

## Module 9: Farmer Organisational Development



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In 2012 GFRAS developed the “New Extensionist” document, which details the role that extension plays in an agricultural innovation system, and the strategies and capacities needed (at individual, organisational, and system level) <http://www.g-fras.org/en/activities/the-new-extensionist.html>. Based on this document the GFRAS Consortium on Extension Education and Training emerged to promote the New Extensionist, mainly through training, curricula review, and research on extension.

The Learning Kit contains 13 modules designed for self-directed, face-to-face, or blended learning and can be a useful resource for individual extension field staff, managers, and lecturers.

The Farmer Organisational Development module is developed as part of the New Extensionist Learning Kit <http://www.g-fras.org/fr/652-the-new-extensionist-core-competencies-for-individuals.html>.

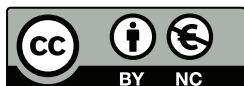
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# Contents

## **Module 9: Farmer organisational development 1**

Module overview ..... 1

Module introduction..... 2

### **Study unit 1: Definition and differentiated mandate of farmer organisations..... 3**

Study unit overview ..... 3

Study unit introduction ..... 4

#### **Session 1.1: What is a farmer organisation? ..... 5**

Introduction..... 5

Definition and characteristics of farmer organisations..... 6

#### **Session 1.2: Different categories of farmer organisations8**

Introduction..... 8

General interest groups ..... 9

Cooperatives ..... 10

Commodity based organisations ..... 11

#### **Concluding remarks ..... 14**

### **Study unit 2: Prerequisites for successful farmer organisations..... 15**

Study unit overview ..... 15

Study unit introduction ..... 15

#### **Session 2.1: Internal factors influencing the operations of farmer organisations ..... 17**

Introduction..... 17

<b>Session 2.2: External factors that affect farmer organisations.....</b>	<b>23</b>
Introduction.....	23
<b>Study unit 3: Sustainability of farmer organisations .....</b>	<b>27</b>
Study unit overview.....	27
Study unit introduction .....	27
<b>Session 3.1 Farmer representation as a factor for sustainability .....</b>	<b>29</b>
Introduction.....	29
<b>Session 3.2 Importance of good cooperative governance in farmer organisations .....</b>	<b>36</b>
Introduction.....	36
<b>Session 3.3 Importance of financial sustainability in farmer organisations.....</b>	<b>40</b>
Introduction.....	40
Concluding remarks .....	43
<b>Study unit 4: Functions of farmer organisations.....</b>	<b>44</b>
Study unit overview.....	44
Study unit introduction .....	45
<b>Session 4.1 Economic functions of farmer organisations</b>	<b>46</b>
Introduction.....	46
<b>Session 4.2 Political functions of farmer organisations.</b>	<b>48</b>
Introduction.....	48
<b>Session 4.3 Social functions of farmer organisations ....</b>	<b>50</b>
Introduction.....	50

**Session 4.4 Facilitating access to technology ..... 53**

Introduction..... 53

Concluding remarks..... 55

**Glossary.....56**

Definitions ..... 56

Abbreviations..... 58

**Resources ..... 59**

# 1. Before you begin

## 1.1 General instruction

This module should be used in conjunction with the workbook provided. As you read through the module, you will find different visual features that are designed to help you navigate the document.



Figure 1: Icons used to highlight important information throughout the manual

The module makes use of keywords (difficult or technical words that are important for you to understand). To ensure that you receive the full benefit from the module, keywords will be marked the first time they occur and defined in a box containing the keywords symbol. Make sure that you read the definition of any words that you are unsure about.

## 1.2 Activities

Each session in the module will contain various types of activities to help you become knowledgeable and competent. The module contains three types of activities:

A **pre-assessment** is to be completed before reading through the module overview and introduction, and a **post-assessment** is to be completed once the entire module has been covered. This will measure the degree to which your knowledge has improved by completing the module.

Each session contains one or more **session activities** to be completed, in the workbook, where indicated in the module. These activities measure your ability to recall and apply theoretical knowledge.

At the end of each study unit a **summative assessment** needs to be completed. These assessments are longer than the session activities and will test your knowledge on all the work within the study unit.

### 1.3 Assessment instructions

Keep the following in mind before doing any of the assessments:

- All assessments are to be completed in the provided workbook.
- The manual contains all relevant information you will need to complete the questions, if additional information is needed, such as the use of online sources, facilities will be made available.
- Work through the activities in a study unit and make sure that you can answer all the questions before attempting the summative assessment. If you find that you are not certain of any part of the training material, repeat that section until you feel confident.
- The summative assessment must be done under the supervision of your trainer at the end of your learning period.





# Module 9: Farmer organisational development

## Module outcomes

After completing this module, you will be able to:

1. Define the concept of a farmer organisation and discuss the different categories and the specific services they provide;
2. Discuss the diverse environment under which farmer organisations operate and the factors that help them succeed;
3. Explain the concept of the sustainability of farmer organisations and discuss the basic factors that affect sustainability; and
4. Describe the main functions that farmer organisations can provide their member farmers.

## Module overview

This module will provide basic guidelines to extension agents on how to help farmers form strong organisations that are able to effectively provide services to their members. Specifically, the module will discuss the definition of a farmer organisation (FO) and how different formations of farmers play different roles in the agricultural sector. Various factors influence the successful operation of FOs and this module will discuss several of these internal and external challenges, as well as suggestions on how to address them. This module will also look at issues that affect the sustainability of FOs and will help you as an extension agent guide farmers in forming and managing sustainable organisations. Lastly, the module will discuss the most important functions that FOs fulfil in the agricultural sector.

## Module introduction

In the past, individual farmers could operate their farming activities in isolation and still make reasonable returns on their farming activities. This was largely due to governmental subsidies and support that farmers received from other stakeholders. However, in many countries circumstances have changed. The liberalisation of economies and suspension of governmental subsidies mean that farmers no longer receive the same assistance as before. Thus, small-scale individual farmers are expected to compete with their large-scale commercial counterparts locally and internationally for the same resources and services. This leaves small-scale farmers vulnerable and prone to failure as they lack the resources to compete with large commercial farmers. Organising farmers into groups is one way of mitigating the challenges faced by individual farmers. FOs play a vital role in transforming the position of weak individual farmers into strong business and legal entities that can contribute positively to the social and economic development of a community.

An important new task for extension services is to help farmers form strong and sustainable FOs. As such, extension agents need to acquire new roles in order to assist and guide farmers to form and manage their organisations successfully. These new roles will include, among others:

- Empowering farmers;
- Community organisation;
- Human resources development; and
- Development of problem solving skills.

The role of the new extensionist is not just to educate and train farmers but also to guide them in ensuring that their organisations are sustainable and that they are addressing the needs of the members.



Complete the pre-assessment in your workbook.

## Study unit 1: Definition and differentiated mandate of farmer organisations

### Study unit outcomes

After completing this study unit, you should be able to:

- Explain what farmer organisations are and discuss their importance in the current farming environment;
- Discuss what differentiates farmer organisations from other civil society organisations; and
- Describe the different categories of farmer organisations and discuss their different roles and the different services they provide.

### Study unit overview

Individual small-scale or subsistence farmers can reap many benefits when they work together in groups or organisations. This unit will provide a generic definition of an FO and will look at the attributes that differentiate FOs from other civil society organisations such as non-governmental organisations (NGOs). Extensionists need to understand that there are different categories of FOs and that each category is formed to provide specific services. This unit will discuss the three general categories of FOs and the **mandatory** services that each category provides.

**Mandatory:** Compulsory or required by law.



## Study unit introduction

In today's agricultural environment, small-scale and subsistence farmers are at a disadvantage when it comes to accessing resources and services due to competition from larger scale farmers. One way for individual farmers to overcome this disadvantage is to work together, pool their resources and form farmer organisations (FOs). This is especially important in rural areas where there are few institutions that provide essential goods and services to help subsistence farmers.

These FOs can generally be categorised into general interest groups, **commodity** groups and cooperatives. Each category may operate at the local, regional, national or international level. Farmer organisations provide a wide range of services. Certain services can be provided by all categories of FO, but each category also has mandatory services that are unique to that category.

### Commodity:



Any raw material or agricultural product that can be bought and sold.

