# **ONE-VILLAGE ONE-PRODUCT MOVEMENT** IN AFRICA

# JAICAF

Japan Association for International Collaboration of Agriculture and Forestry

**March 2007** 

### Table of Contents

THE BACKGROUND AND INTENTION OF OUR INVESTIGATION	1
CHALLENGES AND POSSIBILITIES IN COOPERATION FOR ONE-VILLAGE	
ONE-PRODUCT IN AFRICA	3
1. Challenges of One-Village One Product movement in Africa	3
(1) Basic information on One-Village One-Product movement	3
(2) A wide range of understanding of OVOP movement	4
(3) Meanings and possibilities of OVOP movement to today's Africa	7
(4) Considerations to the application of OVOP movement to Africa 1	11
(5) The role of government and local administration1	13
(6) The role and participation of central government1	14
(7) Market1	16
(8) Community-based organization1	17
2. Possibilities for Japan's Cooperation	
(1) Cooperation in OVOP movement	19
(2) Interpretation of OVOP concept into African context	19
(3) One-Village One-Product as a nation-wide project and a pilot project in a region	
(4) Constituents of cooperation for OVOP movement2	21

#### THE BACKGROUND AND INTENTION OF OUR INVESTIGATION

The background of "the study on agricultural and rural institutes" is as follows. Development initiative was launched by the then Prime Minister Koizumi in the WHO 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 organizing basic information on support for developing countries", which started in FY2006 as a 5-year-plan. One of the central parts of this project is "the study on agricultural and rural institutes".

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 give effective cooperation to sub-Saharan Africa (hereafter referred to as Africa ) and the less developed ASEAN countries. The theme of this study in FY2006 has been about One-Village One-Product campaign in Africa, in particular, focusing on the Republic of Ghana and the Republic of Uganda ; the former has already started the campaign in question, and the latter is likely to promote it. Researches have been conducted into information on national and regional conditions and into needs in technical support of these countries.

The One-Village One-Product 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 making large economic growth, the One-Village One-Product 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 One-Village One-Product 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 One-Village One-Product 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 One-Village One-Product movement are confirmed through the examination of experiences of the movement in Japan and other Asian Countries, and then applicability of the movement to Africa is considered. Secondly, ongoing experiences in the Republic of Malawi are analysed. Thirdly, basic information is gathered and analysed within Japan on agricultural and rural institutes in the Republic of Ghana and the Republic of Uganda. Lastly, field surveys are carried out in these two countries in order to collect useful information otherwise impossible to get in Japan.

#### CHALLENGES AND POSSIBILITIES IN COOPERATION FOR ONE-VILLAGE ONE- PRODUCT IN AFRICA

#### 1. Challenges of One-Village One-Product Movement in Africa

(1) Basic information on One-Village One-Product movement

To understand the challenges of One-Village One-Product (hereinafter called OVOP) movement in Africa, at first we need to understand its background and philosophy. To consider the possibilities of extending cooperation, it is essential to have a common understanding about what OVOP movement is.

Firstly, OVOP movement is a kind of local development movement, called "chiiki (local, region) zukuri (development), mura (village) okoshi (promotion), machi (town) okoshi". It is different from small& medium enterprises (SMEs) development, rural industry development and export promotion in which certain local areas are not involved or specified. There is little history of regional development or local economic development in Africa. It is therefore necessary to confirm the concept of OVOP movement when applying it in Africa. We need to consider local areas as a subject of movement, and it is not appropriate to use local areas as a means to produce export product by supporting local unique product in the process of OVOP movement.

Secondly, 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. As will be mentioned below, many cases of OVOP movement which have been implemented in developing countries are more like projects of central government rather than movement. However, in the idea of OVOP movement, local people are the subject of movement, and central government is a facilitator to support or build that environment. The subject of OVOP movement will be discussed later; whether it is local people and community-based organizations in a narrow definition, or whether it can include local government and local enterprises.

Thirdly, OVOP movement advocates 3 principles: (1)self-reliance and self-help, creativity, (2)human resources development, (3)local yet global. These are not only principles of Oita pref. OVOP movement, but also those of OTOP in Thailand. Self-help is derived from the principle that local area is the subject of movement. The basic principle of OVOP movement is that local people take the lead in OVOP movement independently on their own with self-reliant spirit, not that the movement is carried out as a top-down project of central government or outside donors. Because this kind of initiative is not provided from outside, creativity of local people is crucial which enables them to find out the potential resources of their village and to make unique products from local materials with local wisdom.

The term of "One-Village One-Product" presents a strong impression that the movement is for producing goods ("*mono zukuri*"). In fact, 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 involves human resources development, organization building and training of leaders. For this reason, opening opportunities for activation of people is as important as building up new seeds of industry or unique product. OVOP movement stimulates local people, helps them improve their awareness and attempts to empower local community.

Before OVOP movement in Oita prefecture started, there was a well-known movement in Oyama village (town), which employed a slogan "Planting plum and chestnut trees to go to Hawaii". The young residents in Oyama village started up "knowing the world group" in order to broaden their world vision and rethink their homeland. Former governor in Oita prefecture, Mr. Hiramatsu's words "Think globally, act locally" is one of the principles of OVOP movement. They emphasize the significance of a global view in pursuit of production which is accepted world-wide, and attach great importance to building a new town ("*machi zukuri*") based on a local area from a global point of view.

#### (2) A wide range of understanding of OVOP movement

The term of "One-Village One-Product" is easy to catch and of strong appeal to people. It is, however, easy to be misunderstood because of discrepancies between the term and the principles (the former implies product development, but the latter value human development) and because the details are little known.

One of the misunderstandings derived from the term of "One-Product" is that OVOP specializes certain product. Kazuhisa Matsui, referring to an example of Indonesia, points out that OVOP movement can be taken to mean to specialize only one product and then to upscale its production (Matsui, 2006b). The misunderstanding of this kind was also seen several times by JAICAF study team during field surveys in Uganda (for instance, at the Ministries of Agriculture and of Finance). This misunderstanding in Uganda was in fact far from serious, but was just a suspicion that OVOP movement might specialize only one product, on the proper view that to specialize only one product is not good.

Kazuhisa Matsui also refers to as another misunderstanding a tendency to regard OVOP movement as the only means for rural development and then to make it a solution of all the problems. In fact, in addition to implementation of OVOP movement, Oita prefectural government was willing to accept various measures from central government based on special legal framework for underpopulated areas and general industrial policies of the nation such as reallocation and inducement of private enterprises into the prefecture when Mr. Hiramatsu was a governor (Matsui 2006a:13; 2006b:148).

What the term "One-Village One-Product" means should be clarified because of a wide range of understanding of OVOP movement. As the necessary result of OVOP movement spreading world-wide, it has become more and more difficult to decide that the initial principles of OVOP movement above mentioned are the only correct ones so far. Therefore, it is of great importance to clarify OVOP movement in the following respects;

Firstly, the point lies in who is conducting OVOP movement. What is actually called OVOP movement includes both of local government level and of national level. In the case of Oita prefecture, where OVOP movement originated, it was carried out in local government level; the basis of OVOP movement was villages and towns, and then it was systematized by the prefecture. In contrast, OVOP movement activated in Thailand and Malawi has been a project implemented by central government, not a movement in which local people play a central role in the implementation.

Secondly, a point is whether OVOP movement is a movement or a project. OVOP movement has been spread in developing countries through international cooperation mainly by government officials. For this reason OVOP movement in those countries has been characterized as a project of central government not as a movement of local people (Matsui 2006b:149). In fact, as is also seen in the case of the original OVOP in Oita prefecture, where the prefectural government carried out many projects in order to support the movement of local people, a question whether OVOP movement is a movement or a project does not help to understand the process.

