

Working Papers

I 3. The Power of Farmers Organisations in Smallholder Agriculture in East Africa

A review of 5 project initiatives of the Maendeleo
Agricultural Technology Fund

Monicah N. Nyang, Chris Webo and
Ralph L. Roothaert



No. 13

The Power of Farmers Organisations in Smallholder Agriculture in East Africa

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Maendeleo Agricultural Technology Fund



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Front page Image: Members of a farmers association in a meeting

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List of Acronyms

AA	Apex Association
AGM	Annual General Meeting
AIDS	Acquired Immunodeficiency Syndrome
AIV	African Indigenous Vegetable
AKSCG	Association of Kilimanjaro Specialty Coffee Growers (KILICAFE)
AVRDC	Asian Vegetable and Research Development Centre.
CBT	Community Based Trainer
CIDI	Community Integrated Development Initiatives
CPU	Central Pulping Unit
CRS	Catholic Relief Services
CV	Commercial Village
DANIDA	Danish Development Agency
DEC	District Executive Committee
FARM-Africa	Food and Agricultural Research Management Africa
FBG	Farmer Business Group
FCI	Farm Concern International
FO	Farmers Organisation
HBGMA	High ridge Banana Growers and Marketing Association
HIV	Human Immunodeficiency Virus
ISAAA	International Service for the Acquisition of Agri-biotechnology Application
JICA	Japanese International Cooperation Agency
KARI	Kenya Agricultural Research Institute.
KIOF	Kenya Institute of Organic Farming
MADDO	Masaka Catholic Diocese Development Office
MATF	Maendeleo Agricultural Technology Fund
MFI	Micro Finance Institution
NAADS	National Agricultural Advisory Services (Uganda)
NADIFA	Nakasongola District Farmers Association
NGO	Non Governmental Organisation
PEC	Parish Executive Committee
RALOCBFA	Rakai Local Chicken Breeders and Farmers Association
SEC	Sub-county Executive Committee
SME	Small and Micro Enterprise
SWOT	Strength, Weaknesses, Opportunities and Threats
TC	Tissue Culture
TCB	Tanzania Coffee Board
TNS	TechnoServe
UNDP	United Nations Development Program
UNAFFE	Uganda National Farmers Federation
USD	USA dollar
WFP	World Food Program

Executive Summary

The Maendeleo Agricultural Technology Fund (MATF) is an initiative managed by FARM-Africa. Since 2002 it has funded 68 projects with the aim to increase access to innovative agricultural technologies for smallholder farmers in East Africa, and to link farmers to profitable markets. Successful projects all had in common that they were implemented around strong farmers groups and umbrella farmer organisations. The umbrella organisations are referred to as Apex Associations (AA) in this study.

Starting an AA is an involving process and much of the market success and other members' benefits depend on the structure and management of the organisation. For that reason we wanted to analyse what contributes to a strong AA, what the influence of development organisations has been, and what we can recommend to other agencies which have similar missions towards facilitating farmers organisations and sustainable market oriented development.

The study focused on five farmer marketing associations related to: tissue culture (Kenya); indigenous vegetables (Kenya); specialty coffee (Tanzania); cassava (Uganda); and local poultry (Uganda). Membership ranged from 28 at the start up of an association to 11,000 after seven years. The driving force is the benefits that members derive from being a member. The most tangible benefits relate to collective marketing: premium or guaranteed prices for products. All AAs have clear constitutions and structures but democratic processes are only institutionalised in some, which hampers leadership performance and transparency in others. Gender representation of membership is skewed; women make up the majority of ordinary members while men dominate committees. When women are in leadership roles they are more often represented at affiliate group level than at apex association level. In Uganda, women are better represented in leadership roles than in Kenya or Tanzania.

The AAs had several core functions in common: communication and information management for members, capacity building, developing alliances with other partners and organisations, collective marketing, business development, resource mobilisation, and policy advocacy. All members of the AAs reported improved incomes and other benefits associated with collective marketing of their produce. Other benefits that farmers mentioned were: technical training on agronomy, post harvest loss reduction, value addition; increased market focus; economies of scale resulting in better prices; increased leadership skills of women; and savings and credit facilities.

The policy environment in all the three countries is generally considered encouraging to the development of farmer organisations. However, three AAs mentioned double or triple taxation by different government levels as major adverse policies. KILICAFE, the association dealing with coffee in Tanzania, is actively lobbying with the central and local government to harmonise taxes, levies and coffee cess. The two associations in Uganda have been able to influence the way government extension services are implemented.

Several challenges were encountered by associations during the early stages of development:

- Financial stability
- Leadership skills and accountability
- Capacity to influence policy

Other challenges were classified as either internal or external. The internal challenges are:

- Organisational development
- Uncontrolled expansion
- Management of collective marketing
- Record keeping in terms of procedures and transactions

External challenges were listed as follows:

- Donor dependency
- Political interference
- Volatile commodity prices
- Adverse policies
- Poor infrastructure
- HIV/AIDS

The study showed that key elements to achieve sustainability of AAs are good leadership, functional organisational and democratic structures and a steady source of income. After initial intensive support from NGOs, AAs can be financially independent and stand on their own after 5 to 6 years.

The report concludes with many recommendations on achieving healthy AAs that maximise services to members and contribute to better and more market oriented farming for smallholders.

Some generic recommendations are:

- Increase gender equity in the organisation.
- Initial training and mentoring to develop clear missions, objectives and constitutions; efficient leadership.
- Increased use of paraprofessionals to deliver services to members.
- Creativity in identifying services for members and linking to other networks, including financial services. Exploit available training support and other services from the government to a maximum.
- More market focus and investment in market intelligence
- Higher involvement of AAs in the planning, design, and implementation of government policies.
- Support from public institutions and NGOs should not distort the value chain.
- AAs need to develop internal monitoring and assessment mechanisms
- Care with expanding too rapidly
- Explore opportunities for the private sector to invest in AAs and allow them to integrate and use facilities of AAs.

I. Introduction

Maendeleo Agricultural Technology Fund (MATF), an initiative managed by FARM-Africa, was established in 2002 with joint funding from the Rockefeller Foundation and the Gatsby Charitable Foundation which since 2005, has been channelled through the Kilimo Trust. Its aim is to improve livelihoods of smallholder farmers in East Africa through making improved agricultural technologies more accessible, adding value to products, and improving market access. Since its inception in 2002, MATF has funded 68 projects in Kenya, Tanzania and Uganda on more than 40 different technologies and agricultural innovation processes. Projects are selected through competitive concept note and proposal writing, and implemented through consortia of research and development partners, private sector, and farming communities.

In virtually all MATF funded projects, farmers are mobilised through group approaches. Working with groups increases the efficiency of training and dissemination, and it creates an opportunity for farmers to speak with a stronger voice. Farmers' active participation in decision making processes related to their own development is essential, because they need to shape their own future. Farmer groups also allow for like minded members in a community to flock together and plan activities of common interest. MATF projects have stimulated many women groups, for instance, because women's interests are often more focused on the bettering of the live of every member of the family compared to men's interests. Members in a group often support each other beyond agriculture related activities, such as 'merry go round' saving schemes to enable individuals to improve their living conditions, invest in businesses, or spend on ceremonies such as weddings.

Towards the end of the project cycle, as the agricultural developments take shape, most farmer groups involved in the production and marketing of products form apex associations to develop linkages with markets and the private sector. Effective farmer organisational linkages with the private sector and agribusinesses increase services for their members such as supply of agricultural inputs, credit financing, provision of transport, storage facilities, advisory and training services. Other benefits are reduced marketing costs, easier planning of production and adherence to delivery schedules. Traditionally, smallholder farmers in East Africa have aimed to increase food production to be self sufficient with little regard to market demands and market dynamics. Associations on the other hand provide a real business opportunity for these farmers to produce for the market and make profits. When organized, farmers can be part of the market economy and even influence it.

