Future Agricultures

Policy Brief

Challenges and Opportunities for Strengthening Farmers Organisations in Africa: Lessons from Ethiopia, Kenya and Malawi

Focus

Farmers' organisations (FOs) are increasingly being asked to play a central role in driving agricultural transformation processes in Sub-Saharan Africa, despite their mixed record of success. As governments, donors and NGOs rush to promote the scaling up and diversification of FOs' activities and membership, this policy brief draws on findings of a study of the roles, functions and performance of FOs in Ethiopia, Kenya and Malawi to suggest some principles and practices for supporting FOs in Africa.

With often meagre resources and limited organisational and technical capacities, many FOs need external support to start-up and/or expand their operations. But striking the right balance between reliance on external and internal resources, between accountability and proactive leadership, between adaptive and effective governance and between over- and under-ambition is a challenge for all farmer-led groups. External support therefore needs to be well targeted, sensitive, consistent and, above all, patient if FOs are not to be yet another development disappointment. For this reason, we conclude by outlining some partnership strategies for supporting FOs in four key areas: (1) seed/input provision; (2) extension and education; (3) market access; and (4) advocacy and policy engagement.

Renewed interest in farmers' organisations

After years of neglect, many African countries are pursuing efforts to rapidly modernise their agricultural sector, as it is once again seen as a vital contributor to economic growth, food security and poverty reduction. Consequently, new policies and public and private initiatives are focusing on promoting increased and sustainable food production, with farmers' organisations being portrayed as key catalysts in these processes.

Most governments and international agencies agree on the importance of inclusiveness and authentic participation of farmers in agricultural research and development programmes and policies. But there are a number of challenges to achieving this goal. One arises from the reduced role of the state in service provision following the economic liberalisation policies and structural reforms of the 1980s and 1990s. Farmers are now being encouraged to take on roles previously played by governments, for example, in input provision, extension and marketing, but many are not be equipped to do so because of limited leadership skills, weak organisational capacity and severe resource constraints. Furthermore, with the decline of farmers' cooperatives which were common in Africa in the 1970s and 1980s, many smallholder farmers lack a collective voice. They often cannot gain access to affordable and vital resources and infrastructure, such as land, water, credit, seeds, fertiliser, post-harvest storage facilities or transport and are locked out of lucrative markets. As a result, many small-scale farmers in Africa remain caught in poverty traps and are unable to influence policies that affect their livelihoods or benefit from emerging market opportunities.

In some parts of Africa, the state's withdrawal has been significant, opening the way for a robust and dynamic agricultural sector, as is found in Kenya, but this has often focused on high-value export agriculture in global value chains which limited participation of large numbers of small producers. In other countries the state's withdrawal has been tentative at best, limiting private entry and in some cases even launching major public-sector agricultural support programmes, such as in Malawi. Elsewhere, the private sector has emerged only slowly and partially – as in the case of Ethiopia – mainly serving the interests of commercial farmers but leaving many, if not most, smallholders exposed to extensive market failures, high transaction costs and risks and huge service gaps. These have been only partly filled by the rise of NGOs and other civil society groups. Incomplete markets and institutional gaps impose huge costs in forgone growth and welfare losses for smallholders, threatening their competitiveness and, in many cases, their livelihoods.

The last decade has seen a broad resurgence in institutional innovations in agriculture to fill the deficits in input provision, extension and education, marketing and policy advocacy. Although significant progress has been made, this institutional reconstruction and transformation of African agriculture is still incomplete, especially for smallholders, pastoralists and herders in the more complex, diverse, risk-prone areas. Moving forward requires more clarity on the roles of the state, the private sector – and, crucially, on farmers' organisations themselves – and more analysis of what works, what doesn't and why.

