

**AGRI
TERRA**



**IMPROVING
COOPERATIVE
ADVISORY
SERVICES**

FROM THEORY TO PRACTISE

@AGRITERRA JUNE 2018, BERTKEN DE LEEDE

INTRODUCTION :AGRITERRA IN A NUT SHELL

Agri-agency 1997

Mission: professionalise farmers cooperatives and organisations worldwide: better farmer income, future proof rural areas

Focus: 16 countries with local presence

Dutch peer-to-peer advice, training and exchange. Huge network

Focus: Financial management, Governance and Business development

WHY COOPERATIVE ADVISORY SERVICES?

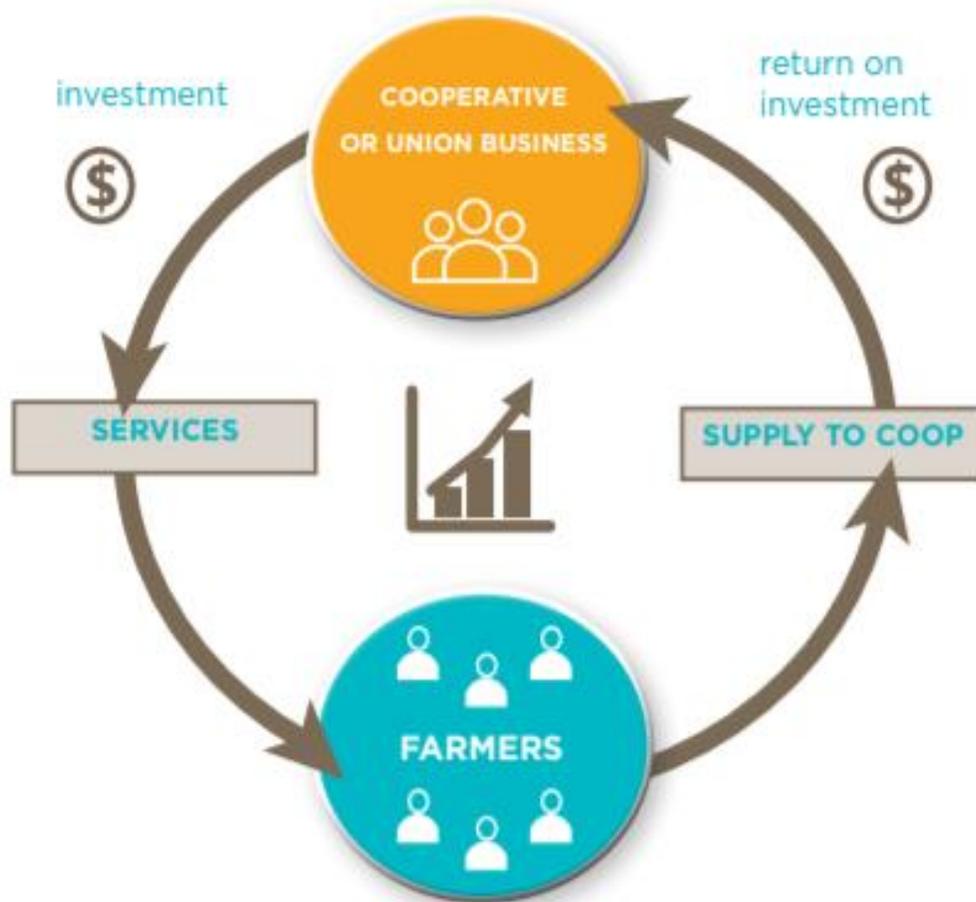
Objective: healthy and growing cooperative business

Needed: Sufficient and quality supply of raw material (Coop business)

How: provide sufficient services to the member to improve productivity (quantity and quality). More member commitment/ loyalty

Context: external environment provides limited services (in quantity and/or quality)

