HOW NGOS FACILITATE RURAL DEVELOPMENT THROUGH GRASS ROOT ORGANIZATIONS? AN EXPLORATORY STUDY

Dr. R. Dayanandan *

Abstract :

Ethiopian economy has been growing at a considerable and significant rate and there is real potential for sustainable progress to be made, transferring the country from being poor and vulnerable, to one that is growing healthy and resilient. The government accepts that, grass root organizations (cooperatives) make important contributions to socio-economic development. Despite the benefits of the current cooperative sector, and support from the government and development partners, cooperatives face a number of constraints that limit their ability to provide core services to their members in a sustainable and scalable way. The government alone cannot provide a substantial support (in the form of financial, research, infrastructure, technology and so on) for the development of cooperative to overcome the complexity of the problems. Hence the government allowed and encouraged both national and international NGOs be one of the actors of cooperative development. However, how far the NGOs intervention has succeeded in achieving the development of cooperative business is unknown due to dearth of studies. Hence this research focused on the role of NGOs in development of cooperative business in the study area. The required data was collected from 235 cooperative members from six agricultural cooperatives selected by proportional random sampling technique. Key informant interview and focus group discussion were used for triangulation. The collected data was analyzed using SPSS software (version 20). Descriptive statistics such as frequency, percentage, mean and standard deviation were used for analysis. Furthermore, inferential statistics such as one sample t-test, binomial test, Chi-square analysis and ordered logistic regression analysis were carried out to address the objectives. The findings indicate that, NGOs helped for Agricultural Cooperatives in terms of store building, office rent, and furnish office materials with skilled staff, pioneer seed multiplication technology, provided different types of training to cooperatives members, supported marketing linkages, supply market information, helped in standardization and promotion etc. Due to the intervention of NGOs, cooperative member's living standard also improved. The regression results show that, fund availability, staff performance, networking strategy, beneficiary participation, government collaboration and climate change are the factors which affect NGOs in development of Agricultural Cooperatives. It is recommended that NGOs need to promote new technologies, diversify the production of maize and tiff, need to support in marketing like value addition, value chain and market linkages, local resource mobilization and improve the women participation in the cooperatives.

Keywords: *NGOs, Agriculture, Grass root Organizations, Rural Development.*

****Dr. R. Dayanandan,** Associate Professor, Hawassa University, Ethiopia, E-mail: afianand@gmail.com

1. Background and Rationale

Over the past three decades, the role of Non Governmental Organizations (NGOs) in development' is remains an area of substantial debate. Neo–liberal economic policies such as the structural adjustment policies of the 1990s backed this approach that directing donors fund through NGOs instead of state structure. As a result, NGOs have become major players in the field of social, economic and environmental affairs, particularly on issues of 'poverty eradication'. On the other hand, many criticisms about NGOs and their response to poverty have been given from different sources. Some scholars have questioned the role NGOs play in development process by explaining how the sector has played in affecting the local power capacity (Shurke and Kathina, 2002).

The growing importance of NGOs in the development process is attributed to the fact that they are considered suitable for promoting participatory grassroots development and self-reliance, especially among marginalized segments of society-namely, the poor, women and children. For example, within development-oriented NGOs, microfinance institutions (MFIs) try to contribute to the economic improvement of the poor by bringing in new income from outside the community, preventing income from leaving the community, providing new [self] employment opportunities and stimulating backward and forward linkages to other community enterprises (Wagonal, 2002). It is with this backcloth of the pessimistic and optimistic conceptions of the NGOs role that this research is needed to be conducted.

In Ethiopia gross root organizations (cooperatives) are one of key sector to bring development, people's equal economic distribution, to develop democracy and to establish sustainable social and economic community. They enable to bring agricultural sector rapid growth specially to alleviate rural poverty and by improving the livelihood of the rural community to change modern agriculture and to fulfill the 5 years transformation and growth plan and to maximize production and productivity by providing the input to the farmers and by adding value with the production and by accessing linkage to farmers (FCA, 2014). The Government of Ethiopia has identified the cooperative form of business organizations as instrumental to socio-economic development and has supported cooperatives for decades to improve agricultural production and productivity (Bezabeh, 2012). However cooperatives of Ethiopia are facing lot of challenges due to many reasons.