Thirdly, how much emphasis is to be put on product development in OVOP movement should be considered. Initial principles of OVOP movement put an emphasis on human resources development, and product development was just a means or an opportunity of human resources development. Many of OVOP in developing countries, however, bear a product development characteristic as a main objective.

Fourth, with regard to the aspect of product development, it should also be considered whether products are for export (global market) or for domestic market. Though OVOP movement in Oita prefecture initially aimed at global market, the products turned out to be mainly for domestic market. The One Tambon One Product (hereinafter called OTOP, the target area in Thailand is the administrative unit called ,Tambon, which is equivalent of village or town in English) project in Thailand has taken account of world-wide market. In production development in developing countries, where standard of production for export is different from that for domestic market, conditions and capabilities required for global market are different from those for domestic market.

In addition to the above respects, OVOP movement can be evaluated from many aspects: product development, theory of movement, development by participation, and so on. It can also be regarded as a kind of community business giving profit back to local people and carried out chiefly by local stakeholders. For instance, OVOP movement in Malawi supports farmers groups and entrepreneurs in rural areas, SME promotion, rural industry promotion, and the like.

It is therefore necessary for those concerned to make it clear what kind of OVOP movement they are going to implement, and to have the same understanding among them. In particular, in the case of a project where central government is to implement nation-wide OVOP, central government and local people should share the same understanding.

Lastly, we should consider the issue of subject or actor. For argument's sake, subject is defined here as actor taking the lead and playing a central role in movement and development, whereas actor is defined as broader concept including stakeholders. That the subject of OVOP movement is local people (including residents organizations) does not necessarily mean that local people go on OVOP movement on their own, but means that they work together with other actors. In the discussion on actors of local economic development in Africa, Helmsing defines local economic development as conducted by multi-actors or multi-sectors in partnership between local governments, community and civic groups and the private sector. He continues to list as leading actors (as subjects here) (1)community organizations, (2)local producers and their association, (3)local government (Helmsing 2003:69,74-5). Kazuhisa Matsui gives as subject of regional development local people, local enterprises, agricultural cooperatives, and local government (Matsui 2006a:5).

It is controversial whether local government/local administration is regarded as an actor or a subject in OVOP movement. In the theory of Local Economic Development in the following section, local government/local administration is defined as playing both supporter's or organizer's role and subject's role in OVOP movement, whatever role it may have in each country.

The role of private companies is controversial as well. Here, private companies can be divided into two categories; local enterprises and the others. The former are community-based and producing local specialties, and thus subjects in OVOP movement. The latter include big companies introduced from other districts and trading companies exporting local specialties and selling them to other districts and overseas, and thus are cooperating actors. In Oita prefecture, local enterprises are one of the actors in OVOP movement (Yoshida. Kentaro 2006). In Thailand, participants in the OTOP project are classified into local producers and SMEs. And SMEs are considered as local businesses

which produce according to the OTOP policies.

(3) Meanings and possibilities of OVOP movement to today's Africa

Here, we will give some arguments about the reasons why OVOP movement can play a very important role in today's Africa.

At first, in order to apply OVOP movement to Africa for the purpose of local promotion, Local Economic Development (hereinafter called LED) needs to be introduced. LED has already been discussed in Western literature and is considered to apply to Africa. In LED, local government is supposed to take part in economic development in partnership with public and private sectors. Local government and/or community-based organization (hereinafter called CBO) are engaged in economic development in order to stimulate economic activity and to create new jobs. LED comprises four contents; (1)Subjects are local government and CBO, (2)Purposes are industry promotion and job-creation, (3) importance to utilization of local existing resources, (4) partnership with private sectors. LED is not a new theory, but has been studied and carried out in developed countries. Recently it has begun to be applied in developing countries and also in Africa. But the same type of LED as in developed countries cannot be applied to developing countries, for in that type local government executes big-scale investment in order to attract firms from outside. In developing countries, self-reliant and community-based variations of LED which are based on local wisdom and unique skills should be applied.

There are many reasons why LED, especially community-based variations of LED has drawn considerable attention of developing countries. First, due to the threat of financial crisis, accumulated debt and heating up of competition in globalization, national governments of developing countries cannot hold enough resources and capacities to develop local areas. These are very remarkable in Africa. To solve this problem, local people can no longer depend on central government, but have to tackle self-reliantly the task of regional development by themselves.

Secondly, the role of the state has changed because of the policy of free market and structural reform. Formerly government had strong power in implementing development through intervention and regulations. But now government is expected to provide environment where private sectors, NGOs and CBOs can initiate their development.

Thirdly, as the result of the progress in democratization and decentralization, the role of local government and local people is becoming more important. Fourth, a movement type of LED can be considered positively from the viewpoint of development criticism and alternative development. Based on the arguments above, OVOP movement can be understood as a type of LED initiated by local people in developing countries. Possibilities of applying OVOP idea to African context can partly be justified from the facts that LED attracts attention in that region.

The political and economic situations in Africa have changed drastically for the past 15 years. Africa has taken an economic turn to be linked with global economy again due to economic liberalization policies in Africa. In the colonial period, African economy had close connection with Western economy and was ruled by it. Africa was developed to produce agricultural products such as coffee, cacaos, raw cotton, oil palm, and mineral products such as gold and copper for export. After independence, however, export of the primary product was stagnated and the share in the international market was getting smaller. What was more important, African was left far behind Asia in export oriented industrialization, and almost failed to increase the export of industrial product. Little change happened since the colonial period, when most of the export goods were the primary product such as agriculture and mining origin. What is worse, even the share of those products in export is becoming smaller. As a result, African economy carried less weight in international economy and was marginalized; the share of Africa in international trade was 3% in 1950 and decreased to 2% in mid 1990's. When excluding Republic of South Africa, the share was much lower and only below 1.2%.

Structural adjustment and economic liberalization has been introduced in Africa since 1990's. African countries have been trying to integrate themselves into global economy again. An intention to join globalization is also clearly proclaimed in NEPAD (New Partnership for African Development), which is development initiative by African people adopted in 2001. That may prevent African economy from marginalization and make the situation better. However, structural adjustment and economic liberalization has not yet brought about as satisfactory economic growth and expansion of export as expected. This is because globalization is an opportunity and at the same time is a threat, since there are two sides to globalization. Export to global market gives a market opportunity and is expected to bring more foreign currency by participation in active market in developed countries. But on the other hand, integration into global economy means being exposed to keen competition. African countries are forced to face competition from imports in domestic market as well. To be able to remove the threat and to make the most of new opportunities might be desirable, but that is not always the case. African countries have not made the most of the entry into global market so far, but have been exposed to a thread of competition. For example, domestic industries have lost against imports (e.g.; second-hand cloths from Europe, clothing from China, rice from Asia), and consequently some enterprises have gone bankrupt or closed down. African countries definitely need to create new import substitute and export-oriented industries.

In the process of globalization, the first aspect is rejoining the global economy and the second one is the recognition of the importance of regional development and local economic development. Export and economic development in African countries was referred to only in the context of a nation or national economic development, but was rarely related to local economy or local economic development. Centralization in African countries was so strong that most of the projects and policies were top-down. It was partly because many countries failed to solve the problems of central parts so that they found it difficult to tackle the problems in the local areas. That was why the idea of regional promotion or local economic development and the idea to dissolve the gap among areas had seldom occurred to African countries.

