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The Role of Collective Action in Improving Market Performance of Smallholder Banana and Legume-based Systems in Central Africa

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Abstract

Since the 1990s, collective actions through farmers' cooperatives have increasingly come into the focus of international aid organisations as a strategy to enhance smallholders' livelihoods and improve food security in low-income countries. They recently have been recognised also as a positive force for rural development in Central Africa. Still, research-based information about the success factors is still largely missing. In an effort to fill this gap and to provide a basis for further improvements, the research presented in this contribution aims at examining the extent to which certain attributes and asset endowments of smallholder farmer groups and cooperatives facilitate collective action initiatives to adopt strategies to improve their marketing performance. It is based on empirical data collected in 2012 through farmer surveys and focus group discussions in banana and legume based systems in Rwanda and DR Congo.

The market orientation strategies considered are market-led approaches which include collective marketing, implementation of business plans, product transformation and participatory market research. These are aimed at improving income, food security and market potential of smallholder producer groups while also motivating adoption of agricultural productivity enhancing technologies. The marketing strategies have been designed and disseminated by the Consortium for the Improvement of Agriculture-Based Livelihood in Central Africa (CIALCA), in collaboration with the National Agricultural Research Institutions (NARS) and other development partners in project areas. CIALCA aims at improving livelihoods of smallholder farmers in banana-based systems of Central Africa through enhancement of agricultural productivity, household income and nutrition. Preliminary results indicate that more mature cooperatives with efficient internal institutions, functioning activities, and a strong resource base of natural, human and physical capital are more likely to improve their market performance. Gender composition affects market performance, which tends to be higher in male-dominated cooperatives. Linkages or collaborations with external service providers ranging from private sector, government and non-governmental organisations have the potential to improve market performance of farmer cooperatives.

Keywords: Farmer cooperatives, market orientation strategies, social capital