Cooperative formation often starts from a government initiative through its government structures. Government also facilitates support from NGOs to cooperatives, in terms of materials, finance and training. The government alone cannot provide a substantial support, (in the form of financial, research, rural infrastructure, technology and so on) for the development of cooperatives to overcome the complexity of the problems. Hence the government of Ethiopia allowed and encouraged both national and international NGOs be one of the actors of cooperative business development. NGO sector has been working in Ethiopia since the 1970s, in particular on food security related issues and as whole in various development arenas. There is no doubt about the role of the NGOs sector in supporting the country in time of crisis since then. However, from cooperative development perspective there is a need to think differently

about the interventions done so far and analyze the specific technical solutions in the context of the ground reality.

In this regard, there is no much-detailed literature, publications and documentation in sufficient evidence for the above argument. Therefore, it is important to quantify/qualify exactly what the NGOs doing for the rural development through cooperative in the study area. Hence, this paper seeks to explore the role of NGOs in rural development through cooperative organizations for the past six years.

2. Objectives

In line with the study subject, the specific objectives are…..

- To assess the contribution of NGOs in rural development through cooperative development.
- To examine the impact of NGOs intervention on cooperative member's livelihood
- To investigate the factors influencing the NGOs in development of cooperatives
- To understand the sustainability phases out strategy of NGOs in the study area.

3. Study Design and Methodology

The study employed mixed research design encompassing both qualitative and quantitative information. Both secondary and primary data were used to address the objectives. Primary data was collected from the members of sample cooperatives.

The study employed multi-stage sampling technique to select the district, NGOs, cooperatives and the respondents. At the first stage, among 13 districts in Zone, Meskan district was selected purposively because of high intervention by NGOs towards agricultural cooperatives and geographical proximity of the district. In the second stage, three NGOs namely Self Help Africa, SOS SAHEL and Agri-Service Ethiopia were selected purposively because these NGOs have been supporting large number of agricultural cooperatives and have better experience in their activities in rural development. In the third stage, three agricultural cooperatives among 10 cooperatives from Self Help Africa, two agricultural cooperatives among six cooperatives from SOS SAHEL and one among four agricultural cooperatives from Agri-Service Ethiopia were selected by simple random sampling technique. In the fourth stage, from the total 1949 members of six selected cooperatives, a sample of 235 was arrived using Poduri (2000) formula. $n = \frac{NZ^2\ \alpha/2}{Z^2\ \alpha/2 + 4(N-1)\ e^2}$

These sample members were allocated to proportional probability to the size. In the last stage, individual respondents from each selected cooperatives were selected using systematic random sampling technique.

The collected data was analysed by Statistical Package for Social Sciences (version 21) Descriptive statistics like Frequencies, Percentages, Mean and Standard Deviation etc. were used to analyse the data. In addition, inferential statistics like binomial test, paired sample t-test, one sample t-test, Chi-square test and ordered logistic regression were also used to arrive at meaningful results. The results are presented in the form of tables and diagrams followed by interpretation.

4. Results and Discussion

4.1. Contribution of NGOs in Cooperative Development for Rural Development: Agriculture and rural development is the oldest, yet still the most important area of NGOs involvement (Desalegn, et al. 2008). NGOs provide support by arranging experience sharing program, which helps the cooperatives to widen their perspectives. They also engage in asset building activities, supplying farm input services, giving education through short-term training especially for members in different themes, including: crop production, livestock production, market development and health service. Among the wide variety of NGOs contributions, the following were identified as common for rural development in the study area.

4.1.1. Asset Building: According to Sheffrin (2003), anything tangible or intangible that is capable of being owned or controlled to produce value and that is held to have positive economic value is considered as an asset. It is expected that the sample NGOs are supposed to involve in asset building in the cooperatives and the members as well.

Table 4.1.1: Contribution of NGOs in Asset Building (n=235)

Variables	*n*	%	Test Prop.	p-value
Building Store			0.5	0.000*
Yes	178	75.7		
No	57	24.3		
Improved Irrigation Source for Cultivation			0.5	0.794
Yes	120	951.1		
No	115	48.95		
Purchased Agricultural Machineries			0.5	0.000*
Yes	78	33.2		
No	157	66.8		
Purchased Livestock Asset			0.5	0.000*
Yes	45	19.2		
No	190	80.8		

Source: Survey data; **Note:** * Significant at 5% level

As seen from the Table 1, majority (75.7%) of respondents agreed that due to the NGOs support cooperatives could build storing facilities which helpful to the members to store the products so that they can wait up to getting fair price in the market, 48.9% of them reported that NGOs supported them by increasing irrigation source for cultivation so that they could overcome the problem of irrigation for their crops. In addition 33.2% of respondents acknowledge that NGOs supported them to purchase agricultural machineries which facilitate them in cultivation and only 19.2% of respondents replied that they have got support to purchase livestock assets. However, it is observed that except storing facilities, the sample NGOs were not able to cover most of the sample farmers in other types of services. The data were further tested for checking the representativeness of the data by using one-sample binomial test. Accordingly, building store has shown positive significance at $p<0.001$ which confirm the solid support got from NGOs by majority of the respondents. But, improved irrigation source for cultivation was not found to be significant ($p>0.05$) even though it is a means to meet the growing agricultural demands in Ethiopia (Awulachew et al., 2005). The results of key informant interview and focus group discussions revealed that NGOs support agricultural cooperatives by building stores.