Case studies drawn from experiences in Sub-Saharan Africa (SSA) show that agricultural research and advisory services are increasingly channelled through farmers' associations (Wennink and Heemskerk, 2006¹). Farmers' associations that provide these services themselves, are often directly supported by NGOs and donors, and are increasingly being contracted to provide advisory services by the public sector, and sometimes also by the private sector. Farmer associations are also a powerful link between the government and people in the rural areas. Members can form a strong voice and lobby for policy changes through the association to improve conditions that affect their agricultural enterprises and their livelihoods. On the other hand, the associations provide an efficient channel for the government to engage a particular target group in a development programme, for instance farmers who are united around the production and marketing of an agricultural commodity.

¹ Wennink, B. and W. Heemskerk (eds.), 2006. Farmers' organisations and agricultural innovation. Case studies from Benin, Rwanda and Tanzania. Bulletin 374. KIT-Publishers, Amsterdam.

A farmer association or organisation is a member-owned, transparent, democratically operated, private sector-oriented group, which is organised and managed by its members to meet the economic needs and aspirations of its members. In media and literature, terms such as 'groups', 'organisations', 'associations', and 'apex bodies' are often used without clear definitions, hierarchy or boundaries. In this study we use the term 'farmer organisation' as a collective form for all forms of union of farmers, from village to national level, which have an aim to increase benefits for the individual member farmer. In addition, when we mention the term 'farmer group' in this study, we refer to those primary village based organisations that are engaged in agricultural production. We will use the term 'apex association' to refer to a secondary level organisation that comprises different affiliate groups, and that often engages in value addition and/or marketing of agricultural products.

1.1 Objectives of this study

The objectives of this study were to understand the process of formation of apex associations, based on practical examples in MATF projects. Another objective was to formulate recommendations on how best to assist this process. Several issues were explored in order to better understand the process and the motives for the stakeholders involved:

- Conditions of membership
- Gender participation
- Expectations from farmer groups
- Expectations from executive committees of apex associations
- Access to services through associations such as technical support
- Benefits and impacts derived from membership, e.g. value addition and market access
- Organisational linkages such as micro-credit and saving facilities, market linkages
- External policy implications affecting the organisation, and the effect of organisations on policies
- Challenges encountered
- Sustainability of associations

The existence and strength of 'pyramidal' linkages between associations at the top, farmer groups in the middle, and farmers at the bottom were investigated. The study also analysed how the farmers association and groups at various levels benefited from each with regard to their goals and objectives and what they feel was lacking or challenging to their success.

Furthermore, the study identified possible strategies that could be used by the association in order to lead to a sustainable farmer association at the apex, one that is able to meet the farmers' diverse needs and expectations.

The intention is that lessons learnt from this study can be used for development of programmes that aim to strengthen farmer organisations at various levels, ultimately benefiting many rural livelihoods.

2. Methods Used

Projects were selected from the three East African countries where MATF has funded projects. The criteria for selection were that the project had been in operation for several years, apex associations had been formed and had continued to exist after the project funding had stopped. Table 1 presents details of the projects and farmer apex associations that were selected in this study.

Table 1: Details of projects studied

Country	Name of project and lead organisation	Name of Farmer Apex Association	No. of affiliate groups interviewed
Kenya	Project: Diversifying markets and utilisation of tissue culture banana through value addition and processing. Lead: International Service for the Acquisition of Agri-biotechnology Application (ISAAA)	High-ridge Banana Growers and Marketing Association (HBGMA)	4
Kenya	Project: Empowering small scale and women farmers through sustainable production, seed supply and marketing of African indigenous vegetables. Lead: Farm Concern International (FCI)	Lower Lari Commercial Village	1
Tanzania	Project: Moving from commodity coffee to specialty coffee through use of central pulperies. Lead: TechnoServe	Association of Kilimanjaro Speciality Coffee growers Association (AKSCGA – KILICAFE)	3
Uganda	Project: Improved cassava production, processing and marketing project in Nakasongola Lead: Nakasongola District Farmers Association (NADIFA)	NADIFA cassava processing factory	5
Uganda	Project: Improving indigenous chicken production through programmed haTChing and cockerel exchange Lead: Community Integrated Development Initiatives	Rakai Local Chicken Breeders and Farmers Association (RALOCBFA)	2

Members of the executive committees of the apex associations were interviewed with a semi-structured questionnaire. The information collected from the farmer apex Executive committees was compared with views from affiliate member groups of the same apex associations, using a slightly modified questionnaire. A total of 20 organisations were interviewed: 5 apex associations and 15 farmers groups.

Two days were spent at each project location where discussions were held and interviews were conducted with the apex association executive committee members, the affiliate group members, and some staff employed by the associations. Feed-back was given to all stakeholders together. Primary data were collected through interviews using questionnaires and observations made by the team while in the field. Secondary data were gathered through review of literature and project reports. Some additional qualitative were captured during informal discussions with key informants from any association, group of project staff.

3. Description of Farmer Associations Studied

3.1 High-ridge Banana Growers and Marketing Association

Establishment and membership

In 2002, ISAAA in partnership with KARI- Thika started the promotion of growing TC – banana through the project entitled: 'Biotechnology to benefit small scale banana producers in Kenya'. The objective was to make banana plantlets available to resource poor farmers in central province, in order to increase banana productivity leading to more food and increased incomes. Farmers were encouraged to unite their individual groups and form an umbrella association, that later became the High-ridge Banana Growers and Marketing Association (HBGMA). The association responded to farmers' plight of lack of market, low prices for their bananas, and low access to modern production technologies to increase yields and improve quality of the banana fruit in the region.



A tissue culture banana researcher at work in a biotechnology laboratory

HBGMA was established in 2003, with 8 member groups and 500 members drawn from Central Kenya. In 2009 it had grown to 1,200 members drawn from other regions as well such as Kisii, Meru, Rachuonyo and Taita Taveta. Currently the association has branches in Central, Eastern and Nyanza Provinces. Single members from any group can join through an initial payment of Ksh. 100 with an annual fee of the same. An entire group can also join the association as a single entity upon payment of Ksh. 1000.

Association goals, objectives and activities

The main objectives of HBGMA are:-

- To promote production and marketing of bananas and other fresh farm produce, through the establishment of Produce Collection Centers and Market Information Centers, and Regional Branch Offices.
- Enhance access to planting material in the banana growing areas by sourcing of preferred materials from tissue culture laboratories, and facilitating the establishment of hardening nurseries.
- Provision of extension services to promote innovation and information on tested agricultural technologies to achieve high quality standards of produce.
- To create rural savings and credit facilities.
- Establish networks with different stakeholders in the value chain such as input suppliers (fertilisers, herbicides, pesticides, fungicides), organisations involved in value adding, and marketing agencies at national and international levels.
- To produce real time market information to banana farmers through market information centres.
- Enter arrangements with donors for the benefit of the association and its members.



Tissue culture banana plantlets in a hardening nursery, Uganda

Routine activities of the association include sourcing planting materials and making them available to farmers through the localised hardening nurseries; providing technical assistance through trainers (CBT) on banana orchard management and value addition, especially in the making of solar dried bananas. Farmers' have been linked to Genetic Technologies Limited (Kenya) and hardening nurseries for sourcing the TC- bananas. Additionally, the association sensitises farmers on banana production as a commercial crop in the region.

The affiliate group members have been trained in processing banana into products, albeit on a small scale that is yet to be transformed into commercial production. Such products include banana crisps, flour and chapatti using composite flour made of wheat and banana flour. HBGMA linking up with PIKNIK, a fruit processor in Murang'a town for the purpose of processing banana into juice and flour.

BOX 1: Community Based Trainers (CBT)

Trainers in the community selected from the farmers themselves, who then act as para-professionals in the various areas of the technology intervention. They are the community's reference 'teachers', understand the farmers better as they are part of the community and are based within the communities social set up. They play a role of linking farmers and the development agencies staff, making it easier to build the capacity of many farmers within a short time.