No matter how FOs are categorised, they play an important role in the current farming environment. Farmer organisations have the power to mobilise individual farmers and enable them to become a strong force in the economy. By joining FOs, individual farmers are able to participate in larger, more competitive markets. They are also able to compete with large scale farmers for resources and services. Furthermore, FOs allow individual farmers to get adequately better representation at the local, regional and international level, enabling farmers to contribute to agricultural development programmes and policies. However, before discussing FOs in detail, it is important to define what an FO is and what distinguishes these organisations from other civil society organisations.

## Session 1.1: What is a farmer organisation?

### Session outcomes

After completing this session, you should be able to:

- Define the term farmer organisation; and
- List the basic characteristics of farmer organisations.

### Introduction

Farmer organisations are membership-based organisations created to primarily address the various interests of farmers. They are known by various names depending on the interest group they represent. Some of the names used to refer to FOs include:

- Producer organisations;
- Rural organisations;
- Farmers' cooperatives;
- Farmers' associations;
- Farmers syndicates;
- Chambers of agriculture; and
- Farmers' unions.

FOs range from formal groups covered by national legislation to informal self-help groups and associations that are not necessarily registered with government bodies. They can function at many different levels from local (for example, clubs with a small number of individuals living near each other), to regional, to national and international levels (for example, national or international federations).

FOs include a variety of enterprises and practices and they may perform the following functions:

- Policy or advocacy;
- Economic and technical; and
- Local development functions in some cases.

These organisations operate as systems with sub-systems. They are influenced by the outside world to a large extent as they have to deliver services to their members and other interested parties.

## Definition and characteristics of farmer organisations

FOs can generally be defined as independent, non-governmental, membership-based rural organisations. There are many different forms of FOs and they can vary in size and the services they provide. However, no matter what form an FO takes, they all exhibit the following basic characteristics that distinguish them from other civil society organisations:

- **Autonomy** from external influence:

FOs are independent from governments and other civil societies. They are private organisations and must have full operational autonomy.

### **Autonomy:**

Independent from outside rule or interference.



- **Membership based:** An important difference between FOs and other civil society organisations and NGOs is that they are membership organisations, in other words they have formally defined membership criteria. The membership requirements of different FOs vary greatly and can range from simply being a farmer to the regular payment of membership fees or the participation in certain activities. A cocoa farmers FO, for example, may limit its membership to cocoa farmers whose annual cocoa production is above a certain minimum level.
  - **Unrestricted freedom of the members** to democratically participate and enjoy their rights: Farmers are free to join and leave the organisation at their own discretion, without any outside influence or pressure from the community or other FO members.
  - **Recognition by authorities** through appropriate legislative processes: The recognition by authorities is

important because it allows organisations, especially formal organisations, to legally represent farmers and offer certain services that require legal status.



Complete Activity 1.1 in your workbook.

## Session 1.2: Different categories of farmer organisations

### Session outcomes

After completing this session, you should be able to:

- Describe the different categories of farmer organisations; and
- Discuss the expected services of each category of farmer organisation.

### Introduction

Farmer organisations come in a wide variety of forms and perform numerous different functions. Due to this diversity it is not easy to categorise FOs. One of the simplest ways of categorising these organisations is to group them into three general groups, namely general interest groups, commodity or value chain based groups and cooperatives. Each category can function at the local, national and international level.

Different types of FOs serve different purposes depending on the category and **mandate** of the organisation. The mandates of FOs are influenced by the farmers as well as the legislation under which they are registered.

Farmer organisations provide a wide range of services including **capacity building, lobbying and advocacy**, information provision and legal services. Some services such as, representing farmers in advocacy activities, linking members with service providers and negotiating contracts for members, can be provided by all categories of FOs. Each category also has some specific services unique to that category that they have to provide. The following sections will give a general overview of each category and some of the mandatory services unique to that category.





**Mandate:** An official command or set of instructions.

**Capacity building:** All the different types of activities that are designed to improve an organisation's ability to achieve its goal.

**Lobbying:** The process of attempting to influence the actions, policies, or decisions of officials in a government.

**Advocacy:** The act of publicly pleading for or supporting a cause or proposal.

Some services, such as representing farmers in advocacy activities, linking members with service providers and negotiating contracts for members, can be provided by all categories of FOs. Each category also has some specific services unique to that category that they have to provide. The following sections will give a general overview of each category and some of the mandatory services unique to that category.

## General interest groups

General interest farmer groups are interest groups that represent the agricultural and economic interests of farmers. Their main goal is to represent farmers during the formulation and implementation of agricultural policies and development programmes and to improve farming standards for their members. Membership to these groups can come from any organisation or individual who meets the membership requirements of these organisations (for example, cooperatives, commodity associations, agri-businesses).

General interest farmer groups:

- Represent members in policy and programme development and review.
- Integrate mutual interests of farmers from different backgrounds and coordinate actions to address the interests of all.
- Mobilise financial and human resources for other farmer organisations.
- Provide technical capacities in organisational and institutional development.

- Facilitate knowledge sharing among members.
- Provide information to members and authorities on aspects of agricultural development.
- Provide information to members on national or international events that may influence farmers.
- Assist in the participation of farmers in national and international agricultural trade fairs.
- Promote networking of farmers from different backgrounds.
- Support commodity based organisations to carry out market research, data collection, analysing, consulting and training.

## Cooperatives

Farmer cooperatives are independent business organisations jointly owned and democratically controlled by farmers, producers and other players in the value chain. Their main goal is to help meet their members' need for agricultural services and to create demand for their produce. Membership to cooperatives is open and voluntary and profits are shared between members according to the level at which they use the cooperatives' services. For example, a member of a dairy farmers' cooperative that delivers 5% of the milk to the cooperative will receive 5% of the income generated from the sale of that milk. Even though these organisations can operate nationally and regionally, they are generally smaller and usually operate in geographically defined areas. Apart from economic opportunities, cooperatives also provide members with education, training and information services. Farmer cooperatives:

- Assist in the distribution of production supplies (for example seeds, chemicals, fuel, etc.) to farmers.
- Process the members' produce to add value to the organisation.
- Aggregate farmer produce in order to deliver large quantities to markets.
- Assist in the bulk purchases of agricultural inputs to take advantage of reduced prices.
- Facilitate the storage of agricultural inputs and farm produce.
- Provide specialised services such as credit, insurance and transport.

## **Commodity based organisations**

Commodity based organisations specialise in a single commodity or closely related products. Their main goal is to bring together different farmers, producers, and markets in the value chain related to a particular commodity.

These organisations usually represent a large area based on the size of the wholesale market or natural production boundary of a commodity. Membership usually requires participation in the production, processing or distribution of a particular commodity. Unlike cooperatives, farmers belonging to these organisations operate as individuals and they gain profit as individuals.

Commodity based organisations:

- Provide advocacy and negotiations on trade issues.
- Organise and coordinate fair deals for their members in their transactions.
- Provide specialised training to members.
- Facilitate market research on various commodities.
- Provide market and other relevant technical information to farmers, policy makers and buyers.
- Create awareness of new technologies available to farmers.
- Produce and distribute publications on various subjects of interest to farmers.
- Promote the production of adequate quantities of good quality products that meet market specific requirements.
- Organise transport and storage logistics for members.
- Facilitate combined production activities in order to meet specific market demands.



### Example 1.1

The following are just a few examples of how different FOs can transform the lives of farmers.

