Farmers' Organizations in Africa

Support to Farmers' Organizations in Africa Programme (SFOAP) – Main phase 2013-2018

AFD



This programme is financed by the European Union



Investing in rural people

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The importance of farmers' organizations

The past two decades have witnessed unprecedented development of farmers' and rural producers' organizations throughout Africa. Farmers' organizations are enjoying growing recognition as the representatives of the farming community at the national, regional and international levels.

The United Nations declared 2012 as the International Year of Cooperatives, 2014 as the International Year of Family Farming and, more recently, 2019-2028 as the Decade of Family Farming. These events acknowledge the invaluable role that farmers' organizations play in shaping policies for agriculture and sustainable development, providing services to smallholders, generating employment and social integration, reducing poverty and enhancing food security.

Today, there are tens of thousands of grass-roots farmers' organizations across Africa. Most play a dual role: as producers' groups or cooperatives they provide services to their members and they represent their members' interests with other stakeholders, such as agricultural policymakers, business partners and development projects. Many grass-roots farmers' organizations set up local unions and federations that are linked to national umbrella organizations.

These organizations have established five regional networks in Africa: Eastern Africa Farmers Federation (EAFF); *Plateforme Sous-Régionale des Organisations Paysannes d'Afrique Centrale* (PROPAC); *Réseau des Organisations Paysannes et de Producteurs de l'Afrique de l'Ouest* (ROPPA); Southern African Confederation of Agricultural Unions (SACAU); and *Union Maghrébine et Nord-Africaines des Agriculteurs* (UMNAGRI).

IFAD and farmers' organizations: the Farmers' Forum

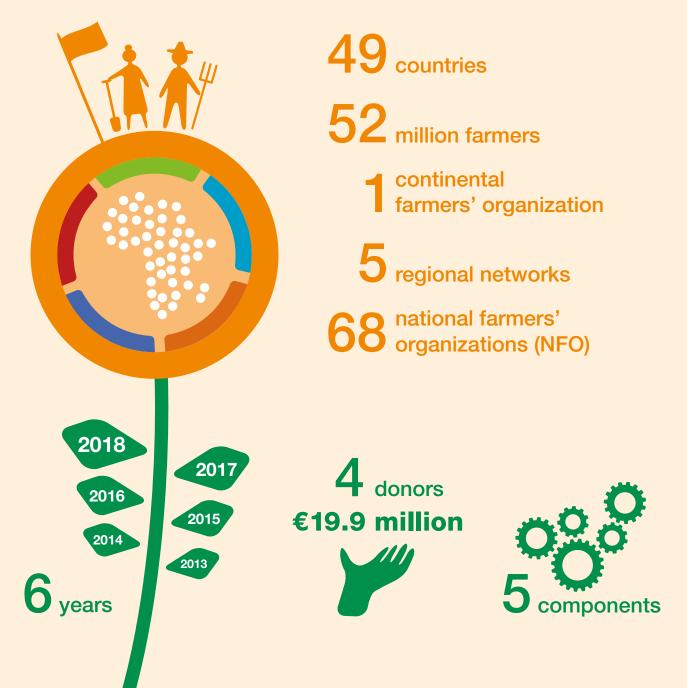
IFAD's partnership with farmers' organizations. Established in 2005 in conjunction with the IFAD Governing Council, the Farmers' Forum (<u>https://www.ifad.org/web/guest/farmers-forum</u>) is a bottom-up process of consultation and dialogue between IFAD, governments and farmers' organizations that represent millions of small-scale farmers, fishers and pastoralists, both men and women, across the world. The Forum has been the framework guiding the partnership and has led to the development of programmes such as SFOAP in Africa and the Medium-Term Cooperation Project with Farmers' Organizations (MTCP) in Asia (<u>https://maintenance.ifad.org/web/knowledge/publication/</u>asset/39437770). IFAD has also developed a toolkit which aims at providing guidance on developing sustainable partnerships with farmers' organizations (<u>https://www.ifad.org/web/knowledge/publication/</u>asset/39258128).

