

Farmer Organisations for Market Access¹



Follow Up Study on Farmer Organizations in Malawi

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Executive Summary

In an attempt to follow up a 1995 study of 34 farmer organisations in different parts of Malawi, only 10 could be traced in late 2004, and of those 7 were still functioning (with varying degrees of success) and 3 had disbanded. Follow up disbanded FOs was very limited due to difficulties in tracing former members and to sensitivities around the break up of such organisations.

Common difficulties identified in disbanded and struggling organisations were basic market and production difficulties (the clubs lacked a sound business base), dishonesty and theft, problems in the way the group members worked together, and in some cases difficulties in sourcing inputs. More successful groups, on the other hand, were characterised by working with a potentially profitable business, greater commitment and better working relations among members, appropriate assistance from external agencies, and adaptability to changing circumstances.

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List of Acronyms/Abbreviations

SSLPP	Small Scale Livestock Production Programme
CREMPA	Central Region Milk Producers Association
MDI	Malawi Dairy Industries (New Capital Dairy)
EPA	Extension Planning Area
FAO	Food and Agriculture Organization
OVOP	One Village One Product
ADD	Agricultural Development Division
DEMATT	Development of Malawi Trade Trust
COMESA	Common Market for East and Southern Africa
SADC	Southern Africa Development Community
MASAF	Malawi Social Action Fund
AI	Artificial Insemination

1.0 BACKGROUND

This report provides preliminary findings of a follow-up study on farmer organizations that was undertaken in 1995. The study in 1995 covered 34 farmer organizations in the three regions covering a wide range of commodities and businesses. The current study was supposed to cover 20 functional farmer organizations and three disbanded farmer organizations.

Field experience shows that most of the organizations that were covered in 1995 have disbanded for several reasons, which are outlined in this report. This report covers a number of issues, which were highlighted by the respondents during the interviews. The report is organized as follows: The first part presents the methodology; the second part presents the key findings of the study; the last part presents conclusion and recommendations.

2.0 METHODOLOGY

The study was carried out in the three regions of Malawi by using a checklist which is in Annex 3 and pre-selected farmer organizations which are outlined in Annex 4. The selection of organizations was based on information provided by field staff of the Ministry of Agriculture. In some cases field staff assisted the study team in undertaking preliminary investigations in terms of which organizations were functioning and which ones were not. The study team then purposively selected farmer organizations.

The members of the executive of the farmer organizations were the main target for the interview. However, in the absence of executive members, other members were interviewed as a last resort. Focus group discussions of at least three members of the farmer was advocated in the study. As noted from the checklist, the interviews mainly focused on the objectives of the organizations; achievements; and constraints; opportunities that exist for the organization; success factors; and key lessons that can be drawn from the organization.

3.0 KEY FINDINGS

The following are the key findings of the study:

3.1 Objectives

The objectives of the farmer organizations are quite varied and depend very much on the nature of the product that is being promoted. But in broad terms the objectives center around: working together to increase income and alleviate poverty; access to market for their product; and access to business skills and knowledge.

Most of the objectives have been partially achieved because they are not easily achievable but there are some pointers that could be highlighted as achievements. This is

particularly true for businesses that are viable. Some of the notable achievements are as follows:

At organizational level:

- Farmers have been able to access livestock and seeds in case of crop enterprises through various means as a result of being members of a farmer organization
- Farmers are more organized as a result of training and exposure
- Prices of the products have increased, this is particularly true with respect to those involved in milk production and this has been achieved through bargaining as a group.
- A number of other achievements were mentioned such as: being able to put up a building like an office; being able to procure equipment such as milk processing plants; and increasing membership.

At individual members level:

- paying school fees for children;
- acquiring assets such as furniture, bicycle, radio, cattle and goats;
- being food secure; and
- being able to buy farm inputs.

3.2 Main Activities

Based on the results of the short interviews with the selected farmer organizations, the results indicate that different farmer organizations have different activities depending on their objectives and nature of products they are producing. However, there were certain activities, which were commonly done by all farmer organizations, and these include:

- Identification of well established markets that can offer better prices for their products thereby increasing profits. Members are able to do this by accessing market information through radio and television programmes, publications such as magazines and communication with members of other organizations.
- Most of the organizations are engaged in producing and selling the products to customers and such products include eggs, chickens and milk.
- Farmer organizations also have the task of sourcing livestock (dairy cows or poultry) from organizations with interest to support them. This is an important activity because it helps increase access to livestock of farmers thereby increasing level of production. For instance, Mwera Mkaka Cooperative sourced some dairy cows from Small Scale Livestock Production Programme (SSLPP) and distributed them to members on loan basis. The loan facility was designed in such away that members were supposed to repay K6000.00 to SSLPP and also give a female calf to the cooperative, which later was given to another member who did not have any dairy cow. The process continued until every member had at least a cow.
- Training in business management and leadership skills is another activity that most cooperatives have been doing as a way of building their capacity for the better running of the cooperative. Such skills include: records keeping, financial

management, marketing and group dynamics. In addition to these activities, farmer organizations have developed constitutions, which comply with the Cooperative Act and constitutions have an important role in the governing of the organizations. Mwera Mkaka Dairy Cooperative and Mponela Milk Bulking Group are some of the organizations where field officers from Land O Lake are conducting such training.

3.3 Membership and Social Characteristics of the Cooperative Members

In all the farmer organizations visited, membership is generally dependent on the interest of the members towards the type of enterprise the farmer organization is undertaking. Most members are motivated by income to be derived as a result of being a member of a farmer organization. The majority of farmer organizations place emphasis on those that are within the economically productive age group, normally between 25 to 55 years old.

Strong emphasis for membership is also placed on the literacy level and personality i.e. hardworking spirit, discipline and team work spirit as eligibility. The criteria enable smooth running of the organizations through better understanding, cooperation and good leadership among cooperative members. Upon meeting all these conditions, members are also required to make a contribution of not less than K200 each as membership fee.

3.4 Main Potential and Opportunities

Although most organizations are facing serious problems to sustain and develop themselves, members are still showing interest and willingness to develop their organizations, so that their objectives are achieved according to plans. This means that provided more conducive environment, the potential role of the farmer cooperatives/associations will be important in facilitating and sustaining agricultural and rural development in Malawi.

The following are the opportunities that most of the organizations have planned to exploit:

- *Market Opportunities:* Increased demand for some of the products has encouraged members to step up production of such products so that the existing rudimentary markets have enough supplies to meet the demand. For instance, Oil Palm Growers Associations in Karonga would like to take advantage of demand for soap, petroleum jelly and shoe polish which are products from palm trees through use of traditional processing technologies. In terms of milk production the demand for milk is increasing and a number of farmers are switching from tobacco production to dairy production. This will likely increase economies of scale in terms of bringing the product into the market
- *Introduction of OVOP Programme:* The advent of One Village One Product (OVOP) Programme is seen as a positive development which most of the farmer organizations would want to exploit. Currently, one organization (Kalipu Cooperative Society in Nkhata Bay district) has already written and submitted a proposal to OVOP Secretariat asking for funding and also to identify better markets for their products both within and outside the country.

- *Opportunity for Support:* Land O Lakes has a programme of assisting farmers in the various areas up to 2006. Many other organizations are coming in to support farmer organizations.
- *Import Ban on Imported Products:* The import ban on the importation of cheap products is seen as a window of opportunity for farmers to increase their poultry production. However, the future is not very clear.