4.1.2. Farm Input Services: Raising the productivity of the crops, vegetables, trees, and livestock is depends on the farm inputs and services (Bairwa, Kushwaha & Bairwa, 2011). If the farmers get adequate input for the farm they can used the idle land for cultivation which contribute their employment and income for their enhancement of livelihood.

Table 4.1.2: Contribution of NGOs by Providing Farm Input Service (n=235)

Variables	*n*	*%*	Test Prop.	p-value
Crop Loan Supply			0.5	*0.000****
Yes	78	33.2		
No	157	66.8		
Seed Distribution			0.5	*0.000****
Yes	187	79.6		
No	48	20.4		
Fertilizer Distribution			0.5	*0.000****
Yes	86	36.6		

No	149	63.4		
Pesticide Distribution			0.5	*0.000***
Yes	149	63.4		
No	86	36.6		
Production Technology			0.5	*0.000***
Yes	225	95.7		
No	10	4.3		

Source: Survey data; **Note:** *** Significant at 0.1% level

Regarding NGOs contribution on farm input services, it is found from the survey results (Table 2), about 33.2% of sample members were received crop loan, majority (79.6%) received seeds such as wheat and maize from NGOs and 36.6% respondents' availed manure/fertilizer from NGOs which are working in the study area. Tangible numbers of respondents (63.4% and 95.7%) have received pesticides and agricultural production technology from the NGOs. Thus it is inferred that due to the intervention of the NGOs most of the sample members could get benefit of input services which helped them to enhance their farm production. The one-sample binomial test indicates that seed, pesticide and production technology distribution through cooperatives helps the members for their agricultural developments and significance at $P<0.001$. Key informants also confirmed that NGOs provide different agricultural inputs like water pump, manual cultivator, seed moisture meter, small lab equipment, scale, and fertilizers twice a year depends on their product which is very important to improve the production quality.

4.1.3. Education and Training: Many NGOs in the study area have involved in public awareness creation activities as part of their intervention through education. The training given by NGOs supports institutional capacity building and has helped to create a more stable and functional environment for cooperative unions (Bezabih, 2012). Supporting the farmers through education and training enhance their knowledge on farm management and contribute to enhance their production and productivity ultimately increases their welfare.

Table 4.1.3: Contribution of NGOs in Providing Education and Training (n=235)

Variables	*n*	*%*
Training on Crop Production		
Input Application	230	97.9
Post-harvest Handling	228	97.0
Cultivation Method	233	99.1
Water Lifting technology	64	27.2
Forage seed multiplication &management	106	45.1
Training on Livestock Production		
Sustainable forage development	60	25.5
Dairying Farming	109	46.4
Poultry Farming	149	63.4
Breeding/rearing	148	63.0
Feed meal management	139	59.1
Fattening of Cattle	151	64.3

