

THE KURUNEGALA DISTRICT INTEGRATED RURAL DEVELOPMENT PROJECT

An ARTI Assessment

Introduction

District Integrated Rural Development Projects are a few major innovative programmes initiated in 1979 by the government of Sri Lanka with assistance from foreign funding agencies in order to accelerate the pace of rural development. A major objective of this programme is to achieve increased employment and income of rural families and thereby raise the general standards of living. For this purpose, increased allocations of resources are made to the rural sector in selected administrative districts under a system of decentralized planning. Integrated Rural Development (IRD) Programmes are in fact formulated and implemented on the basis of administrative districts, the individual district being treated as a unit for regional development planning purposes.

The above programme presently covers administrative districts of the country which do not benefit directly from the "lead projects" of the government, more specifically, the Mahaweli River Basin Development Project. Accordingly, the implementation of the Integrated Rural Development Programme has made it possible to achieve some sort of spatial balance in public sector investments in a number of backward rural districts which lie outside the domain of "lead projects"

However, the scope and focus of IRD programmes currently in operation in the different districts show considerable variation. Kurunegala with the highest number of agricultural operators as well as area under agricultural activities was the first district to benefit under this programme with World Bank assistance. Here, the emphasis has been largely on agricultural production and income growth and the programme implementation was planned in terms of annual targets for expenditure and achievement specifically by project components.

In contrast, in some of the other IRD programmes sponsored by donor agencies from Norway, Sweden and Netherlands, the main thrust of development activities is directed towards selected target areas and groups under the district concept using a package of activities tailored to the priority development

needs of the groups concerned. Such country-sponsored programmes operate in the districts of Hambantota, Matara and Nuwara Eliya and the scale of development expenditure here is substantially lower compared to those assisted by the World Bank.

Project Objectives

The 'blue print' approach adopted in the Kurunegala IRD project aimed at achieving the interrelated objectives of raising agricultural productivity, employment, incomes and living standards of around 170,000 farm families engaged principally in the production of paddy and coconut, the main economic activities in the district. In the process, the planners also aim to evolve a replicable model of regional development for implementation in some of the other districts in the country. The strategy followed in Kurunegala has been one of upgrading the farming systems prevalent in paddy and coconut smallholdings. The underlying assumption has been that a majority of small farmers in the project area operate at a low technical level and with project intervention, production responds to increased use of inputs and improved techniques would be high. Accordingly, the main thrust of the project has been directed towards strengthening the production base of paddy and coconut with a view to improving the resource availability to small holders. In this context, the rehabilitation of irrigation tanks, replanting, underplanting, intercropping and fertilizing of coconut smallholdings, improvements in systems of agricultural extension, credit and input supplies could be considered as the core elements of the project. Complementary to these direct productive components, the project also included limited investments for improvement of transportation, health, education, drinking water supply and rural electrification.

Altogether 12 major components constitute the project, which were handled by 20 existing government agencies.

The original implementation schedule from 1979-83 had been extended until 1985 largely to accommodate the full realization of the rehabilitation of the minor irrigation schemes and coconut development programmes. The total

costs of the project estimated at Rs.465 million at appraisal were controlled by the Ministry of Plan Implementation, through a full-time Project Director stationed at Kurunegala who coordinated all project activities at the district level.

General Assessment

The KIRDP achieved the following economic rates of returns which would have been still higher if the expected targets of coconut development were achieved.

Estimated economic rate of return

1. With and without project 71%
2. Before and after the project. 122%

Economic rates of return with sensitivity analysis

3. With 60% benefits to paddy from project 31%
4. With the production and sown acreage in 1980 51%

The project as a whole may be considered a success: implementing a strategy of target-oriented rural development, efficiently integrating and coordinating several line departments to achieve a common set of targets, and in revamping existing service structures and physical infrastructure development of several productive components within a region of marked physical and economic diversity. The compressed investment and development effort made through the project and the resultant high current and expected future rate of reimbursement would not otherwise have materialized adequately in view of the broadening base of competing demands for public sector investment over the long run.

However, in its preoccupation with investment in leading sector production growth-oriented components, through revamping of the existing infrastructure or in creating new ones, the project has not adequately taken into account the aspect of employment generation. Consequently, no evidence was found that large-scale and a sustained process of employment generation has ensued on account of the project. The project also had a crop agriculture bias which precluded it from considering investment in initiating a programme of rural industrialisation. Over the long-run such would have had beneficial effects on rural employment generation as well as

PEOPLE'S PARTICIPATION IN KURUNEGALA PROJECT

The ARTI referring to people's participation in the Kurunegala IRDP pointed out that since the project design had not prescribed any specific procedures for people's participation the project administration during the early years had concentrated largely on swift achievement of physical targets. There is a more analytical assessment by Asoka Colombage an Assistant Director, Regional Development, of the Ministry of Plan Implementation, who made his observations later than this, following his participation in a workshop held in 1985 at Nikeveratiya by the Centre for Integrated Rural Development for Asia and the Pacific. This workshop concentrated its attention on the Galgamuwa Agrarian Services Centre area in the Kurunegala district. It was intended to include a cross section of all agencies and personnel in the district concerned with IRDP and to involve them in this Nikeveratiya workshop, but it was not a cross section that took part.