3.5 Main Constraints

The study revealed that the majority of the organizations have encountered various problems since the 1995 which directly or indirectly have affected the their performance. In certain serious incidences, these problems have led to disbanding of organizations. Nevertheless, most of the problems are centered on the following:

- *Market Liberalization:* The introduction of liberalization system as part of the Structural Adjustment Programme has been cited as one of the key constraints affecting the development of farmer organizations in this country due to influx of imported goods from other countries. Frequent adjustment of prices due to withholding tax and surtax has also negatively affected the organizations. One such organizations that has been affected is Salima Poultry Women Cooperative Society (defunct), which faced low demand for its eggs because the markets were flooded with cheaper eggs from Zimbabwe and as a result the cooperative could not get profits from its sales. This seriously affected its financial performance until it disbanded.
- *Lack of support from the Government and other Stakeholders:* Lack of financial resources is greatly affecting these organizations to the extent that some of them have disbanded since the 1995 study. This is because most of the organizations could not have enough or did not receive support from the Government, Non Governmental Organizations (NGOs) and other stakeholders. In addition, the cooperative policy does not provide adequate protection to the organizations against cheap products from outside the country. This has therefore, hindered expansion of these organizations through decreased levels of production, and reduced demand of the products. This is particularly true for poultry products. However, some effort has been made to protect these farmers from cheap products but this has to be in consistent with the protocols, which Malawi has signed with COMESA and SADC.
- *Existence of Rudimentary Markets:* Lack of well-organized markets (i.e. most markets are rudimentary) is another challenge for the farmer organizations to develop and as a result most of their products are sold at very low prices. Consequently most of the farmers realize little or zero or sometimes losses.
- *Lack of Exposure to Training Skills by Members:* It is evident that lack of training in the actual management of the enterprise e.g. poultry, dairy cattle etc is affecting the growth of the majority of these farmer organizations due to loss of poultry or dairy cows or plant seedlings in case of palm oil production through pests and disease incidences. On the same aspect, it has been indicated that a lot of farmer

organizations do not have adequate knowledge and skills in keeping their finances through implementation of good record keeping techniques and sound financial management such as opening bank accounts, zero tolerance on fungibility (using cooperative's finances for the activities of the organization) and use of proper costing and pricing methodology of their products. Due to this problem, most of the organizations are not improving in terms of financial performance as a result their growth is affected. Internal conflicts among the organizations members over leadership and management of the organizations is another problem that has contributed to the disbanding of the organizations because members do not have enough skills and experience in group dynamics.

3.6 Relationship with Other Organizations and Assistance Offered

The results indicate that farmer organizations are interacting with the NGOs and other fellow organizations both at national and local levels, in order to identify where and at which level the government may play its role. It is within this domain that the study has found out that a number of organizations have regular contacts with various organizations for specific advisory, financial and material support.

The following organizations are those that have had wider contact with other organizations: Mponela Milk Bulking Group; Mwera Mkaka Dairy Cooperative; CREMPA; and Poultry Industry Association of Malawi. They have interacted with the Ministry of Agriculture Food Security and Irrigation, Land O Lakes; and SSLPP.

3.7 Interventions

In view of the problems and opportunities discussed above, it is imperative that conducive environment should be established for better development of farmer organizations. The study sourced the following suggestions presented by respondents on how the government and other stakeholders can help in facilitating the development of these farmer organizations:

Strengthen farmer organizations through provision of finances on soft loans scheme, so that cooperative members can use the money to buy things that they require for the running of cooperatives.

Assist farmer organizations to identify established markets, which can offer competitive prices for their products. This could be done through training or providing them with market information on regular basis.

Provide capacity building to cooperative members through adequate training in different aspects that are of importance for the efficient and effective running of the cooperatives. The training should tackle issues of records keeping, financial management, marketing and customer care, group dynamics, leadership skills, and good livestock and crop management practices.

Increase the number of extension field staff, so that the ratio of farmer to extension field officer is reduced thereby increasing the coverage and effectiveness of extension advice.

In some areas, training of extension staff in specialized fields is also important because they also lack skills. For example, there was no competent extension staff in Kapor area to advise farmers on agronomic aspects of oil palm production. The extension staff has some general knowledge built not on oil palm. These gaps should be identified and appropriate action taken.

The government should make sure that exotic breeds of livestock and seeds of oil palm are locally available and accessible at affordable prices by farmers. There is need to invest in these areas through government or joint venture with private sector.

3.8 Reasons for Failure

Since the first study was done in 1995, a lot of farmer organizations have disbanded because of the following reasons:

- Lack of good markets for the products
- High incidences of theft and predation of cooperatives' property (livestock).
- Lack of cooperation among members on proper management of the organization
- Lack of feeds and medication of livestock.

3.9 Success factors

Although it is difficult to pinpoint the main factors that have led to the success of farmer organizations, an attempt has been made to isolate some of the key ones based on the organizations visited. The following are factors that have contributed to the success of the few surviving farmer organizations:

- Organizations that have members that are cooperative tend to be successful.
- Criteria for membership should encompass the key important points depending on the area and experience. As evidenced from some of the organizations, members are supposed to be hard working, they should be active and not too old, and some minimum level of literacy should be included especially for leaders.
- Exposure to training and application of training skills.
- Financial, material and technical assistance from the government and other organizations is required.
- A combination of good leadership and cooperation among cooperative members is required.
- Hardworking spirit of members to achieve their objectives.
- Demand for cooperatives' products by the existing local markets is necessary.

4.0 CONCLUSION AND RECOMMENDATIONS

The main objective of this study was to make a follow up on a similar study which was conducted in 1995 and generate information on what changes have taken place over this period and provide an overview of the status of organizations.

The conclusion is that a number of farmer organizations have disbanded over the period due to a number of factors which include lack of adequate finances, lack of capacity building, lack of market due to competition, lack of group cohesion and poor networking with other organizations, and theft. The primary aim of this study was to follow-up on those that were still functioning and only three organizations that were not functioning were covered. There is more work to be done to find out more about the reasons for disbanding.

A number of opportunities are available which the organizations can explore and exploit. However, a number of constraints also need be addressed. The following recommendations are therefore proposed.

- There is need for strong cooperation among the members of the organizations when carrying out their activities. Members should share a common vision and goal.
- Members should be exposed to training and this should be backed by application of the skills that are acquired during training. A strong monitoring of trainees is also needed from the trainers.
- Financial, material and technical assistance from the government and other organizations is needed to support the organizations. Land O Lakes is doing a good job in supporting dairy farmers and government in some areas. But this is an area where collaboration and partnerships is needed
- Good leadership is required in order to have a successful farmer organization
- Hardworking spirit of members to achieve their common vision, objectives and goals is very important and should be emphasized.
- Demand for cooperatives' products by the existing local markets and external markets is important. Marketing skills are also needed but this should be supported by other efforts such as conducive policy environment.
- There is a need to have fair trade practice within the SADC Region so that the dumping of cheap products is reduced for the benefit of the local industries. A number of farmer organizations have fallen victims of this problem particularly in the poultry industry.
- The wider issues such as theft need to be tackled. Some effort are being made at the moment to address the issue through cattle associations but more work is needed in poultry and other enterprises.
- The organizations should be able to change the enterprises depending on the circumstances, with Mwera Mkaka Cooperative Society did change over time and they have managed to survive overtime.

Annex 1: Interviews with Selected Functional Farmer Organizations

Currently functional farmer organizations sampledand coded :

1. Oil Palm Growers Association
2. Kalipu Poultry Multipurpose Cooperative Society
3. Mponela Dairy Farmers/Producers Cooperatives Society Limited
4. Mwera Mkaka Dairy Cooperative
5. Central Region Milk Producers Association (CREMPA)
6. Poultry Industry Association of Malawi
7. Zipatso Association of Malawi
8. Karonga Development Trust (KADET)

Table 1 Summary of objectives and membership details for functional farmer organizations

Main Objectives	Farmer Organization Codes							
	1	2	3	4	5	6	7	Total
Increase income in order to reduce poverty.	✓	✓	✓	✓	✓	✓	✓	7
Find markets for products.	✓	✓	✓	✓	✓	✓	✓	7
Have access to business skills and knowledge	✓	✓	✓	✓				4
Assist members to access poultry or dairy cows on credit		✓	✓	✓	✓	✓		5
Guide, promote, represent, and publicize the interest the interest of producers and other players in the industry.						✓		1
Create employment to local people in the community.				✓	✓			2
Initiate, encourage and solicit financial and technical support for research and development relating to poultry industry in Malawi.						✓		1
Enhance collaboration with Government and other Stakeholders in order to improve Daily Business in Malawi.					✓	✓		2
Membership								
Age group (in years)	18 - 65	35 - 55	30 - 50	18 - 55	-	> 30	25-50	
Number of members (Total number of members).	1200	16	32	100	1550	5000	225	
Gender (number of male and female members).	F 344	M 856	F 7	M 9	F 23	M 9	F 40	M 60
Literacy level.	Primary school	Secondary school & adult literacy	Primary school	Primary school	-	Primary school& adult literacy	Primary education	