Farmers benefits from HBGMA

Farmers mentioned various benefits from being a member of HBGMA:

- Access to value addition technologies such as ripening chambers, processing into crisps and flour, and chapatti making.
- Technical advice on crop husbandry for production of high quality bananas.
- Collective marketing thus fetching higher prices.
- Through the association, farmers have been able to get a platform for



Farmers undertaking a training at a tissue culture banana demo field, Kisii, Kenya

engaging in negotiation and discussions with government agencies, research institutions and other associations within and beyond the districts.

Several members of the association have been trained and become trainers in TC-banana production thus helping in creating awareness and training other farmers in different parts of the country to increase production and adoption of TC-banana.

HBGMA interacts with other service providers such as financial and input services as well as links to markets and traders. HBGMA has initiated the introduction of 'merry go round' in all affiliate groups of the association. Equity bank has shown interest in working with the farmers now that they're organised into groups. Additionally, the association has developed strategic business and marketing plans and has explored various marketing channels through TechnoServe, Kenya Gatsby Trust, and processing entrepreneurs such as PIKNIK in Murang'a.

Association and its influence on policy change

The association is in its formative stage and therefore not yet strong to lobby, advocate for and influence policy change. It is yet to find its footing in the liberalised market economy to wield its power and strength. Middle men are still making in-roads, such that the farmers are yet to establish formal negotiations with large scale buyers that would result in contractual and therefore commercial production and marketing as a result of economies of scale.

The association, on the other hand, encounters numerous taxes and levies charged upon its members by the local authorities. These are a disincentive to production and negatively affect market prices, hence there is need for review and harmonisation of these levies such that they are only charged as lump sum, as is the case for the single business permit arrangement.

Ownership and sustainability of the association

To help in promoting the TC-banana technology, several members have been trained as CBTs to conduct training in different parts of the country. In order to affect policies better and create

better marketing conditions, there is need for expansion of the branch network and recruitment of more members from the grass root level and develop a network with other commodity groups. HBGMA needs to improve on marketing through the construction of collection centres. There is an opportunity to develop standards and regulatory framework for the TC-banana industry, which could create a win-win situation for the industry and producers.

3.2 Lower Lari Commercial Village

Membership and establishment

The association started in 2005 with support from FCI. Members are smallholder farmers that engage in commercial vegetable production and Aloe vera. Lower Lari Commercial Village (CV) has 9 groups that make up the CV. Membership is on voluntary basis but one has to abide to collective action in marketing agro-commodities similar to what other members have. Different constituent groups contribute different membership fees while new members pay more than old ones; the fees range from Ksh.100 to Ksh.1000 annually. The whole CV of Lower Lari has over 170 household representative members.

Goals, objectives and activities

Lower Lari CV aims to improve the livelihood of its groups and individual members through organised and sequential commercial production of African indigenous vegetables (AIV) for sale to formal

BOX 2: Commercial Villages (CV)

Farmers are organised in production units, to facilitate the pooling of resources and products for common gain. They are then able to sell their produce or purchase bulk inputs to and from some common markets enjoying economies of scale and bargaining power.



African Indigenous Vegetables on a supermarket shelf in Nairobi, Kenya



An African Indigenous Vegetables farmer in Kiambu, Kenya

and informal markets. The CV was formed with a purpose of pooling skills, resources and to provide a platform for discussion and implementation of all production and market related issues as a larger block. Through the platform, formal marketing linkages have been developed with the Uchumi supermarket chain of stores where deliveries are made twice a week by the farmers. The members pool their produce together to meet the quality and volume requirements by the stores.

Besides the pooling together of the AIVs, the farmers receive weekly training in the preparation of AIVs by FCI in collaboration with the Ministry of Agriculture staff. Training in other aspects of farming and enterprise management is also provided by relevant partners such as Kenya Institute of Organic Farming (KIOF), Ministry of Agriculture and several MFI's within the district and beyond.

Routine activities of the CV include weekly group meetings; harvesting on Monday and Friday; collection from individual farms, pooling, and delivery to Uchumi Supermarket. Payment is made after every two weeks. Field monitoring is done by the supervisor who also plans and organises with the members when the next sequence of planting needs to be carried out.

Value addition and market linkages

At CV level, value addition includes cleaning, sorting, tying, grading, recording the contributed produce by every member, and collection into cooling sheds before distribution to the market. There is also quality assurance in terms of size of bunches to be supplied to the supermarket. The CV has developed contractual arrangements with Uchumi for the deliveries of AIVs on selected days of the week in specified volumes of each variety. The group members have an upper hand in seeking credit facilities from commercial banks, since Uchumi management can write a letter of commitment for the members. Through Lower Lari CV, groups have received training from KIOF in sustainable agriculture, thus reducing the costs incurred by farmers in the production of AIVs.

Farmers benefits from Lower Lari CV

Linkages have been made to IDEAL, an MFI which provides credit for vegetable production and other related farming inputs and activities. Lower Lari CV facilitates bulk payment to farmers, and enables them to plan and invest their monies wisely. A reliable market is guaranteed due to the high demand of AIVs by consumers. These benefits have made the CV be an envy of those farmers who have not joined. Members of the CV have opened bank accounts and from the savings, they have accessed investment opportunities through the purchase of shares in Safaricom Mobile Phone Company.

The association and its influence on policy change

As is the case with HBGMA, the CV is still in its formative stage and has not influenced any policy change related to small scale farmers. However, in the future, Lower Lari CV hopes to approach the Horticultural Crops Development Authority with a view of investing in transport by buying and operating refrigerated trucks and cold storage facilities in the area. The private sector will be encouraged to invest in the same as the CV diversifies and targets the export markets.

Ownership and sustainability of the association by members

The CV is purely owned by the affiliate group members. Though the association is still its infancy stage the farmers have potential to scale up their operations and turn it into a sustainable and profitable leading to increased income and improved livelihood for its members.

Market linkages can be expanded to improve the returns to the farmers through better contract pricing. However, the members feel that it's premature for them to be independent and therefore need continued support from FCI for technical backstopping especially in market intelligence and financial management.

3.3 KILICAFE

Membership and establishment

Trade liberalisation in Tanzania led to the formation of agricultural groups to participate fully in marketing the crops they produce. TechnoServe (TNS) Tanzania started supporting coffee producing groups in 1999, and later on encouraged the farmers to form farmer business groups (FBG). The FBGs were assisted in organisational development which in turn led to formation of the Association of Kilimanjaro Specialty Coffee Growers (KILICAFE) in 2001. KILICAFE was a response of farmers to the low prices, and a desire of farmers to provide high value coffee and have a stronger position in the value chain. KILICAFE is registered as a company limited at national level; it has regional chapters at intermediate level, and FBGs at local level.

FBGs are the 'first level' grass-root organisations of the KILICAFE structure.

For one to become a member of an FBG one must:

- own a coffee farm and be resident member of the community
- agree to be trained in ways to improve the quality of coffee
- accept the FBG constitution and pay a membership fee ranging from Tsh. 2,000 to 5,000, to be determined in the Annual General Meeting

BOX 3: Farmer Business Groups

These consist of members who have come together and formed a group, received training in business skills and engage in farming with a business mindset.



A smallholder farmer harvesting his Arabica coffee in Kilimanjaro region, Tanzania

- deliver coffee to the FBG for joint processing and marketing
- promote KILICAFE as a whole and cooperate with fellow members to improve the economic and social welfare of the group

The number of farmer members in the FBGs range from 25-250 depending on individual groups and demographical conditions of the area. At the formation of KILICAFE, there were only 10 founding groups while in 2009 there were 137 groups with a total of over 11,000 small holder members.

Goals, objectives and activities

KILICAFE aims to improve the incomes of its group and individual members by earning higher coffee prices through product quality improvements such as use of better processing methods, and aggressive marketing strategies through direct exports and branding. KILICAFE mainly operates in the Arabica growing areas of Tanzania: Mbeya, Mbinga and North Regions. Routine activities of the association include recruiting new member farmers; administration of member contributions and coffee delivery; maintaining business records and accounts; distribution of inputs to members; and exporting specialty coffee at premium prices to external markets.