In the rural Bondo district of Kenya increased urbanisation, population growth and the increased impact of climate change mean that farmers cannot always meet the higher demand for farm produce. In 2012 a small NGO started the Bondo Food Hub to help stimulate the formation of general interest groups and to enhance cooperation between farmers by pooling resources and information. Farmers with similar interests form interest groups within the Hub focusing on a specific agricultural practice, such as beekeeping. The Hub further helps these farmer groups by housing processing equipment, developing market opportunities and assisting with packaging and quality control standards. Drawing on local knowledge, the Bondo Food Hub helps farmers to work together. Their objective is to show how, together, farmers can be more productive, earn a better income, and contribute to food security. (<https://web.facebook.com/BondoFoodHub>)

The Githunguri coffee and dairy agricultural cooperatives are enriching the lives of many Kenyans. Currently the Githunguri Dairy cooperative has over 23,000 registered members, an annual turnover of 6 billion Kenyan shilling and an average of 230,000 litres of milk per day. The organisation started with a single collection centre located at Githunguri town but have increased to over 76 collection centres and over 6 cooling centres spread across the catchment area. The society has over 58 store outlets spread in the catchment area for provision of dairy farm inputs and household consumables to members on credit. In July 2004 the organisation commissioned its own milk processing plant and was able to access a wider market through value addition and wide range of dairy products. The investment resulted from members contributing 1 Kenyan Shilling (about 1 US dollar) for every kg

of milk sold. Today Fresha dairy products are the flagship products of Githunguri Dairy Cooperative and have revolutionised the Dairy industry in Kenya. ([www.fresha.co.ke/](http://www.fresha.co.ke/))

The collapse of the Kenyan Meat Commission in the late 1980s, led to sector wide inadequacies, disorganisation and corruption in the livestock value chain in Kenya. In 2000 the Kenya Livestock Marketing Council (KLMC) livestock value chain commodity association was formed to help improve collaboration and coordination between the different actors and commodity associations within the livestock value chain in Kenya. Currently the KLMC has over 1,552 registered members in over 18 districts located in the arid and semi-arid areas of Kenya. The KLMC has managed to greatly improve the quality and selling price of livestock, decrease transportation costs and improve the income of members. (<http://livestockcouncil.or.ke/>)



Complete Activity 1.2 in your workbook.



Complete Activity 1.3 in your workbook.

## Concluding remarks

Small scale farmers can greatly improve their competitiveness in the agricultural marketplace by joining forces and forming FOs. Despite the wide variety of forms that FOs can take, they all emphasise the importance of membership and their main function is providing services to their members. One of the simplest ways to categorise FOs is to group them into general interest groups, cooperatives and commodity based organisations; however this can be somewhat of an oversimplification. Not all FOs necessarily fall within a single category. For example, some cooperatives can be seen as an evolution of a general interest group. Regardless of their definition and organisation, FOs are of vital importance in today's agricultural environment.



Complete the summative assessment in your workbook.

## Study unit 2: Prerequisites for successful farmer organisations

### Study unit outcomes

After completing this study unit, you should be able to:

- Discuss the internal and external factors that influence the success of farmer organisations; and
- Discuss possible ways to address the internal and external challenges faced by farmer organisations.

### Study unit overview

There are various factors that can influence the success of FOs. These factors can broadly be divided into internal and external factors. Internal factors include any challenges that arise from within an organisation, whereas external factors arise from outside the organisation. This unit will discuss some of the internal and external factors that can affect the operations of FOs. In this unit you will also learn of ways to address the internal and external challenges faced by FOs.

### Study unit introduction

Farmer organisations do not operate in isolation, they exist in an open environment with multiple contexts. Farmer organisations face various challenges imposed by external players such as governments and the **private sector**, as well as internal challenges arising from the organisation and its members. These challenges can influence the successful operation of FOs and prevent them from thriving and addressing the needs of their members.

#### Private

**sector:** The part of an economy that is not under the direct control of the state.



Internal organisational challenges usually originate from the following factors:

- Leaders and management staff have inadequate knowledge of and skills to manage their organisations and provide services to members;
- Ineffective decision making processes within the organisation;
- Poor communication systems; and
- Inadequate accountability and transparency measures within the organisation.

External challenges typically arise from the following factors:

- Governmental policies;
- External interference; and
- Inadequate support systems.

In order to be an effective extension agent, you need to be able to identify both internal and external challenges faced by FOs and provide these organisations with possible solutions to address these challenges effectively.



## Session 2.1: Internal factors influencing the operations of farmer organisations

### Session outcomes

After completing this session, you should be able to:

- List the main internal factors that influence farmer organisations; and
- Discuss possible solutions to the internal challenges faced by farmer organisations.

### Introduction

Globally, farming is becoming more demanding and complex. Farming now requires a basic understanding of production, marketing and other business principles. FOs are formed to respond to the varying needs of farmers and to provide advice and solutions to the complex environment that farmers are operating in. For these organisations to operate effectively, they need internal rules and policies. Internal factors that affect the successful operation of FOs arise from within the organisation itself and include factors such as leadership styles, managerial skills and other factors related to organisational capacity. These internal factors have a huge impact on member participation and the level of cooperation within an FO. The following sections will briefly discuss the main internal factors that can affect the operations of FOs.

Organisational capacity is the ability of an organisation to use its resources, skills and knowledge to meet the needs of their members and achieve their goals.



## **Inadequate capacity to represent**

Farmer organisations frequently lack the resources to properly represent farmers at the national, regional and international levels. Various issues contribute to this challenge. Some organisations lack the capacity to properly identify and articulate farmers' needs. They also have underdeveloped systems for feedback between representatives and farmers in the FOs. In addition, some organisations show discrepancies between local and upper level representation. For example, some organisations have stronger and more operational national structures than local structures. All these factors may limit the ability of FOs to represent farmers and influence policies and agreements (such as trade agreements). The following are some solutions that could be used to address these challenges:

- Develop clear organisation and membership structures.
- Develop clear and simple strategies to facilitate communication among the members and subsystems of the organisation.
- Consolidate activities of national and local level structures.
- Institute structures that promote transparent interaction among farmers at all levels.
- Regularly review organisational structures and ensure that all levels of operation are responding to the needs of the members and meeting the objectives of the organisation.

## **Limited understanding of the role of farmer organisations by society**

Members of the general public are not always aware of the roles and functions of FOs and how they can benefit farmers. This could be due to an organisation's lack of mobilisation skills and an inability to demonstrate the actual benefits to members. An inability to mobilise and retain members results in FOs not having enough members to have political and economic influence. Below are some suggestions that FOs can use to address these challenges:

- Involve the community members in establishing organisations and their goals.

- Address members' real needs, do not impose needs and solutions from outside their perceived needs.
- Ensure that members receive clear and measurable benefits from joining the organisation.
- Collaborate with members and potential members to catalogue a list of achievable services that could be offered by the organisation.

## **Overdependence on external assistance**

Many organisations lack the capacity to raise enough funds for their day-to-day activities and rely heavily on funding from external donors or governments. These external funders frequently attach strict conditions to their funding, thereby limiting the activities of the organisation. In addition, external funders who contribute a large amount of funds may want to influence the agenda of the organisation, causing the organisation to lose its objectivity. It is important to remember that successful FOs require sustainable, predictable and independent funding from diverse sources. Farmer organisations can try the following to avoid overdependence on external assistance:

- Plan and develop a long term strategic framework for the organisation and raise funds according to the planned strategic framework.
- Assess availability of resources and plan how to use those optimally.
- Diversify sources of funding in order to avoid overdependence on a single sponsor.
- Facilitate activities that will enable members of organisations to raise their own funding (membership fees, charges on the services provided, research grants, etc.).

## **High levels of illiteracy**

Low levels of literacy and inadequate knowledge of organised agriculture can affect almost all aspects of an FO. In communities with high rates of illiteracy, farmers struggle to articulate their

needs and develop proposals that can be presented to potential funders. Additionally, principles of organised agriculture presented to farmers during extension are not always indigenous to their community and they need to study and understand these principles before applying them. This can be a big problem for farmers who have inadequate levels of education. You as an extensionist can use the following suggestions to overcome the problem of high levels of illiteracy:

- Facilitate the exposure of farmers to modern methods of organised agriculture using study tours and field trips.
- Provide accessible and relevant education and training programmes.
- Promote the sharing of experiences and lessons between farmers from different social, cultural and economic backgrounds.
- Avoid introducing too many new aspects of organised agriculture.

## **Ineffective leadership and management**

In many FOs, leaders are not necessarily chosen based on merit or skill and they might not understand their leadership role or how their FO should operate. In many cases the founders of FOs insist on being leaders even though they are not competent. A competent leader effectively sets the direction of an organisation, mobilises members to address common concerns and achieve set goals. Poor leadership of an organisation can affect issues such as governance, internal management, democratic control and transparency.

Weak or inappropriate leadership can also lead to the farmer organisation being too dependent on external funding and open to political interference. The management of an organisation translates their mission and policies into real life, day-to-day activities. Effective management requires technical, business and interpersonal skills. A lack of proper managerial skills can cause the FO to fail. In order to address these challenges, the leadership of a farmer organisation can try to:

- Create transparent and efficient election processes to elect leaders and managers.
- Develop simple structures that clearly outline the different roles of leaders and managers.
- Develop long-term training programmes for managers and leaders.
- Give **secretariats** more authority to advise leaders and managers on how to turn the organisations vision and policies into actual day-to-day activities.
- Encourage team building between the leaders, managers and team members.
- Develop and implement self-assessment procedures to assess leaders' and managers' performance.

