly loans provision, marketing activities, input goods distribution.

SACCOs have faced numerous constraints such as lack of the required skill and education of members; weak coverage in their service provision, etc.

5. Concluding Remarks for this Chapter: Application of OVOP Movement in Ethiopia

The existing agricultural and rural developments policies, strategies and institutions are favorable for market oriented agricultural production. The policies aim at working on selecting, encouraging and supporting smallholder farmers to produce high value and market-demanded agricultural products. The current approach to identify local products of specialty, as has been demonstrated by Home Gardens of Ethiopia Project, is encouraging. However, identification of more local products of commercial value is needed.

The work on building farmers' capacity through training can be done through Farmers' Training Centers (FTCs). The government has planned to open one FTC in each PA all over the country by the year 2010. This would create convenient situation to promote human resource development and to encourage local knowledge and self-reliance.

There are a number of potential agricultural products of commercial value in Oromia Regional State. Some cooperatives have already achieved great successes in exporting them or presenting their products to the local markets. Enhancing the capacity these cooperatives or cooperative unions, particularly in technical aspect, in order to make them successful in the area of their "specialization" would be one possible way of introducing the OVOP movement in Ethiopia. Nevertheless, further studies of selected primary cooperative or cooperative unions that would be selected for such a purpose is needed. The application of OVOP movement may consider capacity building of SACCOs leaders and members so that they will become competent and profitable in a sustainable fashion. OVOP movement may facilitate agricultural development in Ethiopia and support smallholder farmers by facilitating market opportunities and by creating market links between cooperative societies and buyers in Japan and other Asian countries.

Encouraging MFIs, particularly promoting the share of individuals in them, can also be considered as a way of promoting production and marketing of agricultural products.

The technology of processing or semi-processing of agricultural products is yet to be effectively and successfully developed, which has limited the potential benefit farmers would have received from their product. Assisting the establishment of efficient systems of packaging, storage or preservation technologies, in the framework of the existing primary cooperatives or cooperative unions, for fruits and vegetables and dairy products, and suitable means of transporting the products from their origin to destination would be a way of promoting and applying OVOP movement in Ethiopia.

Chapter III : Issues of OVOP Movement in Ethiopia and Potentials for Japan's Cooperation

1. Issues of OVOP movement in Ethiopia and future orientation

The following sections are devoted for discussing what sorts of issues can be considered in the development of OVOP movement in Ethiopia, if the examination is focused on the promotion of movement mainly through the assistance activities of a public entity that is the Government.

1) Issue: Creation of “the platform of consultation” for sharing the objectives and principles of the “OVOP movement”

In Ethiopia, as a result of a long period of imperial and military- socialist rules, the situation that the authoritative structure of decision making of “top-down” system pervades the society throughout the country is a national characteristic. In order to promote a pilot development driven principally by local initiatives under such a social structure, by drawing on particularly the specific characteristics of local inhabitants and local governments, it makes an important issue to create a “platform of consultation” on which the actors involved in the movement of OVOP can talk to share well the objectives and principles of the movement and periodically to review and verify the proceedings of it. For the purpose of sharing or unifying the understanding of the matter, following points would make up the subjects of discussion.

(1) Is the OVOP movement “market-economy-oriented type of movement or a “government-assisted” type of movement?

From the viewpoints of Western donors who consider the priority of market-economy and small government as the basis of cooperation, the OVOP movement would rather be looked at as a government-assisted type of aid project. It is needed to understand the fundamental concept that the prerequisite of OVOP movement is the originality and ingenuity and self-help of local inhabitants and the government simply supports the effort, and also to demarcate clearly the roles played by the government and local inhabitants.

(2) Coherence between the extent of government assistance and the principle of “Self-help and independence, originality and ingenuity”

In Ethiopia, it is anticipated that the sharing of principle and spirit of “self-help and independence, originality and ingenuity” would be difficult.

Therefore, it will make a challenge to foster a cadre of such decision makers as those who can propose practical solution workable in Ethiopia, by provision of training in Japan in which trainees are able to learn about the function and role of local administration and the actual cases of regional development, while learning through actual experience the principles of the OVOP movement.