BOX 4: Specialty coffee

Specialty coffee is a term commonly used to refer to “gourmet” or “premium” coffee. It refers to coffee beans of best flavour grown in particular micro climates. Their unique flavours and tastes are a result of the special characteristics and composition of the soils in which they are produced and the type of processing undertaken at the farm level. It is a practice to sell coffees by country of origin, roast, flavouring, or special blend, rather than by brand or trademark.

Value addition and market linkages for farmers

Value addition is facilitated through the introduction of central pulping units (CPU) to the FBGs. Market linkages of high quality coffee have been developed by KILICAFE with importers from USA and Germany such as Peet's Coffee & Tea, Starbucks and other international specialty coffee buyers, which has resulted in farmers from the FBGs get better premium prices than other coffee growers. Marketing is done by sending green coffee samples to the Coffee Board for local buyers at auctions and direct posting for overseas coffee roasters for direct exports. KILICAFE is a member of the Eastern Africa Fine Coffees Association and the Tanzania Coffee Association.

Farmers' benefits from KILICAFE

KILICAFE provides service for its members at three levels:

1. At the FBG level: pulping services, technical advisory and training such as training farmers on quality production methods, and training in CPU operations and business management through seminars that are open to all members.
2. At regional level: FBG strengthening, leadership training to all FBG management committee members (chair persons, secretaries and treasurer), empowering small holder farmers to own fixed assets, which can be used as a collateral for bank loans.
3. At national level: marketing and financial services. KILICAFE also provides communication services such as a quarterly newsletter, radio broadcasts as well as a website (www.kilicafe.com) all containing information on coffee market price trends, a farm activities calendar, association events and activities and other new developments.

KILICAFE also interacts with input services. KILICAFE sources finances from donors and other financial institutions to purchase CPUs and issues repayment from coffee sales to the FBG on a 4 year term loans. Input credits are organised at regional level, whereby regional AGM sets limits



Coffee farmers processing their coffee using appropriate small Central Pulping Unit (CPU) technology



Coffee farmer packs his coffee after sun drying

on how much to spend on inputs per kilogram yield. These credits are non-cash loans, only mere guarantees to input suppliers for future payments.

Association and its influence on policy change

KILICAFE hopes to convince the Tanzania Coffee Board (TCB) to reduce or abolish particular charges such as licence fees and coffee tax, and hopes to convince the TCB, central and local governments to reduce various taxes on coffee.

Ownership and sustainability

KILICAFE finances its activities through:

- coffee sales (3% of the gross sales is used to run the association)
- the FBG membership fee which is equivalent to USD 25
- bank loans for advance payment and marketing expenses
- donations and grants from international organisations and business partners
- fair trade sales premium

Activities at FBG level are financed by fixed fees, which are charged from the sales proceeds of the FBGs, ranging from Tsh. 10-20 per kg of parchment coffee.

KILICAFE is self sustaining based on its internal 'company standards' and international certification schemes, which observe enhanced business practices; processing and production practices; attention

BOX5: Fair Trade Coffee

Coffee that has been purchased from small scale farmers at a "fair" price as defined by international agencies. The extra paid to these farmers under fair trade arrangements is very modest

for environmental care and social responsibility. Sourcing of funding will become more important in the immediate future, since TNS has withdrawn its support. KILICAFE wants to introduce a small milling plant and roasting unit for the domestic market which has not been fully exploited yet.

3.4 Nakasongola District Farmers Association

Group membership and establishment

The Nakasongola District farmers Association (NADIFA) is an affiliate of Uganda National Farmers' Federation (UNAFFE). Through UNAFFE, DANIDA has provided financial support to NADIFA, including salary support. It was formed in 1998 and has more than 4000 members (58% female) who renew their membership annually. Registration fee per member is US\$ 3000 per year. It is run by an executive committee at all levels: district, sub-county and parish levels (DEC, SEC and PEC). NADIFA has 81 affiliate groups each with approximately 30 members each. Commodities dealt with are cassava, local chicken, ground nut, goats, millet, beekeeping, maize and pigs. The association has 10 cassava groups associated to it, which are linked to two processing factories built with funding from FARM-Africa through MATF and JICA.

Goals, objectives and activities

NADIFA was established to enable farmers have one voice on issues affecting them; help farmers work together; reduce poverty; raise funds, and enhance technical knowledge and skills of members. Key activities are:

- sensitisation and mainstreaming of gender issues and HIV/AIDS
- training of farmers in various aspects on crop and livestock production
- demonstration of various technologies
- linking farmers to markets



Farmers peeling cassava in preparation for processing, Uganda



Making money by selling high quality cassava flour, Uganda

- processing and marketing
- access to market information
- monitoring of field activities
- policy advocacy

Value addition and market linkages for farmers

Through links with Namulonge Agricultural Research Institute, NADIFA has supplied thousands of farmers with disease resistant cassava varieties, greatly boosting cassava productivity. The association has constructed two cassava processing factories after securing sites and premises. Members and affiliate groups supply fresh materials which are washed, peeled, chipped, dried and ground to produce high quality flour. The bulking of materials helps to create an economy of scale and secure good contracts with buyers. Through such arrangements, members have been linked to Uganda grain traders, WFP, Ugachick, and Southern Sudan markets.

Farmers' benefits from NADIFA

NADIFA has a strong linkage at all district level; the DEC has linked member farmers to Concern Worldwide, Catholic Relief Services (CRS), National Agricultural Advisory services (NAADS), World Vision, Japanese International Cooperation Agency (JICA), MATF, and United Nations Development Program (UNDP). The UNNAFE has linked NADIFA to donors like DANIDA and government institutions at national level.

Farmers are food secure and income is generated from various enterprises promoted by NADIFA such as goats and pigs. Advisory services from NADIFA build their capacity in various aspects, e.g.:

- seed multiplication and link to sources of planting materials
- enterprise selection and development, resulting in good and economical use of land

- knowledge and skills in agronomy and entrepreneurship
- empowerment of women
- good management and leadership skills
- farmers are empowered to seek relevant advice and information from NADIFA and other institutions

Other organisations have supported member farmers through access to equipment such as computers, motorcycles, and agricultural inputs. There are employment opportunities as NADIFA obtains contracts from other organisations like Catholic Relief Services (CRS) to implement projects and provide services to farmers.



A female farmer transporting cassava cuttings on a bicycle, Uganda

Association and its influence on policy change

NADIFA has managed to make some changes in the way NAADS operates. Through its network of sub-counties, parishes, and contact farmers, NADIFA has mainstreamed a more effective and inclusive service provision in NAADS. On the other hand, the association has adopted the enterprise zoning approach of NAADS, introducing and developing new enterprises that are more commercial oriented in the area. The association has also affected local policy changes, e.g. bye-laws concerning mitigation of crop damage by livestock at district level.

Ownership and sustainability

The capacity of the association is still limited as it does not have a continuous stream of resources to support its operations, funding is still donor dependent. It lacks a strategic plan to meet farmers' aspirations; its resource mobilisation capacity is limited. However farmers embrace the association and consider it their own. It has helped many to develop, come out of poverty, and become food secure at household level.

3.5 Rakai Local Chicken Breeders and Farmers Association

Group Membership and Establishment

The Rakai Local Chicken Breeders and Farmers Association (RALOCBFA) was established in 2004 through the Community Integrated Development Initiatives (CIDI). It comprises 12 affiliate groups in Rakai district with a total membership of 102 members; 60 men and 42 women. The executive committee has 12 members; 7 men and 5 women. Its main focus is on marketing of poultry feed and products, poultry farming equipments, and veterinary drugs. It is envisaged that many more groups will be affiliated from the wider community in the district.

CIDI played a catalytic role during the establishment association through groups; it sensitised members on need for a strong team; it facilitated exchange of skills and knowledge; and it initiated group contributions to the association in the range of US\$ 10,000-220,000 per member annually. It helped the association to develop a constitution, which was agreed and signed by all members. RALOCBFA has been registered with the Ministry of Youth, Gender and Community Development in Uganda. It also formed sub-committees on finance, training and advocacy, production and marketing, and management.

