

**RICE MARKET ORGANISATION BY MOGTEDO COOPERATIVE
In BURKINA FASO¹**

Country: Burkina Faso

Institutions involved: MOGTEDO Cooperative: local farmers organisation

Brief summary:

The Cooperative Mogtedo, local farmers organisation of rice producers in Burkina Faso, changed the market systems (rice supply and price control), thanks to services delivered to its members. With this new market system, the Cooperative managed to increase added value at local level, to increase incomes for rice producers and also other stakeholders.

Question 1: What are the general settings and arrangements for MOAAS?

1.1 What does Agencie hope to achieve by contributing to agricultural advisory services and how does this relate to Agency's overall goals?

In this case, no external agency/cooperation takes place.

The Mogtedo Cooperative objectives:

- its members to be able to sell there rice (producers find a buyer);
- its members to get a better price for rice: producers get a price that cover cost and give additional income.

1.2 What is the context of the intervention in terms of policy, economic and framework conditions etc.?

The Cooperative has been created in the 60's and at that time it was managed by state services.

In the 80's, after the liberalisation of markets and cooperatives, the Cooperative ant its producers tried several solutions in order to sell the rice by themselves (no more state control). After many failures, they tried, in the end of the 90's, to develop new organisation and services for selling their rice. The new organisation and services have been chosen by the producers themselves (the Cooperative animated debates within its members), and they have been also supported by the local authorities.

1.3 What are the general constraints for farmers to connect to markets?

The rice market was not organised:

- many buyers come to buy the rice in many different places: in the field, at farmer's home, at several places in and near the local market,...;
- the producers are numerous and isolated. They sell individually the rice at harvest time (low price). The producers have few information on supply, demand, and rice prices on local market.

Local rice has to compete with imported rice.

1.4 Who provides the agricultural advisory services and how do they operate?

1.5 Which services are provided?

¹ See specific notes and film (13') (in french): http://www.inter-reseaux.org/article.php3?id_article=1079

In the 70- 80s', the Cooperative received technical support from public services and support from NGO.

The new organisation and services have been chosen and developed by farmers themselves within the Cooperative at the end of the 90's.

1.7 Which insights and lessons can be learnt from the framework conditions, e.g., good practices, obstacles, pitfalls?

Full controlled marketing system by state didn't work.

Full liberalised system without any control didn't work.

Farmers have created a market system with regulation where they assume a minimum regulation of the market.

Question 2: Who are the clients of MOAAS?

2.1 How many and what types of farmers use the services?

The all rice producers (350 farmers) have to work with the Cooperative market system.

2.2 Do the actual clients correspond with the types of farmers the service intends to work with?

Yes

2.3 How are the clients involved in markets?

The farmers sell their rice directly to local women (who are often their own wives).

The women process the paddy rice in white rice (parboiled): no paddy rice can be sold outside of the village (the objective is to increase added value at local level).

The paddy rice prices are negotiated at the Cooperative level (taking in account national price variations) and the rice is weighted with farmers control.

After the rice processing, all the local women sell the processed rice on the local market on a single place (the objective is to gather together supply, for more transparency on market).

The cooperative do not buy rice from the farmers: the Cooperative get only the rice done in kind from the farmers who have received several services from the Cooperative (farmers reimburse inputs services, pay tax for irrigated system, pay for weight control). And the Cooperative uses this rice to control rice' supply on the market.

2.4 What motivates farmers to use agricultural advisory services?

The farmers can sell all their rice, at good price, and women get job and income from it..

2.6 How are the clients formulating their demand for services?

Internal discussion, reunions within the Cooperative members.

2.7 How are the clients organised?

350 producers are organised in the Cooperative, in order to get inputs delivery, irrigated system management, technical advices for rice production.

2.8 Which insights and lessons can be learnt from the client involvement e.g. good practices, obstacles, pitfalls?

The rice production on a delimited area (irrigated perimeter) helped to reinforce farmers position and organisation.