IMPROVE SERVICES FOR YOUR MEMBERS



service package

- Technical agronomic advice and assistance
- Support in farm management & planning
- Advice on how to get access to input, markets and/or finance

result

- quality produce
- more productivity
- higher member income
- increase cooperative turnover and income
- satisfied, committed members

impact

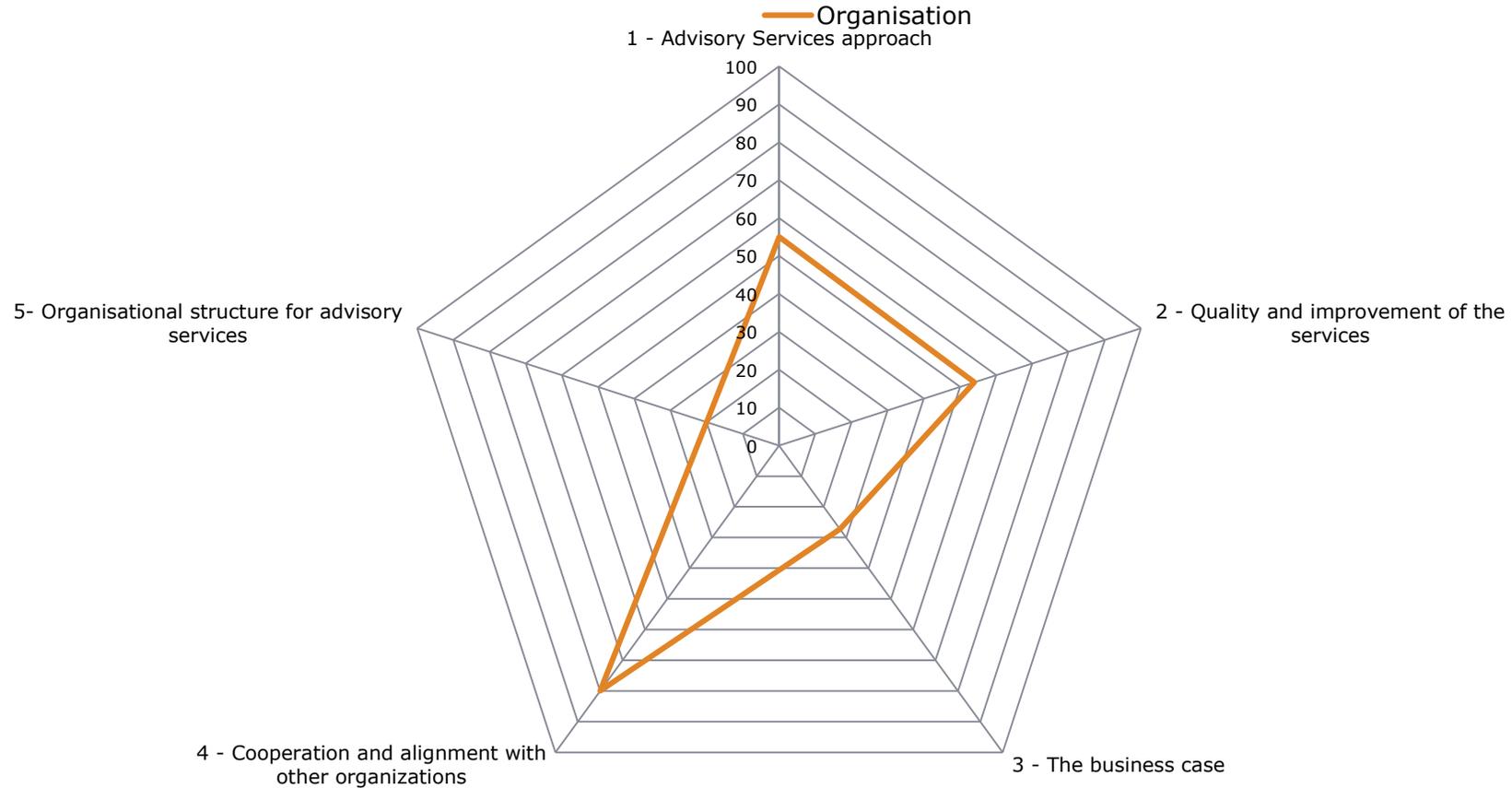
- steady supplies
- better sourcing contracts and value chain position
- members willing and able to pay for services
- improvement of cooperative service package

A PRACTICAL APPROACH: STEP 1. COOPERATIVE ADVISORY SERVICES CHECK

A simple tool to make a rough assessment of the current advisory services provided by a cooperative or farmer organisation

1. Advisory services approach (8)
2. Quality and improvement (11)
3. Financial sustainability (11)
4. Stakeholder analysis and collaboration (7)
5. Organisational structure (6)