Note:

F = Female member

M = Male member

Table 2 Summary of activities and achievements of the farmer organizations

Main activities	Farmer Organization Codes							
	1	2	3	4	5	6	7	Total
Identification of better markets for farmers' products.	✓	✓	✓	✓	✓	✓	✓	7
Production of poultry, eggs and dairy milk which are later sold.		✓	✓	✓	✓	✓		5
Sourcing livestock (poultry & dairy cows) from various stakeholders.		✓	✓	✓	✓	✓		5
Get trainings in business management & leadership skills.	✓	✓	✓	✓	✓		✓	6
Producing soap, petroleum jelly and polish from oil palm trees.	✓							1
Sell labour through piece works.			✓					1
Interact with organizations through workshops and meetings.	✓	✓	✓	✓	✓	✓		6
Main Achievements								
Members are able to pay school fees for their children without problems because of the business.	✓				✓			2
Some members have managed to purchase household furniture like radio, chairs etc.	✓	✓			✓			3
Members have gained knowledge and skills in business management and leadership skills through trainings.	✓	✓	✓	✓			✓	5
Some organizations have built houses hence for a processing plant.					✓	✓		2
Some organizations have acquired processing and cooling plant for milk.				✓	✓	✓		3
Jobs for local people have been created.					✓	✓		2
Membership has increased.					✓	✓	✓	3
Some members have molded bricks to be used for the construction of a secretariat office.			✓					1
Some organizations negotiated with Malawi Dairy Industries official to raise the price of milk per litre.				✓				1
Some organizations have installed electricity in their buildings where there are cooling plants.				✓	✓			2
Some members have managed to source dairy cows on credit.				✓	✓	✓		3
Members have been able to access poultry from support agencies.			✓					1
Some organizations have registered as cooperatives.				✓	✓	✓	✓	5
Members have developed a constitution to guide the organizations.		✓	✓	✓	✓	✓	✓	6
Members have got a generator which provider back up services in case of black outs.				✓				1
Nutritional levels of household members has improved.					✓			1

Table 3 Summary of main problems and opportunities of functional farmer organizations

Main problems	Farmer Organization Codes							
	1	2	3	4	5	6	7	Total
Market liberalization		✓	✓	✓	✓	✓		5
Lack of adequate technical support from government and other stakeholders.	✓	✓	✓					3
Lack of better markets for products.	✓	✓	✓	✓	✓	✓	✓	7
Poor business management skills and knowledge due to lack of adequate trainings.	✓	✓	✓	✓			✓	5
Lack of adequate knowledge in livestock and crop management practices e.g. pest and disease control.	✓	✓						2
Lack of seedlings of oil palm trees.	✓							1
Lack of enough financial resources to sustain the organization.	✓	✓	✓	✓	✓	✓	✓	7
Lack of reliable transport to ferry products to markets.			✓					1
ix In availability of heifers for dairy production.					✓			1
Opportunities to be exploited								
Market opportunities.	✓				✓		✓	3
One Village One Product programme.		✓						1
Opportunity for support either financially or materially.					✓	✓		2
Import ban on imported chickens and eggs.		✓				✓		2
High demand for milk.					✓			1
Increase lines of production due to high local demand i.e. start produce yoghurt apart from milk only.				✓	✓			2

Table 4 Summary of required interventions and factors for the success of the farmer organizations

Interventions	Farmer Organization Codes								Total
	1	2	3	4	5	6	7		
Government and other stakeholders should strengthen farmer organizations through provision of financial and material support on credit.		✓	✓	✓			✓		4
Farmer organizations should be assisted in identifying better and reliable markets for their products.	✓			✓			✓		3
Government and other stakeholders should provide adequate capacity building in business management skills and leadership development.		✓	✓	✓	✓	✓	✓		5
Government should increase number of trained field extension staff for better coverage of extension packages.	✓			✓					2
Government and other stakeholders should make sure that dairy breeds are locally available and accessible to farmers.					✓				1
Government and other stakeholders should also ensure that palm oil tree seedlings are locally available.	✓								1
Factors for success									
Financial, material and technical support from government and other stakeholders.	✓	✓	✓	✓					4
Good leadership.			✓	✓	✓				3
Good cooperation among organization members.			✓	✓					2
Good criteria for membership which were based on interest, literacy level, hardworking spirit, gender and age of members.	✓		✓	✓	✓				4
Demand for cooperative's products by local markets.		✓		✓					2
Extension services from veterinary services staff.		✓	✓	✓					3
Import ban on imported chickens and eggs.							✓		1

Summary of Interviews with Selected Defunct Farmer Organizations

The following is the list of defunct farmer organizations sampled:

Ekwaiweni Women Poultry Club
Kamunthuvulanga Beekeeping Women Group
Salima Poultry Women Cooperative Society

Table 1 Summarized main objectives and membership

	Defunct Farmer Organization				Total
	Ekwaiweni Women Poultry Club	Kamunthuvulanga Beekeeping Women Group	Salima Poultry Women Cooperative Society		
Main Objectives					
Generate income for poverty alleviation .	✓	✓	✓		3
Assist each other to develop poultry business.	✓				1
Have access to credit facilities and trainings.			✓		1
Solve problems affecting poultry industry together.			✓		1
Use chicken droppings as manure thereby improving crop production.	✓				1
Membership					
Age group (in years).	25-65	No data collected	25-55		
Number of members (Total number of members).	24	No data collected	10		
Gender (number of male and female members).	F 24	M 0	No data collected	F 10	M 0
Literacy level.	Primary school level	No data collected	Primary school level		

Note: F=female

M=male

Table 2 Summary of main activities and achievements before the organization collapsed

	Defunct Farmer Organization				Total
	Ekwaiweni Women Poultry Club	Kamunthuvulanga Beekeeping Women Group	Salima Poultry Women Cooperative Society		
Main activities					
Rearing of layers	✓	✓	✓		3
Selling eggs	✓				1
Rearing and selling of broilers			✓		1
Selling of honey		✓			1
Achievements					
Some members have bought assets like furniture, bicycle etc out of the poultry business	✓	No data collected	✓		2
Club members opened a bank account for their business	✓	No data collected			1
Organization members got trainings in feed production and records keeping			✓		1
Some members bought land		No data collected	✓		1
Some members have their families food secured	✓	No data collected			1

Table 3 Summary of main problems that led to collapse of these farmer organizations

Main problems	Defunct Farmer Organization			
	Ekwaiweni Women Poultry Club	Kamunthuvulanga Beekeeping Women Group	Salima Poultry Women Cooperative Society	Total
Lack of cooperation among club members i.e. some members did not want to contribute towards good poultry management hence left many chickens dead	✓	✓		2
High incidents of theft and predation	✓			1
Theft of beehives and this discouraged members to continue with the business		✓		1
Lack of stable markets which could offer better prices		✓		1
Lack of poultry feeds			✓	1
Influx of cheap eggs and broilers from Zimbabwe			✓	1

Table 4 Membership at the time of collapse of these farmer organizations

Membership	Defunct Farmer Organization			
	Ekwaiweni Women Poultry Club	Kamunthuvulanga Beekeeping Women Group	Salima Poultry Women Cooperative Society	Total
Age group of members	25-65	No data collected	25-55	2
Total number of members	24	No data collected	10	1
Gender of members (Female or Male)	F 24	M 0	No data collected	F 10 M 0 1
Literacy level	Primary school level	No data collected	Primary school level	1

In all the interviewed defunct organizations, it was indicated that members are still willing to re-start their enterprises if they can have financial and training support from the Government and other stakeholders who may wish to assist them.

Annex 2: Information on farmer organizations by ADD.