Question 3: What approaches and methods are used for agricultural advisory services?

3.1 What kind of services do agricultural advisory services deliver?

- Information and negotiation on prices
- technical advices (seeds, inputs...)
- weighting operation control

- supply regulation: the Cooperative delivers rice on the market when supply is low.
- negotiation with the authorities in order to get a single place to sell the rice on the market.
- Store rice and sell it to local women for processing when there is a lack of supply on local market

3.2 How are the services financed?

All self financed by producers (reimburse inputs, added value on rice selling)

3.3 How are the service providers trained?

Before: Some cooperative members have been trained with external/state support, participation to program of exchange/visit.

Today: internal system to train farmers within the cooperative (self financed).

3.5 How are innovations in agricultural advisory services being upscaled?

Capitalisation and diffusion of their experience to other rice production zones (east of Burkina Faso), other farmers organisations.

3.6 Which insights and lessons can be learnt from the approach and methods, e.g., good practices, obstacles, pitfalls?

Strong obligation obtained after negotiation within the farmers.

Strong cohesion between farmers.

The market organisation has been discussed and accepted by the authorities.

Interest of producers, interest of buyers: win-win strategy.

Question 4: What are the outcomes and impacts of agricultural advisory services?

4.1 How are agricultural advisory services helping farmers to deal with market constraints?

Farmers are able to produce/sell:

- good quality (good seeds and rice processing permit a competitive quality rice/ imported rice)
- volume in continuity (buyers are sure to find rice on local market with the Cooperative supply control)
- rice at price realistic regarding price evolution in the national market, and at good level (processed rice with added value).

4.2 What are the outcomes/impacts of agricultural advisory services?

The Cooperative and its services permits:

- a better commercialisation of rice: transparency on market, faster transactions.
- the incomes increase for rice producers
- the incomes increase for women (rice processing)
- the buyers satisfaction (good quality of rice, regular supply, information on price), less time wasted for buying the rice (one place, on one market).

4.3 Are there side-effects or unexpected outcomes of agricultural advisory services?

Local development: job creation, more added value stay at local level.

4.4. Which insights and lessons can be learnt from the impact, e.g., good practices, obstacles, pitfalls?

The Cooperative do not buy rice for selling it: the Cooperative only organises the market and works with other private stakeholders (processors, farmers,..).

Question 5: What is the role of development cooperation and other key stakeholders?

5.1 What are the roles and functions of development agencies in agricultural advisory services?

The initial dam for irrigated perimeter was built with external funds (the dam should be renovated in the future).

External NGOs organised also may general trainings on cooperative's organisation in the 60-70's.

5.2 What are the roles and functions of the government (local and national)?

National government permitted the cooperatives reform (84), and gave the responsibility of the cooperative to the farmers.

At local level, local authorities supported the Cooperative and its farmers in fixing the rules of market functioning. They helped also to supervise/control that nobody sell/by outside the local market.

5.4 What are the implications of these roles and functions?

5.5 Which insights and lessons can be learnt from the arrangement of roles, e.g., good

Farmers Organisation do negotiate not only within farmers but also with other stakeholders.

Strong implication of all stakeholders (producers, women, local authorities, buyers,...) makes the market functioning possible (winner-winner).

Question 6: What linkages exist between agricultural advisory services and other types of services?

Strong and very important linkages exist between agricultural advisory services and other types of services (seeds brought by research, credit,...).

Question 7: What are the general lessons learnt in terms of e.g., good practices, obstacles, pitfalls?

The farmers can be services providers for themselves through their organisation.

The farmers can bring improvement on market functioning:

- price and supply regulation;
- more value created by and for local stakeholder: added value stays at local level and permits local development.

For this, strong local organisation and support from authorities are necessary: for good functioning, Farmers organisation must be recognized by the authorities (authorities can help/support farmers innovations/initiatives).