Goals, objectives and activities

The goal of the project was to give farmers a stronger voice and improve their incomes from poultry production thus reducing poverty.

Key objectives were:

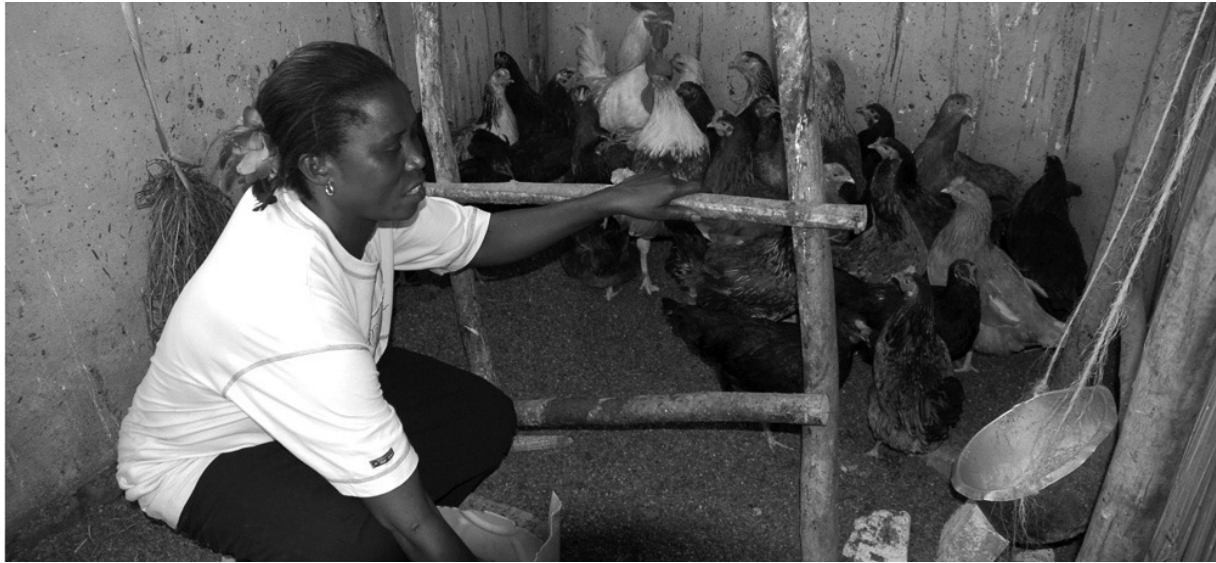
- improve access to quality feeds, drugs and poultry farm equipment for the members and other farmers in Rakai district;
- give farmers a common voice and work together for collective marketing to minimise negative exploitative effects of middlemen;
- capture external markets for their produce;
- uplift the members wellbeing and living standard;
- access manure to use in other farm enterprises such as vegetables and bananas;
- access and develop skills and knowledge for farmers;
- improve members' nutrition;
- attract external assistance and general economic empowerment of the members.

Value addition and market linkages for farmers

RALOCBFA has established shops which are called 'feed centres' at local market centres where farmers can buy raw ingredients to mix their own poultry feeds, and where they can buy other inputs such as drugs and equipment. The feed centres are supplied by veterinary drug companies.



Farmers preparing chicken feed rations, Uganda



A farmer in Rakai in Uganda feeds her chicken

The same shops also provide market outlets for eggs. Fertilised eggs have a higher market price, as they are used for hatching to produce cross-bred chicks. Eggs are clearly labelled in terms of which type of cross bred chicks it will produce. RALOCBFA also provides services to members on technical issues such as cross-breeding, improved poultry housing, feeding, health and management through its network of Community Based Trainers (CBT). The association provides market information for the sale of live chickens and links farmers to buyers.

Farmer benefits from RALOCBFA

Farmers are benefitting from collective marketing of eggs and birds which has resulted in better prices for their produce and quick money. The association provides links to input and output markets and other service providers.

The association's members have access to savings and credit facilities through their executive committee. Victoria finance has become accessible to farmers. They can also access credit and material inputs through the micro credit arm of CIDI. Credit inputs like feeds, concentrates and drugs can be accessed through feed centres at a better price and closer to the farmers. CIDI micro-credit has trained members on savings and finance management.

A pool of technical para-professionals is available for farmers within and outside the community. Some of the benefits include women empowerment where the whole family is involved in training. They also provide training in solar drying of fruits and value addition through wine making. The registration of groups enhances recognition while the groups can benefit from other interested NGOs and government programmes like 'prosperity for all'. The association helps in disease surveillance and provides access to vaccines and vaccination programmes from the government veterinary department. It also links farmers to other institutions for training such as NAADS, Caritas, World Vision; for inputs on banana, seed and seedlings through Concern Worldwide; for vegetable gardens, maize cribs and seeds through MADD0; and for environmental protection through Calliandra tree seedlings and training through VI Agro-forestry. The NAADS policy of working and supporting farmers through groups has worked well for the association and its members.



A Rakai farmer is facilitated with an improved cockerel, Uganda

In addition, members have benefitted from:

- better nutrition for the family members
- better shelter and access to water
- better incomes thus able to meet their other obligations with ease: education, medical and social expenses
- access to skills and knowledge in other areas besides poultry
- their profile has improved and they receive visitors from all over Uganda and beyond

Association and its influence on policy change

The association has influenced change in policy at their level through farmer to farmer training; the successful approach of Community Based Trainers has been adopted by NAADS which is benefiting many farmers.

Ownership and Sustainability of the Association

The association is still at the formative stage and is not yet ready to stand on its own, still needing resources over the next 5 years or so. Although members feel that the association is theirs, the association needs to strategise the future together with CIDI regarding resource mobilisation and financial sustainability.

4. Cross-cutting Issues

In the previous chapter, some common themes were studied in each case, related to the establishment, membership, goals, value addition and marketing, benefits, and policy advocacy in AAs. In this chapter we identify some common findings, and clear differences. We are also analysing why some AAs are more successful than others in certain respects, and what we can learn from those differences.

4.1 Association establishment, representation and structure

All the apex associations have received outside support in the past to help them get established. In most cases the support came from the project management, e.g. by ISAAA for HBGMA; by FCI and AVRDC for Lower Lari Commercial Village; by NADIFA for the cassava factory, and by CIDI for RALOCBFA. The AKSCGA received support from KILICAFE, which originally emerged from collaboration with TechnoServe.

All the five cases indicate that members are drawn from small holder farmers in the geographical area where the AAs are formed. Each AA sets certain minimum requirement for membership e.g. being a farmer of a particular commodity and resident in the area, payment of registration and annual subscription fees.

The membership number ranges from as low as 28 to 102 during the initial formation of the AA, but with time increases to over 11,000 small holder farmers as the case of KILICAFE over a span of seven years, while for NADIFA the number has reached over 4,000 over the last eleven years. The driving force behind this tremendous increase in members over a short period of time is the benefits derived from being a member of the AA that attracts non-members to join once they pay the subscription fee. In all the AAs, the driving factor for membership is pooling and collective marketing of their produce to various buyers both locally and internationally that attracts premium and guaranteed prices.

Farmers are represented in the AA through their group representatives who form the executive committee of the AA. HBGMA has district executives and representatives from the affiliate groups; Lari CV has an executive committee with various subcommittees in charge of various functions within the CV, while KILICAFE has FBG management committees at the chapter level and central management team at national level. Conversely, NADIFA and RALOCBFA have representations from the parish level to the district level. The executive committees of HBGMA, Lari CV and KILICAFE are constituted through AGMs that are held annually and provide feedback to the affiliate groups through their representatives.