1.0 KARONGA AGRICULTURAL DEVELOPMENT DIVISION

1.2 Oil Palm Growers Association

1.2.1 Background

The Oil Palm Growers Association was previously known as Kaporø Oil Farmers Association. It is in Kaporø North EPA. They are trying to register it to be a cooperative and the Ministry of Agriculture has assisted them in coming up with a feasibility study. Mr. Nyondo is the farmer who was interviewed; he has 200 trees of palm oil and 300 trees of Cocoa. Production of palm oil starts in November up to July. One tree can produce up to 120 litres per annum. Mr. Nyondo has cattle and grows a number of other crops such as cassava, maize and bananas. He is the Vice Chairman of the association.

1.2.2 Objectives

The objectives of the association are as follows:

- To reduce poverty
- To find a market for the product
- To access knowledge on how to do business
- To access seed

The only objective that has been achieved so far is having access to business knowledge through training.

1.2.3 Brief Facts of the Organization

The seeds, which they are using, was introduced by two people one from Costa Rica and another one from FAO. They brought 2,000 seedlings. They were initially raised at Baka Research Station in Karonga. In 1995, there were 1,200 members, of which 856 were men and 344 were women. The number has remained the same. FAO has provided some funds to assist the association in a number of ways. This includes the processing mill but without the digester and therefore the machine has not been used. FAO also donated MK 308,000 to be used on various activities of the association.

The age group of farmers ranges from 18 to 65 years. Any farmer with palm trees can join the association. They have a constitution, which guides them in their operations.

1.2.4 Achievements so far

In terms of the individuals, Mr. Nyondo has managed to pay school fees for his children, bought furniture, he has a radio and he has bought some cattle. In terms of the association, the members have been exposed to training and they have built a house for processing engine, which is supposed to assist them in processing palm oil. Training by extension staff has contributed to this achievement. Donations of FAO and training on marketing by JICA have contributed to these achievements.

1.2.5 Opportunities

There is market for soap, petroleum jelly, and polish which are product after processing oil palm.

1.2.6 Main Problems

The main problems are lack of improved seeds, lack of knowledge of Ministry of Agriculture staff on agronomic aspects of oil palm production. There is no extension leaflet of oil palm production. As a result pest and disease control is a problem

They have tried to approach the extension workers but they have only given them piece meal advice. The farmers are recycling the seed in order to address the seed availability problem.

1.2.7 Impact of the Problems

The impact of the problems is that the organization is not growing. The mill is not working, and extension staff do not have the knowledge on management of palm oil production hence level of production has been affected.

1.2.8 Interaction with Other Stakeholders

The association does interact with other stakeholders in the following ways:

- Training sessions
- The Ministry of agriculture extension staff
- JICA through study tours
- Competition events such during World Food Day

1.2.9 What needs to be done to boost Oil Palm Production

- Provision of hybrid seed is very critical
- Extension staff should be trained in palm oil production, there are no specialists at the moment.
- Farmers should be linked to markets, currently they are using the black market to Tanzania.

1.3 Karonga Development Trust (KADET)

The study found out that KADET is not an organization, which does agricultural activities, but rather an organization whose activities are to preserve and promote culture. So far the organization operates a Museum of Dynasos which attracts tourists. KADET is also teaching the community about the Kangonde language which it has developed.

The 1995 study captured wrong information about KADET because the research team interviewed people who were not members of the Trust and had little knowledge about its activities.

2.0 MZUZU AGRICULTURAL DEVELOPMENT DIVISION

2.1 Kalipu Poultry Multipurpose Cooperative Society

2.1.1 Objectives of the Cooperative Society

The cooperative had since 1995 laid the following objectives:

- Work together in order to increase access to income at household level hence alleviating their poverty.
- Assist other members who do not have their own poultry to rear by providing them chickens on credit instead of just relying on the poultry owned by the cooperative.
- Enable the local customers to have access to poultry and eggs just within their vicinity so that they do not travel long distances to get them.
- Identify other more established markets for poultry and eggs apart from the local markets whose demand is low.

2.1.2 Whether objectives have been achieved

The cooperative has not fully achieved some of its objectives because of the following:

- Some of the members still do not have their own poultry because the cooperative has not yet given them poultry as most of its poultry were attacked by insects (red ants) which left 165 chickens dead. As of now, only 6 cooperative members have their own poultry apart from those owned by the cooperative.
- Unstable economic situation of this country has put the members in a worse off position since the cost of production of chicken is high (i.e. cost of chicks, feeds, medication and others) and this has resulted into low production hence low income levels to alleviate poverty.

- Despite many efforts the cooperative members have made in order access more reliable and competitive markets for their products, this has not been achieved mainly because of poor market research and lack of access to market information.

2.1.3 Main Activities

The main activity of the cooperative is to rear broilers and layers and sell their products. However the cooperative has got a plant, which it wanted to use for milling poultry feeds but this is not being done because the plant is not functional.

2.1.4 Membership and Social Characteristics of Members.

The cooperative membership has increased from 10 to 16 active registered members since 1995 and 7 of them are female members. The membership has increased because people in the area have realized the importance of joining a cooperative or an association. All members have their ages between 35 and 55 years and their literacy level status is follows: 5 of the members attained secondary school education; only 1 member has adult literacy education; and the rest of the members attained primary school education. The membership fee for interested farmers is K500 per year.

2.1.5 Legal Frame Work of the Cooperative

The cooperative has a constitution which they developed in 2002 with technical assistance from extension officer from Mzuzu Agricultural Development Division. The cooperative also received guidelines on how to establish and run a cooperative from the Ministry of Commerce, Trade and Industry. The cooperative is registered under the Cooperative Act.

2.1.6 Financial Performance of the Cooperative since 1995

The cooperative's financial performance has not improved because of the following problems:

- The price of shares is low and this makes the cooperatives get insufficient money to run the cooperative. At the moment, the price per share is K3000.
- Most of their products (poultry and eggs) are sold on credit to customers who in most cases do not repay in time.

2.1.7 Notable Achievements of the Organization over the last 8 Years and Opportunities

Cooperative members have managed to achieve the following things during the past 8 years:

- Have rented a building in which they run their office duties such as executive meetings.
- Members have molded bricks, which will be used to build their own secretariat office.

- Have easy access of poultry feed since they are getting it from NkhataBay instead of Mzuzu.
- The membership increased from 10 to 16
- Some of the members say they are now able to pay school fees for their children unlike in past when they used to borrow money for fees.
- Other members also said they are able to employ laborers to work in their fields.
- The chairperson said he has a bicycle which is used to transport his products to the market and also ferry feeds from the market.
- The cooperative has also managed to supply the local customers enough eggs and chickens.
- The cooperative members want to take advantage of One Village One Product (OVOP) Programme by asking for financial and training support for smooth run of the cooperative. So far the cooperative has already submitted a proposal to OVOP Secretariat for funding.
- The cooperative also has decided to ask support in terms of either finances or chicks from MASAF 3 Programme which is also aiming at poverty alleviation.

2.1.8 Factors Contributed to these Achievements, and Main Problems the Cooperative has faced over the Last 8 Years.

- The cooperative has been able to achieve the aforementioned developments because of: easy access of feeds.
- External assistance from GTZ, which gave them 203 chicks
- Demand for eggs and chickens by local customers
- Extensional services from veterinary officer

However, the main problem that has affected the performance of the cooperative is lack of adequate finances to purchase other poultry, medicine and feeds for the chickens. Lack of markets, which can offer better prices is also a key problem.

The members try to address these problems by selling its products to individual local customers and use the money to run the cooperative.

2.1.9 Interaction With Other Organizations Since 1995

The cooperative interacts with the Ministry of Agriculture, Food Security and Irrigation through veterinary field officer who advises on proper poultry management practices.

The cooperative also interacts with fellow groups to share knowledge and experience in poultry pest management and proper run of the cooperative.

2.1.10 External Assistance

The cooperative has since received assistance from two sources which are:

- Two hundred and three chicks, feeds and medicine donated by GTZ, and
- Insecticide from the Ministry of Agriculture, Food Security and Irrigation (Mzuzu Agricultural Development Division), which was used to kill red ants which attacked chickens.

2.1.11 Intervention Needed

The cooperative would wish if the government and other stakeholders to assist poultry cooperatives by doing the following things:

- Provide financial resources which can be used to buy enough chicks, medication, construct good kholas (Poultry houses) and offices.
- Provide training skills in poultry management, business management.