Changing roles of farmers organisations

In rural societies, traditional organisations have an inward-oriented or 'bonding' function to build social capital and facilitate collective action to respond to the uncertainties of agricultural production, and to regulate relationships within the group. In contrast, formal farmers' organisations perform a kind of 'bridging' function to organise relationships between the group and the outside world. In the context of Africa, FOs typically share elements of both traditional and formal organisations. They are rooted in local contexts and customs, but organised around economic principles. Inclusion is characteristic in traditional groupings, where everyone is inherently a member, but formal farmers' organisations – be they cooperatives, unions, associations, federations or groups – tend to be more exclusive, as they are membership-based organisations created by specific groups of farmers to provide services to and represent the interests of their own members. They differ from NGOs, which


Photograph : John Omiti

Farmers voice their support for pro-smallholder policy in Kenya.

also provide services to farmers, but are not necessarily membership based. Further, they can be local and serve only at village and inter-village levels, or can operate at regional and national levels (as unions and federations) and some are even global in scope, such as the International Federation of Agricultural Producers (IFAP) and La Via Campesina.

By encouraging their members to 'cooperate to compete', FOs can provide opportunities to small producers and livestock keepers to effectively play a role in Africa's emerging market economy and benefit from it. Moreover, strong and vibrant farmers' organisations that genuinely represent their constituencies can play a vital part in informing and influencing agricultural policy and practice. However, identifying and promoting authentic farmers' organisations that can empower their members is a major challenge for governments and public and private development partners. With limited resources and facing a very challenging socio-political and economic environment, many FOs need external financial, technical and institutional support, but what kind of support and in what form remains a challenge for these organisations and their supporters. This FAC Policy Brief draws on a larger study which attempts to provide some insights into the roles FOs can play in agricultural transformation in Africa, with a spotlight on three very different countries, Ethiopia, Kenya and Malawi, each with its own unique history of agrarian change.

Lessons from farmers organisations in Ethiopia, Kenya and Malawi

The roles of farmer-led groups in Ethiopia, Kenya and Malawi are highly diverse and appear to be changing as a result of recent upheavals in the agricultural sector. In East and Southern Africa generally, governments have a history of encouraging farmers to assemble under a 'cooperative' banner. They still retain much of this heritage today, but they are also adjusting to profound shifts in the sector, such as the withdrawal of the state from service provision, economic liberalisation and widespread privatisation, increasing globalisation and integration, democratic reform processes, and the influence of international donors on national policy making.

Many of the FOs have been evolving in a rather predictable way. Most continue to share a common heritage – the farmer-run cooperative – which has been a mainstay of government policy for many years, but they have adjusted as well to take on new responsibilities in terms of, for example, extension and input provision. Moreover, in the case of Malawi and to a lesser extent Kenya and Ethiopia, they are increasingly serving as key partners to the private sector, particularly in the production of high-value horticultural and commodity crops.

Our analysis also reveals how FOs have adjusted their roles over time, with some narrowing their focus to specialise in different sub-sectors, while others have broadened their scope to become 'multi-purpose' organisations. In some cases, they begin with a limited mandate – e.g. input access and provision – and progressively take on other activities and functions that serve the interests of either members or the wider community (e.g. agro-processing, transport, access to markets, land or water, etc.). In other instances, they start by undertaking a broad range of activities (aimed at filling the gap in availability of public goods) and narrow their field of activities gradually as the socio-economic and institutional environment improves.

Finally, the study highlights significant changes in the interface between government and farmers' organisations. In Ethiopia, for example, the Dergue considered cooperatives as a mechanism for 'rural transformation' in the 1970s and 80s. Similarly, the Government of Kenya encouraged farmer cooperatives through the Cooperative Societies Ordinance in 1945 and the Swynnerton Plan in 1954, resulting in the substantial growth of these farmer groups. Malawi, too, had a history of farmer cooperatives, though the liberalisation of government services under Structural Adjustment eventually led to the collapse of the extension-based 'farmer club' system and a move toward commercialisation of farmers' organisations.

Current status of farmers' organisations

Ethiopia is the most centralised of the three study countries in terms of government administration. Thus, it remains true to a collective model of agriculture, operating in a legislative and regulatory environment that favours the farmer-run cooperative. Although professionals increasingly manage these FOs, national government still plays a major role in their operation and oversight. In contrast, a close connection between government and the cooperatives in Kenya meant that problems with central administration (e.g. interference, corruption, etc.) directly affected those organisations. Today, the cooperative model remains as Kenyan farmers continue to value group solidarity and collective self-help, but these organisations are also being transformed from public sector-oriented service providers to private sector enterprises with clear commercial leanings. The result in Kenya has been the proliferation of FOs with highly diverse, if not fragmented roles, many with a strong market orientation.