An alliance of like-minded partners. Since 2008, IFAD and the European Union have been developing a strategic alliance in support of farmers' organizations. Over the years, the alliance has grown to include other donors such as the Swiss Agency for Development and Cooperation (SDC) and the Agence Française de Développement (AFD) and key technical partners such as AgriCord. It has also expanded its geographic scope, which started in Africa and now includes the Asia and Pacific region. Since 2009, the strategic alliance has mobilized over €69.8 million in support of farmers' organizations.

The Support to Farmers' Organizations in Africa Programme (SFOAP)

SFOAP helps African farmers' organizations to evolve into more stable, performing and accountable organizations that effectively represent their members and advise them on farming enterprises. The main phase of the programme builds on the successes and lessons learned from the pilot phase and scales up programme activities and outreach. The design fully integrates the main recommendations from the independent evaluation of the pilot phase. The programme aims to further strengthen and consolidate the institutional capacities of farmers' organizations and give them more say in agricultural policies and programmes. The main phase also supports the development of economic services provided by these organizations to facilitate the integration of smallholder farmers in value chains. The support focuses on a limited number of cases to assess their results and impact and systematize the successful experiences through knowledge generation and sharing. The inclusion of a fifth regional network, the Union Maghrébine et Nord Africaine des Agriculteurs (UMNAGRI) has expanded the geographical area of the main phase to the North Africa region. The programme now supports 68 national farmers' organizations (NFOs) in 49 countries, their five regional networks and the Pan-African Farmers' Organization (PAFO).

SFOAP main phase basic information





Programme objectives and components

The goal of the main phase of the SFOAP is to improve the livelihoods and food security of smallholder farmers and rural producers in Africa.

The purpose of the SFOAP is to have African farmers' organizations (FOs) evolve into more stable and accountable organizations that effectively represent their members and advise them on farming enterprises.

The programme has five components:

- Institutional and organizational strengthening
- Policy engagement
- Provision of economic services
- Support to pan-African activities
- IFAD programme coordination and monitoring and evaluation

€1,065,750

Agence Française de Développement



€1,925,150

International Fund for Agricultural Development







€2,000,000

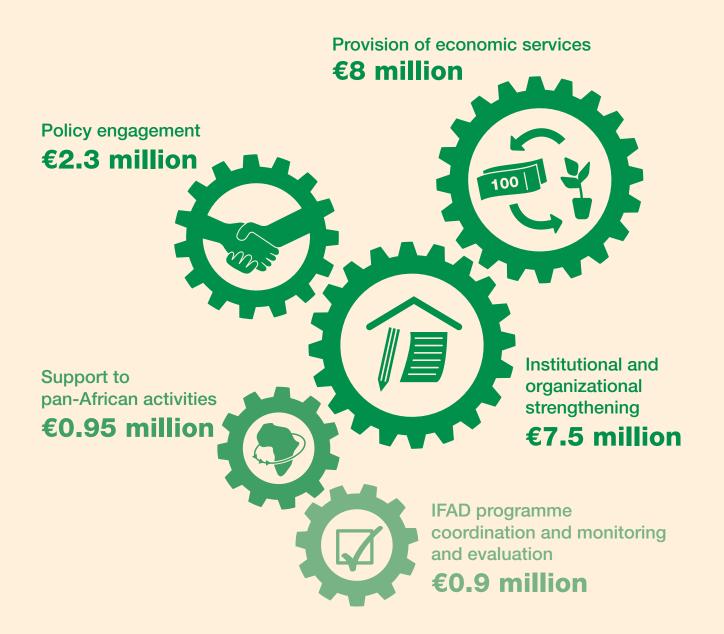
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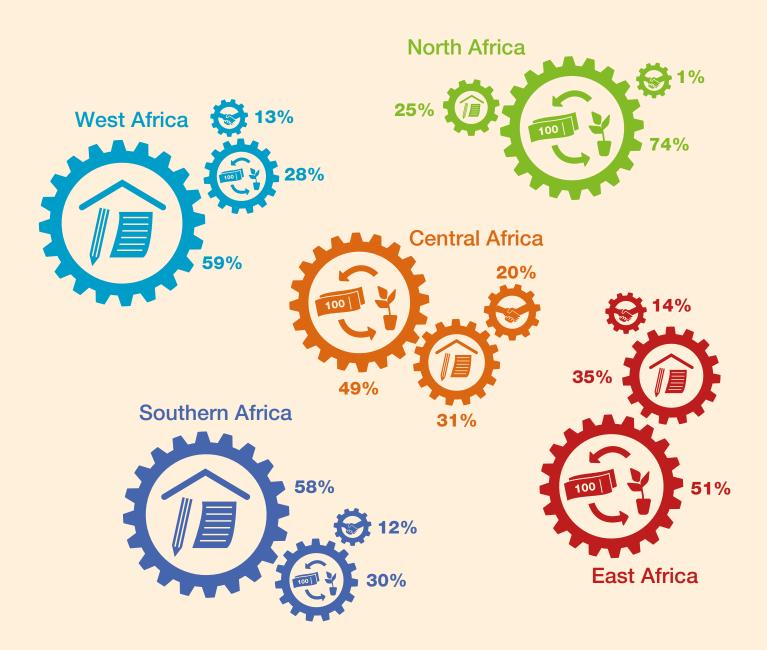
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Budget by component



