

Thailand

# Rural Area Development through Participatory Development

Study period: September 2007



## Summary of the Evaluation

This thematic evaluation mainly examined the “industrial village” project (ODA loan project) in Thailand in order to understand the results of the project from a different standpoint than infrastructure development. This project is unique in a sense that the Japanese experience of developing “roadside stations” (*michinoeki*) (which is similar to the “industrial village” project) was communicated to the

people working on the “industrial village” project, through direct communications between residents in Japan and in Thailand.

This evaluation study attempted to show how participatory development influenced the project effects (which is difficult to accurately measure through an evaluation for a large-scale infrastructure development project), by looking at the project implementation process.

## Evaluation Results

### Background and Objectives of the Evaluation

The “industrial village” project was conducted as part of a sub-component of the Regional Development Program (II) which promotes tourism by utilizing regional traditional culture. The project aimed to stimulate the activities of groups who produce local specialty products and connect their activities to the tourist industry, based on the local residents’ initiatives and ideas. The project thereby aimed to promote self-sustainable regional development.

The “industrial village” project promoted the participation of the residents and provided know-how to the residents, because they are the main players in regional development as well as the beneficiaries. Therefore, the project used a different approach from a conventional infrastructure development project and created a new approach

where an ODA loan project is combined with participatory development. This also created the need for a different type of evaluation method than is used for conventional infrastructure development projects, i.e. evaluating the project implementation process using different criteria. In particular, when evaluating a project which aims to develop an operational system so that the beneficiary residents can independently continue the project activities, the project’s sustainability as well as its effectiveness needs to be evaluated.

This evaluation study examined in detail the project implementation process and summarized the achievements and problems of the “industrial village” project by looking at factors which lead to the sustainability of project effects.

### The Framework and the Policy for Evaluation

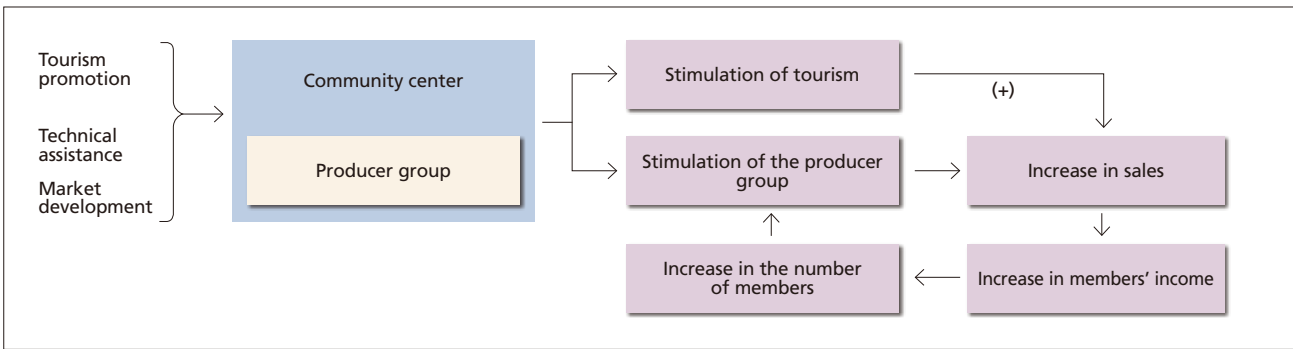
In the implementation process, the project found similarities between the development of “roadside stations” (*michinoeki*) in Japan (roadside stations are facilities established along main roads which offer a rest area, local information and a shopping area which sells local specialties) and the “industrial village” project. The project therefore attempted to use the Japanese experience in *michinoeki*. In this evaluation study, a model which analyzed the effects of the Japanese *michinoeki* projects\* was used to evaluate what actually happened in the “industrial village” project. This model mainly looks at (1) the effect of the location (on a main road) which attracts customers, and (2) the revitalization of the activities of groups which play a key role in regional development (the establishment of core groups for regional development). In the “industrial village” project plan, it was expected that similar facilities near a tourist site would attract customers. Therefore, “(1)” mentioned above was replaced by “the effect of the location (near a tourist site) which attracts customers.”