(3) Positioning of certification of specialty products

Western donors show a great interest in the guarantee of quality, and the institutionalization of the standard of certification. The guarantee of quality and the improvement of quality are essential issues also in the undertaking of the OVOP movement, and the intensification of awareness of quality should be included in the objectives to be pursued in the movement.

(4) Relationship with credit schemes

There is a risk that the OVOP movement is perceived in a dwarfed view as a credit scheme provided by the government. Particularly, it should be taken note of that a low interest credit scheme with implications of subsidies is to be criticized.

(5) Criteria of achievement of the OVOP movement

It is needed to define clearly the criteria to represent the achievement in relation to the objectives of the OVOP movement.

2) Issue: To understand the total picture of information for respective commodities by respective regions through observations on the trend of formation of existing production areas

The efforts to identify products specific to a region or to identify those with properties suited to marketing can be considered as cases to refer to. The identification of competitive agricultural products can be counted as a necessary prerequisite in the assessment of aptitude for marketing on international and domestic markets. Floriculture is a case of formation of a production area induced by international markets, in which the reality is that small-scale farmers can ill afford to finance the initial investment on their own, and that besides they cannot cope with the requirements for the quality control that the international markets demand.

3) Issue: Systematic organization of actors for promoting the OVOP movement

As issues concerning the formation of organizations of actors, following matters can be cited: (1) Human resources development to promote the systematic understanding of the OVOP movement; (2) Building a structure of consultation within Ethiopia; (3) Human resources development to foster actors to facilitate the

complete understanding of the concept of quality control; (4) Effective utilization of existing financing institutions; (5) Systematization of control of shipping for markets in the context of quality control; (6) Systematization of the mechanism and opportunities to verify the current situation of production, shipping, or improvement of income.

2. Japan's cooperation for the OVOP movement in Ethiopia

1) Relationship with Japan's country assistance program

The coherence of support programs associated with the OVOP movement within the framework of Japan's country assistance program plan is an important factor in advancing the cooperation. In the country assistance program plan for Ethiopia (tentative) being formulated currently, the establishment of food security is held up as a major objective and following 5 areas have been set out as priority sectors: agriculture and rural development; control of daily life water; education; health; socio-economic infrastructure. The thrust of the OVOP movement is positioned, among these 5 sectors of priority, in the "agriculture and rural development". What is referred to as rural development is a comprehensive commitment comprising, in addition to agriculture, diverse measures to improve livelihood which include the empowerment of food processing and distribution systems of agricultural products, and support for entrepreneurs by exploiting micro-financing and other resources. What the country assistance program plan implies is that, in order to realize the food security also, viewpoints of various measures such as the diversification of income sources in rural areas, the creation of added value other than primary products, and the improvement of market access by facilitating the distribution of products, are important. Accordingly, the OVOP movement is positioned in this context.

Japan's assistance program has been formulated conforming to the PASDEP, secondary poverty reduction plan of Ethiopia. PASDEP is focused on the poverty reduction by economic growth through private sector development, export promotion and tourism development. If the political system and the economic situation stand as they are, the trend aiming at poverty reduction through economic growth is predicted to intensify further, and the importance of the OVOP movement is expected to increase.

2) Reviewing relationship with existing cooperation

Under the circumstances that the ODA budget of Japan has been cut back by

about 20 % in the past 5 years, and the budget of JICA also has been cut back more than 8 %, and the expenditure for the cooperation with Ethiopia has not increased any significantly, it is important, for making OVOP movement generate impact, to build strategic collaborative relationship with existing cooperation projects, rather than investing anew on a large-scale. Moreover, for the activities on the level of rural communities, it is also an important factor to collaborate with JOCV members who are working in the provinces, irrespective whether they are specialized in agriculture or rural development or not. On this account, it is desirable to initiate them into the spirit of OVOP movement and to ask them to contribute ideas for the movement.