2.2 Ekwaiwen Women Poultry Club (Defunct)

2.2.1 Objectives of the Club before it collapsed

- Generate income for poverty alleviation.
- Assist each member to have her own poultry business
- Use chicken droppings as manure thereby improving crop production

2.2.2 Whether objectives have been achieved

The club only managed to achieve the second objective before its downfall.

2.2.3 Main Activities

The main activity of the cooperative was to rear layers and sell eggs.

2.2.4 Membership and Social Characteristics of Members.

The cooperative had a membership of 24 from 28 by the time it was collapsing and 75 % had attained primary school education. Members were within the age group of 25-65 any farmer below or above this could not qualify for the membership. Every member used to pay K50 as a membership fee.

2.2.5 Financial Performance

The financial performance of the club was initially good because of sound financial management such as opening a bank account but then it started going down due to both internal and external difficulties.

2.2.6 Developments Achieved Before the Disbandment

- The chairperson said that the club enabled her to acquire poultry of her own apart from those owned by the club. She also used some of money realized from poultry production to buy goats
- Some members indicated that they were able to pay for household expenses
- The club as a whole opened a bank account where they were depositing club's money
- Some of the members said they bought cattle which they are still relying on as their main source of income.

2.2.7 External Assistance

The club had an opportunity to receive financial donation from GTZ for the purchase of the first flock of poultry.

2.2.8 Problems that Contributed to Disbandment of the Club and Efforts made to overcome the Problems

- Lack of cooperation among club members i.e. some of the members were not willing to contribute towards good managements of poultry and this resulted into too many chickens dying.
- High incidents of theft and predation-due to poor khola management a lot of poultry were stolen and predated and this negatively affected the performance of the club.
- Having experienced these problems, the club collapsed as members failed to address them and some of members joined another club bearing the same name whose membership is gender sensitive.

2.2.9 Impact of the Problems on the Club and its Members

Due to the problems discussed above, the club and members failed to achieve the objectives which they had laid.

2.2.10 Interest of Club Members

The chairperson indicated that farmers still have the interest to re-organize themselves and re-start poultry business if they can be assisted.

2.3 Kamunthuvulanga Bee Keeping Women Group (Defunct Group)

2.3 1 Major Reason for the Disbandment of the Group.

- Theft of beehives and this discouraged the members to continue the business.
- Lack of stable markets which could offer better price for honey.

- Internal conflicts among the members over leadership, which resulted into disorganization of the group

3.0 KASUNGU AGRICULTURAL DEVELOPMENT DIVISION

3.1. Mponela Dairy Farmers/Producers Cooperative Society Limited

3.1.1 Objectives of the Cooperative

The cooperative initially had laid the following objectives:

- Work together in order to alleviate their financial problems
- Have access to dairy cows so that they can be distributed to cooperative members on loan basis.

3.1.2 Whether objectives have been achieved

The cooperative has not fully achieved its objectives since it is still negotiating with Malawi Dairy Industry who have promised to provide them dairy cows on loan basis.

Cooperative members still have not managed to alleviate their household poverty although their economic status has slightly improved. This is because of unstable economic environment, which has caused an increase in the price of products.

3.1.3 Main Activities

In order to achieve its objectives, the cooperative does the following activities:

- Bulk the cooperative members' milk at their office which is later sold to Malawi Dairy Industries (MDI) at farm gate price of K26.50 per litre. The cooperative has got a cooling plant, which they acquired from MDI on loan basis. Once the milk has been collected from cooperative members and put together, MDI van comes to collect the milk and take it to the factory for processing.
- Members also sell their labor by doing piecework like gardening for people who hire them and the money is deposited in the cooperative's bank account.
- The cooperative executive members are negotiating with MDI to provide them exotic dairy cows on loan basis so that they can be distributed to members and even to those that have the interest to join the society. In order to make sure that every interested farmer has access to this loan facility, the first group of beneficiaries will have their cows artificially inseminated and the produced female calves will be distributed to other farmers and process will go on and so on until all the registered farmers have dairy cows.
- The cooperative members have also been revising their constitution to make sure that it complies with the current socio-economic status. The revised components in the constitution include: Membership fee which has been raised from K50 to K1500 and also the cooperative share's charge has gone from K1000 to K3000. This exercise was made possible with the technical support from veterinary officer and officials from Malawi Chamber of Commerce and Industry (MCCI).

3.1.4 Membership and Social Characteristics of Members.

The cooperative has currently 32 active registered members of which 23 of them are female members. All members have their ages between 30 and 50 years and their literacy level status is primary school education and adult literacy education. The membership has gone down from 60 members since 1995 because most of old members lost their dairy cows to diseases due lack of good medication which is expensive and as such they decided to deregister themselves from the cooperative.

3.1.5 Financial Performance of the Cooperative since 1995

The cooperative's financial performance has improved although it is facing a lot of problems in sourcing more finances, which can be used to buy productive heifers. The Small Scale Livestock Production Project (SSLPP) gave the cooperative dairy cows on loan, which were distributed.

3.1.6 Notable Achievements of the Organization over the last 8 Years and Opportunities

Cooperative members have managed to achieve the following things during the past 8 years:

- Members are now receiving their money in time after selling their milk unlike in the past when they used to receive their money some months later after delivery of their milk MDI. This became possible because members through their executive committee discussed the issue with MDI officials who responded favorably.
- Members discussed with MDI officials that the unit price of milk be increased from K22.50 to 26.50 per litre.
- Members also have milk cooling plant and milk collecting buckets, which they received from MDI on credit.
- Another notable development is the installation of electricity in the milk-storage room which is backed up by a generator in case of black outs. This has improved the cooperative performance, as it does not experience losses due to milk spoilage.
- The cooperative now has got a reliable market (i.e. MDI) unlike in the past when it was relying on individual customers whose demand was less than the supply hence discouraging farmers to produce more milk.
- The bulking group has just registered itself as a cooperative with the MCCI and every member is obliged to buy shares within the period of 120 days after the day of registration.
- Since the bulking group is a registered, it has powers to further negotiate with MDI over the unit price of milk, so that it can sustain itself financially.

3.1.7 Market Opportunity

The cooperative is also intending to start producing yogurt on their own to take advantage of existing demand both in the surrounding areas and beyond.

3.1.8 Factors Contributed to these Achievements, and Main Problems which the Cooperative has faced over the Last 8 Years.

The cooperative has been able to achieve the aforementioned developments because of access to MDI, which promised to provide reliable market and facilities.

External assistance from various stakeholders such as SSLPP has also been one of the factors that have helped the cooperative to make these achievements.

However, there have been quite a number of problems that have affected the performance of the cooperative which include:

The cooperative had a problem of electrical power for cooling of their milk which resulted in more milk wasted due to spoilage before delivery, but now problem is solved.

The cooperative has also been going through financial crisis due lack of enough financial support from other organization, so that they can buy high milk producing cows enough for every member. This problem nearly led to the collapse of the cooperative had it not been for the provision of heifers from Republic of Ireland through SSLPP.

3.1.9 Interaction With Other Organizations Since 1995

The cooperative has been working with Small Scale Livestock Production Project, Central Region Milk Production Association (CREMPA) and Livestock Development Committees in order to find ways and means of accessing high milk-producing breeds which can be distributed to its members. The cooperative also interacts with Land O Lakes and DEMATT on the issues of capacity building in various skills such as: (1) Good animal husbandry practices (2) Good management of animal feeds such as elephant grass (i.e. how to plant the grass, and how to prepare it feed) and (3) Sound financial management. Land O Lakes has also pledged to provide them with dairy cows.

3.1.10 External Assistance

The cooperative has since received a number of assistance from various stakeholders although not sufficient. Such assistance include:

- Training skills
- Dairy cows
- Milk cooling Plant
- Milk collecting facilities

3.1.11 Intervention Needed

The cooperative would wish if the government and other stakeholders could assist dairy farmer associations by doing the following things:

- Provide financial resources which can be used to buy drug box for medication and cover administrative costs such as paying employees' salaries, maintenance of plant e.t.c
- Provide exotic dairy breeds on soft loan scheme, so that farmers are able to produce high levels of milk to meet domestic demand and outside demand through exportation.