**Secretariat:** A department in an organisation that is headed by a secretary or a secretary-general.



Some FOs also suffer from a lack of external support, usually due to the members' inability to run their FO as a business. Employing management that has the appropriate financial management skills and business know-how will ensure a better chance of securing external support. As an extensionist, you can use your knowledge of agri-entrepreneurship to teach FOs how to run their organisations effectively.

## Poorly developed institutional structures

FOs frequently have poor institutional structures and require institutional strengthening of financial management structures, human resource development policies and leadership and managerial skills. Poorly developed institutional structures struggle to coordinate with each other and frequently fail to respond to farmers' needs. Poor structures can also affect the accountability of leadership and members of an FO. The following are some solutions that could be used to address these challenges:

- Develop proper systems that can coordinate the different structures of the organisation at various levels.
- Do systematic reviews of external factors that influence how effectively services are provided to members and develop strategies to cope with these challenges.
- Develop and implement well-planned policies for the organisation to manage various human and financial resources.
- Develop structures that are supported strictly by the available resources within the organisation.

### **Inadequate understanding of policy issues**

One of the main goals of any FO is to represent farmers during the formulation and implementation of agricultural policies. Effective FOs also provide feedback and evaluation of agricultural policies, ensuring government responsiveness and accountability. However, many FOs find it difficult to identify policies that negatively affect or even harm farmers. They also often lack the capacity to analyse such policies and to formulate better alternatives. In addition, FOs frequently try to intervene in agricultural policies during the development or implementation stages. At this stage, a lot of effort and resources have already been expended and policy makers will be less likely to listen to inputs from FOs. The following are some suggestions to address these challenges:

- Ensure the involvement of FOs during the planning phases of policy initiatives.
- Promote proactive interactions between FOs and other stakeholders that provide services to farmers.
- Develop solid positions and proposals before representing farmers' interests.
- Study and understand how other services providers operate in the economy.
- Understand the possibilities and limitations for FOs in the services provision arena.



Complete Activity 2.1 in your workbook.

## Session 2.2: External factors that affect farmer organisations

### Session outcomes

After completing this session, you should be able to:

- Discuss how the political environment and government policies can influence farmer organisations;
- Discuss the importance of the appropriate level of external support; and
- Explain how the involvement of the private sector, especially businesses and service providers, can influence farmer organisations.

### Introduction

The external environment has a big influence on the operations of FOs and it includes factors ranging from the political and economic environment to the social, cultural and ecological conditions in which the organisation operates. Apart from farmers, various other players in the **public sector** and private sector are also interested in successful FOs. Governments and public policy makers are interested in FOs because they frequently represent the biggest faction within the agro-economic arena and hearing their views on different matters becomes important. The public sector, especially business groups, is interested in successful FOs since they help them to cut logistics costs. Other service providers are also interested in FOs as it is easier to work with groups. These different interests can sometimes result in negative interference by these external players.

**Public sector:** The part of an economy that is controlled by the state.



## **Government policies and political interference**

Many governments implement policies that negatively affect farmers and FOs. Examples of these policies are price ceilings or high import and export taxes. FOs can not necessarily change or avoid these policies and have to develop structures and mechanisms to address them. In many countries, there is a large amount of unproductive governmental and political interference in the running of FOs. Politicians and government officials in these countries put unnecessary pressure on FOs or they take advantage of farmers and FOs for political gains. FOs need clear and concise rules separating FO leadership and management from politics. They need clearly defined structures and procedures to use when dealing with governmental institutions to ensure transparency and accountability. FOs must develop their capacity to effectively and accurately articulate the needs of their members during policy development and must work together with governments to create mechanisms to enable the active participation of FOs in policy development.

Another external challenge faced by many FOs is the administrative, regulatory and legal burden imposed by governmental institutions. Administrative and regulatory stipulations to establish and register FOs may be complicated, especially for underprivileged communities with high levels of illiteracy. Unclear procedures and the need for a large amount of documentation to register can affect the rate at which organisations register. Farmer organisations and governmental institutions should employ liaison officers who are familiar with all the administrative and legal requirements needed to register and operate FOs successfully. You as the extensionist may be able to fulfill this role but it is most likely better to recommend that the FO employs someone to assist them.

## **External support systems**

In many countries, FOs consist mainly of farmers who do not have access to many resources. In these situations, external



assistance and donor funding is very important to building the capacity of FOs and the agricultural growth of small-scale farmers. Governments alone cannot provide enough external assistance to ensure the success of FOs, therefore these organisations must work together with extension services, the public, private and non-profit sectors to ensure the appropriate level of external support. FOs should strengthen and develop their leadership as capable leadership will be able to mobilise resources to appropriate levels before the organisation will need external support. This will strengthen the organisation's chances of obtaining external assistance. However, government or external funders often impose their own agendas and political motives on the FOs which can hinder the FOs' ability to meet their members' needs. FOs need clearly defined and enforced rules that govern the extent of external support systems' roles in the running of the FO.

### **Private sector involvement**

FOs can benefit greatly from partnership with the private sector as business and enterprises can assist with investment and specialised skills that can improve the productivity of small-scale farmers. The private sector can also play an important role in building the technical skills of FOs. However, there frequently exists a lack of partnerships between FOs and the private sector, often due to mistrust. FOs and supporting institutions frequently view the private sector as 'exploiters'. FOs must establish and maintain links between themselves, policy makers and service providers in the private sector and should also develop mechanisms and structures that will ensure they are protected from exploitation when dealing with external service providers. Furthermore, FOs should improve weak or inappropriate leadership, which can leave them vulnerable to external exploitation.



Complete Activity 2.2 in your workbook.



Complete Activity 2.3 in your workbook.

## Concluding remarks

The successful operation of FOs is affected by challenges both from within and beyond the organisation. Internal challenges usually stem from a lack of strong leadership and managerial skills, ineffective decision-making processes and poor communication. These challenges can be largely be addressed within an organisation by improving their skills and institutional structures. Externally, FOs face several challenges, especially external interference and inadequate external support. These external factors cannot always be avoided and FO leadership and management have to put mechanisms in place to address these challenges while still effectively providing services to their members.



Complete the summative assessment in your workbook.

## Study unit 3: Sustainability of farmer organisations

### Study unit outcomes

After completing this study unit, you should be able to:

- Explain how factors that affect farmer representation influence the sustainability of farmer organisations;
- Discuss the importance of good governance for sustainable farmer organisations; and
- Discuss the importance of financial stability for sustainable farmer organisations.

### Study unit overview

A variety of issues influence the long term viability of FOs. This module will help you identify factors that affect the longevity of FOs and equip you to help farmers address these challenges. Firstly, this unit will look at how adequate representation of the members of FOs will affect the sustainability of the organisation. Then, the study unit will explore how good governance influences FOs. Lastly, the unit will discuss how financial instability can lead to unsustainable FOs.

### Study unit introduction

Many FOs do not last long and fail shortly after their formation. There are a number of factors that affect the sustainability of FOs. Some of these factors originate from the origins of the organisations and reasons why farmers join, whereas some of the factors arise from how the organisations are managed. Frequently, organisations that have their origin in specific projects stop existing soon after the project ends. Members of organisations like these do not necessarily feel ownership of the organisations. Many times the members of such

organisations feel that the organisation was imposed on them and that there is a gap between their needs and the goals set by the leadership. In addition, most FOs are donor dependent and their existence is greatly influenced by donor opinions and motives. The sustainability of organisations can also be influenced to a large extent by factors that originate from how the organisation is managed. The most prominent factors that affect FO sustainability include farmer representation, governance and financial viability. All of these factors interact with each other and in order to ensure the sustainability of FOs, extensionists need to consider all of these factors.

## **Session 3.1 Farmer representation as a factor for sustainability**

### **Session outcomes**

After completing this session, you should be able to:

- Discuss the importance of well defined membership structures for farmer representation and organisational sustainability;
- Explain the role of leadership in farmer representation;
- Discuss the importance of clear decision making processes for farmer representation and organisational sustainability; and
- Explain the importance of networking for farmer representation.