In recent years, however, importance of local economy and necessity of regional development has become a new issue to be discussed. It is because of the change in the role of government, decreased capacities of government, and advance in democratization and decentralization, just like the above mentioned reasons why community-based variations of LED have drawn attention.

Though some countries are fostering new export products, most of them are ones of mining companies, oil companies, foreign companies, large-scale farms, plantations, so that they fail to extensively bring benefits to many rural residents. Only urban and suburban areas are enjoying the benefits of a market mechanism and of integration into global market, but many of the rural areas and villages are left behind.

The backgrounds above mentioned will explain the following significance of OVOP movement in Africa

Firstly, OVOP movement is able to cope with the top priority of development issues in Africa, that is, poverty reduction. No doubt poverty reduction is the biggest problem in development for many of the African countries, though details are different among them. It might be controversial whether the poorest can be the direct target of OVOP movement, but the movement is sure to contribute to poverty reduction through increasing income of the poor.

OVOP movement can also contribute to rural development in terms of poverty reduction. The majority of the population in Africa lives in rural areas. The rate of the poor in rural areas is higher than that in cities. OVOP movement includes requirements for rural development such as increase in income in rural areas, expansion in job opportunities, training of local people, and empowerment of local residents. In this respect, OVOP movement is expected to make a great contribution to poverty reduction in rural areas.

Secondly, OVOP movement is significant in that it focuses on regions and local residents. As mentioned above, there has been a growing trend toward decentralization in recent years, and conditions of local development are beginning to be arranged. OVOP movement can offer an opportunity for strengthening a weak point of African countries by focusing on regional promotion in rural areas.

In relation to that issue, when linked with decentralization, OVOP movement can help convert local administration as a branch office to order mobilization of local people for a top-down project of central government to that of meeting the demand of local residents.

Thirdly, OVOP movement is significant in that it promotes the production of local specialties ("*mono zukuri*") and economic development. In Africa, poverty reduction and rural development has been focusing on social development such as education, health care, and supply of water. Consequently, economic development has tended to be left behind until recently (social development is no doubt of great importance, though). Although production of specialties ("*mono zukuri*") of OVOP movement is an opportunity for human development ("*hito zukuri*"), an element of production of specialties ("*mono zukuri*") or the connection of "*mono zukuri*" to human development ("*hito zukuri*") is significant in the application of OVOP movement to Africa; promotion of production of local specialties ("*mono zukuri*") is expected to make great contributions to the promotion of diversification of rural economy, increase of income, promotion of rural industry and of SMEs including micro-scale enterprises.

Fourth, OVOP movement can contribute to expansion and diversification of export. As mentioned above, it is necessary for Africa to catch up with globalization in economy. However, there would be little chance of their making much of globalization with export of agricultural and mineral products as in the past of the colonial period. Processing of agricultural products will increase added value, competitiveness and profit. Development and promotion of new local specialties will also bring about enhancement and diversification of exports. Foreign market is expected to make higher profits than domestic market, and thus will lead to increase in income and economic growth in rural areas. However, as was mentioned, there are two sides to the influences of globalization on rural areas in Africa. Besides, expansion in export should be the effects of OVOP movement; the movement should not be regarded as the means of export promotion.

Fifth, OVOP movement can help to reduce the gender gap. Consideration of gender is essential for development in Africa as well. Women played a crucial role in OVOP movement in Oita prefecture. In Africa, many women groups are engaged in production of local specialties. Empowerment of women and enhancement of their status in African rural areas is supposed not only to be a critical issue itself but also to cause beneficial effects on food security, agricultural production, population problem, education, and the like. Therefore, OVOP movement is expected to improve income, proficiencies and formation of organizations of women.

Sixth, OVOP movement can cope with the issue of the young in rural areas. OVOP

movement in Oita prefecture attached great importance to education and training of the young to be engaged in local promotion ("*mura (machi) zukuri*"). In today's Africa, the young are the majority of population as the pyramidal construction of population shows. In spite of this fact, job and income opportunities of the young are very limited in rural areas in particular. In order for rural areas to be active, it is requisite to give the young the opportunities to work positively. OVOP movement can furnish job and income opportunities, knowledge and skills for young people in rural areas.

#### (4) Considerations to the application of OVOP movement to Africa

In the previous section, the significance of OVOP movement in Africa was considered from the viewpoint of possibilities. Those points in the previous section, however, do not assure that introducing OVOP movement never fails to succeed. In reality, conditions specific to Africa might hinder OVOP movement from achieving the estimated results.

It is important to understand that OVOP movement is far from being an almighty method for local or rural promotion, much less being a magic wand of expanding export. In order for those issues to succeed, OVOP movement should be mixed together with other policies and projects.

OVOP movement in Africa has been introduced only in comparatively a few countries such as Malawi, whereas it has been implemented in many of the Asian countries such as Thailand, Malaysia and Mongolia. There is an acute difference in conditions for implementation between Africa and those Southeast Asia and Japan. Therefore, it is requisite to take into consideration conditions of each country in applying the idea to African countries. In his discussion on OVOP movement in Mongolia, Masao Igusa maintains that because OVOP movement is a model on the assumption that a village where OVOP movement is to be implemented is a densely populated area like one in Japan, application of unrevised OVOP movement to a different social type like Mongolia would fail to work. Rather, examples in Mongolia will be helpful in applying OVOP movement to Africa.

Other points to be paid attention to are as follows.

Firstly, poverty is more serious and widespread, and industry is less developed in Africa than in past Japan or in today's Southeast Asia. As an index of UN Millennium Development Goals (MDGs) shows, Africa is one of the regions which have the most serious poverty problems; diversification in agricultural economy, development in rural industry and development of area-specific products is limited. Preconditions have not been set enough for economic growth; the percentage of school attendance is low, the average life expectancy is not long, and the percentage of infection in infectious diseases such as HIV/AIDS is high. Let us take an example of food production. Though Southeast Asia and South Asia had achieved self-sufficiency in food through efforts like the Green Revolution by 1970's or 1980's, but many of the African countries have not; even many households in rural areas fail to secure enough food. For this reason, rice production has to be increased for an alternative to import rather than for export.

Secondly, regional development has rarely been conducted in Africa, and when done, there have been few successes. As has been mentioned above, in Africa the power of central government is strong, while local government is given little authority and local finance is weak. It is true that decentralization has been advanced these days, but in many countries in Africa, local government/local administration has been still weak and less empowered. Local people and local administrative officials have not acquired enough empowerment or experience in regional development, for they have seldom had a leading role in it. There have been some cases in which projects or movements of regional development were carried out, but local people and local administrative officials were engaged in constructing infrastructure of social sectors such as construction of school buildings or clinics. Therefore, they have been little experienced in continuous management or commitment in the development of locally unique product, market research, production or sales. Generally speaking, "villages" in Africa, unit of "mura"(village)-"okoshi"(development), have seldom been working as administrative unit or as communities, so that it may well be expected that organization of local people would involve some difficulties.

Thirdly, generally speaking, economic infrastructure such as that of transport has not fully developed, which restricts production for either domestic or export market. Rural areas especially have a problem of access to market. Landlocked countries such as Uganda and Malawi have longer transportation routes by land, which entail them higher freight costs and longer time. Therefore, we should be fully aware that long distance between production districts and market together with underdevelopment in infrastructure makes locally unique product development difficult.