Budget by region



Outputs by component and results achieved

Institutional and organizational strengthening

- **31** procedure manuals and constitutional texts
- **50** strategic and thematic programmes developed (e.g. addressing gender/youth)
- 28 management systems or tools adopted
- 275 training/backstopping missions organized
- 2,504 farmers' organization leaders, staff or members trained
- 154 farmers' organization governing meetings organized

Provision of economic services

- 99 project proposals and business plans developed
- 5,152 farmers trained
- 38 national and regional learning visits conducted
- 32 sub-projects implemented





Policy engagement

- 6 regional studies conducted
- 23 national policy studies conducted
- 145 policy consultations among farmers' organizations
- 55 policy positions developed



- **219** lobbying/advocacy events organized to advance farmers' organization policy positions
- **636** local, national or international policy forums attended by farmers' organizations to advance their policy position



These outputs have led to the following achievements

- Stronger farmers' organizations
- Benefits at farm level
- Better market actors
- Stronger policy influence

Membership increases

About 500,000 new individual members recorded



Increase across 5 NFOs: an additional 11,293 individual members



Increase across the 6 participating NFOs: an additional 4,869 individual members

> Southern Africa +23%

Increase across the 6 participating NFOs: an additional 483,000 individual members

Resource mobilization – from donors

Approximately **€12 million** raised from public sources by farmers' organizations

€3.3 million

mobilized in West Africa by NFOs in Burkina Faso, Mali, Senegal and Togo, including approximately €1.9 million for a GAFSP project

€3.5 million



mobilized by EAFF, of which €2.2 million from GAFSP

Approximately



mobilized in Central Africa, including €0.7 million from 3 NFOs in Cameroon, Chad and Congo

€2.8 million



mobilized in Southern Africa, of which €0.7 million by NFOs

Stronger farmers' organizations

New FOs established and joining the networks

Over 13 new farmers' organizations established at the grass-roots or national level

Algeria: **new local farmers' organizations** created by farmers who received training in farmers' organization governance



Algeria:

new national association of professional apiarists (Association National des Apiculteurs Professionels – ANAP) formed by local beekeeper cooperatives and farmers' organizations

East Africa:

new cooperatives joining local farmers'

organizations or NFOs (2 in the Democratic Republic of the Congo and 6 in Tanzania)



Case study: Stronger farmers' organizations

Creating a new cooperative – the success story of the Fikambanan'ny Tantsaha Ankadinondry (FTA) cooperative in Madagascar

What was achieved? With support from SFOAP through the *Coalition Paysanne de Madagascar*, a group of 32 farmers from the Ankadinondry commune founded the FTA (*Fikambanan'ny Tantsaha Ankadinondry*, meaning "group of farmers from Ankadinondry") in 2014. By 2017, the cooperative counted 120 members and had created a savings and credit union to provide loans to the cooperative members. It also invested its own funds in the construction of a building complex that is to include a warehouse, training facilities and accommodation for trainees.