3) Reviewing relationship with other donors

Donors of bilateral cooperation and international organizations are conducting their aid programs by coordinating them, organizing the Donor Assistant Group (DAG) which coordinates the totality of assistance and the Technical Working Group which coordinates the assistance of respective sectors. In the sector of rural development, a TWG called “Rural Economic Development and Food Security (RED&FS)” has been organized. In advancing the cooperation, it is essential to share the information in the RED&FS to obtain comments of other donors. Moreover, among TWGs, there is one called “Private Sector Development and Trade (PSD&T)”. In advancing the OVOP movement, it is needed to share the information with both Groups, in order to obtain the acknowledgement of the movement and to show the synergic effect through interaction with the assistance by other donors.

Donors of EU have been expanding the financial type of assistance, and moreover, in comparison with Japan, they are rapidly increasing the volume of assistance. Under such circumstances, the implementation of Japanese assistance projects in coordination with that of other donors will lead to the maximization of their impact. The project type of assistance, owing to its scale, is focused on the formation of a pilot model, for the scale-up of which the financial resources from the beneficiary country and other donors are essential. Consequently, it will become important to establish coherence with the mechanism of budget implementation in the provinces, while maintaining the coordination with other donors.

4) Framework and perspective of the totality of cooperation

It is important not only to implement the OVOP movement while maintaining the coherence with the general assistance policy and existing cooperation programs of Japan and in coordination with the assistance of other donors, but also, on a long

term basis, to try to install in the policy and institution of Ethiopian Government the spirit and function of the OVOP movement. The project type of activity is suited to the type of undertaking which aims at producing a result in a fixed period and terminates at the end. However, in the planning of an institution which is expected to endure for a long term, it is needed to have a grand design which covers the entire term exceeding the period of the project. In order to make the bottom-up policy for the improvement of livelihood that the OVOP movement strives for serve the policy of Ethiopian Government and the revitalization of rural areas on a long term basis, it is essential to start up the movement, taking account of the estimated amount of funding available on the part of Ethiopia, the sustainability of human resources, as well as the predicted volume of Japanese assistance. It is also essential to present the project perspective that the accumulation of achievements and the institution building shall proceed steadily, rather than ending up in a short-lived rapid scale-up activity through a campaign approach. In the steady and sober activity such as that of OVOP movement, the political commitment also constitutes an important element.

5) OVOP project of JICA in Ethiopia

Within the Ministry of Agriculture and Rural Development, the level of recognition of the “OVOP Movement” is high. Nevertheless, the extent of understanding of the contents varies and most people tend to associate it with product development and quality control. The holding of the agricultural fair started by JICA experts have been counted as a means of promotion of “OVOP Movement”.

The technical cooperation project of JICA dedicated to “OVOP Movement” is anticipated to start as a new project for fiscal 2008. As an overall image, it is to provide funds and technical assistance, projecting to set up 30 project sites throughout the country in 3 years from the beginning.

What the Ethiopian Government expects from the project is the raise of added value of agricultural products through the “OVOP Movement”, which will lead to the augmentation of farmers’ income. However, if Japan implements the project in a perspective including the viewpoint of rural area development, the ultimate impact is expected to be the empowerment of rural communities. As an institutional background, the decentralization in Ethiopia is fairly advanced, and local governments have a relatively high degree of freedom. Since the capacity building as applied to local governments is also possible to a large extent, this situation may work to advantage.

6) Support from Japan for OVOP movement

(1) Propositions on the role of training in Japan for the OVOP movement

It has been often pointed out that the OVOP movement is interpreted in diverse ways, and this report also makes analysis based on such viewpoints. However, when an attempt is made to extend cooperation of regional development by taking an example from a case of OVOP movement in Japan as the point of reference, the significance of in-situ presentation of how the movement was developed under the special circumstance that the field is a local region in Japan is quite great. There the question is how to get Japan's experience across to trainees.

Generally speaking, administrative officials, particularly those of the central government have a strong tendency to press forward a uniform project as a national project. In Ethiopia where powerful bureaucracy is present, the tendency is observed. The training in Japan is considered to have a great significance since it is intended and designed so that the trainees are asked to make the Japanese experience of the OVOP movement, experience made up through a trial and error process in which administrative officials were involved with the same way of thinking as that of inhabitants, a source of reference in human resources development in their own country.