Forth, in regard to cooperation, many countries in Africa make much of Poverty Reduction Strategy Paper (PRSP) on which World Bank and IMF have considerable influence. Projects which European donors influence have also been settled in each sector. Cooperation between Africa and them is thus being fostered. Consequently, in introducing such a movement as OVOP movement based on Japanese or Asian framework into where there exists a framework for development and support formed under the influence of donors in international organizations and Western countries, it is vital to place OVOP movement appropriately in a development project and a framework of the country concerned. It should also be kept in mind that when OVOP movement is to be implemented as a project of central government, it is often difficult to set up a new organization such as a secretariat for OVOP movement within central government and to assign administrative staff, because of financial difficulties owing to reforms of public sectors in African countries.

#### (5) The role of local government and local administration

Local government is assumed to be the subject of LED together with community-based organizations, to be a facilitator of the movement of local people, and to play the part of setting up the environment for economic activities of local enterprises.

It is recognized in OVOP movement in Oita prefecture that the top sale in the nation under the name of OVOP movement by Governor Hiramatsu himself was one of the reasons of its success as well as the efforts of the villages and the enterprises to promote unique products. What was more, in the case of Oita prefecture, OVOP movement was a kind of network formation of respective activities at community level. Prefectural government formed, facilitated, and organized various sprouting activities in local areas all over the prefecture.

In considering the role of local government and local administration in Africa, it is important to analyze who will take charge in carrying out that prefecture's role in both implementing and organizing activities that are already existing.

Villages are too small a unit of administration and regional development, for their human and financial resources are very weak, though local government and local administration differs so much among African countries that the analysis cannot be applied in all cases. For that reason, the unit of administration in local promotion ("*mura okoshi*") is desirable to be bigger than a village. For example, Uganda has a likely candidate for the unit of "Sub-County" in local promotion ("*mura okoshi*").

The "District" in Africa may be a unit equivalent to prefecture in Japan. In Malawi, Ghana and Uganda, District is considered as the core unit of local administration. In Malawi, local administration and municipal assembly system fulfill their function through District, and regional development system is being built including District Development Fund. In Ghana, each District is promoting three special items in District Development Programme like OVOP movement. Also in Uganda, District is the core unit of local government and local administration. There is a big difference in the size of District between Uganda and Ghana, whose sizes are similar; Ghana has 110 to 138 Districts, whereas Uganda 56. In Ghana it is possible to consider District as a unit of OVOP movement.

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 prefecture can be played by central government in African countries. The point here is not the scale or area of development, but adequate distribution of financial and human resources to facilitate the movement. Africa, with the short history of local government system, can utilize OVOP movement by allocating some responsibilities to local government in its implementation, in order to enhance the capabilities of local government and to encourage local administration, for capabilities of local government and local administration will be improved through practical involvement.

#### (6) The role and participation of central government

In a recent development theory, the role of government has changed with the change from state-based development to the one initiated by private sector, NGOs and CBOs. Government is supposed not to control the development process but to facilitate it, give advice and limited support, and provide some incentives for development. Especially, in developing countries, where government has a lot of constrains in resources and capacity, community-based type of LED is said to work better. The role and participation of central government will naturally be limited in OVOP movement as a community-based movement.

However, there are many cases of OVOP movement in developing countries in which government has played a very important part of development. An argument goes; the role of central government should, on the contrary, be very important in developing countries, which have a short history of decentralization and local government. What Igusa wrote about Mongolia as follows may apply to African countries as well.

"OVOP movement is considered as movement of people in order to activate their areas. The subject of movement should be people rather than government. Too much participation or support of government would cause the self-help efforts of the people to be weakened contrary to the purpose of the movement, and would stop the movement from going on. But the context is different in Mongolia; because of the lack of basic environment for people's initiative, government must be effectively involved to achieve the most important task of regional development."

From the viewpoint of ideology and also sustainability, there should be self-help movement, but in some countries which are lacking in the basic structure for community-based movement, the involvement of central government is necessary. The important point here is the adequate mixture of residents' movement from the bottom and the involvement of government from the top.

In the case of Thailand, central government established OTOP central committee and OTOP coordination office. Four Ministries, namely Ministry of Industry, Ministry of Agriculture and Cooperative, Ministry of Home Affairs and Ministry of Trade were directly participating through five small committees including market promotion. Actually almost all the government sectors were promoting the campaign including other Ministries, universities and police. The nation-wide implementation of the OTOP project on the same scale and standard as in Thailand needs government's extensive involvement in budget, human resources, time and other resources. It will be too big a task for central governments in African countries without any external aid. If OVOP movement is introduced on such scale and standard in African countries, it should be treated as a core project of government, with heavy contribution in budget, human resources and time even to the level that other government projects may have to be reduced.

Governments in African countries may be able to prepare the policy documents and guide-line for projects, but the next step of practice and management is difficult due to the lack of capacity. Especially when participation of many government offices including local government is needed, only limited parts of a project may be implemented, and the degree of involvement may differ in government offices and local governments.

Malawi, which is a unique case among African countries where OVOP movement has been implemented as a government project, has 10 year history of preparation through eager consideration by government officials and politicians with the help from and the exchange with JICA and Oita prefecture. However, explanation and understanding is far from enough in many local areas. Some people recognize the project as a mere rural finance project.

OVOP movement in Japan was a prefectural movement by the local people, so that all the activities were united by administration. However, when it is implemented as a project of central government, coordination among officials will be very difficult. Since OVOP movement has many contents such as rural development, processing of agricultural product, forestry product and fishery product, SMEs and export promotion, there needs to be the involvement of many government officials. As explained in the case of Thailand above, when the project is initiated as a national project, much participation from various governmental offices is naturally needed. However, too much participation will require strong capacity of a leading agency, and coordination cost will be very high. If it is implemented by only one ministry, all those problems will not appear. But instead, because of the limited section of the project, the influence will also be limited.

As the cases of Thailand and Malawi show, in the application of OVOP movement (more accurately, OVOP projects) in government level, the guidance and participation of political elite such as President and Prime Minister play a very important role. And also in the local level, governor and local councilors have strong influences on the implementation of OVOP movement. In this respect, the cooperation and participation by politicians of central and local level is said to be the key to success of OVOP movement. However, it is necessary to keep an eye on political participation, since OVOP movement and regional development can be political tools. If African countries apply OVOP movement as a government project just like Thailand, they will be successful only when OVOP movement is adopted as a core government project and enough resources can be allocated with aid from donors.

#### (7) Market

In Africa, finding market is difficult for unique products developed in local areas. Oita case was originally designated for domestic market while Thai case is mainly sought for export market. But in African cases, both domestic market and export promotion have difficulties.

For export market, (1) access to market and competitiveness, (2) infrastructure, (3) fluctuation in price and market demand are some of the problems. To compete in the developed countries' market, it is essential to maintain the competitiveness in the price, quality, package, and unique characters of products. And the deadline for shipping with certain level of quantity is also important. Moreover, there are problems in safety and environmental impact in the case of processed food and agricultural products. Quite a huge amount of investment will be necessary for entering into global market. As mentioned above, insufficient development of infrastructure such as transport and communication in Africa are disadvantageous conditions for competing in the international market. Not only the above mentioned conditions of supply side, but the conditions of demand side such as fluctuations in price and demand in the international market are also problems for Africa. In the areas where their economy is dependent on specific products, enterprises and residents are vulnerable to the change of market environment.

With relation to domestic market, because of the low buying power by the people, market scale is limited and demand is not sufficient for developing many products. Moreover, domestic market is not mature so that there is not big demand of unique products. In other words, people will buy any product as long as its functions are the same. However, increase in population and progress of urbanization in many African countries has been expanding the scale of domestic market especially in urban areas. Even under such circumstances, remote rural areas may have less competitiveness compared to suburban areas where procurement of raw materials and access to market are easier to obtain.