The support received by the FTA enabled its members to nearly double the production of maize between 2015 and 2017, which in turn allowed individual members to make important improvements to their homesteads, such as replacing thatched roofs with tin and installing electric lighting and solar panels. The entrepreneurial training provided allowed FTA members to develop detailed business plans, which included the calculation and analysis of potential profit margins.



How did it happen? One of the main factors of the FTA's success was its visionary leader and strong group of founding members. The willingness to contribute to the growth of the cooperative – as opposed to looking only for short-term gains – is also crucial in ensuring that the cooperative is sustainable.

Having identified the strengths of the founding members, the *Coalition* provided the FTA with all the necessary technical and backstopping support, starting with specific training in good governance practices and financial management, under the SFOAP framework.

The *Coalition* then provided more technical support organized around the production of rice and maize, the two main crops cultivated by the cooperative members. This support also included distribution of different varieties of maize seeds and instruction in the use of seed production techniques, to ensure that the cooperative could produce enough seeds to allow it to sustain its production in the long term.

The FTA also received training in business management, developing business plans and forging market linkages with a view to improving the business acumen of cooperative members and facilitating sales of the increasing production.

Improved productivity

Recorded improvements in productivity ranging from 30% to 150%



East Africa: average productivity almost doubled, ranging from 50% to 150%

following training/demonstrations (dairy and potato) and introduction of new varieties (cassava)





Madagascar: productivity **increased by almost +1.5 times** among participating maize farmers

Higher incomes/revenues

1 2 100

Uganda: average increase of

+30% in incomes recorded by farmers in 4 out of 6 districts supported by UNFFE

Democratic Republic of the Congo: **average increase** of **+16%** in incomes recorded by farmers supported by FOPAC

Uganda: increases in revenues of between +210% and +357% recorded by members of farmers' organizations



Case study: Benefits at farm level

Introducing new cassava varieties – the case of Uganda

Wadelai-Pakwinyo ACE is a secondary cooperative registered in 2011, which counts six cooperatives and has a total membership of 1,157 farmers (40 per cent women). The services Wadelai-Pakwinyo offers to members include: extension services, facilitation of access to quality inputs, promotion of bulk marketing and storage facilities, value addition, provision of marketing and business information, financial literacy for Farmer Village saving and loan associations, advocacy, networking and lobbying for external support. The ACE is a member of the Uganda Cooperative Alliance-UCA. UCA participates in the SFOAP as the national member of the Eastern Africa Farmers Federation (EAFF).

What was achieved? Since 2015, SFOAP has been working with the Ugandan Cooperative Alliance (UCA) to support its member Area Cooperative Entreprises (ACEs) in strengthening its capacity to offer economic services to farmers that will contribute to improving productivity and economic performance at the farm level.

With support from SFOAP, UCA has promoted the use of new cassava varieties within a number of their ACEs, including the Wadelai-Pakwinyo ACE. To date, 70 per cent of the members of the ACE now plant the new cassava varieties supplied from the demonstration/multiplication gardens set up for the SFOAP intervention. Using these varieties has allowed farmers to increase their productivity from 3 tons per acre to 8-10 tons per acre, and subsequently farmers have recorded increases in income from the sale of cassava averaging 343 per cent – from US\$115 to US\$509 per year – a year and half after the start of the intervention.



How did it happen? The first step was to identify the new varieties to be introduced. The UCA held consultations with the farmers and an agricultural research centre to ensure that the selected varieties met farmers' needs and were suitable for the agroecological context.

Eight demonstration gardens were then set up, which required the identification of eight lead farmers who would not only provide the land for the demonstration but would also manage the plot. The lead farmers received training in good agricultural practices, were provided with clean cuttings of the new varieties, and were supported in setting up the demonstration plots so that the different new varieties could be compared with each other and with the usual varieties being used. These demonstration plots were then used as "learning platforms" where farmers could learn new agricultural practices and experience how these were applied in a field.

UCA also provided farmers and ACE leaders with training in business management and organized business to business meetings, during which various ACEs signed agreements with input suppliers and agroprocessors. The selling of cassava cuttings, the increased productivity and the market linkages will all ensure that this activity is profitable for farmers and will be sustainable in the long term.