3.2 Mwera Mkaka Dairy Cooperative

3.2.1 Background of the Cooperative

Mwera Mkaka Dairy Cooperative is a time long cooperative which is running milk production business in Ntchisi district and was initially called Mwera Hills Cooperative Society. The name was changed in 1998 because the cooperative changed its line of production from vegetable production to milk production and most of its previous members are still in the cooperative. The members embarked on milk production instead of vegetable production because they saw that it was more profitable than the former business.

3.2.2 Objectives of the Cooperative

- To reduce poverty through milk production
- Contribute to infrastructure development of the area once cooperative members have stable access.
- Source dairy cows from various stakeholders and distribute them on credit to cooperative members who do not have. In this case the member repays K6000 and one female calf to the cooperative and this calf is given to another member while the money is used to repay the cooperative's credit.
- Create employment to local people around the area

3.2.3 Whether the Objectives have been Achieved

The cooperative has so far achieved some of the objectives especially the last two, but it has not fully achieved the first two objectives because of lack of good markets for their products.

3.2.4 Membership and Social Characteristics of Members

Since 1998, the cooperative has got 100 members from 30 of which 60 are male and 40 female and approximately 80% of the members have upper primary school education. The required age group for eligibility of membership is between 18-55 years.

3.2.5 Cooperative Legal Framework

The cooperative has got a constitution which it developed in the year 2000 with some expertise from veterinary field officer from Ministry of Agriculture, Food Security and Irrigation, Small Scale Livestock Production Programme (SSLPP) Field Officers and CREMPA Staff. Apart from this, the cooperative was registered in 2001 under the cooperative Act.

3.2.6 Financial Performance

Since the cooperative changed its product, it has been registering financial improvements due to good financial management, hard working spirit of members, cooperation among members and external financial and donations assistance.

3.2.7 Activities of the Cooperative

The main activity of the cooperative is to collect milk from its members, bulk it in the cooling plant and sell it. So far the cooperative has employed a watchman and an agent who sells milk to Capital Dairy Industry on behalf of the members and the cooperative pays him using the money it gets from milk sales in form of commission. The cooperative intends to start processing the milk on its own, pack it and sell it directly to customers instead of selling unprocessed milk to Capital Dairy Industry. This will be possible because of the processing plant it has been received from various stakeholders.

3.2.8 Developments Achieved by Cooperative Since 1998

- The cooperative has established a modern milk processing plant
- The number of dairy cows owned by members has increased.
- The membership has increased from 30 to 100
- It has acquired two strong generators to provide power back up in times of black outs and this prevents milk from going bad during such periods.
- Some members also said they are now food secure since they are able to buy farm inputs with the money the get from this business.
- Some members said they are able to pay school fees for their children unlike in the past.
- Nutritional status of families of cooperative members and even that of other people has improved because of milk consumption.
- Others have built good houses.

3.2.9 Opportunities of the Cooperative

Since the cooperative has got full processing equipment, it has plans to start processing milk and yoghurt to take advantage of the existing demand for milk by both local and outside Ntchisi Markets. This will help the cooperative make more profits than it is making now.

3.2.10 Factors that have contributed to the Developments

- Cooperation among members
- Hardworking attitude of members
- External advisory, material and financial assistance

3.2.11 Problems Experienced Since 1998 and Actions Taken

- Lack of reliable transport to ferry milk to markets
- Lack of power back up services in times of blackouts but now the problem is solved because the cooperative has two generators. This problem nearly made the cooperative fell because a lot of milk was going bad and this discouraged members to increase their milk production levels.

3.2.12 Interactions with Others and Reasons for that

- The cooperative interacts with the following stakeholders:
- Land O Lakes organizes training workshops to teach members on financial management skill and records keeping
- SSLPP provides extension services on good dairy cow and milk management
- CREMPA strengthens members on good milk production and also advises them on excellent running of cooperatives.
- New Capital Dairy (formerly called MDI) discusses with members on milk price and timely collection of milk from the cooperative.

3.2.13 External Assistance

The following is the assistance that the cooperative has received since 1998:

- SSLPP provided them dairy cow credit facility, doorframes, cement, paint for extension of the building, generator and milk processing plant.
- CREMPA donated MK10, 000, generator, milk cooling tank.
- New Capital Dairy provided iron sheets for the building.

3.2. 14 Interventions

The cooperative outlined the following points to be factors, which can make the milk industry grow:

- Government and stakeholders should strengthen the industry through provision of soft loans e.g. finances to open a factory, buy vehicles and procure dairy cows.
- Assist identify established markets both within and outside the country

- Organize study tours to other cooperatives, so that they can share knowledge and experiences.
- Provide them training in artificial insemination so that when the SSLPP Project winds up they are able to do that for themselves.
- Provide enough veterinary extension officers so that the ratio of farmer to extension officer is reduced thereby increasing the coverage and effectiveness of extension advice.

4.0 SALIMA AGRICULTURAL DEVELOPMENT DIVISION

4.1 Salima Poultry Women Cooperative Society (Defunct)

4.1.1 Objectives of the Cooperative

- Increase income hence alleviate poverty levels
- Have easy access to credit facilities and training
- Solve the problems affecting the industry together

4.1.2 Level of Achievement

Members partly achieved first two objectives and this is evident by the kind of assets and knowledge they have.

4.1.3 Main Activity

The cooperative members were keeping layers and broilers and sell their products.

4.1.4 Membership and Social Characteristics of Members

The cooperative had about 10 active members from different areas of Salima and members were supposed to pay MK200 as entry fee. Only interested members could be accepted to join the cooperative. Members were between the age of between 25 and 55 years and most of them had also primary school education.

4.1.5 Legal Framework of the Cooperative

The cooperative had no constitution to govern them.

4.1.6 Membership when it collapsed

The number of members could not be captured as members said they had forgotten

4.1.7 Notable Developments Achieved Before Disbandment

- One member said she bought land which she developing now.

- Another one said she bought two vehicles
- Members got training in feed production and records keeping from DEMATT
- Acquired interpersonal skill
- Some indicated that they built good houses

4.1.8 Contributing Factors to these Developments

- Good cooperation among members
- External services from veterinary field officer
- Training sessions from DEMATT

4.1.9 Main Problems Encountered and their Impacts on the Cooperative and its Members

The cooperative met the following rigorous problems which eventually led to its abandonment:

- Lack of poultry feed since the ingredient used were scarce
- The influx of cheap eggs and chickens from Zimbabwe made Malawian eggs have no markets or sold at low prices despite their high production costs. The cooperative faced its demise in 1998 after members had failed to put the cooperative performance back on track.

4.1.10 Interest towards the Business

Approximately 85% of the old members are still interested to re-vamp the business more especially if they can have financial and training support.

5.0 LILONGWE AGRICULTURAL DEVELOPMENT DIVISION

5.1 Central Region Milk Producers Association (CREMPA)

5.1.1 Objectives of the Association

The objectives of CREMPA are as follows:

- To develop a register of all its members by June, 2004.
- To repair cooling facilities in 6 bulking groups by December 2005
- To install cooling facilities in 6 bulking groups by December 2007
- To distribute at least 200 dairy animals annually for the next 6 years starting from 2004
- To make sure that all animals are taken care of through good housing, good feeding, disease control and use of Artificial Insemination.

- To maintain its reliable market through supplying of good quality milk and by avoiding milk vending.
- To make sure that a farmer generates an income of at least K5,000 per animal per month.
- To make sure that each bulking group creates employment for at least 100 people annually.
- To work in collaboration with processors to have a variety of milk and milk products on the market all the time.
- To improve crop productivity through the use of manure.
- To enhance working relationship with Government and other stakeholders in order to improve Dairy Business in Malawi.

5.1.2 Whether objectives have been achieved

- The heifer scheme with Land O Lakes has been achieved in the sense that some farmers have received some animals. This is a pilot project which the association is working with Land O Lakes.
- Have received some funding from VSO for AIDS Campaign awareness K180,000 the association has also contributed K40,000 to this campaign.
- Farmers are more organized than before due the new management strategy
- They have more money in the account than before
- Milk Prices have gone up as a result of bargaining with the milk producers.
- Management is able to reimburse some of the costs incurred by farmers once they come to the regional offices for activities of the association.