To solve all the problems in domestic and export market mentioned above, it is necessary to improve technology in production process for product quality including packaging. Investing human resources and material resources in the strengthening of marketing process, and preparation of channels transmitting the standard and regulations of food safety and demand trend of the market are also important. To fulfill these tasks, assistance from government and donors will be necessary. Especially for export market, cooperation with private sectors such as trading companies, food companies, supermarket, which know conditions, requirements and demand trend of the export market will also be an effective way.

#### (8) Community-based organization (CBO)

CBO is assumed as an agency of local economic development (LED). OVOP movement is the movement of community-based organization, so that CBO has a central position in OVOP movement. Together with the mainstream of participatory development since 1990's in Africa, community-based organizations have been formed not only in projects of NGOs but also in rural development, health, education, gender-projects for women in government projects.

In various places of Africa, in addition to community-based organizations organized for development by government or NGOs, there exist CBOs of mutual aid associations / organizations which are voluntarily formed for the welfare and economic purposes. The latter are traditional organizations based on kinship such as Klan and on shared territorial bonds. Those organizations have modern saving and insurance functions, and are used when people need money for education and medical treatment with a shift to a monetary and market economy. Many of them have introduced European concept of organizational structures which consist of secretariat, chairperson, secretary and treasurer. Many of those traditional organizations are for welfare and social purposes, and only a few of them are for the direct purpose of production. However, some groups of women have recently been engaged in poultry farming for the purpose of getting money for school or medical fees.

The smallest unit of local administration such as "village" is often community-based as well. In some countries, traditional "King" or "Chief" is coexistent with or part of formal local administration.

Furthermore, there are many community-based organizations which are formed on religious bonds such as Islamism or Christianity.

It is therefore vital to make use of and get along well with traditional community-based organizations, those based on religious ties, and existing organizations and institutions of traditional rulers when OVOP movement is implemented for regional development.

Some community-based organizations which have been set up by government, donors and NGOs are for development purpose. Others are engaged in production like OVOP movement; for example, income generating activities of women's groups such as poultry farming, pig raising, group store running and cultivation. Many of the organizations that are set up in relation to support or a project of government are merely beneficiaries and not active stakeholders. They are often brought to a halt soon after a close of the support.

Agricultural cooperatives were often treated as subcontractors of a project of government by African countries after independence. In relation to that, some of them were also entitled to exclusive privilege of purchasing coffee and the like. In the course of democratization and economic liberalization since 1990's, cooperatives have been set free from the intervention of government. They have also been deprived of protection and privilege of government, and consequently have been exposed to free competition. As a result, they have been forced to fail or to rebuild. New cooperatives are being organized as well in the present political and economic environment.

#### 2. Possibilities for Japan's Cooperation

#### (1) Cooperation in OVOP movement

That local promotion is local community economic development led by local people does not mean that local promotion is attainable exclusively with local resources, but means that it is indispensable to get institutional assistance, advice and financial support from outside. In this regard, such cooperation as ODA should play a certain role in local promotion. Cooperation for OVOP movement, however, should involve contradiction in a way; since OVOP movement should be movement and therefore should have autonomy as a principle, introducing or pressing OVOP would be impossible. That is, some movement should already exist as endogenous development before the introduction, and outsiders should just offer indirect support. Regarding OVOP movement not as a government project but as movement led by local people would entail that the partner of cooperation is local people and local government. It follows that cooperation for central government, which has been the main stream of ODA, would be ineffective or inadequate.

In fact, OVOP movement introduced in many of the developing countries is being implemented as a project of central government while they express participation of local people and the key role of private sectors. In this sense, cooperation in OVOP movement might seem to be within a category of an aid "for central government". However, unless an aspect of "movement by local people" is discarded, an aid "for central government" would imply a support for local people and local government "by way of central government".

International cooperation by NGO/NPO and that of local government level will also be important in view of the fact that One-Village One-Product movement originated in local government of Oita prefecture, and the fact that such organizations as NPO Oita OVOP International Exchange Promotion Committee(*Oita Isson-Ippin Kokusai Kouryuu Kyoukai*), NPO Oita Personal Training and Regional Cultural Interchange Association(*Oita Jinzai-Ikusei, Chiiki-Bunka Kouryuu Kyoukai*) are finding wider application of OVOP movement internationally.

#### (2) Interpretation of OVOP concept into African context

In cooperation of Japan in OVOP movement in Africa, what should be considered first is how Japan plans to widen the application of the movement and is involved in it. As was mentioned at the beginning of this section, if OVOP movement is originally endogenous movement, pressing Africa to accept OVOP movement is a contradiction. What is important is that African countries, local people there in particular, start the movement. And then Japan can introduce and spread it as an important part of cooperation in rural development and local promotion. Contrary to Asia, which gets comparatively easy access to information about Japan, Africa, where European countries, former suzerain states in particular, have exerted strong influence, has limited access to information on OVOP movement. Considerable efforts will be thus needed to offer Africa the information. As above mentioned, because the term is easy to be misunderstood and there is a wide range of understanding of OVOP movement, sharing the same understanding is a precondition of introducing OVOP movement.

What is the most important in cooperation regarding One-Village One-Product movement is to make the philosophy of OVOP movement understood rightly; it is movement of regional development or "*mura*"(village)-"*okoshi*"(development), and its principles are autonomy, originality, human resources development, to think globally and to act locally.

As above mentioned, OVOP movement is an effective means of rural development and regional development in Africa, so that broadening the application of OVOP movement is of significance. Successful projects and aid in Asia, however, cannot ensure that OVOP movement will succeed in Africa as well; there is a wide difference in many respects between Africa and Asia. Therefore, in cooperation of Japan in OVOP movement in Africa, it is requisite to define the conditions of each African country and then to consider a suitable plan and implementation for the country concerned.

#### (3) One-Village One-Product as a nation-wide project and a pilot project in a region

In applying OVOP movement to Africa, Japan's cooperation and involvement depends on whether it will be introduced as a nation-wide project of central government or it will be implemented in a region on a small scale.

#### (a) Cooperation in OVOP movement as a nation-wide project of central government

As above mentioned, nation-wide implementation as a project of central government costs both central and local government considerable amount of resources in budget and staff. As the case of Malawi shows, if a country in Africa plans to implement nation-wide OVOP movement, the government would fail to cover all the requisite resources on its own and would need to ask for a JICA project at the same time, even though the government expresses a lot of devotion and commitment. Malawi is the only country in Africa which is fully implementing OVOP movement. It is therefore important for other African countries to learn from examples in Malawi, for those examples surely give them some valuable suggestions. As the case of Malawi, prior to a full-scale start, considerable amount of time and resources is needed to prepare for training in Oita prefecture, inspection and exchange in some countries such as Japan and Thailand, support for settling on a plan and a guideline, support for formation of a pilot project and for examination of feasibility, dispatch of experts to those areas above, and so on.

(b) Trying to spread OVOP movement by way of cooperation in an existing project of government

As the case of Ghana, when a project like OVOP movement is already being implemented, it is possible to develop the project into OVOP movement.

(c) Deciding on a model area for a pilot project

Judging from the capacities of African governments, implementation of OVOP movement as a nation-wide project of central government could lay a lot of burden on them as referred to above. It might also lead to a deviation from essential characteristic of OVOP movement led by local people to a top-down project. Consequently it is suggested to decide on a particular area or a local government as a model for a pilot project. In Mongolia and Malawi, such a pilot project was conducted before nation-wide introduction of OVOP movement. This can be applied to other African countries as well.

