PROCESS OF DEVELOPING THE FARMER ORGANIZATION DEVELOPMENT STRATEGY (FODS)

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PRESENTATION OUTLINE

- Background *(Video)*
- Results from June 2016 farmer organizations’ consultations
- Literature review on cooperatives and farmer organizations
- FODS survey
- Next steps
182 participants (40 females ~ 22%) attended – coming from 129 farmer and civil society organizations, including cooperatives, associations and other farmer groups.

- Farmers were organized in nine groups based on specific value chains (maize, rice, pigeon peas, horticulture, groundnuts, soya beans, livestock, honey and macadamia nuts).

- The groups answered 13 questions:
JUNE 2016 FARMER CONSULTATIONS, CONT..

**Problems faced**

1. Poor access to input/high input prices
2. Lack of reliable markets
3. Lack of startup capital
4. Poor policy framework/policy reversals
5. Lack of training in cooperative management
6. Poor output prices
7. Climate change
8. Poor storage, transport and electricity infrastructure
9. Lack of extension advisory services

**Response rate (%)**

- Poor access to input/high input prices: 90%
- Lack of reliable markets: 80%
- Lack of startup capital: 70%
- Poor policy framework/policy reversals: 60%
- Lack of training in cooperative management: 50%
- Poor output prices: 40%
- Climate change: 30%
- Poor storage, transport and electricity infrastructure: 20%
- Lack of extension advisory services: 10%

**Solutions**

1. Farmers need to be in groups and trained in coops
2. Improve access to production inputs
3. Follow good husbandry practices
4. Burgain for better output prices
5. Plant more trees
6. Strengthen policy framework
7. Construct roads, warehouses & provide solar energy
8. Govt to train and recruit more ext workers
9. Promote contract farming

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3. What should be the top 5 priorities of the FODS?

- Creation of a single apex body for farmers
- Strengthening existing FOs & encouraging those not in FOs to join
- Facilitate access to capital
- Promote access to markets through value chain linkages
- Fair pricing of farm inputs & outputs
- Government support to cooperatives
7. Should the FODS emphasize cooperatives over other forms of farmer organizations?

- The consensus was ‘speaking with one voice’ is more important than organizational form.

Other issues that farmers raised:

- Government should review the roles of players in the sector because most private sector interventions do not reach farmers.

- The proportion of donor funding actually reaching farmers should also be reviewed.

- NGOs should be transparent on their finances and interventions.
Literature Review
Basic life cycle framework of Cooperatives

Phase 1 = Economic Justification
Phase 2 = Organizational Design
Phase 3 = Growth–Glory–Heterogeneity
Phase 4 = Recognition and Introspection
Phase 5 = Choice
EXOGENOUS FACTORS

- Trust Act
- Cooperatives Act
- Land Laws
- Financial Regulations
- Companies Act
- Cooperatives /FOs
EXOGENOUS FACTORS (CONTINUED)

- Pluralistic representation of farmers
EXOGENOUS FACTORS (CONTINUED)

Ministry of Industry, Trade and Tourism

- Department of Cooperatives and SMEs

Ministry of Agriculture, Irrigation and Water Development

- DAES
EXOGENOUS FACTORS (CONTINUED)
EXOGENOUS FACTORS (CONTINUED)
EXOGENOUS FACTORS (CONTINUED)

- Access to land, credit, technology and technical assistance and markets.
- Political system and socio-cultural environment.
- Investments in public goods.
ENDOGENOUS FACTORS

- These primarily depend on the attributes of members and internal organizational structure of cooperatives, e.g.
  - Managerial and collective action capabilities of members
  - State of governance
  - Leadership style
  - Development process during their initial development stages (e.g. feasibility studies to define/clarify problems/opportunities)
FODS SURVEY

Stakeholder consultations are currently underway through a Survey

- Currently the Survey has two different modules
  - A tool for training/higher education institutions
  - A tool for organizations working directly with farmer organizations
- A total of 11 responses have so far been received in the Survey
  - 3 responses from training/higher education institutions
  - 8 responses from organizations working with farmer organizations
- The results of the Survey cannot be shared now because the consultation process is still on-going
NEXT STEPS

- Finalize Stakeholder consultations (farmer consultations will be incorporated along the way)
- Analyze data from consultations
- Prepare the zero draft of the FODS
- Subject the FODS to internal and external validation (week starting 27th Nov.)
- Incorporate input from the internal and external validation
- Submit the final draft to the Ministry Management for approval
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