Beginning as delivery mechanisms for government extension services, agricultural input credit and produce marketing, Malawi farmers organised activities around particular crops (e.g. tobacco, tea, milk). With a relaxation of government involvement and decisions to liberalise rights (freedom of association) there is a noticeable entrepreneurial spirit in Malawian FOs that is responding to emerging agricultural markets. This is particularly noticeable for cash crops like tobacco, paprika, dairy and tea – crops that tend to have closer ties to international markets.

In very general terms then, Ethiopian farmers remain faithfully cooperative, Kenya enjoys a blend of socially minded and enterprising FOs, and Malawi farmers are more connected to the agriculture value chain and operate, in some cases, as quasi-businesses. In each country, significant changes to FO roles in the past can suggest how these organisations will develop in the future. Though these organisations continue to change, their focus on agriculture policy, extension and partnerships for rural development remains a priority.

Challenges and opportunities for farmers' organisations

The roles of the FOs examined in all three countries have adapted to changing times. In a world increasingly dictated by the rules of globalisation and international value chains, competitiveness is not only a vital strategy it is the condition for survival. To confront this situation, smallholders have formed various types of producer organisations to better compete. These organisations have expanded rapidly in Ethiopia, Kenya and Malawi, and, broadly speaking, there are dispersed successes on three fronts: market access; service delivery (e.g. input supply, education and extension, etc.) and 'voice' (i.e. advocacy and policy engagement). However, the world of global market forces and dynamic economic, environmental and political change is creating new challenges and opportunities for their organisations, some of which we outline below.

Challenges:

- In a market-driven economy, farmer cooperatives must operate in a business-like fashion or perish;
- Government extension services are increasingly limited in scope, thus FOs will have to assume more of these responsibilities in the future;
- Market entry demands (e.g. grades and standards), access requirements (e.g. transportation and credit) and adding value to production (e.g. packaging, processing, and quality control) are still difficult for many under-resourced FOs to address; and
- Though autonomy for FOs is seen as a positive, it also means becoming more self-sufficient, often when funding is scarce.

Opportunities:

- Farmers' organisations find it difficult to access points on agricultural service and supply chains. Even so, FOs have increasing opportunities to engage in significant partnerships with public and private sector actors and improving service delivery to their members by:
- Providing extension services to farmers and organising the purchase of inputs and sale of products;
- Representing the interests and collective voice of farmers in key policy debates and processes;
- Providing primary production, processing and marketing of agricultural products, or related services;
- Introducing farmers to global value chains (now often dominated by large-scale producers) through contract farming arrangements;
- Offering extension solutions such as farmer-to-farmer training (e.g. Malawi's Contact Farmer System); and

- Possible new entry points for farmers to access markets (e.g. Ethiopia's Commodity Exchange).

Partnership strategies to support FOs

A key issue for FOs is how to respond to these and other new challenges and opportunities. For governments and donors it is how to assist these organisations without undermining their autonomy. Below we provide a several 'partnership strategies' for supporting FOs that are oriented towards the market, input access and delivery, extension and education, and policy and advocacy. These strategies are based on assessments of FOs and their interactions with external public and private actors in the three study countries.

Partnership Strategy 1: Market Oriented FOs Support value-adding investments in well-managed cooperatives and farmers' organisations. Locate high-value market and staple market linkages for FOs, determine the requirements of these markets and then provide the necessary technical assistance to meet (or exceed) these requirements (e.g. training on compliance, investments in small processing plants, group certification, etc.). Possibilities include:

- Supporting development of systems to provide farmers with timely market information to reduce the price differentiation seen with graded produce;
- Encouraging FOs to take the lead role in finding markets and developing buyer relations and contracts that improve access to domestic and regional markets by supporting programmes to introduce grades and standards compliance;
- Assisting FOs and higher-level federations to develop capacities to lobby for market development policies as well as sensitise FO leaders and their members on how to

Photograph; David Hughes

improve market access from their own efforts.