Source: Survey data

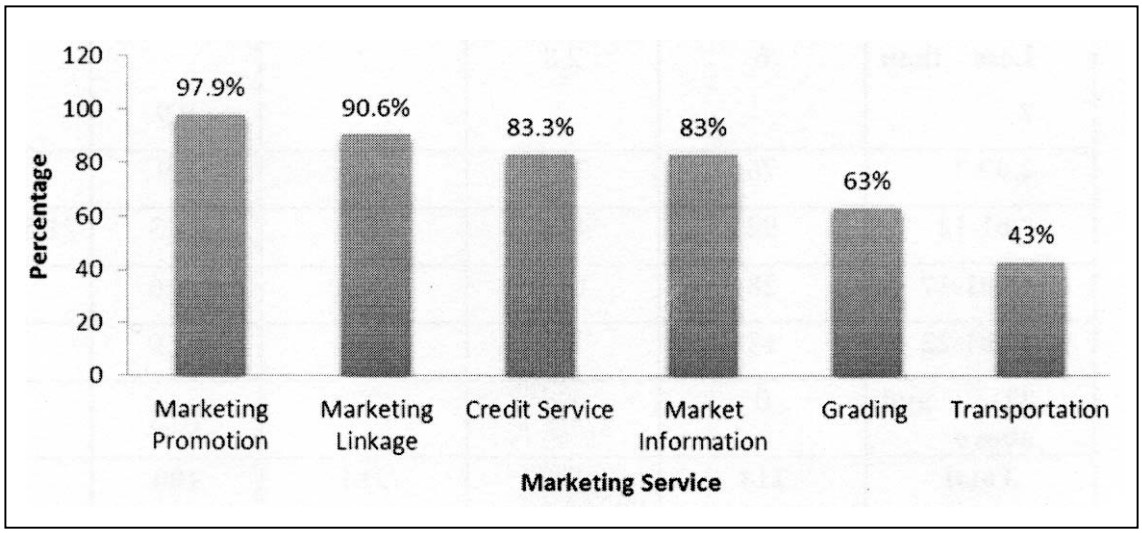
There are different types of training provided by sample NGOs to the cooperative members. As Table 3 shows, majority of the sample members got training on input application (97.9%), cultivation method (99.1%) and post-harvest handling (97.0%). On the other hand, below 50% of sample members had got training on forage seed multiplication and seed management (45.1%), and water lifting technology (27.2%). Regarding livestock production, majority (59.1%) of the respondents had got adequate training on fattening, poultry, breeding/rearing, feed management and dairying. This indicates that the selected NGOs have been involving in scaling up the capacity of the farmers so as to increase their production and productivity of farm and off-farm activities ultimately improves their welfare status. Even though there is adequate water for fish production in some part of the district, fish production was not

practiced and the cooperatives did not take training regarding fish production.

4.1.4. Market Development Service: Marketing activities are often managed and evaluated in the same way as other development activities. Within the fair-trade arena, the role and the marketing channels used by NGOs also varies. Some organizations take a direct marketing role by acting as wholesalers, with the producers acting as subcontractors and others involved in giving Market information, Grading/standardization, Transportation, Marketing linkage, Marketing promotion and Credit service (Kindness & Gordon, 2001).

Agricultural cooperatives are expected to involve in output marketing activities to the members so as to get fair price to their products and to increase the bargaining power. However, most the cooperatives do not have sufficient capital to facilitate marketing activities and failed in their objectives. In this situation, if NGOs and other agencies come forward to support the cooperatives, they can perform well in their perspectives. With this background it is necessary to see how the sample NGOs playing a vital role in facilitating the marketing activities of selected cooperatives.

Figure 1: Contribution of NGOs in Marketing Services (n=235)



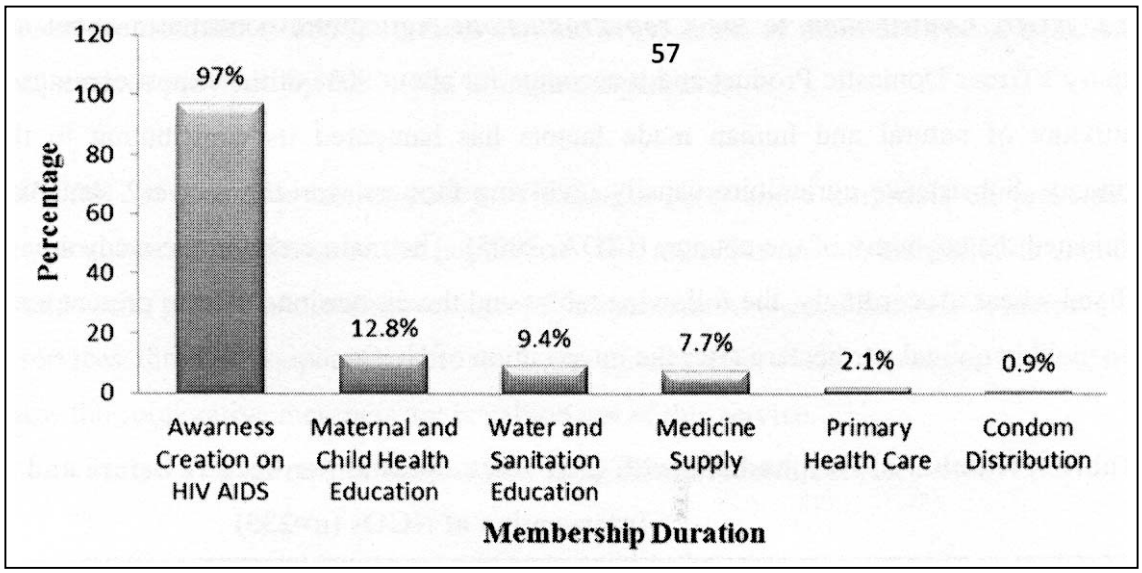
Source: Survey data

Based on the survey findings, majority of sample cooperative members has got credit services (83.3%), marketing linkage services (90.6%), market information (83%), standardization (63%) and market promotional (97.9%) services etc. However most of them are not satisfied with the transport services provided by the NGOs through cooperatives.