### **Introduction**

One of the responsibilities of FOs is the effective representation of farmers' in agricultural policy and programme development processes. FOs are the legitimate representatives of farmers and are expected to represent the views of individual farmers that would not have been heard otherwise.

However, without proper systems and structures in place, it is very difficult to gather the concerns and opinions of every farmer in the organisation. Farmer organisations frequently provide the only forum where farmers have the opportunity to discuss their opinions and ideas. These organisations have a responsibility to gather and articulate the needs of farmers in a manner that can be used and understood by authorities, but that does change the original message of the farmers. Therefore, it is vital that FOs promote communication among their members and internal structures as well as with governments and other external stakeholders. Organisations that

represent the views of farmers well are likely to be supported by farmers and remain active and relevant in a community.

## The importance of membership structures for farmer representation

Membership to FOs can come in several forms. FOs with poorly defined membership structures can experience a number of problems including a lack of communication between members and ineffective representation of members. These organisations usually have several levels of membership, ranging from the local and village level to the district, regional and national levels.

At the lower levels, membership structural problems usually arise from debates about whether membership should be given to individual family members or an entire family unit, household or farm. This is especially important when decisions have to be made by voting, as this can lead to confusion about who is allowed to cast a vote.

Problems with poorly defined membership structures are more serious on the national and international levels. At this level, organisations have to decide whether they allow individual membership or **affiliated** membership from other lower organisations, or a combination of both. Each of these options have merits and demerits and can influence how farmers are represented.



### **Affiliated:**

Closely associated with another typically in a dependent or subordinate position.

Organisations with multiple line membership structures allow a combination of individual and affiliated membership. Figure 1 shows an example of a national farmer organisation with a multiple line membership structure. This form of membership structure is more difficult in terms of administration, but it allows for a large diversity of membership categories and more chance of participation by different members of the farming

community. However, a major drawback of this membership structure is the potential for dual membership. Dual membership is when individual farmers belong to associations affiliated to the organisation and at the same time have individual membership to the same organisation. This can lead to biased voting and misrepresentation of the needs of the members.

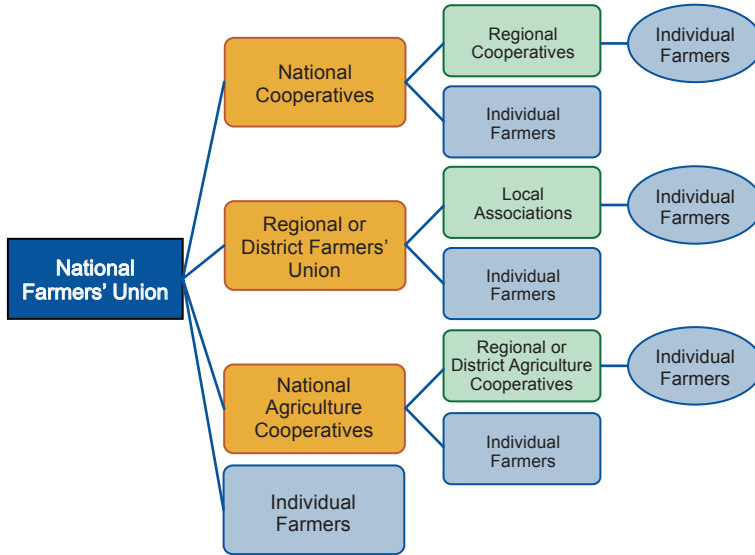


Figure 1: Multiple line membership structure

Single line membership structures only allow affiliated membership. There may be more than one channel of membership but no individual farmers are accepted as members to the higher levels of the organisation. Figure 2 shows an example of a national FO with multiple channels of single line membership. This membership structure reduces the risk of dual membership and is more manageable, as the responsibility of consulting with individual farmers directly rests in the hands of the lower level affiliates.

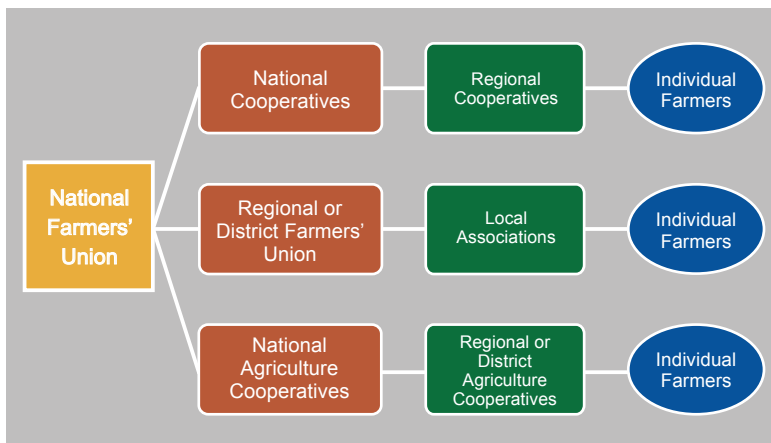


Figure 2: Single line membership structure.

### **The importance of good leadership for farmer representation**

Strong leadership plays a very important role in the effective representation of farmers by FOs. Not only do leaders have to set the direction and main goal of the organisation, they also have to ensure that all levels of membership within an organisation are adequately represented. Leaders should be able to position themselves in order to get maximum exposure to authorities during policy development. Weak leaders will not have the capacity to gather the different members' opinions and concerns and convey their needs to the relevant authorities.

Furthermore, adequate representation of farmers often requires that leaders provide alternatives to agricultural policies and programmes that negatively affect farmers and farmer organisations. Weak or inappropriate leadership will lack the ability to formulate these alternatives and may end up either endorsing or rejecting all policies without adequate analysis of the situation.



## The importance of good decision making structures for farmer representation

Strong internal decision-making structures are vital to the establishment of fully sustainable FOs. In organisations that lack the proper decision-making structures, leadership and management can easily make decisions without consulting lower level members and, in doing so, completely misrepresent their members. Proper decision-making structures consist of a higher level such as a general council or general assembly. The upper level structures elect the lower level structures of decision-making, such as the board of executives and other lower level executive committees. Each level reports to the level above in this **hierarchical** decision-making structure.

During important decision-making processes all the different levels have to be involved and have all the relevant information to make an informed decision. Once a lower level structure reaches a decision, they should report to the level above them. This decision, along with the decision of a higher level, is then reported to the next level in the decision-making hierarchy. Feedback on decisions follows the same procedure down the hierarchy. Figure 3 shows a simple example of a hierarchal decision-making structure. This process guarantees that ideas and proposals will be discussed fully before a final decision is made. It also guarantees that all the members of the organisation are involved in the decision-making process and that their concerns and ideas are accurately represented.

### **Hierarchical:**



Organised into different levels.

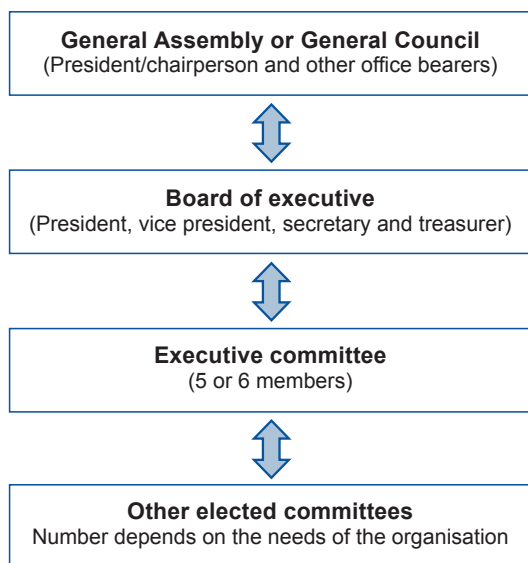


Figure 3: A simple example of a hierarchical decision-making structure.

## The role of networking in farmer representation

Farmer organisations that work with other organisations can benefit from sharing their resources, experiences and information. This can help FOs represent their farmer members better. This process of interacting with other institutions to exchange information and develop professional links and contacts is called networking. Through networking, FOs are able to boost their technical and financial resources. These networks can also be a valuable source of information that can help FOs during lobbying and representation. However, FOs should be careful not to form partnerships and networks that are beneficial to only a few members of the organisation or that will only lead to short term benefits as this frequently causes the real needs of members to be overlooked. When members feel that their concerns and

ideas are not being properly communicated to all the relevant players in the agricultural arena, they will see no need to belong to the organisation.