What should be absolutely avoided in the formation of a pilot area is to make it successful by intensive resources and support. That is because such a way might cause a problem of sustainability that a project does not continue after a close of support, or a problem of replicability that a project does not spread in areas where there is no such intensive resources.

(4) Constituents of cooperation for OVOP movement

Constituents of cooperation for OVOP movement are as follows.

- (a) Support for exploring the unrealized and/or underutilised resources of each region and for creating unique products of the place
  - $\boldsymbol{\cdot}$  support for finding local resources

It is the support for helping local people and local government to be aware of local resources of their own. It will be attained by participatory inquiries such as those about local resources and culture, and Participatory Rural Appraisal.

(b) Support for human development

Human development is one of the principles of OVOP movement, so that cooperation in human development also plays a crucial part in cooperation in OVOP movement.

• nurturing people's talents for "chiiki"(regional) "zukuri"(promotion)

In human development it is vital to train those who are determined to contribute to "*chiiki*"(local) "*zukuri*"(promotion). In other words, it is essential to train leaders in "*mura*"(village) "*okoshi*"(promotion).

training women and the young

It is also important to train women and the young. As was mentioned, women

played an active role and formed life improvement groups in OVOP movement in Oita. Women and the young should be taught the way local women take part in "*chiiki*" (regional) "*zukuri*" (promotion), administrative support, and a change in understanding as to gender in a family.

• support for enhancing the capabilities of local people and community-based organizations

In order to enhance the capabilities of local people and community-based organizations, we can provide local talented people with support for study, training and exchange of experiences. This support includes leaders training, technical training, support for organization building and network formation. We can also provide support for dispatching trainees to Oita prefecture (for example, reception into "rural economic promotion (One-Village One-Product) " in Oita), to Asian countries such as Thailand which have implemented OVOP movement, support for exchange of experiences at home and within Africa, and so on.

training advisers on OVOP movement

In order to train advisers on OVOP movement, it is suggested to support local people, administrative officials of local government, Agricultural Extension Officers.

 $\boldsymbol{\cdot}$  support for the formation of network

It is suggested to support exchange of experiences, cooperation with universities and research institutes, to provide information, and to help build up a connection among associations, groups and enterprises.

 $\boldsymbol{\cdot}$  support for the formation of organizations of local people

The formation of organizations of local people enables poor farmers as passive beneficiaries to become active and autonomous in development works. This formation also makes it possible what an individual cannot do. Formation and systematization of groups of farmers is therefore important. Formation and systematization of groups is expected to bring about such effects as (1)acceptance of large order, (2)strengthening external appeal, and (3)exchange of information.

(c) Support for product development

- improvement in capabilities in entrepreneurship: technical training and seminars for expansion of knowledge for the purpose of beginning a business
- promotion of production: training of producers for better production technique, management and accounting
- arrangement of circumstances for raising micro-scale companies and entrepreneurs

To sell products, the arrangement of circumstances is crucial; support for commercialization of products, providing market information, support for marketing and market research. Securing a market and marketing strategy are key factors in rural industry development. It is important to secure distribution channels in export market and in cities where a large and constant demand is expected.

When marketing strategies for African countries are prepared, we should carefully make sure that the products made by each related group do not compete among themselves in the international market.

· expansion of a market by fairs and exhibitions

It is a good idea to bring together local specialties and to hold an exhibition of OVOP movement. Planning and management for the exhibitions is supported. It is also useful to make good use of "Agricultural Shows" already held in many of African countries; providing operating groups with support, setting up the OVOP movement section, making use of commendation.

training on standards and regulations

It is important to acquire knowledge on domestic standards of food safety and the like, on regulations of export destination, and on how to cope with them. Training is requisite for these purposes.

(d) Financial support

Initiating fund is supported as part of support for establishment of a business. It includes support by way of microfinance.

In OVOP movement in Oita prefecture, arrangement of financing system by prefectural government played as crucial a role as technical support did. In Ghana, it is so difficult for small-scale enterprises in a village to raise an initial investment fund or a working fund from a bank or a government agency that they have to be self-prepared or borrow money from their relatives. Such a tendency is widely seen in other African countries as well. Therefore, in OVOP movement in Africa, financial aid and arrangement of financing system is important for establishing a business, and thus cooperation in this area is essential.

It is universally agreed that access to fund is the severest restriction for SMEs including micro-scale ones, informal sectors and the poor in developing countries. This is one of the backgrounds why microfinance and micro credit have been spreading throughout the world since 1990's. Financial support or financial service is indispensable for cooperation in OVOP movement as well.

In addition, a lack of enough education and of publicity work might lead to a misunderstanding that OVOP movement is another kind of financing system in rural areas. In the financing of microfinance type to OVOP movement, we should make sure that OVOP movement might not be undersized into a kind of financing project or might not be misunderstood as such. If financing is necessary, fund should be provided by some other distinct organization. It is also needed to decide what organization or agency will provide a service of business development which is involved in cooperation in OVOP movement, and to consider how the service will be

#### offered.

#### (e) South-South Cooperation (A-A Cooperation)

Japan can support cooperation implemented in Africa by Thailand, the Philippines and the like; Japan can help them with the training programmes in respective countries.

#### (f) Cooperation in Japan

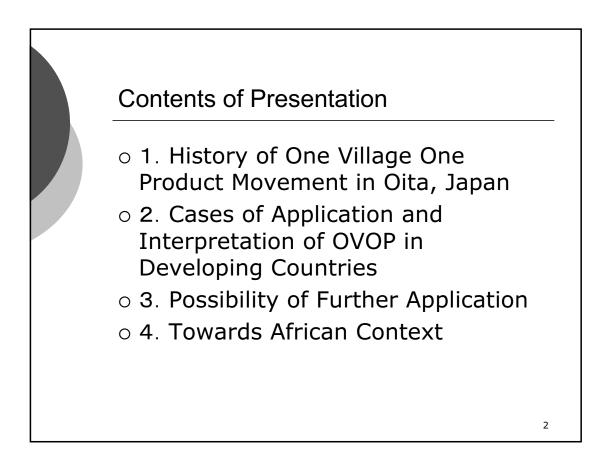
Japan can increase market access for the processed foods or some products of OVOP movement in African countries. For example, their products of OVOP movement can be advertised widely at an exhibition or a fare held in Japan.