4.1.5. Health Service: The health policy of Ethiopia gives more emphasis on prevention and resolves most health problems of the population. The main feature of this policy is encouraging partnerships with private and non-governmental health care services. Thus NGOs are involving in health services through cooperatives to reach the masses effectively. However it is essential

to know how the cooperative members are benefited out of this service.

Figure 2: Contribution of NGOs in Health Services



As it can be seen in Figure 2 results, as high as 97.0% of the respondents agreed that they got awareness creation on HIV/AIDS, and the other health services provided by the NGOs. But services such as primary health care, supply of essential medicines, education on water and sanitation, maternal and health education, the NGOs were not able to satisfy most of the sample respondents.

4.2. Impact of NGOs intervention on Members' Livelihood

The social and economic growth of Ethiopia depends on the performance of rural sector, which dominate by smallholder producer (CIDA, 2005). NGOs performance can be measured by the magnitude of its contribution and beneficiary's livelihood improvement (www.ngoperformance.org). In this section the impact of NGOs contribution to its beneficiary's livelihood improvement in terms of livestock production and crop production were assessed and discussed.

4.2.1 NGOs' Contribution to Livestock Production: Livestock are critical to the wellbeing of rural households in terms of income, savings, food security and employment. The sector is also important to the national economy, contributing 16% of GDP, one-third of agricultural GDP, and 8% of export earnings. However the sector has hampered by different natural and institutional problems (Elleni, 2007).

Table 4: Respondents with their Livestock (in TLU) before and after the Intervention of NGOs (n=235)

Livestock (TLU)	Before NGOs Intervention		After NGOs Intervention		*t-test*
	n	*%*	*n*	*%*	
Less than 2	6	2.8	2	0.9	
2.00-7	76	35.5	17	7.9	
7.01-12	92	43.0	52	24.3	31.51***
12.01-17	28	13.1	72	33.6	
17.01-22	12	5.6	49	22.9	
22 and above	0	2.8	22	10.3	
Total	**214**	**100**	**214**	**100**	

Source: Survey data; **Note:** *** Significant at 0.1% level

NGOs were involving in the area to improve the sector, and the Table 4 results show that out of 235 sample cooperative members surveyed, 214 (91.1%) have their own livestock. The livestock includes goat, cow and chicken and it is observed from the survey results, there is a significant improvement of livestock rearing has been observed after the intervention. The results of paired t-test (t-value=31.51, $p<0.001$) revealed that there is statistically significant difference between the average TLUs before and after the intervention of NGOs among the cooperatives members' livestock assets. Hence, it is possible to conclude that the cooperative members were increased their TLUs due to the NGOs intervention which paves the way for improving their livelihood status.

In addition, FGD participants added that cooperative members were interested to have livestock population due the training on the management of livestock offered by NGOs. Members began to have hybrid cattle and minimizing the number of cattle to create conducive environment for better management and maximizing their productivity by using paddock system for effective utilization of grazing land, producing and feeding improved forages, taking health care through vaccination and medical treatment whenever their animals falling in sickness. Further, cooperative members also started to practice poultry farming by using hybrid varieties and fattening of oxen, sheep and goat in large amount. In addition, farmers were initiated to use artificial insemination (AI) in vast to improve their cattle genetic capacity.

4.2.2. NGOs Contribution to the Crop Production: Agriculture contributes about 43% of the country's Gross Domestic Product and it accounts for about 90% of the export earnings. However, a mixture of natural and human made factors has hampered its contribution to the country economy. Subsistence agriculture usually involving farmers working on very small landholding dominated the economy of the country (CIDA, 2005). The main crops in the study area are maize, teff and wheat. Accordingly, the following tables and the discussions tried to present the change of crop yield in quintal per hectare after the intervention of NGOs.