Complete Activity 3.1 in your workbook.

## Session 3.2 Importance of good cooperative governance in farmer organisations

### Session outcomes

After completing this session, you should be able to:

- Discuss the basic concept of governance and explain the importance of good governance in farmer organisations;
- Describe the basic governance structure of farmer organisations; and
- Discuss the role of the secretariat in an organisation.

### Introduction

Governance broadly refers to the way in which organisations are directed, managed and held accountable for the control of their assets and resources. Governance of member-owned organisations, such as FOs, can be very challenging but is very important for the long term success and viability of the organisation. Good governance is generally characterised by principles such as equal and inclusive participation of members, accountability, transparency and the efficient enforcement of internal organisational rules and regulations.

### The importance of good governance

In FOs, good governance structures empower all members to participate in a meaningful manner in the decision making processes of the organisation. It allows members and other stakeholders to access information about the running of the organisation and the opportunity to freely air their views regarding the operation of the organisation. Governance structures should make sure that this information is easily

accessible and understandable. Organisations with good governance structures can easily demonstrate that their financial resources and external funds are being managed responsibly. This gives external stakeholders and businesses confidence in the organisation, ensuring continued support.

Good governance structures guarantee that there is a clear distinction between the roles and responsibilities of the leadership of an organisation and the management or secretariat. This not only ensures accountability of leaders and managers but also ensures that they do not abuse their position or misuse organisational resources for personal gain. Well governed organisations have transparent and effective decision-making structures. Leaders of such organisations will have confidence that decisions were reached democratically and fairly and that they are representing the needs of all their members.

### **Basic governance structure**

Governance structures consist of several levels, depending on the type of organisation they are dealing with. Regardless of the number of authority levels, organisations need a detailed outline of their governance structure. This structure clearly identifies which individuals or departments have overall authority in the organisation and clearly maps out the chain of command in the organisation. Organisations that lack a clear chain of command will have difficulty enforcing internal regulations and implementing new agricultural policies.

In most FOs, the overall authority is called the general assembly or general council. The general assembly or council is made up of representatives of the members of the organisation and should reflect the diversity and composition of the organisation. Members of the lower level structure are generally democratically elected and are given a specified term of office.

Directly below the general council is the secretariat, which works closely with executive board. The executive board is also

known as an executive committee, board of directors or board of governors. Below the secretariat or management and executive committee are various standing and **ad hoc** committees and departments that are responsible for specific areas of work in the organisation. These committees report to the executive board or secretariat which reports to the general council. Figure 4 illustrates a simplified governance structure.

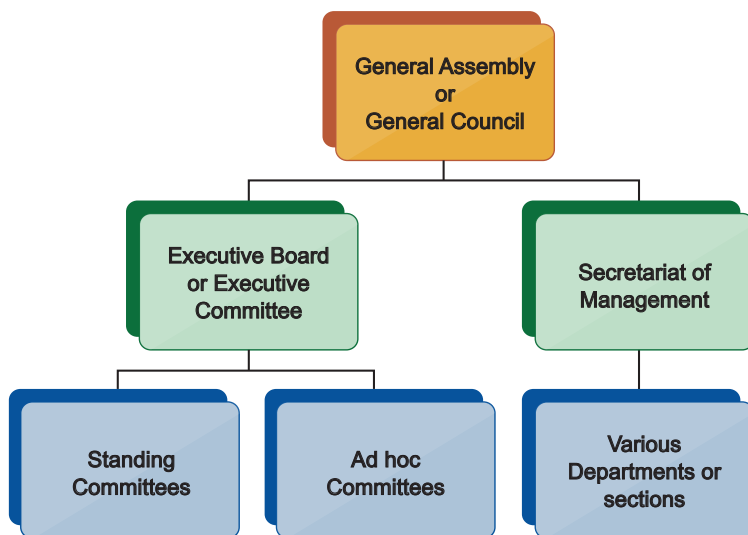


Figure 4: Basic governance structure.

**Ad hoc:** Created for a particular purpose as necessary.



## The secretariat

One of the most important branches of the governance structure is the secretariat or the management. The secretariat is like the engine room of an organisation and it oversees the day-to-day running of the organisation. The secretariat is made up of professionals in various fields of expertise. The head of the secretariat is called the chief executive officer (CEO) or executive

director (ED) and they frequently act as an intermediate between the higher and lower levels of the governance structure. Broadly, the secretariat is responsible for the general administration of the organisation and the provision of technical, policy and logistical support to the leaders or members of the organisation. The responsibilities of the secretariat require individuals with specialised skills that the average farmer member might not have. Therefore, it is important that the FO leadership employs and elects the appropriate people to this branch of the governance structure. Failure to do so will lead to organisations that will not be sustainable in the long run. Some of the specific responsibilities of the secretariat are:

- Communicating with members and external stakeholders.
- Developing and implementing projects and programmes for members based on the objectives of the organisation and resolutions decided on at council or annual general meetings.
- Facilitating partnerships with other parties and institutions outside the organisation.
- Ensuring that organisational records and documentation are updated and backed up regularly.
- Accounting, financial administration and budgeting.
- Mobilising resources.
- Maintaining and managing movable property and material stock of the organisation.
- Ensuring that organisational asset inventories are compiled and updated regularly.
- Supplying members with current information in agriculture development nationally, regionally and internationally.
- Organising conferences, workshops and meetings.
- Representing the organisation in agricultural technical meetings within and outside the country among other things.



Complete Activity 3.2 in your workbook.

## Session 3.3 Importance of financial sustainability in farmer organisations

### Session outcomes

After completing this session, you should be able to:

- Explain the term financial sustainability and discuss its importance for farmer organisations; and
- Discuss factors that affect the financial sustainability of an organisation.

### Introduction

There are various definitions of financial stability but, in the context of FOs, financial sustainability can be defined as the ability of an organisation to raise and maintain the funds necessary to meet its short, medium and long term functional requirements. These requirements can include the ability of the organisation to:

- Generate adequate resources to pay its bills;
- Offer the demanded services to its members; and
- Facilitate fundraising.

Most FOs cannot support themselves without external financial support. In order to remain financially viable, FOs have to generate their own financial resources and expand their financial base. It is also important that organisations have ability to live within their means and utilise resources without creating a **deficit**. Furthermore organisations need to account responsibly for the funds they get from various sponsors and membership subscriptions. Numerous factors can affect the financial stability of FOs, including financial planning and budgeting, competent financial management systems, effective financial monitoring systems and securing funding. You will learn more about these factors in this session.



**Deficit:** An amount of money that is less than the amount needed.



## Financial management systems

Financial management systems for FOs should not be overly complex but should be adequate enough to effectively manage the utilisation of resources. These systems should have clear procedures that should be followed by personnel when funds or assets are gained or when funds are paid out. Other important parts of good financial management systems are appropriate record keeping and bookkeeping systems. These are fundamental to the success of an organisation. With appropriate bookkeeping, the organisation can clearly keep track of the organisational resources. It is important to remember that all members affected by the financial management systems should fully understand these systems. Organisations should provide training on these systems for all members that will work with these systems. This is especially important in resource-poor communities where levels of illiteracy are frequently high and local level members of FOs might not be familiar with financial management systems. You as the extensionist can be particularly useful in such scenarios as you can provide the necessary training and education.

## Financial planning and budgeting

One of the key principles of good financial management is planning and budgeting. Budgeting is the process of creating a plan of how financial resources are going to be used and it allows an organisation to determine in advance whether it will have enough resources to meet all its obligations. Budgeting and planning allows the leadership and financial managers to have the right information to make reasonable financial decisions. Good financial planning and budgeting ensures that financial resources are allocated where they are needed most within the

organisation. Detailed financial plans and budgets also allow organisations to follow up and monitor the use of its resources, ensuring financial accountability. This is especially important for funds sourced from external donors and investors.

Proper financial budgeting requires specialised skills, however many FOs lack personnel with the required skills. Many FOs fail to budget and plan for the adequate use of their resources, resulting in the misuse of funds. It is therefore extremely important that FO leadership employs personnel with the right skills. In member-owned organisations such as FOs, it is also important that all levels of members be involved in the budgeting process. This not only leads to an increased sense of ownership to the members, but also fosters accountability and transparency within the organisation. Furthermore, by participating in the budgeting process, farmers learn useful budgeting skills that can be used in their everyday life.