- Partnership Strategy 2: Input Oriented FOs

Locate FOs with successful initiatives but whose expansion is limited – i.e. have potential for up scaling.

- Work with public and private organisations to source critical inputs – seeds, fertilisers, etc. – needed by farmers and support schemes to source these important inputs;
- Provide seed capital for a farmer-based input credit system that is member-owned and managed to allow bulk purchase of inputs;
- Support participatory plant breeding programmes that link farmers' organisations and researchers to ensure development of new varieties to meet local needs;
- Formalise seed sharing networks and seed fairs, as well as formal distribution of seeds through agro-dealers, to allow farmers to obtain a diverse range of planting materials;
- Encourage savings and investment in input-related projects supported FOs. Currently, savings in many projects are often returned to the funder after the financial year. This encourages spending rather than thrift.

Partnership Strategy 3: Extension Oriented FOs

Promote a farmer-centred innovation process in agriculture that involves the analysis of local problems and opportunities, the articulation of demand, the development of an innovative solution and its testing and implementation in the field. Successful innovations may be disseminated, shared and 'scaled up' by involving a broad number of actors and 'scaled out' by implementing the innovation in a different context. By 'innovations' we mean processes that add value or solve problems faced by poor producers in new ways. These can take the form of technological, organisational or policy innovations and can be either endogenous or exogenous:

- Promote a systematic and structured approach to extension, one that involves scouting, documenting, analysing, adding value to and disseminating innovations and promising practices to foster innovation among FOs and their partners;
- Support exchange visits between farmer groups and research institutions, and between FOs from different countries/regions;
- Foster farmer-to-farmer extension programmes (e.g. farmer field schools, etc.) to create opportunities for mutual learning and knowledge sharing, and develop platforms for collective and joint researcher-farmer experimentation;
- Support public and private extension services to strengthen FOs and increase their knowledge of market dynamics in relation to changing prices, grades and standards;
- Encourage development of clear and accessible impact assessment approaches and tools, testing them in different contexts and mainstreaming them to improve 'downward accountability' in formal research and extension organisations to create more demand-responsive agricultural R&D systems.

Partnership Strategy 4: Policy and Advocacy Oriented FOs

Strengthen the capacity of those FOs that have the willingness and ability to represent and advocate for farmers. Provide the necessary technical assistance to engage with government policy makers. This requires funding a period of transition from government-led processes to farmer-led processes. Specific interventions may include:

- Focus on leadership development – including of women leaders – to strengthen FOs, including sensitising members to be

more self-reliant rather than dependent on external parties to provide resources and build the capacity of farmer leaders with potential;
- Develop systems to provide up-to-date information to FOs to facilitate their participation in developing agriculture and rural development policies and preparing and implementing poverty reduction strategies;
- Second professional staff to the FO to improve advocacy and policy engagement activities;
- Provide training on strategic and operational planning and on evidence-based advocacy skills; and
- Encourage formation and strengthening of national, regional and international networks of farmers' organisations.

Conclusions

In conclusion, we argue that strengthening and empowering FOs in Africa will involve a significant amount of trail and error, as there is no fool-proof recipe for success. This will require a certain amount of 'learning by doing', taking risks, making mistakes and learning from both success and failure. Appropriate systems of tracking progress and documenting lessons – both within the farmers' organisations and their development partners – are therefore necessary and a phased programme of organisational development based on transparent and mutually agreed 'terms of engagement' and a clear delegation of roles and responsibilities are recommended.

A consistent lesson from all three country scoping studies is that capacity strengthening and organisational development of FOs is a slow and uneven process at best, regulated by complex and sometimes contradictory social behaviour, cultural norms and the broader policy environment. It would be natural to get impatient and try to force the process artificially, but this, we contend, is unlikely to lead to long-term, sustained success. Thus, above all else, we recommend patience and a willingness to experiment with various investment options and organisational forms before moving to scale up major initiatives with farmers' organisations across the African region.

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