The basic principle of training is that the trainees are asked to learn from the past trials and errors and experience in Japan, so that they shall be able to approach the issue by encouraging the local inhabitants concerned to make their own choices suited to respective local areas, rather than by imposing products and methods predetermined by a macro policy on the part of the government. While it is understood that the requests from the governments of developing countries are focused on the areas of export promotion and product development, the trainees are expected to understand as common knowledge the fact that the movement, as a prototype, is itself that of regional development of internal motivation, and contains aspects of human resources development and capacity building in administrative systems. Such knowledge does not have the character that can be transferred simply, but involves essentially the question of mindset of those concerned.

(2) What about Japan should be transferred?

It is a questionable matter whether the projects of regional development implemented in Japan, particularly those which have been implemented with the central government or local governments as the principal actor, have enriched rural villages or not. In the comprehensive national development plans that have been implemented for several times since the 1960s, the rectification of the gap between urban areas and rural areas have been advocated repeatedly and the balanced development of the national land was pursued. However, very often rural areas

could not become the base of development. The origin of the OVOP movement is identified with the approach in which local actors, while assessing the overall economic situation of the whole country and consumers' needs at that time, did not necessarily keep pace with the policy of the central government in pursuing the development. What is really needed to be transferred to those people who intend to introduce a movement or policy which is called OVOP movement would be the very evolution of activities motivated internally by local initiatives.

(3) The role of governments

In order to promote the regional development under the social climate where decentralization progresses, the empowerment of local governments that is needed for realizing substantial decentralization is expected. In OVOP movements, local governments not only supported the self-help efforts and extended financial and technical assistance, but also supported the formation of networks of actors involved in regional development, as a result enhancing the competence of local autonomy, which is an aspect of their role. In Africa including Ethiopia, through the extension of OVOP movement, there is a possibility of groping for a kind of political and social institution that enables local autonomy and collaboration among actors within and outside the region. To promote such development, active intervention by the government becomes important, and it is essential to expose the trainees to actual cases of such development through training programs.

Presentation “One-Village One-Product Movement and Rural Development”
by Dr. Yoshiaki Nishikawa on 30 August 2007 at AU, Addis Ababa





One Village One Product Movement and Rural Development

30-08- 2007 at AU , Addis Ababa
for JAICAF/JICA/Japanese Embassy OVOP seminar

Yoshiaki Nishikawa
(Graduate School of International Development, Nagoya University)

Introductory Questions

- What do you know about One Village One Product movement?
- Do you have One Village One Product Movement or similar initiatives in your country?





OVOP in original movement

- There was no intension to produce one product in each village!! Rather, it was a movement to produce confidence and pride in every village through human resources development.
- Movement started from village people and (local) government strongly supported the movement as government strategy to vitalize rural community in sustainable manner.



Objectives of Presentation

- To introduce the history and concepts of One Village One Product Movement
- To explain the difference/relations between industry promotion and local/regional development
- To consider possible role of government to promote the movement



Contents of Presentation

- 1. History of One Village One Product Movement in Oita, Japan
- 2. Application and Interpretation of OVOP in Developing Countries
- 3. Possibility of Further Application in African Context

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History of One Village One Product Movement (Pre-history)

- There were many less favoured areas where expansion / intensification of farming was not possible.
- Migration of young people to urban areas and ageing of population happened in many rural areas.
- Oldest son of a family and his wife need to stay in villages = no choice
- 1960- Many self study groups were formed in various part of rural Japan

History of One Village One Product Movement (community discussions)

- All night discussions (Yonabe-Dangi) and formation of human networks started. Local officials were invited to the meetings.
- Members were young farmers, young generation of local merchants, wives of farmers and fishermen = those who could not escape from rural areas.
- Main topic was if our place is not worth staying or possible to make living out of our environment. = recognition of crisis

Origin of OVOP

Oyama Town NPC movement 1

- NPC (New Plums and Chestnuts) Movement. Started in 1961.
- Background: mountain areas with small farm lands with poverty (170,000 yen/year cf: 400,000 yen needed for culturally fulfilled life)
 - =Not possible to follow national policy of large scale agriculture and rice based farming.
 - =Decrease in consumption of basic foods such as rice and wheat