FOs are formed by members and therefore, accountable to them. All affiliate group members are inclined to exercise control measures when they have a financial stake in the success of the apex and have something at risk if it fails. They feel they are the owners. A well defined and simple structure of the organisation's organogram facilitates good management and effective day to day management and promote accountability of the leadership to its group member affiliates. This exists in most FOs interviewed, but they need strengthening of democratic procedures. Good FO leaders and managers can be attracted by worthwhile incentives and advancement opportunities, which are aligned with the ability of FOs to serve their members' interests (in case of KILICAFE and NADIFA).

The AAs exist as legal entities that have been registered with the relevant ministry in the respective country. They have by-laws that govern the day to day activities and give members the right to elect their representatives who form the AA executive committee. The Executive committee oversees the regular activities of the association and provides feedback to the members through different fora such as AGM (in case of KILICAFE and NADIFA) or group meetings through executive representatives (in case of HBGMA, Lower Lari CV and CIDI-RALOCBFA). Thus mechanisms for accountability of the executive committee to affiliate groups are in place, which give members confidence in good management.

Table 1:Farmer Apex Association Membership, leadership and gender representation

Group and association Membership						Executive leadership Level				
Organisation or group	Total	Male	Female	% males	% female	Total	Male	Female	% males	% female
Uganda										
NADIFA - district association	4012	1712	2300	42.7	57.3	11	7	4	63.6	57.1
Nadifa - JICA factory	180	81	100	45.0	55.6	10	4	6	40.0	60.0
JICA factory groups	80	50	30	62.5	37.5	11	8	3	72.7	27.3
Wapigalo factory	350	na	na			8	5	3	62.5	37.5
Wapigalo factory group	50	35	15	70.0	30.0	7	5	2	71.4	28.6
RALOCBFA- Rakai	102	60	42	58.8	41.2	12	7	5	58.3	41.7
Lwanda group	18	10	8	55.6	44.4	5	3	2	60.0	40.0
Dwaniro Group	22	10	12	45.5	54.5	5	2	3	40.0	60.0
Kenya										
HBGMA - Maragua	1200	360	840	30.0	70.0	5	5	0	100.0	0.0
Maragua group	22	16	6	72.7	27.3	7	5	2	71.4	28.6
Kirinyaga group	15			0.0	0.0	9	6	3	66.7	33.3
FCI - executive	15	7	8	46.7	53.3	7	5	2	71.4	28.6
FCI group	15	7	8	46.7	53.3	6	4	2	66.7	33.3
Tanzania										
KILICAFE	11,000			0.0	0.0	7	5	2	71.4	28.6
Hai district group	60	45	15	75.0	25.0	8	6	2	75.0	25.0
Pendo - Meru dist group	50	40	10	80.0	20.0	8	4	4	50.0	50.0
Nombeko - Meru district group	120	84	36	70.0	30.0	7	6	1	85.7	14.3

One particular dimension of the representation that stands out is gender composition in all the AAs. There is a skewed gender representation with respect to membership and leadership at all levels in AAs particularly from Kenya and Tanzania. The worst scenario is found in Tanzania where women seem to be highly marginalised in this respect, such that their membership in various leadership levels is quite low. Uganda has a very good representation of women at membership and leadership levels, all the way from the grass root to the district (AA level, table 1). The Uganda policy on equal gender representation seems to be implemented. Kenya has such a policy as well but, it remains to be actualised at higher levels, while the general membership is such that the majority are women. Tanzania, however, shows the highest gender disparity at the group and association level. The women at the group level were mainly widows. It is likely that the nature of the crop also supports this trend as coffee is perceived to be a man's crop, like most cash crops. The other associations were mainly targeting food related enterprises: bananas, indigenous vegetables, and cassava, while poultry can be considered both food and cash related.

4.2 Farmer organisations' goals and objectives

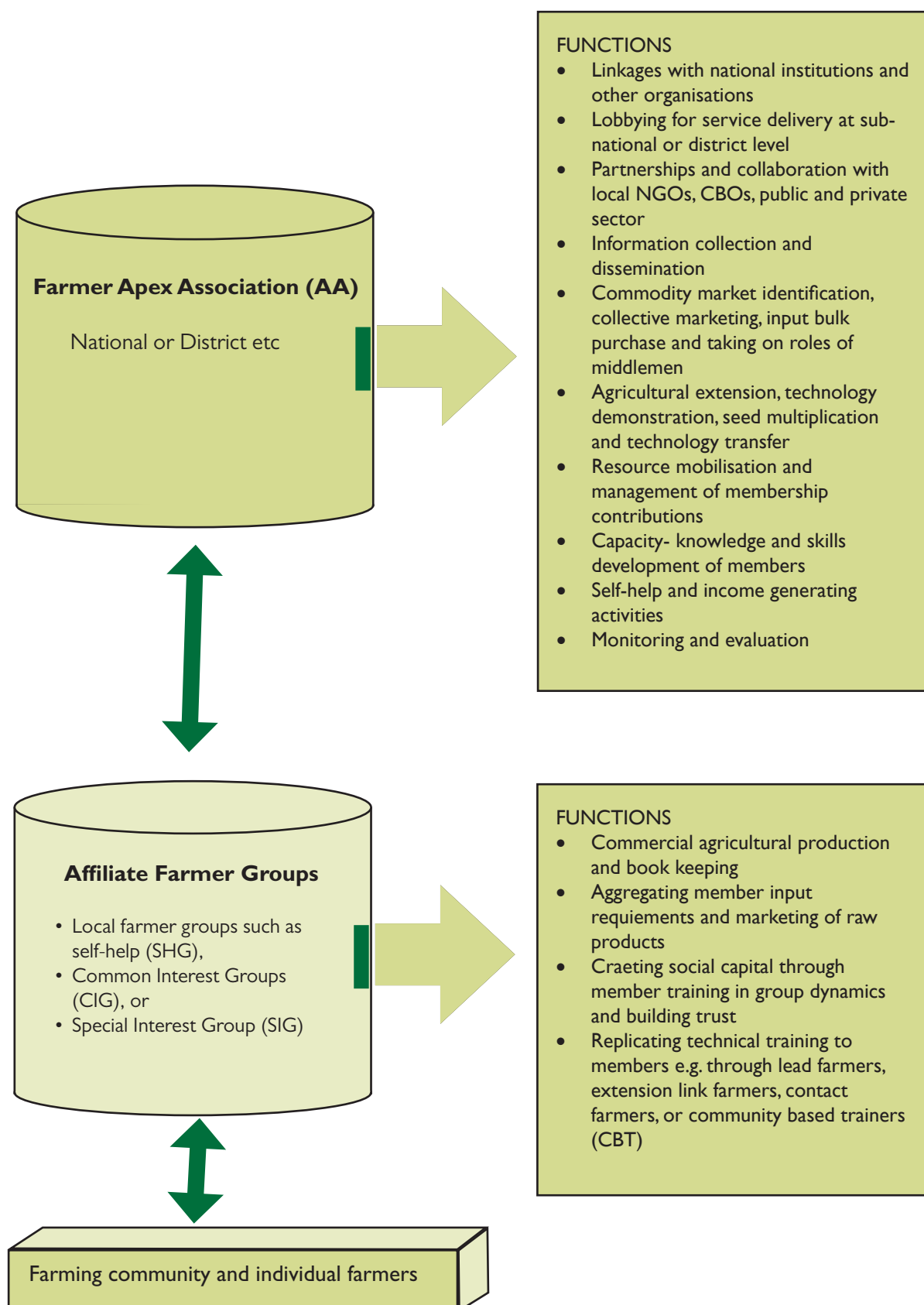
Each AA has very clear and specific objectives developed during the formation; they follow value chain principles, with production for the local or regional markets. All the five AAs studied were set up by farmers through development organisations in order to ensure sustainability of the technologies introduced by these development organisations and also to improve household food security and incomes. Furthermore, farmers also had a desire to earn more income from their sales through collective marketing. At the collection centres, farmers also have an opportunity and platform to discuss production and other social welfare issues.