## One Village One Product Movement

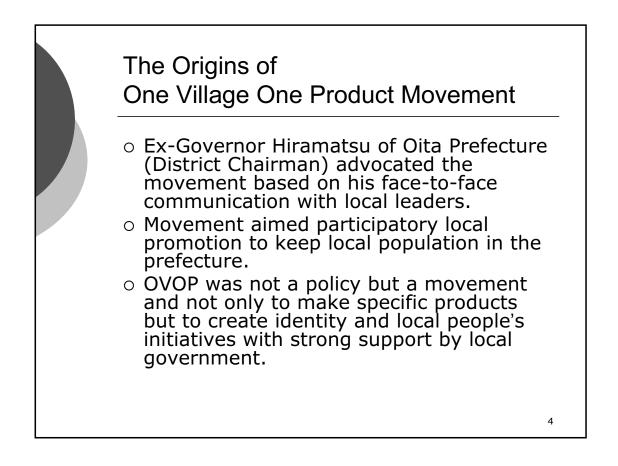
-Towards Application to African Context-

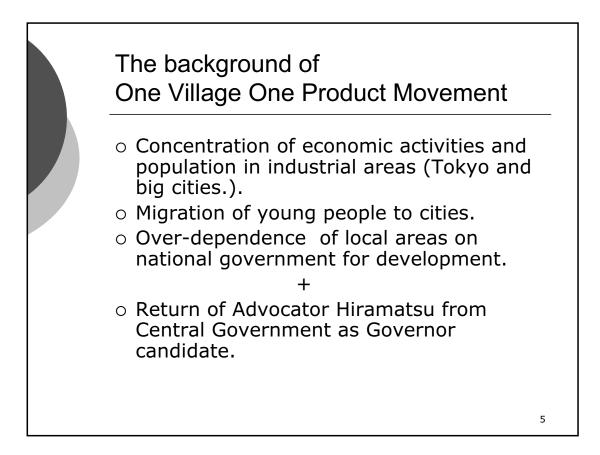
29 August 2006

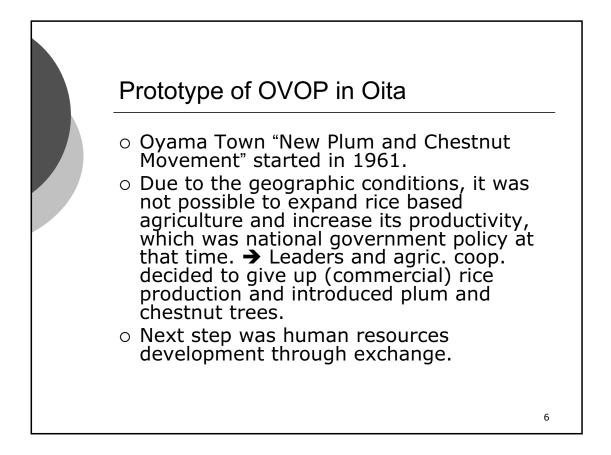
Yoshiaki Nishikawa (Nagoya University / JICA / JAICAF )

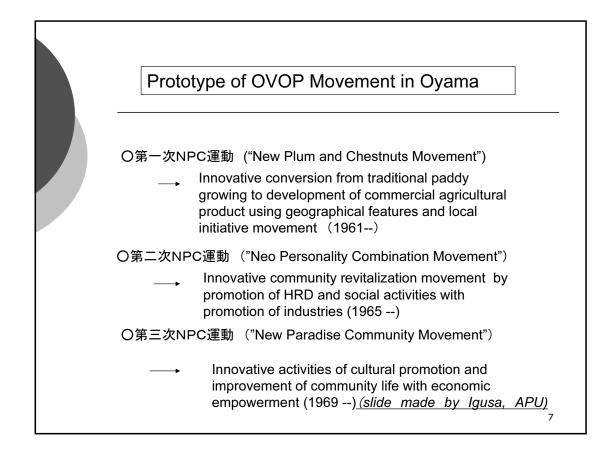


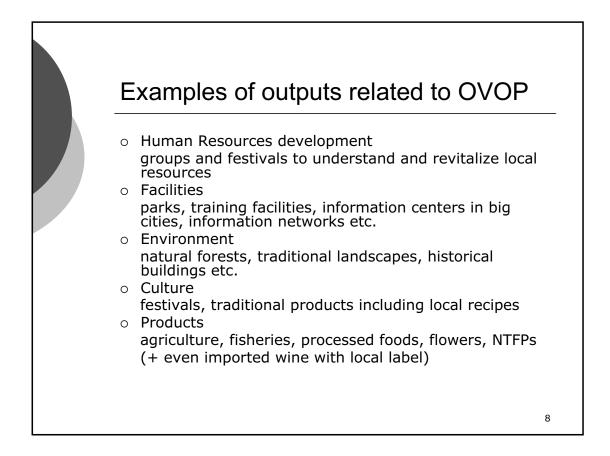






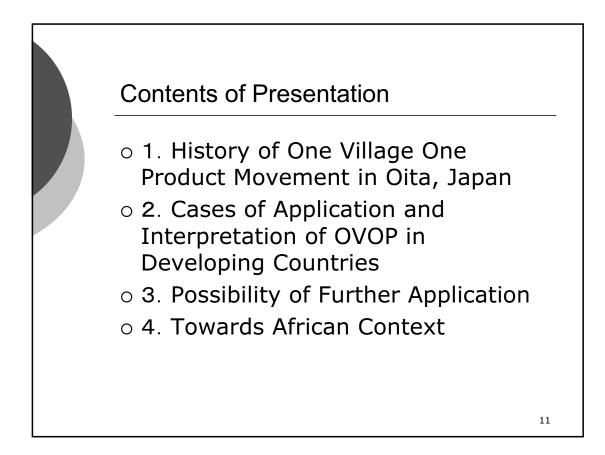


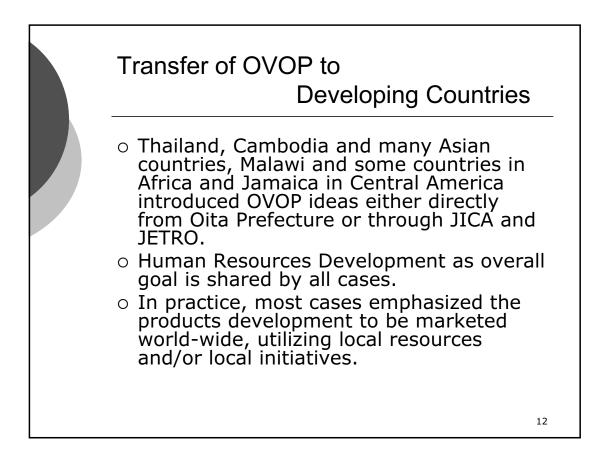




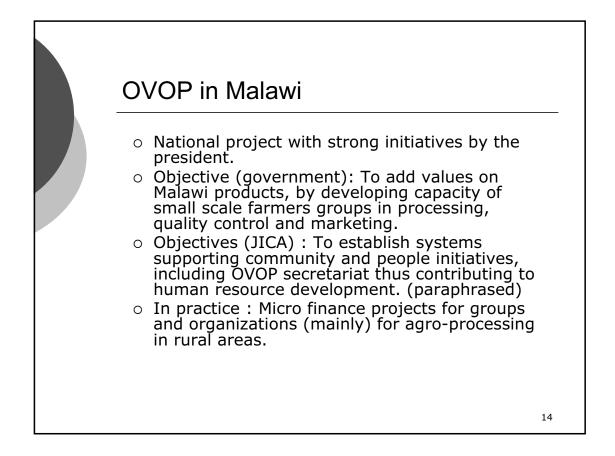
			List of I	Regi	onal	Prin	ncipa	al Pr	oduc	cts		
_			年度	昭和	昭和 60年度	平成	平成	平成 9年度	平成 10年度	平成	平成 12年度	
	販				734				1,363	1,398	1,402	
	対E	対昭和55年伸び率66			204	328	360	382	380	389	391	
			1億円未満	74	148	136	156	170	173	187	198	
			1~3億円	34	53	68	76	68	79	70	75	
	品目数	内訳	3~5億円	16	14	21	15	30	24	28	22	
	数		5~10億円	15	17	27	27	21	18	15	15	
			10億円以上	4	15	20	15	17	18	18	19	
-			dž	143	247	272	289	306	312	318	329	
麦娘耐 Barley Diet	lied Sp 使前	irits	<i>р#2 Ка</i>	abosu Lime	5		豊後牛	"Bungo" (	Cattle			LU-2-1 Shitake Mashrooms
									<u>S</u>	lide	mad	e by Igusa, APU
												9