Table 5: Number of Respondents with their teff in quintal per hectare before and after the Intervention of NGOs (n=235)

Teff (Q/Hect)	Before NGOs Intervention		After NGOs Intervention		*t-test*
	n	*%*	*n*	*%*	
Less than 2	19	20.7	9	9.4	
2.00-7	5	5.4	8	8.3	
7.01-12	11	12.0	3	3.1	15.97***
12.01-17	22	23.9	6	6.3	
17.01-22	21	22.8	10	10.4	
22 and above	14	15.2	56	58.3	
Total	**92**	**100**	**96**	**100**	

Source: Survey data; **Note:** *** Significant at 0.1% level

Out of the total sample, 92 (39.1%) of them produced teff and the survey results (Table 5) shows that there is a difference of yield in teff has been observed while comparing before and after NGOs intervention. The paired t-test (t-value = 15.07, $p<0.001$) revealed that there is statistically significant difference between the average teff production by the sample members before and after NGOs support through their cooperatives. Thus, it is inferred that due to the intervention of sample NGOs, the cooperative members could increase their production *cetaris paribus*.

Table 6: Respondents with their Maize yield in quintal per hectare before and after the Intervention of NGOs (n=235)

Maize (Q/Hect)	Before NGOs Intervention		After NGOs Intervention		*t-test*
	n	*%*	*n*	*%*	
Less than 2	76	49.4	64	41.6	
2.00-7	4	2.6	12	7.8	
7.01-12	6	3.9	1	0.6	
12.01-17	22	14.3	4	2.6	10.96***
17.01-22	27	17.5	6	3.9	
22 and above	19	12.3	67	43.5	
Total	**154**	**100**	**154**	**100**	

Source: Survey data; **Note:** *** Significant at 0.1% level

Maize is one of the most important cereals grown in Ethiopia and it is used as an important food security measures. As it is observed from the survey results, 154 (65.5%) of sample respondents produce Maize in the study area and is found that there is an increase of production during the said period. The paired t-test (t-value = 10.96, $p<0.05$) results revealed that there is statistically significant difference between the average maize production before and after NGOs intervention. Thus, it can be concluded that the sample NGOs play a vital role in increasing the production of maize by providing various essential services to increase the productivity.

Table 7: Respondents with their wheat yield in quintal per hectare before and after the intervention of NGOs (n=235)

Wheat (Q/Hect)	Before NGOs Intervention		After NGOs Intervention		*t-test*
	n	*%*	*n*	*%*	
Less than 2	39	20.3	13	6.8	
2.00-7	36	18.8	32	16.7	
7.01-12	35	18.2	30	15.6	15.07***
12.01-17	34	17.7	55	28.6	
17.01-22	28	14.6	25	13.0	
22 and above	20	10.4	37	19.3	
Total	**192**	**100**	**192**	**100**	

Source: Survey data: **Note:** *** Significant at 0.1% level

Just like maize, wheat is also one of the important crops cultivated by 192 (81.7%) of sample members. The results show that there is a difference of production before and after the support of NGOs. The paired t-test (t-value = 15.07, $p<0.001$) also confirm that there is statistically significant difference in average wheat production by the members. As it was discussed in the previous sections, since the farmers getting different input and other agriculture related services they are able to increase the productivity of different cereals. Thus NGOs' supports play an important role in increasing the productivity of wheat in the study area.

According to FGD participants NGOs helped the members to adopt the techniques of modern farming, weeding, pest control mechanisms and uses of appropriate packages of technologies. As a result, they could harvest and store large amount of yields; reduce post-harvest losses and store their product under optimum condition and sell when there is a rise of prices. Therefore, the sample NGOs under study is involving different agricultural production services to increase the production and productivity of the member farmers.

4.3. Factors Influencing the Contribution of NGOs towards Cooperatives Development

One of the specific objectives of this paper is to trace out the influential factors determining the well-functioning/contribution of NGOs in cooperative development. In order to examine the relative importance or net effects of each independent variable included, by controlling all the confounding factors, multivariate analysis

in the form of ordered logistic regression was carried out. Ordered logistic regression can be used when there is ordinal dependent variable. Before using the model, multicollinearity problem among the independent variables was tested using contingency coefficient and it was found that there was no such problem among the variables. In this study, contribution of NGOs towards cooperative development was considered as dependent variable and eight selected variables through bivariate analysis such as fund availability, staff performance, and strategic plan, networking strategy, promotional strategy, beneficiary participation, government collaboration and climate change were considered as independent variables. The arrived results are presented in the table 8 and discussions on the significant variables are followed.