Origin of OVOP

Oyama Town NPC movement 2

- Strategy: Highly differentiated agriculture
small amount, high quality products with
rarity value, processing and marketing
- Examples:
 - Fruits growing = seasonal = can take
vacation
 - Mushroom and herbs = regular harvest =
monthly income
 - Watercress and herbs = short growing
period = good for side business
 - Herbs, blossoms and mushrooms = small
and light = women participation

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Origin of OVOP

Oyama Town NPC movement 3

- NPC(Neo Personality Combination)
Movement. From 1965
- Slogan:Let's plant plums and chestnuts
and go to Hawaii!!
- By leaving hometown and staying in a
different environment enables people to
see hometown from outsiders' perspective
and get new ideas and inspirations for
town's development.
- 1967-1996 951 people visited Hawaii out
of 4,226
 - Other destinations were Israel, USA and
Germany

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Prototype of OVOP Movement by Oyama Village in Oita

- 第一次NPC運動 (“New Plum and Chestnuts Movement”)
 - Innovative conversion from traditional paddy growing to development of commercial agricultural product using geographical features and local initiative movement (1961--)
- 第二次NPC運動 (“Neo Personality Combination Movement”)
 - Innovative community revitalization movement by promotion of HRD and social activities with promotion of industries (1965 --)
- 第三次NPC運動 (“New Paradise Community Movement”)
 - Innovative activities of cultural promotion and improvement of community life with economic empowerment (1969 --)(*slide made by Igusa, APU*)

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The Origins of One Village One Product Movement

- Ex-Governor Hiramatsu of Oita Prefecture advocated the movement in 1979 based on his face-to-face communication with local (bottom-up) leaders during his vice-governorship from 1975 to 1979.
- OVOP was not a policy but a movement = Movement started in many local communities in Oita independent of (or even against) government policy and the Governor integrated these initiatives into his development policy.

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Three Key Concepts of One Village One Product Movement

- 1. Think Globally, Act Locally
Starting from local activities, using local resources with distinct local flavors and cultures, products were created and marketed.
- 2. Independence and Creativity
Local people / enterprises are key actors and governments are supporters.
- 3. Human Resource Development
Through communications, leaders were facilitated and networks were created with challenging spirits.


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OVOP movement as a kind of local development movement

- Different from small & medium enterprises (SMEs) development, rural industry development and export promotion in which certain local areas are not involved or specified.
- Local areas as a subject of movement, and it is not appropriate to use local areas as a means to produce export products by supporting local unique product in the process of OVOP movement.

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OVOP movement as a movement whose subject is local people

- OVOP movement is not a top-down project that is carried out by donors or central government from outside, but a movement whose subject is local people.
- In OVOP movement, local people are the subject of movement, and government is a facilitator to support or build that environment. The subject of OVOP movement can be local people, community-based organizations, local government and local enterprises.

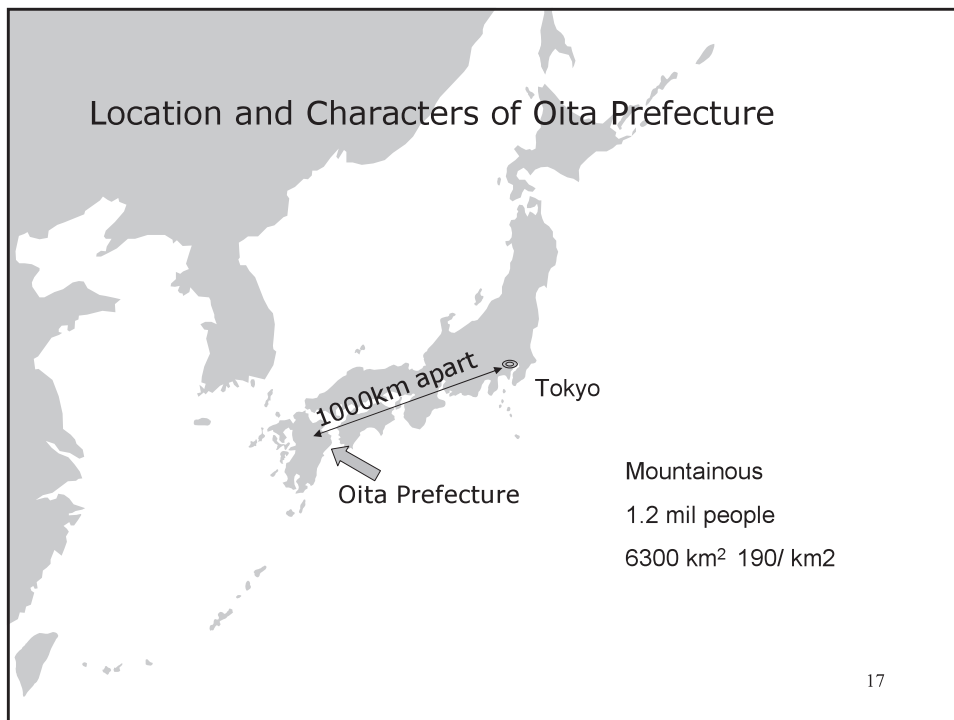
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OVOP is not the movement for merely producing goods “*mono zukuri*”