The following has been their core functions and services rendered to the members:

- Communication and information management
- Capacity building of the members
- Developing and maintaining partnership and alliances
- Business developments to enable member organisations improve service delivery to members
- Resource mobilisation for the organisation to improve service delivery to members
- Lobbying and advocacy in policy change in their area of operation, and trade related issues as relates to their members

From the cases studies we were able to draw some common principles in the structures and objectives of farmer organisations. The hierarchy of the organisations and their functions becomes clear in figure 1.

Figure 1: A common structure and functions of farmer organisations in MATF projects in East Africa



4.3 Value addition and market linkages for farmers

Value added refers to the additional value created at a particular stage of production or through image and marketing. Value added agriculture is a process of increasing the economic value and consumer appeal of an agricultural commodity. It is an alternative production and marketing strategy that requires a better understanding of the rapidly changing food industry and food safety issues, consumer preference and effective management. There are various ways of adding value to a commodity such as cleaning, sorting it and turning it into another form.

FOs help farmers access the market for both inputs and outputs through the potential of economies of scale. Generally, all the FOs studied are involved in value addition to the farmers produce in various ways. NADIFA is involved in the processing of cassava at its factory into chips, flour and gari for local consumption and marketing beyond the district. Other AAs such as Lari CV, HBGMA, and RALOCBFA are also involved in value addition and linking farmers to local markets such supermarket stores in Nairobi for their AIVs, or local outlets for TC-banana and eggs. KILICAFE exports specialty coffee from FBGs to USA and Germany at competitive prices on contractual terms. All the farmers involved in the FOs have reported improved incomes and other benefits from the collective selling of their produce.

It is critical to identify markets and strengthen links to services for farmers before starting production. Marketing linkages assures guaranteed income for the group members and reduces post harvest wastage on the farm. There is need for timely market information for farmers to effectively link producers to local, national and regional markets. Contract farming and value addition should be encouraged through favourable government policies.

4.4 Farmer benefits from the AAs

All the groups interviewed indicated that they benefited directly by being member of the AA. Technical training has provided in aspects of agronomy and post harvest loss reduction for those involved in crop related activities i.e. HBGMA, KILICAFE, Lower Lari CV and NADIFA. The technical training has been conducted at times in partnerships with the relevant government agencies, private sector and sometimes with other development partners (NGOs) in the geographical area of operation. Value addition technologies have also been introduced: solar drying, wine making, use of ripening chambers, making of crisps and other products at affiliate group level. Furthermore, members have benefited from market oriented production, unlike in subsistence farming, to overcome dis-economies of scale to attract and get better prices through collective marketing. Members also had increased incomes from the sale of their produce e.g. cassava flour and crisps, while the price specialty coffee increased from Tsh 450 to Tsh 2000 per kilogram as a result of contractual arrangements.

BOX6: Dependency Syndrome

This is a condition when project beneficiaries feel helpless to do anything or contribute anything to the intervention being undertaken. They expect the development agency or donor to finance everything. Project or grants from government or NGOs are viewed as money or resources that they deserve free of charge. It impedes development because farmers are reduced to passive receivers rather than active participants in development processes who can steer their own destiny.

Many women have been encouraged to take up leadership roles (as is the case with KILICAFE at FBG and board level) both on farm and off-farm thus improving their entrepreneurial skills and encouraging gender equity. Saving practices have been encouraged amongst the group members and credit facilities enhanced. Savings not only help to finance production, but also strengthen bonding and harmony among members, as they try to safeguard one another's savings.

The five AA's visited interact with other development partners in their environment in different ways. HBGMA interacts with other service providers such as financial and input suppliers as well as market players and traders. Through the introduction of merry go round to all affiliate groups of the association, Equity bank has shown interest in working with the farmers to develop their savings for them to qualify for loans access through group lending scheme. Lower Lari CV has helped the members' access investment opportunities through purchase of shares in Safaricom Mobile Phone Company. KILICAFE plays a major role for its members by interaction with service providers, such as research and advisory services, financial and input services as well as links to markets, traders and millers.

Members must derive tangible benefits from the AA to continue being supportive of it. Satisfied members will always be motivated to continue working towards the achievement of the AA's objectives in the short and long run. Strong AAs are effective partners in development and can become useful channels of communication between farmers, extension services and research. AAs can demand relevant technologies and high quality agricultural services for their members.

4.5 Association and its influence on policy change

The policy environment in all the three countries is generally considered to be encouraging to the development of farmer organisations. During the interviews with the executive committees and the group leaders, they pointed out some of the positive policies that favour their operation and activities.

In Uganda for example, the extension policy that created NAADS supports demand-driven and farmer led agricultural service delivery (NAADS 2000). It aims to empower farmers by encouraging them to work together and build their demand for both research and agricultural advisory services. The initial entry points for NAADS are the already existing well organised groups within the various districts of Uganda such as NADIFA. NADIFA has influenced NAADS policy towards farmer training, and institutionalised the approach of CBTs.

On the other hand, there are several policies that constrain the activities of the AA and its members.

One of the greatest adverse policies that discourages the production and formal marketing of AIVs is taxation charged by the central government and the local authorities. KILICAFE with support from TechnoServe has helped to catalyze regulatory changes and tax reforms that boost Tanzania's farmers' incomes. KILICAFE hopes to convince the TCB, central and local government to reduce or abolish particular charges such as license fees, coffee cess and other taxes on coffee.

4.6 Challenges encountered by the AAs

Like any growing organisation, challenges cannot be avoided, and AAs are no exception. Some challenges are particularly evident in the early stages of formation:

- All five AAs studied were established through developmental organisations who have provided finances and technical services with an aim to make them sustainable. However, the major

challenge facing the young AAs within the MATF supported projects is lack of finances to carry out its operations and to expand.

- Training in group dynamics, leadership skills, book keeping and record keeping has led to promotion of transparency and accountability in some AAs. However, the smaller ones who are still in the formative stages struggle with the problem of accountability as the interim officials have been in office for too long without holding election and seeking fresh mandate through the AGM.
- Three out of the five AAs (HBGMA, CIDI-RALOCBFA and Lower Lari CV) are still in formative stages and have not been able to influence any policy change, in the liberalised market economy. This therefore calls for capacity building and continued exposure to understand how and when to engage in lobbying and advocacy.

Other challenges facing the AAs can be distinguished as internal and external. The internal challenges ones include:

- Lack of leadership and little democratic space which negatively affects participation and trust between the group members and the executive committee. Wrangles were mostly experienced during the initial formation of the AAs.
- Limited capacity to manage organisational development. This was observed in cases where the AAs are district wise and even national, such that there are no benefits to the members despite the officials having held office for so long.
- With rapid increase in mandate and membership numbers, those AAs that have reached national level experienced management crises, logistical problems and resource challenges. This in turn led to poor service delivery to members.
- Most members of the executive committee are inexperienced in dynamics of viable commercial production, pooled marketing and market linkages. Cases of poor organisation in pooling the members' produce were observed.
- Lack of written constitution and rules that would clarify roles and responsibilities, and record keeping for transactions undertaken. Where by-laws exist they are poorly enforced, for example too few AGMs held in most AAs.
- Lack of income generating activities and business plans. Lack of resources limits the scale, scope and spread of AAs thus limiting the extent to which they can directly serve poor people.

The external challenges include:

- Dependency on donors or the development organisation that catalyzed the AA formation.
- Political patronage in some AAs such that it's difficult to separate AA leadership from politics.
- Volatile commodity prices leading to drop out by some member groups.
- Policies by the government that do not favor progressive development of AAs (taxes and levies etc). Some commodities like AIVs, bananas, eggs and chicken are yet to be given national priority and importance.
- Poor infrastructure that increases overhead costs, e.g. collection of specialty coffee from the CPUs located in the various chapters of KILICAFE.
- HIV/AIDS and other diseases have become a major threat because they deplete the labour force and the skills imparted into the group members.

The external environment exacerbates many of the organisational challenges faced by AAs as it reduces the benefits of membership, increases uncertainty, encourages short term planning horizons, limits members' commitment to invest in the association and makes it prone to abuse by elite members of the community.