Field work at this workshop was scheduled to be carried out in two under-developed villages in the Galgamuwa area - Palugama and Molewa. Colombage noted that according to elders of Palugama this village has been abandoned by its inhabitants several times due to the hardships people had to undergo in order to survive. However, they returned each time as they had no alternative. Both these villages lack most of the services and facilities enjoyed in other parts of the district. There is no electricity. The existing wells are not adequate to provide drinking water. The approach roads to these villages are in very poor condition. Children have to walk over 3 km. to the nearest school. There aren't co-operative retail shops either. In Palugama there are no lavatories, while in Molewa only 10 percent of the families have lavatories. There are no dispensaries in these villages. For medical treatment people go to Galgamuwa town, several kilometres away.

These two villages have benefitted little through the Kurunegala IRDP. A small tank in each village has been rehabilitated. People are not satisfied with what has been done nor with how it has been done. In Palugama just one UNICEF well has been constructed.

Improvements to Galgamuwa hospital, veterinary centre and Buduruwakanda school have been carried out under IRDP. These have helped the people to some extent. Both villages appear to be in need of attention.

People in these two villages know very little about IRD Projects. Some have not heard about it at all. In fact it is a matter of great surprise as to why these two villages were selected to review work done by the IRD Project. In both villages a serious problem was lack of water for cultivation. A tank has been rehabilitated in each village under the IRDP. The villagers complained that the tanks did not have the capacity to hold adequate water for cultivation purposes. As remedial measures villagers have suggested other alternatives. One is to rehabilitate several tanks in a cluster to form a single irrigation system. In such a system the excess water from one tank will flow into the other. Another suggestion is to desilt the tanks. Whether these are technically feasible or economically viable is a matter to be explored by technocrats and economists. These complaints appear to suggest however, that beneficiaries have not been consulted before decisions were made regarding the rehabilitation of tanks.

in taking off the surplus labour from agriculture which ultimately would have benefitted this sector.

An expressed intention of the project to reduce regional disparities in service provision and the resultant impact on output and incomes within the Kurunegala district was also not adequately realised. With the exception of the irrigation rehabilitation programme and a substantial portion of the wells programme, the investment in other programmes such as paddy and coconut was still biased towards the wet zone. In the wet Zone with its already developed infrastructures and greater capaci-

ty to absorb investment, the leading sector investment made through the project served to widen the pre-existing wet zone, - dry zone disparities rather than reduce them.

It is too early to assess the project impact on incomes and quality of life. Yet, the physical quality of life index values for the district remain more or less the same as they were before or on the eve of the project initiation. In addition, absolute poverty conditions recorded a decrease of 2 points during the same period. With a total project expenditure of around Rs.430 mn in infrastructure facilities and service provision over the

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KURUNEGALA IRDP

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project period in the district it is expected that the general money supply in the district would have increased resulting in some advances made towards commercialism and development activity, with more inflation effects, than before. While the project's impact on such aspects could not be isolated by the survey it is our opinion that the massive investments made through the IRDP would have had some effect in maintaining the overall quality of life in the district, and perhaps helped some of those below the poverty line to improve their income levels, at least during the project period.

Replicability and Limitations

The 'blue print' approach, of the Kurunegala IRDP Project, though rigid for a target-oriented path, was found to be useful in containing sectoral political pressures during the implementation process. These features taken together point to the possibility of the KIRDP framework being replicated elsewhere, with suitable modifications.

During its implementation period (1979-1986), the KIRDP has been successful in making large investments in the physical development of the production bases of paddy and coconut as well as the social infrastructure and other related amenities within the district. All components of the project, except water management, are recorded to have achieved the targets with minimal delays. The shortfall in the cumulative performance of irrigation rehabilitation, however, is attributed to several reasons. Construction delays relating to minor tanks as well as handing over delays in respect of rehabilitated tanks are adduced as the main causes that led to the long time lag in initiating the envisaged programme of improved water management under the project.

The inadequate recognition given to people's participation in project activities is reflected in the 'blue print' as evinced by its central focus placed on the improvement of services and inputs, both material and infrastructural, mainly towards achieving physical targets. This inevitably resulted in a situation where the emphasis was more on strengthening the 'delivery mechanism' rather than the 'receiving mechanism' at the beneficiaries' end.

The absence of an effective mechanism, particularly during the early years of the project, to express the farmers' needs as regards the design and implementation of the minor tank rehabilitation component was a deficiency. However, a relatively recent move by the project management to introduce a system of prior consultation and discussions with beneficiary farmers in regard to the rehabilitation of minor tanks is a step in the right direction.

The diminishing profit margins of the farmers due to the rapidly rising input prices are likely to have an adverse effect on their decisions regarding the adoption of modern production techniques so necessary for increasing their output. This trend is discernible both in paddy and coconut production.

It appears that the crop agriculture bias of the project has precluded it from investing on a programme of rural industrialization. The long-term beneficial effects of such a programme may have resulted in rural employment generation as well as in diverting the surplus labour from agriculture. No evidence is, however, available to suggest that a sustained process of employment generation has ensued from the project. Despite a total project expenditure of around Rs. 430 million, it is unfortunate that a mechanism was not set in motion to monitor the benefit flows and the impact of the project. This deficiency points to the need to incorporate a management information system in future projects.

Being the first attempt at using a 'blue print' for a district development programme in Sri Lanka, the project obviously had certain limitations. Nevertheless this approach, which helped to obviate local and external pressures, yet proved flexible enough to accommodate changes on the basis of both objectively valid reasons and implementation experiences, demonstrated itself to be a successful model.

The small cadre of staff deployed at the project office, perhaps necessitated by the 'blue print' concept, also proved to be a cost-effective way of administering the project. Thus, adding strength to the model, the overall results of the project presented in this study, in terms of physical targets and the degree of inter-agency co-operation achieved, exemplify the validity of its replicability.