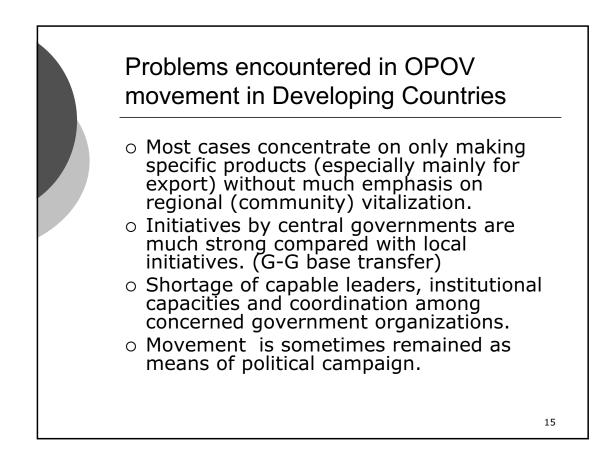


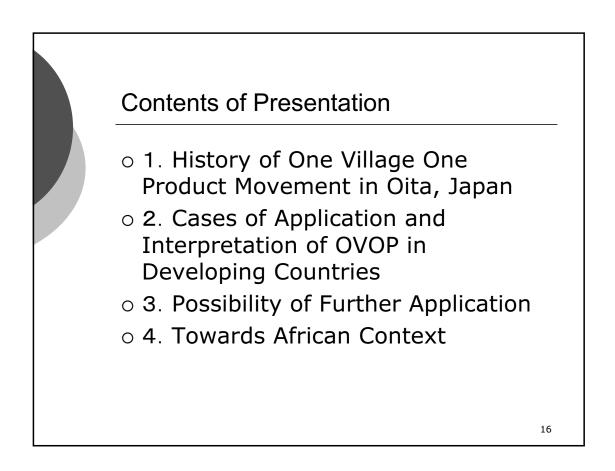


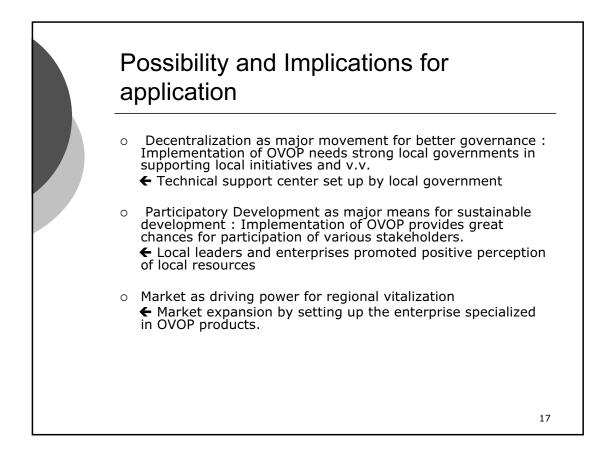


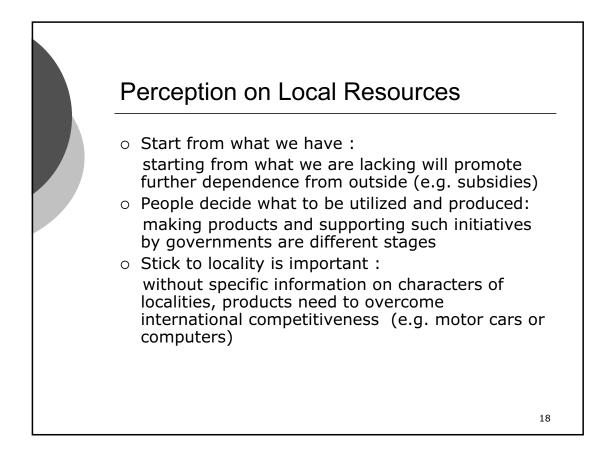


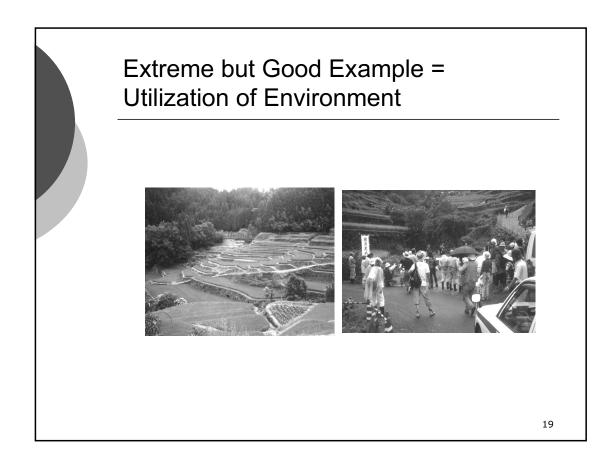


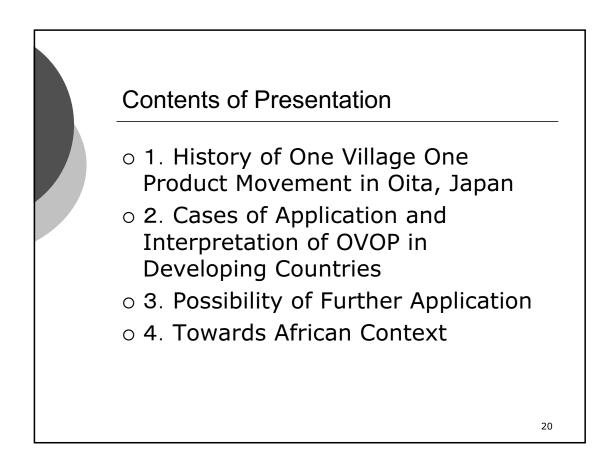








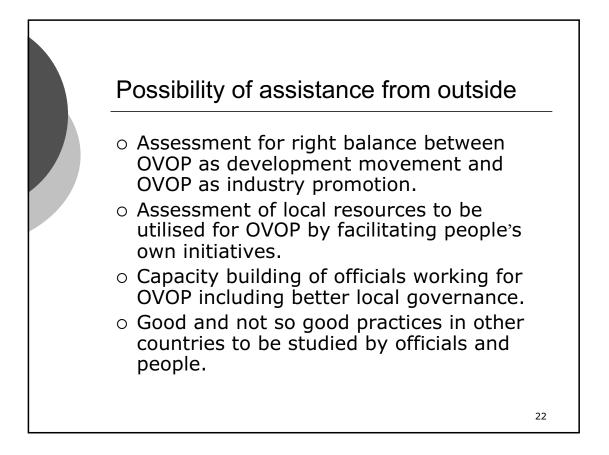






- What will be OVOP in Uganda?
- Some Questions for Next Step.
- Objectives of OVOP; SMEs, products or regions ?
- Responsible organization and Networks, Central Government, Local Governments, NGOs, CBOs and Residents?
- Target Market; Local, National or Global ?
- Evaluation Criteria; Process or Products (Outputs) ?





Thank you very much for your attention.
This presentation explains the author's personal views and not of JICA or JAICAF 's although some of the contents are based on JICA / JAICAF and IDE/JETRO studies. Special Thanks are to APO and Professor Igusa of APU for allowing me to use their slides.
23



## Japan Association for International Collaboration of Agriculture and Forestry

Akasaka KSA Bldg., 8-10-39 Akasaka, Minato-ku, Tokyo, 107-0052, Japan Tel: +81-3-5772-7880 Fax: +81-3-5772-7680