- Developing unique product (“*mono zukuri*”) is an essential factor in OVOP movement.
- However, OVOP movement should not be considered simply as production of goods (“*mono zukuri*”).
- The movement aims at human resources development (“*hito zukuri*”) through “*mono-zukuri*”. OVOP movement stimulates local people, helps them improve their awareness and attempts to empower local community.

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- ### Examples of outputs related to OVOP
- Human Resources development
groups and festivals to understand and revitalize local resources
 - Facilities
parks, training facilities, information centers in big cities, information networks etc.
 - Environment
natural forests, traditional landscapes, historical buildings etc.
 - Culture
festivals, traditional products including local recipes
 - Products
agriculture, fisheries, processed foods, flowers, NTFPs (imported wine with local label)
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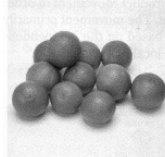
List of Regional Principal Products

年度	昭和 55年度	昭和 60年度	平成 2年度	平成 7年度	平成 9年度	平成 10年度	平成 11年度	平成 12年度	
販売額(億円)	359	734	1,177	1,294	1,373	1,363	1,398	1,402	
対昭和55年伸び率(%)	100	204	328	360	382	380	389	391	
品目数 内訳	1億円未満	74	148	136	156	170	173	187	198
	1～3億円	34	53	68	76	68	79	70	75
	3～5億円	16	14	21	15	30	24	28	22
	5～10億円	15	17	27	27	21	18	15	15
	10億円以上	4	15	20	15	17	18	18	19
計	143	247	272	289	306	312	318	329	

麦焼酎 Barley Distilled Spirits



カボス Kabosu Limes



豊後牛 "Bungo" Cattle



しいたけ Shitake Mushrooms



Slide made by Igusa, APU

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Reconfirmation of the Concepts

- Production of specific products was not the objective.
- Connection between the products and the locality was emphasized.
- Technical assistance from outsiders including local government was a clue for success.
- Information attached to the products was a key factor of success in products.
- Final goal was to create people who can recognize this process and implement for themselves.

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One Village One Product Movement Revisited

- Many prefectures tried to adopt the idea of OVOP in their policies but failed.
- In 2003, One Village One Product Movement was officially dropped from prefectural strategy in Oita. Now, prefectural government promote Local Production and Local Consumption Movement.
- Still activities bearing the spirits of movements continued.

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Interim Questions

- ❁ What would be the driving force for continuation of movement/activities in Oita even after the change of local government?



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Local Resources as Driving Force

- What are Local Resources?
 - Existing in the region.
 - Utilized primarily by people of the region.
 - Not transferable thus being treated as scarcity .
- Examples
 - Natural resources including landscapes
 - Cultural and historical resources including festivals
 - Traditional foods including their recipes
 - ++Human resources

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Local Resources in OVOP

- It is not possible to produce large quantity of commodity under Oita environment. (by Hiramatsu)
- Producing something is different from promoting the production through assistance from local government.
 - ➔ Government needs to promote the regions which attract people from outside like magnetic fields. (by Hiramastu)


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Perception on Local Resources