5.1.3 Main Activities

The new management took over from the old management last year. They undertook a tour of the bulking groups in order to appreciate farmers' problems. They found out that most of groups had old members. There was need to involve people who could read and write especially executive members but also included young people of the age 25 to 40.

The main activities include:

- Ensuring that farmers get good prices for their product from processors
- Ensuring that farmers have access to animals
- The constitution is in place to run the association
- Ensuring that farmers appreciate that there is a large difference between growing tobacco and dairy farming
- Ensure that Farmers that have local animals should be encouraged to cross breed their animals through AI
- Train farmers in leadership skills and book keeping with the assistance of Land O Lakes

5.1.4 Membership

The membership has improved over time. The current membership is about 50 members per bulking group for 31 bulking groups. In the past there were about 15 members per bulking group for 30 bulking groups.

5.1.5 Opportunities for the Organization

There are a number of opportunities as follows:

- Many organizations are willing to assist them.
- A number of farmers are changing from tobacco production to dairy farming
- Demand for milk is very high
- Land O lakes is able to assist in any ways and the current programme is up to 2006

5.1.6 Factors Contributing to Success

There has been good leadership because of the criteria of selection of leaders. People are following the constitution and farmers are seeing the good results of dairy farming.

5.1.7 Problems

The main problem is that the demand for heifers is very high. The association does not have money to buy them because they are not available locally. They have to be imported from Zambia or South Africa. The association has tried to approach donors to assist, tried to work with farmers to make contributions and source animals but this is not enough.

5.1.8 Other Organizations

The association works very closely with the department of Animal Health and Livestock Development, Land O lakes and Lilongwe ADD on a number of aspects.

5.1.9 Interventions

Government should make sure that animals are available in Malawi and should be able to buy them locally at affordable prices by farmers. Government should encourage local investors to invest in production of heifers.

The milk processors should also buy animals and give them on loan to farmers so as to increase production

Other stakeholders should assist farmers by providing them with inputs on credit.

5.2 Poultry Industry Association of Malawi

5.2.1 Background

The association attracted a large number of women and they are the majority over 5, 000 were registered between 1994 and 1996. Members are mostly of the age levels of 30 years and above. The education levels range from those that attended Kwacha School (adult literacy education) and above. A number of retired and non-retired members from the public and private sector have good education background.

The poultry industry association is undergoing a restructuring process at village, areas and district committee level. Currently all the 28 districts are subcommittees. The actual figure is not yet available but the numbers are over one thousand.

The restructuring is being done in order to provide its services effectively to the nation. The country has been importing poultry and poultry products from the region. But of late production has improved slightly but the demand has not been fully addressed. Poultry and poultry products from neighboring countries have been relatively cheaper which has been detrimental to the local products.

5.2.2 Objectives

- To promote and develop the poultry industry in all parts of Malawi
- To facilitate and promote the sharing of information among its members on issues relating to production and marketing of poultry and poultry products and other goods and services incidental to the poultry industry
- To establish links or affiliations or cooperation with other organizations and individuals with similar aims and objectives particularly in animal production industry and jointly take action for further advances on mutual interest
- To guide, promote represent and publicize the interest of producers and other players in the industry.
- To collect and disseminate information in poultry industry
- To establish linkage with regional committees
- To initiate, encourage and solicit financial and technical support for research and development relating to poultry industry in Malawi.

5.2.3 Opportunities

The opportunity is that if they can establish abattoirs and mini abattoirs this can stimulate rural production. Because rural farmers sell their products well over the recommended period.

5.2.4 Main Problems and Solutions

Market Liberalization

- The market liberalization system has been affecting poultry production due flooding of imported goods. Frequent adjustment of prices due to withholding tax and surtax have affected negatively the industry.
- There is need to have a fair trade practice within the region so that dumping of cheap products should be reduced for the benefit of the local products.
- The association in collaboration with the Ministry of Trade and Private Sector Development and the Department of Animal health and Livestock Development have imposed an import ban while at the same time measures to increase local production have been worked out.

Maize as feed and Main Staple Food

- Maize is a staple food in Malawi. But maize is also a major constituent in livestock feeds. There is always a conflict of interest during scarcity. The human need receive priority over animal feed.
- There is need to increase maize production or identify farmers that can produce maize for livestock feed and this market should be promoted.

Consumer Preference

- Domestic consumers have sidelined the local products. The association has been losing membership due to closure of business or decline in production.

5.2.5 Interaction With Other Organizations

The association has been working with the Small Scale Livestock Production Project, Livestock Development Committees, District Assemblies, the Donor Community, DEMATT, and NGOs. This is in line with the objectives of PIAM constitution that poultry production should be coordinated and also in line with the livestock development policy.

5.2.6 External Assistance

The association has not received any external assistance since 1995.

5.2.7 Interventions Needed

There is need to build capacity in order to ensure a sustainable poultry production.

6.0 BLANTYRE AGRICULTURAL DEVELOPMENT DIVISION (ADD)

6.1 Zipatso Association of Malawi

6.1.1 Objectives of the Association

The Association laid down the following objectives:

- Increase income in order to reduce poverty.
- Improve production of fruits through increased efforts in implementing modern farming technologies.
- Improve quality of citrus fruits such as tangerines, oranges, peaches etc.
- Identify better and reliable markets for the organization products.
Increase bargaining power of their products over the market price.

6.1.2 Whether the objectives were achieved

The study revealed that the Association has only managed to achieve the second and third objectives because of the following reasons:

- The Association registered few members who faced stiff competition with non-registered members (vendors) over the market share.
- Lack of donor support due to mismanagement of finances by the former administration. This in return made the Association experience financial crisis.
- Internal conflicts among board members also affected the performance of the Association.

6.1.3 Main Activities of the Association

In pursuit for the achievement of the objectives discussed above, the association implemented the following activities:

- Developed citrus fruit nurseries of improved varieties with funding from Malawi Environmental Endorsement Trust (MEET) so that seedlings can be distributed to members as one way of increasing citrus fruits' productivity as well as addressing the issue of environmental degradation.
- Participation in training such as nursery establishment, orchard management, grafting techniques, agro forestry practices (planting agro forestry species e.g. **Tephrosia vogelli** with tangerines). Farmers were also exposed to trainings in financial management skills.
- The Association also conducted a workshop to develop a two-year strategic plan.
- The Association with the help of a volunteer from Kenya has tried to look for better and established markets by conducting market research.
- The other activity is that the organization has tried to source funds from donor agencies like Action Aid, Concern Universal by submitting concept papers.
- The Association developed a constitution, which is yet to be reviewed.

6.1.4 Membership

The organization has 225 members in total of which 140 are female and 85 are male members. The majority of the members have their ages ranging from 25 to 50 years. Their education level is primary school.

6.1.5 Notable Developments of the Association

Despite the numerous constraints the organization has been going through since 1995, it is evident that the following achievements have been realized:

- Restructuring of the entire organization which nearly collapsed due to lack of donor support. Board members therefore, decided to recruit other people who could run the secretariat office competently.
- Since the restructuring of the organization, membership has increased from 10 to 225 members.
- Association members have been able to increase their productivity through the Association's effort to establish nurseries.
- The Association has been able to get technical support by receiving Horticultural Marketing Expert from Kenya who is currently assisting them in market identification through research.
- Organization members have also been able to receive technical support through trainings organized by Concern Universal as a way of building their capacity in citrus fruits' production and marketing.
- The Association has also assisted farmers reduce period before harvest is realized by providing them early maturing varieties.
- Enhance coordination with other stakeholders such as Ministry of Agriculture, Malawi Environmental Endorsement Trust (MEET) etc.
- Developed a constitution which will be reviewed very soon.
- The Association registered as a cooperative under the cooperative Act.