### **Financial monitoring systems**

Together with appropriate bookkeeping systems and budgeting, proper financial monitoring and reporting is essential to the successful operation of any organisation. Monitoring involves writing regular financial reports and statements. This ensures that the FO leadership and management have all the necessary information to make timely financial decisions. Monitoring allows the secretariat and management staff to know whether they are meeting or exceeding the estimated expenditure over a specific period as outlined in the budget. Financial managers have to regularly generate accurate and objective financial reports.

### **Expanding the financial base**

Many FOs are dependent on external funding. This is especially true in resource poor communities. This is not necessarily a problem as long as there are clearly defined structures that stipulate the role of these funders in the running of the organisation and mutual accountability. The problem with

external funding of FOs is the overdependence on a single or small number of funders. This frequently limits the organisation's ability to meet the needs of their members due to budgetary limitations imposed by donors. It is therefore very important that FOs expand their financial base. Apart from external funders, FOs should always endeavour to raise their own funds through membership fees or other business ventures. As an extensionist, you will also need to assist FOs to be more financially independent by linking them with the formal finance sector.



Complete Activity 3.3 in your workbook.

## **Concluding remarks**

Long term viability is a big problem for many FOs. The main factors that affect the sustainability of organisations have to do with farmer representation, governance and financial stability. Without proper representation and governance structures, farmers will not see the benefit of joining an FO. Without adequate membership numbers, these organisations usually die out within a short period of time. As an extensionist, you need to help FOs identify factors that could affect their sustainability and work together with them to address these factors timeously. Financial viability is vital for the sustainability of organisations. Organisations have to implement proper financial management systems, secure various sources of income and be able to account for the use of these financial resources. As such, you and other extensionists need to help FOs employ highly qualified personnel that have the appropriate financial management skills.



Complete the summative assessment in your workbook.

## Study unit 4: Functions of farmer organisations

### Study unit outcomes

After completing this study unit, you should be able to:

- Discuss the economic benefits farmer organisations bring to the agricultural sector;
- Discuss the role farmer organisations play in ensuring that governmental and political policies are conducive to successful farming activities;
- Discuss the social functions provided by farmer organisations; and
- Explain the important role farmer organisations play in facilitating farmer access to agricultural research and technology.

### Study unit overview

Farmer organisations provide a variety of services. These can broadly be divided into four major functions. In this unit, you will learn about the economic function of FOs and the economic benefits these organisations bring to their members and other service providers in the agricultural sector. This unit will then briefly look at the role FOs play in ensuring that policies and programmes developed by governments are not negatively affecting the ability of farmers to run their farming businesses successfully. This unit will also discuss the social benefits FOs can bring to a society. Lastly, this unit will explain the importance of FOs in linking farmers, agricultural researchers, technology and other strategic players in the agricultural sector.

## **Study unit introduction**

Farmer organisations exist or are created to address the political, social, economic and technological needs of farmers. In many countries, these needs are not being addressed by the various players in the agricultural sector. There has been a steady evolution of services that are provided by FOs and increasingly new services are being demanded from these organisations.

These services include:

- Provision of farm inputs;
- Information;
- Training;
- Technical assistance;
- Credit;
- Research; and
- Marketing services.

Traditionally these services were provided by either the public or private sector. However, public and private sector stakeholders are not always able to provide these services to all the farmers in the agricultural sector. This is especially true in developing countries. Therefore, the need for FOs to provide such services is exponentially increasing and the functions of FOs are constantly evolving. Many FOs are not up to the task of effectively meeting these new demands they are expected to offer. One of your responsibilities, as a new extensionist, is to build the capacity of FOs to effectively perform these new functions and to meet the evolving needs of their members. Despite the variety of services provided by FOs, their functions can be grouped into four categories:

- Economic;
- Political;
- Social; and
- Facilitating access to technology.

## Session 4.1 Economic functions of farmer organisations

### Session outcomes

After completing this session, you should be able to:

- Discuss the economic benefits farmers enjoy when joining farmer organisations; and
- Discuss the economic benefits service providers enjoy when doing business with farmer organisations.

### Introduction

Individual and small-scale farmers face enormous hurdles when competing with their large-scale commercial counterparts for resources and services. In today's agro-economic climate, the competitive nature of farming cannot be avoided and for small-scale farmers to be able to succeed, they need to pool their resources and work in groups. By joining FOs, individual farmers can benefit from the principle of economies of scale. This is when the per unit cost of any product is reduced when the total production cost is spread over a larger quantity. For example, there is a larger cost involved for a single farmer to negotiate and buy a single bag of animal feed or fertiliser than it is for 100 farmers to pool their resources and negotiate and buy 100 bags together. Furthermore, it becomes much more effective and profitable to do business in a group than on an individual basis, because the cost of doing business is spread across a number of individuals.

### Economic benefits for farmers

Individual and small-scale farmers can gain numerous benefits from joining FOs. Farmers working in a group are able to pool their limited resources and negotiate for discounts and reduced

unit prices. Per unit transaction, costs of doing business are greatly reduced if collective negotiations are used. This means that farmers are able to maximise their profits. An important benefit of working in groups is the **aggregation** of farming produce which will help farmers to come up with the necessary quantities and qualities demanded by some markets. They are also able to bulk their produce and negotiate as a unit for a better price at the market. This enhances individual and small-scale farmers' ability to determine and control the prices of their products.

**Aggregation:**



Collecting units or parts into a mass or whole.

By working together, the confidence of individual farmers are enhanced and they are able to assertively face the risks and challenges posed by the uncertainties in the markets. They are also better able to engage in collective influence on local policies and practices that affect their markets.

### Economic benefits for service providers

Government and other service providers greatly benefit from working with farmers in FOs as it is more cost effective to deal with a group of farmers than dealing with individual farmers. The cost of providing any service is reduced when farmers are contacted as a group because the services provided reach a large number of clients with the same expense the service provider would have incurred in reaching out to a single farmer. The unit cost of administration for service provision also reduces tremendously when dealing with groups rather than individuals. In addition, individual farmers are frequently scattered over a wide area. These areas are sometimes not accessible for service providers. By dealing with FOs, service providers are able to reach farmers that would otherwise have been overlooked.



Complete Activity 4.1 in your workbook.

## Session 4.2 Political functions of farmer organisations

### Session outcomes

After completing this session, you should be able to:

- Discuss the role of farmer organisations in farmer representation; and
- Discuss the role of farmer organisations in the development of policies.

### Introduction

Restrictive and poorly planned governmental policies and programmes can seriously affect the successful farming activities of farmers, especially small-scale, individual farmers. In most cases, policies and programmes are formulated without the input of farmers, leading to programmes that do not necessarily address the needs of farmers. The huge number of farmers and their scattered distribution makes it difficult for policymakers to hear the concerns and opinions of every farmer. This is why FOs can serve an important political function, consolidating the views of farmers and presenting them to authorities for consideration.

### Role of farmer organisations in farmer representation

Farmers usually number in the millions and can be spread widely across a country. It is therefore virtually impossible for governments and other policymakers to hear the concerns, opinions and ideas of every individual farmer. By joining an FO, farmers can articulate their needs in their groups and elect representatives to present these needs to the authorities. FOs in turn gather and consolidate the views of all the individual



farmers and present them in a way that is useful to policymakers. Organisations with appropriate membership and governance structures are able to adequately represent farmers. These organisations also provide the important function of giving feedback to the community, allowing farmers and community members to be up to date with agricultural development programmes and policies in their area.

## **Role of farmer organisations in policy development**

Farmer organisations provide important lobbying and advocacy functions. It is very difficult for individual farmers to influence policies, but FOs provide an opportunity to all farmers, regardless of their gender or the size of their operations, to participate in the development agenda of their local communities and at a national level. These organisations also build confidence among farmers, enabling them to know their democratic rights and question their political leaders and representatives on issues they feel are not handled well. Farmer organisations are able to lobby for agricultural policy reforms aimed at benefiting farmers and farming activities. They are also able to lobby for the provision of quality extension, marketing and financial services to members. Informal farmer associations and community representatives often only react to existing and recently implemented government initiatives, however, with the help of FOs, farmers can proactively influence how agricultural programmes and policies are formulated. Well-managed FOs can also improve the accountability of national leaders and policymakers to their constituent farmers.