4.7 Farmer organisations' sustainability

All the AAs had envisioned being sustainable at the long run, being able to engage directly with other parties to undertake collective marketing, input procurement, agro-processing and attract other business development service providers and financial institutions. Sustainability of AAs is not only based on their ability to mobilise financial resources but also on the glue that holds the association together, such as a committed and focused leadership that champions the case of farmers in different fora. While dynamic leaders can carry an AA at the beginning, long term survival depends on well articulated structures (rules, regulations and procedures) that are understood and applied. It's important that members get involved in drawing up rules, understand their roles and responsibilities, and set penalties for those who violate regulations in the organisation. Democratic selection of their leaders needs to be engrained in the structures.

Financial sustainability is achieved through focus on commercial farming. AAs that have been in existence for more than six years are engaged in serious business through contractual marketing agreements. For instance, KILICAFE currently stands on its feet by financing its activities through coffee sales, FBG membership fee, bank loans for advance payment and marketing expenses, donations and grants from international organisations and business partners, and fair trade sales premium.

Developing a group structure and identifying a marketable product go hand in hand. A developed AA will be more effective in championing farmers' needs in different fora and lobbying for better market prices for the commodities produced. AAs need to approach farming with a business mindset, initiate contract farming and focus more on product differentiation for high value niche markets. Strong producer groups enhance growth and strength of farmer associations at micro and macro level. Without strong groups, the essence of an AA at national level becomes questionable.

We found that sustainability of AAs was achieved after a substantial length of time of support (more than five years) from donors and other NGOs. This calls for patience in the mentoring process, especially in strategic management and leadership related to identification of new markets, improvement of information systems and access to credit.

5. Recommendations

Internal cohesion and a clear membership driven agenda are central to the success of an AA. Despite women's large proportion of the farming community and membership in AAs, their role in decision making is hampered by the minimal representation in the group and executive committees' leadership at group and apex levels. They are mainly reduced to decision takers thus limiting their voice in development.

The team makes the following recommendations related to membership and representation:

- Information about control functions must be provided to all members.
- The AA's constitutions need to be revised to incorporate gender dimensions. The groups and AAs need to state in their constitutions that they do not discriminate on the basis of gender, age, religion race or tribe as a condition for being a member.
- Gender should be mainstreamed in activities at all levels, starting from the affiliate groups.
- Groups and AAs should recruit more members and scale up their operations to national levels and beyond for wider coverage and access to benefits and services derived from linkages with other institutions and stakeholders.

Farmers are empowered when they are enlightened and made aware of availability of technologies, current developments in the agricultural sector and are able to demand for what they want. Farmers should be able to realise the benefits of adopting improved technologies, working together and actively participating in the activities of the communities and their organisations. A pool of para - professionals and information centers can help to provide the information they need, when they need it.

A well defined vision and mission, and clear objectives are the basis for a good AA. They need to be translated into a good operational structure while good leadership provides the direction in the dynamic environment in which the association operates. We conclude that in all cases leadership training and mentoring are needed in the areas of finance management, record keeping and investment strategies. Good leadership will help to attract more capital and inputs, provide marketing intelligence and undertake collective marketing of produce.

In terms of value addition and marketing the following recommendations are made:

- AAs need to explore the market for processed and value added products and identify opportunities that are yet to be exploited. There is need to build the capacity of executive committees to understand and undertake value chain analysis, marketing intelligence and relay relevant information to their members on different commodity prices and demand of the same product.
- AAs need to conduct an intensive market research to identify and articulate the costs of investment and meeting the quality and standards as set by the government authorities involved in regulation (Bureaus of Standard) within the region and beyond.
- Strengthen existing contractual linkages and explore new ones to widen the market scope. For those who have not developed contracts, the management and executive committee should take this as a priority.
- Partnership with the private sector to invest more into value addition and use some of the dormant or underutilised facilities within the e.g. the cassava factory owned by NADIFA and PIKNIK company linked with HBGMA. This would also involve linkages with SMEs and BDS providers in the region.

The AAs studied provide numerous benefits and services to their members. The following recommendations can be made:

- AAs must continuously be creative to engage members in commercial oriented production and link them with the private sector resulting in increased incomes beyond household food security.
- To increase access to finance for farm production or establishment of agribusinesses, farmers need to be linked to special schemes which offer reasonable interest rates and repayment conditions. Disbursement of such loans however needs to go with training to ensure proper use and recovery of the loans.
- To provide more services to its members, the FOs should form networks within the region to gain numerical strength, merge resources and thus attract other service providers for enhanced services and other benefits access for its group members.
- The associations can serve as platforms for lobbying with the government to formulate and implement appropriate lending policies and better business development services. To ensure coordinated and well focused training for farmers and agri-businesses, government need to play a key role by identifying and strengthening key institutions that can provide the requisite training. The department of Extension Services in the ministry of Agriculture and Food Security in the three countries should be strengthened to provide quality services to the farmers. The governments can support the establishment of farmers' business schools (different from farmer field schools) to promote business orientation among farmers.

Governments and developing agencies can create more appropriate and sustainable agricultural and rural development policies and programs by involving AAs in the planning, design and implementation of such policies and programmes. AAs should play a greater advocacy role in the following areas that are traditionally the domain of the government:

- Harmonisation of taxes and levies charged on farmers. The numerous taxes and levies borne by farmers are a disincentive to production and greatly distort market prices. Taxes levied on small businesses need to be reviewed and harmonised. All relevant taxes and levies can be charged as lump sum, similar to single business permit arrangement. AAs and other key stakeholders should enter into a dialogue with the government and determine appropriate fees and modalities for their collection.
- AAs need to lobby for additional support by the relevant ministries to provide advice on market standards such as Euro Gap, Organic certification and fair trade. Local government can convene market chain key players to remove market inefficiencies and facilitate linkages between players.
- There is a need to lobby for construction of market stalls and sheds by the local authorities. This type of infrastructure is crucial for enhancing commercial production, especially for indigenous vegetables. Private investors can also be encouraged to venture into the same through provision of incentives such as the build-operate and - transfer schemes.
- The governments can play a bigger role in ensuring that legal regulations are in place to ensure reliable, accessible and favourable credit and saving services for farmers and agri-businesses through commercial banks and MFIs. AAs can play a bigger role in advising on appropriate terms and conditions for financial services.
- The legal and regulatory environment needs to be improved by government to strengthen linkages between partners. A legal system that does not encourage enforcement of legal agreements results in losses that could avoided to the mutual benefits of both contractual

parties. Also in this area the AAs can be of tremendous help in advising on an appropriate regulatory framework.

Chapter 4.6 lists numerous internal and external challenges for AAs. Some recommendations can be made in this regard:

- Capacity building on internal management structures, democracy and transparency should be provided by the mentoring organisations, as well as training in resource mobilisation and market linkages for AA leaders.
- Establish an appropriate legislative environment, which supports independent, transparent and clearly defined AA auditing functions.

We recommend following measures to enhance sustainability of the AAs:

- Support from public institutions, donors or NGOs for agribusinesses should not distort the value chain. A false market demand for a product arising from a promotional linkage by a donor or NGO should be avoided or else it undermines the success of a value chain approach as seen in the case of bananas and cassava.
- External support to FOs should be on a long term, minimum five years, so as to help AAs learn from their mistakes and build their capacity in organisational, financial management and democratic process. However this should be with an eye on developing leadership and management in the institution.
- The AAs should conduct an internal assessment through SWOT analysis to identify opportunities that are yet to be explored. This will enhance their management and thus attract more members; be focused leading to the achievement of their goals and objectives. However, farmer groups and AAs must avoid being too ambitious and expanding the scope or scale of activities too fast. AAs need to institutionalise learning in their management, monitoring and evaluation.
- The private sector (input dealers, agro-processors and market dealers) should be encouraged to invest in FOs, especially for those willing to work with organised farmer groups to build their capacity and thus avoid .

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