The project therefore used a model which aimed at: attracting travelers and tourists from outside the region who would purchase the local specialties; revitalizing local communities by encouraging local producer groups to serve as core players in regional development; and promoting self-sustainable regional development by creating synergies between the tourists’ purchasing power and local groups’ activities (Figure 1). Using this model (created based on the *michinoeki* model) as a benchmark, the evaluation study summarized the results of the “industrial village” project.

More specifically, the study examined the trial and error process which occurred in the project in order to understand the characteristics of the “industrial village” project, in light of this benchmark model. The study also summarized the different activities conducted by individual “industrial villages” based on the residents’ initiatives. Through these processes, the study evaluated the sustainability of the project as a participatory development project.

\* The model was created by the evaluator based on the content explained in the *Guidelines for Roadside Stations ‘Michinoeki’*, World Bank, 2004.

Figure 1 Evaluation Model Based on the World Bank's *Michinoeki* Model



Source: Produced by the author

### Evaluation Results, Lesson Learned and Recommendations

20 villages were selected for the “industrial village” project. One of the criteria for the selection was that “the village should be located in a tourist area or on the way to a tourist area.” However, only a few “industrial villages” were located close to a famous tourist site and many villages failed to attract tourists to their villages. The disadvantage of being a long way from a tourist area is undeniable. Therefore, there was no progress in regional development through the synergy effect between a location which can attract customers and the development of core groups for regional development, as shown in the *Michinoeki* model. This means that the project created core groups for regional development without having the possibility of the tourism development effects which the *Michinoeki* model assumes.

In order to overcome the unfavorable locations, it was considered crucial to further strengthen the core groups for regional development, in the project implementation process. In this process, the

project succeeded in providing the know-how for regional development which utilizes local specialty products, thanks to the efforts made by people involved in *Michinoeki* development in Japan (Table 1). Through a series of seminars and workshops, the people involved in “industrial villages” understood the possibilities of regional development conducted by local residents. People involved in *Michinoeki* development in Japan also greatly helped the “industrial village” residents to learn business methods in detail, through the creation of an action plan, on-site workshops to give advice on group activities and sales activities, etc. It was easy for the residents who need to manage the “industrial villages” to relate to the experience of the residents who succeeded in their *Michinoeki* projects. This learning process was easy to understand and it provided opportunities to absorb know-how. The residents involved in the *Michinoeki* projects also had immeasurable influence on the “industrial village” residents in gaining confidence about the potential for the project success.

Table 1 Participation of *Michinoeki* Project-Related People in the “Industrial Village” Project

Period	Event name	Content
2001	Special Assistance for Project Implementation (SAPI) for the Regional Road Improvement Project (III)	Utilization of the <i>Michinoeki</i> development experience for participatory projects was examined in Thailand.
January 2003	Participatory Aid Promotion Seminar	The similarity between <i>Michinoeki</i> and the “industrial village” project was pointed out, and participation in the “industrial village” project by people involved in <i>Michinoeki</i> development was decided.
July and August 2003	2003 Workshop I	People involved in <i>Michinoeki</i> participated in the events and discussed their experiences.
November 2003	2003 Workshop II	
September 2004	2004 Workshop	
October and November 2004	Training in Japan in cooperation with JICA	
March and April 2006	2006 Seminar	

This project implementation process strengthened the producer groups who are the core groups for regional development and the main players for implementing the project. Therefore, this process provided the opportunity for capacity development which was needed by the beneficiary residents in order to continue the project independently.

The study identified the following lessons to be learned from the implementation process. In order to overcome the problem of disadvantageous locations, the project assisted with tourism promotion for the producer groups, etc. However, the lack of good locations which could attract customers (which was a requirement for the *Michinoeki* model) remained a large problem. It is essential to secure locations

which can expect customer traffic in order for the model to work.

Another problem was that the level of government involvement in the “industrial village” project was unclear. Any participatory projects including the “industrial village” project requires initiatives and ideas from the beneficiary residents (which are the most important factors), but it is generally difficult for the residents alone to start such a project from scratch. It is also difficult for the aid executing agency or the central government to continue providing careful assistance to the residents. This makes cooperation with the local government important. However, there were only a few “industrial villages” that succeeded in building cooperation with local government. The project should have made more effort to ensure the sustainability of the project effects.