Resource mobilization from the private sector

Over **€4.3 million** mobilized by local FOs through partnership agreements or contract sales or credit



West Africa: 28 sale contracts signed for a value of €3.9 million East Africa: **€468,000 mobilized** by local FOs



Becoming agripreneurs



Algeria: **1 cooperative** is setting up a honey analysis laboratory



Burundi: 1 agroprocessing company – SOCOPA – established by cooperatives



Central Africa: more than **€0.3 million** in profits generated by local FOs through the economic initiatives implemented under provision of economic services

Case study 1: Better market actors

Linking farmers to financial institutions – the Swaziland experience

What was achieved? Since 2015, SFOAP has been working with the Swaziland National Agricultural Union (SNAU) to support the members of the Shiselweni Livestock Multipurpose Cooperative (SLMC) involved in pig production. Through this initiative SFOAP supports pig producers in strengthening their institutional and entrepreneurship capacities, facilitating access to finance and improving access to market.

SNAU, with support from SFOAP, has partnered with the Swaziland Development and Savings Bank (SwaziBank) in order to provide about €30,000 in business loans to 14 members of the SLMC. This support has translated into improved productivity, which increased by 59.1 per cent on average, enabling producers to increase their incomes by 47.3 per cent on average. The success of these 14 producers has also contributed to attracting 65 new members to SLMC.

How are pig producers' businesses being supported? In February 2015, SNAU signed a memorandum of understanding with SwaziBank to provide business loans to members of SLMC. It was agreed that SNAU, with SFOAP funds, would contribute 8 per cent of the collateral required by SwaziBank, while the producers themselves would cover 7 per cent of the collateral; the remaining 85 per cent was to be covered by the government's Small-Scale Enterprise Loan Guarantee Scheme (SSELGS). Overall, the partnership mobilized a guarantee fund



amounting to over 1.3 million Swazi Lilangeni (SZL) (€88,500) for the scheme. As of 2017, SwaziBank had extended 14 loans of SZL 35,564 (€2,400) on average, for a total value of over SZL 462,332 (€31,500).

SFOAP financed training for 42 pig producers in business planning, marketing, financial management, record keeping, cash-flow management, costing and pricing. Following the training, 23 producers requested loans and prepared business plans with support from SNAU. Of these 23 producers, 14 obtained a loan for their enterprise. Inspired by the success of these negotiations, the Ministry of Agriculture agreed to dedicate two extension officers to regularly support and follow the pig producers.

Improved market linkages. In addition to the increases in productivity and incomes, this experience has strengthened the cooperative's marketing committee, which was able to negotiate good terms and conditions with two buyers – the Southern Trading Company and the Central Meat Market. As a result, collective marketing has increased from 25 pigs per week to 50 pigs per week.

Case study 2: Better market actors

Providing targeted business support to farmers: the "business consultant" approach in West and Central Africa

Introduction and context. As part of the support package financed under provision of economic services, ROPPA and PROPAC decided to provide regular business-oriented support to national FOs and their members by recruiting business consultants – the *Conseiller National aux Initiatives Economiques des Producteurs (CNIEP)* in West Africa and the *Cadre d'Appui Local (CAL)* in Central Africa.

In the specific case of Central Africa, the CALs contributed to the development of the proposals and business plans to be financed as micro-projects under provision of economic services. Of the 20 business plans they helped developed, 13 were approved for financing and are currently ongoing. In West Africa, as there was no provision to finance micro-projects under SFOAP, the CNIEPs role was to support the development of business plans to be submitted to financial institutions and donors.

In both cases, the business consultants guided FOs in the analysis of existing financial and non-financial services, the forging of market linkages along the value chain, the development of business plans and, ultimately, the negotiations with financial institutions. Both the CNIEPs and the CALs provide regular technical backstopping to ensure proper management of initiatives.

Since the launch of the SFOAP the work of the CNIEPs in the platforms has given some promising results, for example in Togo.