AN EXAMPLE



USE OF THE ADVISORY SERVICES CHECK

- As a preparation for the Services Workshop
- During the Services Workshop
- As a monitoring tool on annual bases (measure progress)

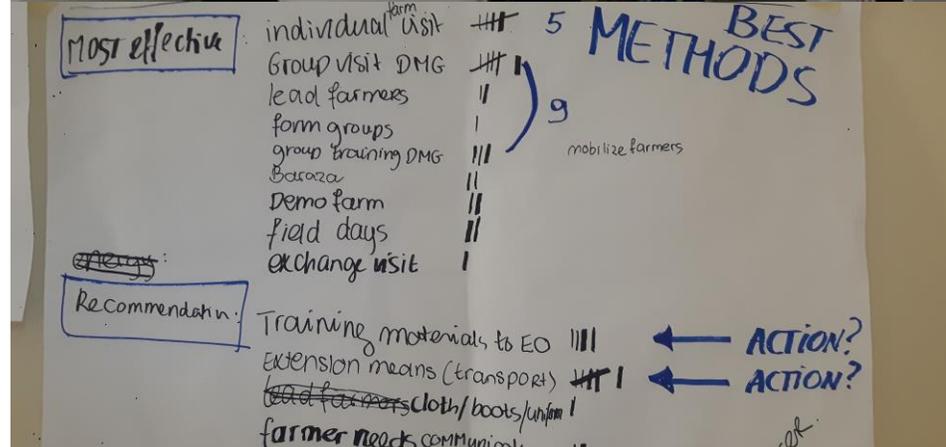
→ What matters are not the scores, but the discussions!



EXPERIENCES SO FAR

- Piloted in Rwanda, Nepal, Kenya and Zambia
- Takes 2 hours. (optional: a field visit)
- Creates awareness that services are crucial for the existence of cooperatives and their business, often not seriously addressed
- Cooperative realises that member needs are the starting point
- Member feedback is not well embedded in the system

STEP 2: WORKSHOP SUSTAINABLE SERVICES



STEP 2. COOPERATIVE SUSTAINABLE SERVICES WORKSHOP

Purpose: Design a farmer-led advisory services system that is financially sustainable

Participants: management and Board representatives; extension staff and lead farmers

Approach: participatory workshop starting from farmer needs, mapping and ranking service providers; identifying gaps in services; designing an adequate organisational structure and financial structure

Output: Draft extension plan and supportive enabling environment
Mind set shift : services is an investment, not a cost

RESULTS OF WORKSHOP

- Structured approach to advisory services (extension plan, workplan)
- More focus (farmer needs, priorities and gaps)
- Explore internal financing and capacity
- More focus
- Organisational structure adjusted
- Enabling environment created
- Create ownership and commitment
- Change mind set towards services

FOLLOW UP / NEXT STEPS

- Train extension staff and lead farmers to become change agents
- Roll out plan in field
- Measure/ monitor results at field level (need for record keeping) and collect farmer feedback
- Lobby for linkages and align with other service providers: serve your members
- Continuously improve the services to serve member needs

LESSONS LEARNED

- It is a trajectory and needs time: No instant success or results
- Structure and focus needed: keep organization on right track
- Systematic analysis makes the gaps clear
- Linkages with other service providers activated
- Show the “business approach to services” to make it sustainable
- Cost neutral services is already a major achievement
- More attention for farmers level interventions: Agripool concept adds value

SUCCESSFUL EXAMPLE: BAMSCOS KENYA

- After the services workshop agreed to charge 0.50 KSH as service fee per liter milk for extension services
- Able to pay the extension staff and activities from this commission
- Introduction of a decentralised extension system with lead farmers at primary coop level
- Start with demo plot to show members various fodder varieties
- Much more focus on extension in 2018 as milk quantity improvement is crucial to achieve the business objectives