Table 8: Results of Ordered Logistic Regression Model

Variables	B	S.E	Wald	Odds Ratio	P-Value
Fund Availability	.653**	.225	8.434	1.92	.004
Staff performance	1.404***	.371	14.294	11.08	.000
Strategic Plan	.378	.376	1.009	1.46	.315
Networking strategy	1.205**	.363	10.985	3.34	.002
Promotional strategy	.253	.233	1.188	1.29	.276
Beneficiary Participation	2.468***	.363	46.190	11.79	.000
Gov't collaboration	1.141**	.356	10.277	3.13	.002
Climate Change	-.689**	.216	10.134	0.50	.002

Note: B= Ordered logit coefficient (Estimate), SE=Standard Error, ** & *** Significant at 1% level and 0.1% level respectively

According to ordered logistic regression output, out of eight variables which were included in the model, six predictors have found to be significant effect on the contribution of NGOs. They are (i) fund availability (B=.653, $p<0.01$), (ii) staff performance (B=1.404, $p<0.001$), (iii) networking strategy (B=1.205, $P<0.01$), (iv) members' participation (B=2.468, $P<0.001$) and (v) climate change (B=-.089, $P<0.01$).

4.6. Sustainability Phase-out Strategy of NGOs

Sustainability phase-out strategies of NGOs mean that individuals or groups gain knowledge and support so as to increasing technical capacity and management expertise to be able to continue activities on their own (Rogers and Macías, 2004). The concept of phasing out does not necessarily imply that project

objectives have been achieved. Instead, in most cases, it should mean that local institutional structures have the capacity and competence to assume responsibilities for the continuation of the development activities. It is of paramount importance to see the issue of phase out in relation to institution building and the coping capacity of local institutions. Phase-out strategy should proceed gradually as the partner's capacity increases (Barna, 1996). Therefore, phase-out strategies should be carefully considered in advance and in the process of implementation so that responsibilities are turn down activity by activity as they are completed. Also phase out strategy is an essential component to make the cooperative members in a sustainable manner then only the objectives of NGOs will be achieved effectively towards rural development.

Table 9: Sustainable Phase-out Strategy of NGOs

Variables	Test Value=3		
	Mean	SD	t-test
The project has been developed with the input of cooperatives	4.62	0.58	42.52***
The cooperatives were actively involved in every activity of the project	4.46	0.69	32.66***
The government officials were actively involved in every activity of the project	3.44	1.21	5.63***
The NGOs give continuous training to the agricultural cooperative members	4.47	0.69	32.54***
The NGOs give awareness about its activities	4.57	0.65	37.27***
NGOs notify all stakeholders about the phase-out strategies	4.46	0.70	31.92***

Source: Survey data; **Note:** *** Significant at 0.1% level

Respondents were requested whether the project has been developed with the input of cooperatives or not. In respect to this, a one sample t-test was conducted with and the result revealed that the project has been developed with the input of cooperatives i.e. t-test with test value 3 (Mean=4.62, SD=0.58, t-value=42.52, $p<0.001$). In the same way the t-test was computed regarding the involvement of cooperatives in every activity of the project. The positive t-value with test value 3 is (Mean=4.46, SD=0.69, t-value=32.66,

p<0.001) which supports the idea of agreement in that the majority respondents perceived.

Thus, from the above analysis, it can be inferred that communities were actively involved in every activity of the project. Also the results of one sample t-test revealed that the government officials were actively involved in every activity of the project (Mean=3.44, SD=1.21, t-value=5.63, p<0.001), The NGOs provided continuous training to the agricultural cooperative members (Mean=4.47, SD=0.69, t-value=32.54, p<0.001), the NGOs provision of awareness about its activity (Mean=4.46, SD=0.70, t-value=31.92, p<0.001) and the notification of NGOs about its phase-out strategies (Mean=4.57, SD=0.65, t-value=37.27, p<0.001) and so on.

The results of key informant interview and focus group discussion also revealed that to increase the technical, economical capacity and continue activities on their own, NGOs provide materials with 50% share from the cooperatives. But sometimes funding constraints may prevent extensions of exit timeframes.

Conclusion and Recommendations

NGOs intervention assumes to bring development in different sector through empowering, innovating and improving the wellbeing of the community. The research outcome indicates that the contribution of sample NGOs, in rural development through the development of Agricultural cooperatives is well. They have huge potential to become one of the cornerstones in Ethiopia's agricultural and economic development especially in rural areas where the united force of farmers can change their own lives and the overall livelihood of their community. Many of the cooperatives were benefited from the development programs undertaken by the sample NGOs. Availability of enough fund, good staff performance, existence of networking strategy, active beneficiary participation and good collaboration with government enables NGOs to achieve their goal, whereas, due to the occurrence of unexpected climate change hinders NGOs contribution for development of agricultural cooperatives in the study area. Furthermore, NGOs project development with the idea of cooperative members, involvement of the government officials, in provision of training, and notification of stakeholders about the phase-out strategies enabled the agricultural cooperatives to sustain their productivity. Hence, the role of NGOs in rural development through Agricultural Cooperatives in the study area is very crucial.