6.1.6 Opportunities

The Association intends to exploit the following opportunities:

- Use the technical support from the Kenyan volunteer to improve the performance of the Association through increased productivity and product sales.
- Due to the confidence that the new secretariat has developed in various support agencies, more farmers have registered an interest to join the Association. This will increase the strength of the Association in bargaining over the market price of its products. Farmers are also hopeful that the reorganization of the Association will help them get equitable share of the prospective markets.
- The Association also intends to increase its production of citrus fruits through full utilization of improved varieties from the established nurseries.

6.1.7 Main problems

The Association has been facing quite a number of key pressing problems which include:

- Lack of adequate funding to sustain its operations.

- Lack of better and reliable markets where to sell products. However, the Association has engaged an expert from Kenya to conduct a market research in order to find out where the Association can sell its products competitive prices.
- Lack of transport system to ferry products to markets.
- Poor business management skills as a result of lack of exposure to financial management skills, storage and packaging skills and customer care.
- The Association has however, tried to reduce the impact of these problems by doing the following:
- It is lobbying with the MEET to provide them with funds of which MEET has favorably responded by giving MK2 million.
- Association has submitted the concept note for funding to Action Aid.
- Association members attended training workshops organized by CADECOM and Concern Universal to learn about improved crop husbandry practices and good financial management.

6.1.8 Interaction with other partners

The Association has since 1995 interacted with a number of stakeholders including:

- CADECOM which provided trainings.
- Concern Universal which also provided trainings.
- MEET which provided funding.
- Ministry of Agriculture which provided extension services.
- District Assembly which assisted in the development of Association constitution.

6.1.9 Intervention

Based on the outlined problems that are hampering the growth of Association the following interventions were proposed:

- The Government should make connection with international markets so that the local farmer organizations are able to sell their products
- The Government and other stakeholders should establish infrastructure that can assist farmer organizations add value to their products as well as store them for a longer period. This will ensure that farmers realize better prices for their products hence increasing their income.
- Farmer organizations should be provided with credit facilities so that they are able to sustain themselves and out compete vendors who monopolizes market share.
- The Government and other stakeholders should involve beneficiaries when developing programmes that intend to benefit them. As a result, the beneficiaries can easily participate in the implementation of the programme since they took part in developing it.

Annex 3: Interview Checklist

July/August 2004

Identification

NAME OF ORGANIZATION	
NAME OF RESPONDENT	
POSITION OF RESPONDENT	
PERIOD OF SERVICE IN THE ORGANIZATION	
ADDRESS OF THE ORGANIZATION	
NAME OF INTERVIEWER	
DATE OF INTERVIEW	

2.0 PURPOSE OF THE STUDY

The study is being undertaken in order to understand what make Farmer Organizations work well or fail, opportunities that can be exploited and thus to strengthen Farmer Organizations in Malawi and the services that they offer to farmers. The answers given for this checklist will be treated with special confidentiality by the survey team, and they will not be disclosed to any organization members or officials, and they will not be used to provide information or recommendations specific to any particular Farmer Club or Association.

We would be very grateful for your assistance in answering the following questions to the best of your ability.

PART A TO BE ADMINISTERED TO THE MANAGEMENT OF THE ORGANIZATION THAT ARE ACTIVE

What was the initial objective of the organization since 1996?

Have you achieved your initial objective now?

Briefly explain your organization's background and history covering the main activities of the organization, its membership (in terms gender, age and literacy level etc), its constitution, its financial performance over the past 8 years and also any significant changes from information compiled in the 1996 report.

4.1 How many members do you have in your organization now?

Current number (July-Aug. 2004)

Number in 1995

Describe the main notable achievements of the organization over the last 8 years (Probe on the both organization and member benefits; FO itself; external environment and market characteristics: supply and demand, e.g. competing products and changing consumer preferences, competing firms and organizations, inputs and finance)

5.1 What kind of opportunities do you think your organization can exploit?

6.0 Mention the main factors that have contributed to each of these achievements?

7.0 Mention the main difficulties that the organization has faced over last 8 years and or faces now? (Probe on the field provides in appendix 1) Find out if any difficulty nearly causes collapse of the organization.

8.0 Give reason s for each of the main difficulties.

9.0 What actions were taken to address these difficulties, and how they were overcome? (if they were!)

10.0 What are the impacts of these difficulties on the organization and its members? (in this the emphasis should be on the past changes)

Do you have more regular interactions/contacts with other organizations/partners both inside and outside the local community than period before 1995? (If yes)

11.1 If yes, which organizations and for what reasons?

12.0 If you been receiving any external assistance since 1995, mention the type of assistance and from which organization(s)?

13.0 What kind of interventions do you think can the government and other stakeholders do in order to create a favorable environment for the development of farmer organizations in Malawi?

THE FOLLOWING CHECKLIST QUESTIONS WILL BE ADMINISTERED TO DISBANDED ORGANIZATIONS

Identification

NAME OF ORGANIZATION	
NAME OF RESPONDENT	
POSITION OF RESPONDENT/KNOWLEDGE OF ORGANIZATION BEFORE IT DISBANDED	
PERIOD OF SERVICE BEFORE THE ORGANIZATION DISBANDED	
ADDRESS OF THE ORGANIZATION	
NAME OF INTERVIEWER	
DATE OF INTERVIEW	

2.0 PURPOSE OF THE STUDY

The study is being undertaken in order to understand what makes Farmer Organizations work well or fail, opportunities that can be exploited and thus to strengthen Farmer Organizations in Malawi and the services that they offer to farmers. The answers given for this checklist will be treated with special confidentiality by the survey team, and they will not be disclosed to any organization members or officials, and they will not be used to provide information or recommendations specific to any particular Farmer Club or Association.

We would be very grateful for your assistance in answering the following questions to the best of your ability.

What was the initial objective of the organization since 1996?

- 1.1 Have you achieved your initial objective now?

- 2.0 Briefly explain your organization's background and history covering the main activities of the organization, its membership (in terms gender, age and literacy level etc), its constitution, its financial performance before its collapse and also any significant changes from information compiled in the 1996 report.

- 2.1 How many members did you have in your organization when it was collapsing?
-
- 3.0 Describe the main notable achievements of the organization (if any) before it collapsed (Probe on the both organization and member benefits; FO itself; external environment and market characteristics: supply and demand, e.g. competing products and changing consumer preferences, competing firms and organizations, inputs and finance)
- 4.0 Mention the main factors that have contributed to each of these achievements?
- 5.0 Mention the main difficulties that the organization had faced before its collapse, focus on particular reasons for the organization's collapse.
- 6.0 Give reason s for each of the main difficulties.
- 7.0 What actions were taken to address these difficulties, and how they were overcome?
- 8.0 What are the impacts of these difficulties on the organization and its members? (In this the emphasis should be on the past changes)
- 9.0 Do most of the organization's former members still have the interest to re-start the organizations?

Annex 4:

List of Organizations to be Interviewed

The following farmer organizations were targeted for interviews based of initial information from the field:

Northern Region

Karonga Agriculture Development Division

Karonga Development Trust (KADET)
Oil Palm Growers Association

Mzuzu Agricultural Development Division

Kalipu Poultry Multipurpose Cooperative Society
Ekwaiweni Women Poultry Club
Kamunthuvulanga Village bee keeping Women Group

Central Region

Kasungu Agricultural Development Division

Mponela Milk Bulking Group
Kanyenda Women Group
Mwera-Mkaka Dairy Cooperative

Machinga Agricultural Development Division

Thondwe Milk Bulking Group
Mpachika Smallholder Burley Club

Lilongwe Agricultural Development Division

Poultry Industry Association of Malawi (PIAM)
Tsangano Fruit and Vegetable Cooperative Society
Diamphwe Irrigation Scheme
Central Region Milk Producers Association (CREMPA)

Salima Agricultural Development Division

Salima Poultry Women Cooperative Society
Mphando Burley Club
Mwaiwathu Women Stall feeding Group
Kafulama Cotton Club

Southern Region of Malawi

Blantyre Agricultural Development Division
Malawi Association of Spice and Herbs (MASH)
Zipatso Association of Malawi (ZIPA)
Southern Region Poultry Association

National Organization

Malawi Milk Producers Association (MMPA)

The study will also include 3 local organizations, which are completely defunct