- Start from what we have : starting from what we are lacking will promote further dependence from outside (e.g. subsidies)
- People decide what to be utilized and produced: making products by people and supporting such initiatives by governments are different stages
- Stick to locality is important : without specific information on localities associated with localities, products need to overcome international competitiveness (e.g. motor cars or computers)

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Example of OVOP

Sanwa-Shurui (A Shochu Company)

- Facts
- Brewing Company whose main products are Shochu (Japanese liquor)
- Company started in 1958 with merger of three small companies under the situation of decrease in sales of traditional rice wine.
- In 1979, they started to produce the most selling product called 'Ichiko'

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Example of OVOP

How Sanwa-Shurui used Local Resources

- Local resources utilized:
Water and Air. (Barley was 100 imported.) Local resources utilized was an comfortable environment for the alcohol.
→ This perception is the critical point of local resource utilization!!
- Marketing Tactics employed:
Information carried with the alcohol =
Scenery of home / country-side


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Impact of Shochu Companies to region

- Implication of Iichiko to the region:
Success of production and marketing enabled to produce 100 % local resource alcohol product called Nishino-hoshi in which all barley materials are produced by nearby farmers.

→ This feedback to the area is clearly different from SME development approach.

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Example of OVOP

Yufuin Town Movement 1

- Hot spring village back of Beppu
(the most abundant hot spring in Japan)
- Background:
No big hotels with entertainment, but beautiful rural landscapes and farming
- Strategy:
Use local resources of agriculture and environment : Village development for community residents and tourists

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Example of OVOP

Yufuin Town Movement 2

- KURORT project = whole town to be the recreational hot spring town
Idea came from Germany based on overseas study visit by hotel owners
- Examples: Utilization of geothermal resources for farming : Small scale and multi-items farming
'Ordinance on Comfortable Town Development'
(Incoherency with Central Government Policy / Regulation)
- Results: Four million people a year visit the town of 12,000 residents.

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Transfer of OVOP to Developing Countries

- Thailand, Cambodia and many Asian countries, Malawi and some countries in Africa and Jamaica in Central America introduced OVOP ideas either directly from Oita Prefecture or through JICA and JETRO.
- Human Resources Development as overall goal is shared by all cases.
- In practice, most cases emphasized the products development to be marketed world-wide, utilizing local resources and/or local initiatives.

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Assessment of OVOP Idea Transfer to Developing Countries

- The name of 'One Village One Product Movement' is very famous.
- The concepts and detail history are not transferred.
- In Oita, One Village One Product Movement developed the capacity of people who are able to contribute to the promotion of their regions.
- ➔ This aspect is compatible with the concept of technical cooperation. BUT HOW??

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Problems encountered in OPOV movement in Developing Countries

- Most cases concentrate only making specific products (especially mainly for export) without much emphasis on regional vitalization.
- Initiatives by central governments are much stronger compared with local initiatives.
- Shortage of capable leaders, institutional capacities and coordination among concerned government organizations.
- Movements are sometimes remained as means of political campaign.

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What were the Problems in transfer?

- The concept of OVOP has been transferred from politicians to politicians and from government officials to government officials, both of them were not main actors of the movement in Oita.
- When applied as policy or projects, short term (economic) outcome is necessary, which is not compatible with core value of OVOP movement since it is a continuous process of development.

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What are possible solutions, then ?

- Recognizing the importance of transition of primary actors of the movement from government to private sectors and residents is critical. (Rather OVOP movement in Oita started solely from private sector!!)
- In other words, governments are not the actors but the providers of 'Mechanisms' or 'Places' for other stakeholders to meet and act. (How to find early stages of movement and facilitate them is important.)


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Opportunities and Challenges

Key Role of Local Government

- Regional development has rarely been conducted in Africa, and when done, there have been few successes. The power of central government is strong, while local government is given little authority and local finance is weak.
- Generally speaking, "villages" in Africa, unit of "*mura*"(village)-"*okoshi*"(development), have seldom been working as administrative unit, so that it may well be expected that organization of local people would involve some difficulties.

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Opportunities and Challenges

Harmony with PRSP and CAADP

- In regard to cooperation, many countries in Africa make PRSP on which World Bank and IMF have considerable influence.
- Consequently, in introducing such a movement as OVOP movement based on Japanese experience, it is vital to place OVOP movement appropriately in accordance with a development framework of the country concerned such as PRSP and also CAADP as a region.