Based on the findings, following recommendations are forwarded to ensure the continuity of NGOs activities for the development of cooperative to achieve rural development.

- It is known that good production start with quality seed. There is a lot of different between the improved seed and local seed product. But the NGO working on only in wheat production, though the NGOs need start working on other varieties.
- Some part of the Woreda has adequate water for fish production. NGO need provide training and skill to cooperatives to start fish production.
- There are some activities in value chain, value addition and market linkage only for Chili. The NGOs need extend the same activities to other products like maize and *teff*.

- Fund availability has positive and significant association with the contribution of NGOs in the study area. Hence, proper attention need given to get enough fund. This could be achieved by looking for funds that are available locally.

- Government collaboration is the main aspect that enables NGOs to contribute the cooperatives in the area. It provides opportunities for mutual learning, identifying appropriate development initiatives, generating learning resources, improving coordination and cooperation with local government, harmonizing approaches to development, and pursuing effective local advocacy. Therefore, government better work with NGOs by giving the necessary information and following up their activities.

- Climate changes specially shortage of rainfall affects the contribution of NGOs negatively. Therefore, the researcher recommends that NGOs consider irrigation on various scales, through river diversion, constructing micro dams, water harvesting structures for beneficiaries' agricultural development.

- Women participation is found to be less in the sample cooperatives. So NGO needs to give special attention to encourage and create awareness among women to enable participate in agricultural cooperatives.

- NGO policy which is 30/70 (30 % for Administration cost and 70% for Program cost), should revised in selected activity. For example training cost, field expertise and fuel need to incorporate in program cost.

References

- Awulachew, S. B., Merrey, D.J, Kamara,A.B, Van Koppen, B. Penning, Vries and Boelee, E.(2005). *Experiences and Opportunities for Promoting Small-Scale/Micro Irrigation and Rainwater Harvesting for Food Security in Ethiopia*. IWMI Working Paper 98. IWMI, Colombo, Sri Lanka.

- Bairwa,S.B.,Kushwaha,S.,and Bairwa, S. (2011). Agricultural Inputs and Service Delivery Systems in India: A Review. Retrieved from: http://www.usaid.gov

- Barna, R. (1996). Country Programme Evaluation Final Report. Oslo, Norway. June, 1995, Review of a search for a pastoralist development partnership. ROTD, Barna Africa, Kampala.

- Bezabih Emana. (2012).Cooperative Movement in Ethiopia Workshop paper on perspectives for Cooperatives in Eastern Africa, Uganda.

- CIDA. (2005). *Canada and Ethiopia: Working together for sustainable Development*. Retrived from: www.acdi-cida.qc.ca/Inet/IMAGES.NSF/VLUIMages/Ethiopia

- Dessalegn Rahmato, Akalewold Bantirgu, and Yoseph Endeshaw. (2008). CSOs/NGOs IN Ethiopia, Partners in Development and Good Governance,. A Report Prepared for the Ad Hoc CSO/NGO Task Force.

- Elleni Tadesse. (2007). *Civil Society and Food Security: A case of NGOs role in Ethiopia rural marketing*. Master Thesis, Bologna University.

- FCA.(2014).Federal Cooperative Agency Annual Publication: Volume 1,Number 11.Addis Ababa,Ethiopia.
- Kindness and Gordon, A. (2001).Agricultural Marketing in Developing Countries: The Role of NGOs and CBOs. Natural Resources Institute. University of Greenwich
- Rogers,B.L.,and Macías,K.E.(2004). Program Graduation and Exit Strategies: Title II Program Experiences and Related Research .The Gerald J. and Dorothy R. Friedman School of nutrition science and policy: food policy and applied nutrition program: discussion paper no. 25
- Shurke, A., and Kathina M.(2002). Eroding Local Capacity: International Humanitarian Action in Africa, Uppsala: Nordic Africa Institute, pp l-15
- Wagonal,J.(2002).Nongovernmental Organizations (NGOs) and Third World Development: An Alternative Approach to Development, Journal of Third World Studies Spring 2002