Complete Activity 4.2 in your workbook.

## Session 4.3 Social functions of farmer organisations

### Session outcomes

After completing this session, you should be able to:

- Discuss the role farmer organisations play in promoting social cohesion in the community; and
- Discuss how farmer organisations can empower marginalised members of a community.

### Introduction

Farmer organisations have the ability to bring together people of diverse social, cultural and economic backgrounds to work towards a common goal. These organisations help different individual farmers put aside their differences and work together for the benefit of all members in the group. Strong FOs have the ability to enhance social **solidarity** among people in the society at local, national, regional or international levels. They also promote and enhance **social capital** among members of the community.

**Solidarity:** The unity of a group of people based on common interests, objectives, and standards.



**Social capital:** The networks and relationships among people who live and work in a society that allows that society to function effectively.

## Role of farmer organisations in promoting social cohesion

Farmer organisations are usually made up of a variety of members from different races, cultural backgrounds, genders, age groups and socioeconomic statuses. In these organisations, these different people come together for a common goal: to better their lives and communities through successful farming activities. In societies where there are huge **social disparities**, well-managed FOs can bridge these gaps, promoting social cohesion. Social cohesion is the level of social integration and inclusion of a group or community, in other words the level of togetherness within a community. FOs with well-managed membership structures and effective representation can create a sense of belonging in the community and also help to combat exclusion and marginalisation. The governance structure of these organisations leads to greater accountability of community leaders and policymakers, promoting a sense of trust within the community. Together, the social and economic benefits of FOs give the members the chance to move from a lower to a higher socioeconomic class or status (also known as upward mobility).

**Social disparities:** Also called social inequalities, where the resources in a society are divided unequally between members of that society along lines of socially defined categories.



**Marginalise:** To treat a person or group of people as if they are not important.

## Role of farmer organisations in empowering farmers

Farmer organisations play an important role by encouraging **marginalised** members of a society, including women and young people, to participate in successful farming activities. Despite the progress made over the last 20 years, gender equality still remains a big problem in many countries. In many

societies, the illiteracy rate is higher among women than men, as women do not have access to the same level of education, training, information or technology than men. This can negatively affect female farmers who then lack the skills to run their farms successfully. As an extensionist, you can work with FOs to train and educate women and young people and improve the illiteracy gap. Through FOs, these groups can gain access to skills, services and markets they would not have access to otherwise. By joining FOs, female farmers and other marginalised groups can become more confident and independent. FOs also have the ability to produce strong leaders of all ages and genders through their unbiased membership structures. These organisations can also assist in enhancing the democratic principles and processes of a community.



Complete Activity 4.3 in your workbook.

## Session 4.4 Facilitating access to technology

### Session outcomes

After completing this session, you should be able to:

- Discuss the role of farmer organisations in facilitating farmers' access to technology; and
- Explain how farmer organisations can influence research agendas.

### Introduction

New agricultural technologies and innovations are usually produced by players in the private sector or research institutions. These technologies then have to be circulated to farmers. Farmers need to be made aware of what is available for them to improve their production and productivity. For large-scale commercial farmers this is not a problem, as they usually have good relationships with the people generating technologies and the resources to test new technologies. Small-scale farmers do not necessarily have access to current information and are seldom aware of the benefits of new agricultural technologies. Farmer organisations play an important role in linking technology producers and innovators with small-scale individual farmers. They are also responsible for providing information to farmers to assist them in making appropriate decisions on which technology will benefit their farming activities.

### The role of farmer organisations in facilitating access to technology

Farming is becoming more and more technologically advanced. In today's agro-economic environment, technology plays an

important role in enhancing the competitiveness of farmers in the production and marketing of produce. Small-scale farmers need to have access to this technology if they are to improve their productivity. Farmer organisations are a reliable source of information on new technologies and innovations. These organisations are able to create partnerships between farmers, researchers, extensionists and other relevant stakeholders in the agricultural research and development sector. Extension programmes are frequently responsible for communicating agricultural innovation to farmers. It is much easier for extensionists to reach out and communicate with groups of farmers than with each individual farmer in an area, especially in resource poor communities where the extension agent to farmer ratio is very low. Farmer organisations can also assist extensionists in updating farmers with the current trends in information and communication technologies. Additionally, FOs play a big role in influencing the formulation of research agendas. Researchers and innovators usually do not have the capacity to identify the technological needs of every individual farmer. Farmer organisations have the ability to identify the needs of farmers and can effectively communicate these needs to researchers and innovators. In turn, researchers can formulate research plans and develop and design technologies that will address these specific needs.



Complete Activity 4.4 in your workbook.



Complete Activity 4.5 in your workbook.

## Concluding remarks

The functions that FOs provide can broadly be divided into four categories:

- Economic;
- Political;
- Social; and
- Access to technology.

The economic benefits of FOs for both farmers and service providers arise from the principle of economies of scale, a proportionate saving in costs gained by an increased level of production.

Farmer organisations provide an important political function by representing the consolidated views of farmers to authorities. Through these organisations, farmers are then able to influence the formulation of agricultural policies and development programmes.

Socially, FOs have the ability to promote social cohesion, upward mobility, leadership and empower marginalised groups within a community.

Farming is becoming more technologically advanced and in order to be competitive, small scale farmers need to embrace new agricultural technologies and innovations. Farmer organisations serve as a valuable and reliable source of information on technology and can bring these technologies to small scale and individual farmers. In today's changing agricultural environment, the needs of farmers are constantly evolving and as such the functions of FOs need to evolve and expand.



Complete the summative assessment in your workbook.



Complete the post-assessment in your workbook.

## Glossary

### Definitions

Word	Definition
Ad hoc	Created for a particular purpose as necessary.
Advocacy	The act of publicly pleading for or supporting a cause or proposal.
Affiliated	Closely associated with another typically in a dependent or subordinate position
Aggregation	Collecting units or parts into a mass or whole.
Autonomy	Independent from outside rule or interference.
Capacity building	All the different types of activities that are designed to improve an organisation's ability to achieve its goal.
Commodity	Any raw material or agricultural product that can be bought and sold.
Deficit	An amount of money that is less than the amount needed.
Hierarchical	Organised into different levels.
Lobbying	The process of attempting to influence the actions, policies, or decisions of officials in a government.
Mandate	An official command or set of instructions.
Mandatory	Compulsory or required by law.



Word	Definition
Marginalise	To treat a person or group of people as if they are not important.
Private sector	The part of an economy that is not under the direct control of the state.
Public sector	The part of an economy that is controlled by the state.
Secretariat	A department in an organisation that is headed by a secretary or a secretary-general.
Social capital	The networks and relationships among people who live and work in a society that allows that society to function effectively.
Social disparities	Also called social inequalities, where the resources in a society are divided unequally between members of that society along lines of socially defined categories.
Solidarity	The unity of a group of people based on common interests, objectives, and standards.

## Abbreviations

Abbreviation	Description
CEO	Chief Executive Officer
ED	Executive Director
FO	Farmer Organisation
NGO	Non-governmental Organisation

## Resources

The following resources were used in writing this manual:

- Australasia-Pacific Extension Network. 2017. Extension. [ONLINE] Available at: <http://www.apen.org.au/extension>. [Accessed 17 January 2017].
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- University of California Cooperative Extension. 2017. What is a Cooperative. [ONLINE] Available at: [http://sfp.ucdavis.edu/cooperatives/what\\_is/](http://sfp.ucdavis.edu/cooperatives/what_is/). [Accessed 16 January 2017].

Other modules of the New Extensionist modules are:

1. Introduction to the New Extensionist
2. Extension Methods and Tools
3. Extension Programme Management
4. Professional Ethics
5. Adult Education for Behavioural Change
6. Knowledge Management for RAS
7. Introduction to Facilitation for Development
8. Community Mobilisation
- 9. Farmer Organisational Development**
10. Value Chain Extension
11. Agricultural Entrepreneurship
12. Gender in Extension and Advisory Services
13. Risk Mitigation and Adaptation

Other related modules developed by GFRAS are on:

- Evaluation of Extension Programmes
- Policy Advocacy for RAS