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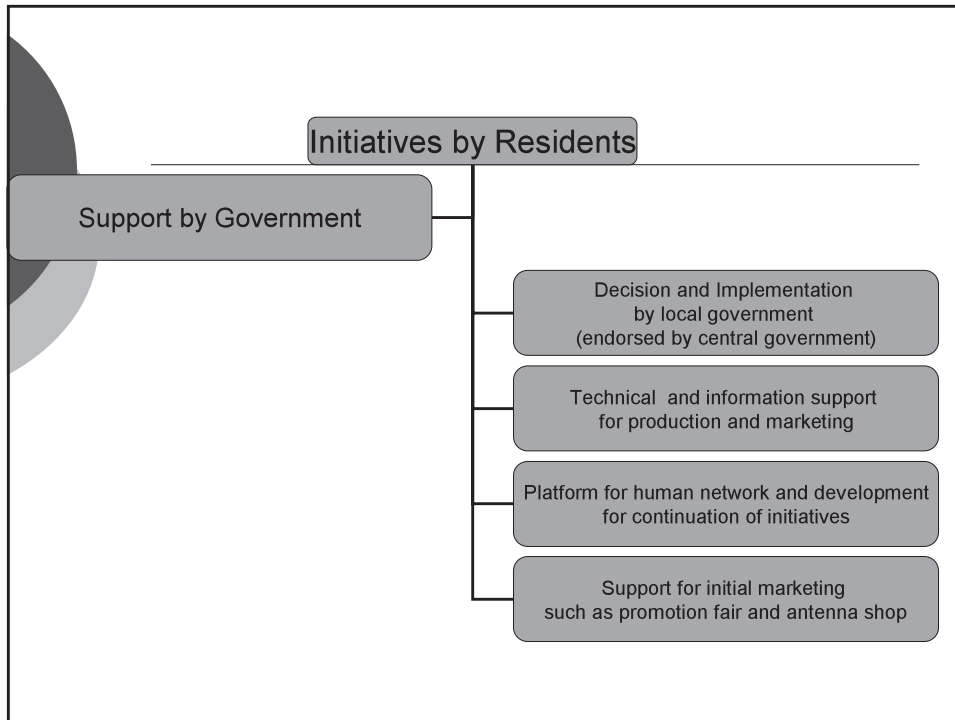


Opportunities and Challenges

Dual Approach for Implementation


- If OVOP movement is promoted as a nation-wide project of central government, the role of prefectural government in the case of OVOP movement in Oita can be played by central government in African countries.
- On the other hand, Africa can utilize OVOP movement by allocating some responsibilities to local government in its implementation, in order to enhance the capabilities of local government through practical involvement.

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Some Questions for Next step forward

- Objectives of OVOP: SMEs, Products or Regions ?
- Emphasis in Application : Promotion of Market Economy, Poverty Reduction or Sustainability?
- Responsible Organization : Central Government, Local Governments or Networks ?
- Target Market: Local, National or Global ?
- Evaluation Criteria : Process (Participation) or Products (Outputs) ?



What can OVOP do for African rural development?

- OVOP can be a driving force for sustainable rural community development, different from donor driven projects or SMEs.
- Cooperation to OVOP initiatives will certainly contribute to sustainable community development and local government capacity building through the products improvement and marketing innovation.



Importance of government roles for introduction of the OVOP initiatives

- Central government need to allow local governments to carry out appropriate support activities to local communities depending on different situations even if each activities are slightly different from the policy of Central government. =true capacity building of local governments
- Products making and marketing are not responsibility of the government, but networking of activities and information sharing including market information are the role of governments. =Balance between self-reliance and government intervention

Final Questions

- How were your ideas about One Village One Product Movement changed after listening to this lecture?
- Do you think you can apply the concept of One Village One Product movement in your country, and if so, how do you recommend to your government the introduction of the initiatives in the context of your country?

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Thank you very much for your attention.

Special Thanks are to APO and Professor Igusa of APU for allowing me to use their slides.

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