→ *milk figures shall be the proof of the pudding*



OATS
Spacing 18-25 Row
Maturity 3-4 Months
C.P. 10-11%



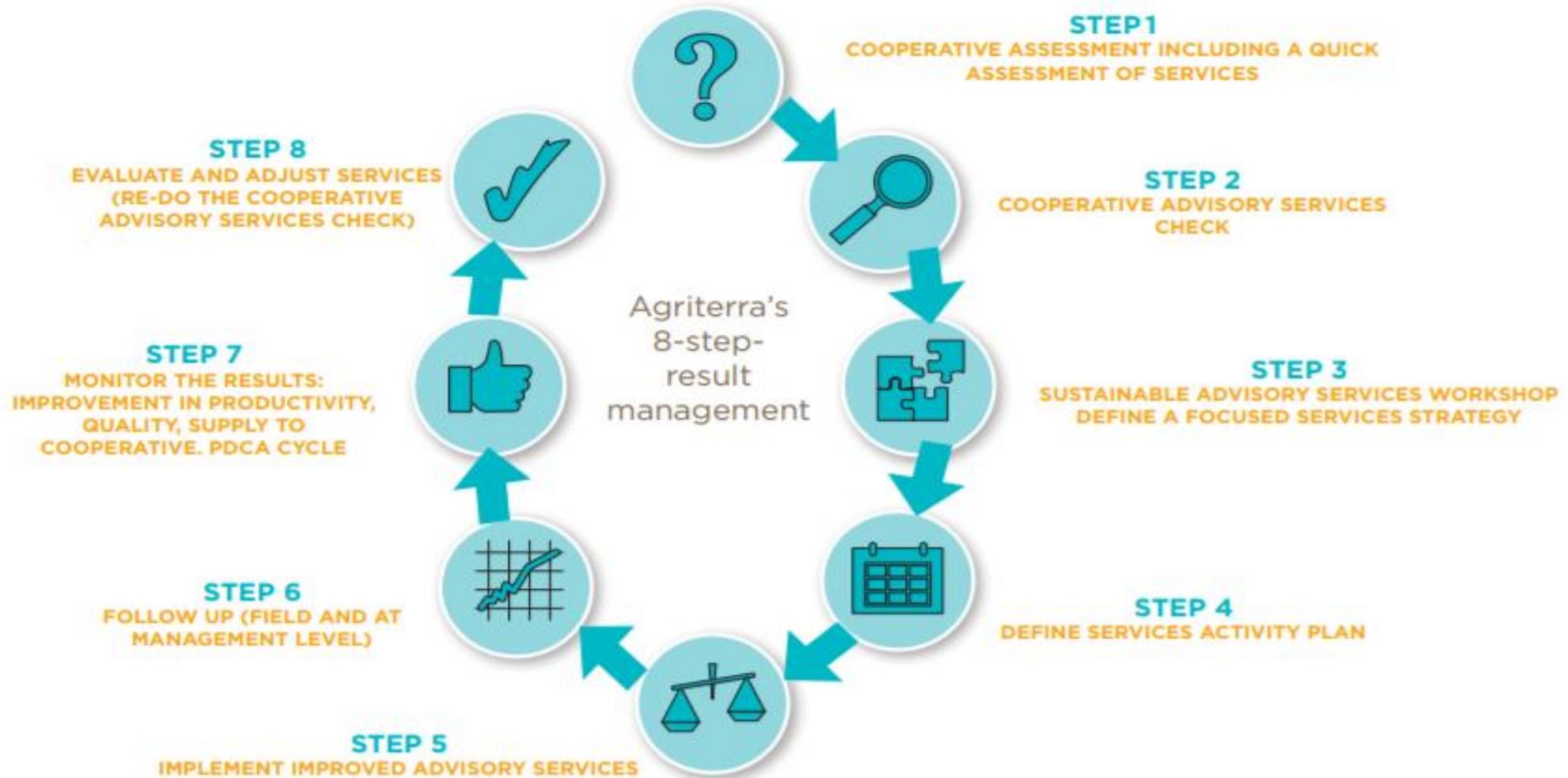
CANNOLA
Spacing (row Spacing) 50-60
Maturity
C.P. 40%

THE WAY FORWARD FOR AGRITERRA

- Systematically address advisory services at farmer cooperatives and organisations
- Long term trajectory, but only if intrinsic motivation is visible
- Appreciate reducing external financial dependency, 100% self financing is a long term goal
- Different farmers have different needs within coops: make choices and accept that not all can be served
- Not all needs can be addresses: keep focus on the main business

IMPORTANCE OF GOOD SERVICES

STEPS TO BECOME A SUCCESSFUL COOPERATIVE WITH COMMITTED MEMBERS



QUESTIONS?