The case of Togo. In Togo, one of the main tasks accomplished by the CNIEP since 2015 has been to support FOs in developing about 200 business plans in several sectors (poultry, pig farming, soy, corn, pineapple, plantain, agroprocessing, etc.). Linkages have also been formed with financial institutions that were looking to invest in economic initiatives, with funding from a project financed by the Italian NGO Coopermondo.

The business plans were developed following a common format and submitted directly to the financial institutions, which evaluated the proposals based on criteria developed specifically for the Coopermondo project. Of the 200 business plan developed, 23 were eligible for financing. The selected FOs were able to access medium-term and long-term loans, for a total amount of CFA 221 million (approximately €337,692) over periods of between 12 and 60 months.

The financing obtained was used for various types of investments, ranging from the purchase of machinery and refurbishment of hangars and warehouses to the development of horticulture gardens and the launching of a honey bee farm.

Stronger policy influence



West Africa: **10 of the 13 platforms** now lead the process of development and implementation of national agricultural policies, compared with 7 in 2015

Chad: Local members of CNCPRT have been integrated into departmental, regional and local agricultural action committees



Southern Africa: **90% increase in participation of NFOs** in policy task forces (from 41 in 2013 to 78 in 2017)





Central Africa: **5 of the 6 NFOs** (all except Sao Tome and Principe) have been designated by their respective governments as the representatives of farmers in the CAADP country teams

Southern Africa: **100% increase in solicitations** to participate in policy consultations from 2014 (247) to 2016 (497)





East Africa: **EAC Cooperative Societies Bill, proposed by EAFF,** was voted through by the East African Legislative Assembly in 2014

Burundi: **new** cooperative law

NO!

successfully blocked and subsequently amended by the NFO

Case study: Stronger policy influence

Regional-level policy engagement – EAFF and the EAC Cooperative Societies Bill

Cooperative societies are voluntary organizations open to everyone who can use their services and is willing to accept responsibilities of membership without gender, social, racial, political or religious discrimination. They are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions; all members have equal voting rights.

What was achieved? In January 2015, the East Africa Community (EAC) Cooperative Societies Bill was passed as an Act of the East Africa Legislative Assembly (EALA).

Since 2009, and with financial support from SFOAP and other sources, EAFF has been working towards the development of EAC-wide legislation for cooperatives – the EAC Cooperative Societies Bill. The Bill seeks to provide a harmonized regional legal framework for cooperatives in order to strengthen the regional integration process and enable them to make the most of it. The Bill is expected to improve the functioning and management of cooperatives, establish a supportive policy environment, support market expansion by facilitating cross-border cooperation, enhance regional integration and enable cross-border learning.

How was this achieved? The Cooperatives Bill came into being after a decision by FOs that belonged to EAFF, whereas the Federation's Board identified improving the legislation regulating how cooperatives worked as one of its objectives.

The process has followed four broad stages:

- From 2009 to 2011, EAFF commissioned a comparative study of existing cooperative laws in Ethiopia, Kenya and Uganda, and organized consultations culminating in a revised and validated draft Bill.
- From 2012 to 2014, EAFF presented the proposed Bill to the EALA, and received feedback from EALA parliamentarians.
- In 2014, EAFF organized a second round of consultations with members, donors, partners and legal experts in the five countries involved. A report including a proposed schedule of more than 60 amendments was drafted by EAFF and the EAC.
- Fourth phase, the Bill became an act of EALA: in January 2015 the Bill was read twice, on 22 January and 27 January, and was finally passed as an Act of the EALA.

What next? The Bill now needs to be ratified by the five heads of state in order to become law and take precedence over existing national laws. Since January 2015, EAFF has been closely monitoring the process and lobbying the various governments to push for the full ratification of the law. As soon as the Bill is approved, EAFF will organize consultations to draft a proposed road map for implementation (e.g. proposed institutional arrangements, interventions to encourage cooperatives to take advantage of business opportunities in the region).



The data presented has been collected by the regional farmers' organizations throughout the years, and has been consolidated and analysed by the IFAD SFOAP team. It has not been possible to independently verify the accuracy of the data. Furthermore, this document was prepared in 2017, with an entire year of implementation left, and hence may not reflect the full extent of the results generated by SFOAP.

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