



**Inter-réseaux**  
Développement rural

**THE MOGTÉDO  
COOPERATIVE**

**CREATION OF A SECURED AND SELF-MANAGED MARKET BY RICE FARMERS  
OF THE MOGTÉDO COOPERATIVE  
(BURKINA FASO)**

**Inter-réseaux Développement rural**

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## Summary

Following unfortunate experiences, and relying on its own internal competencies and capacities, the Mogtédó cooperative put in place a commercialisation approach focusing on getting better value for rice, with significant induced effects on farm activities and on other sectors of the local economy. In this approach, the cooperative does not buy, sell, or process, but fixes the rules, facilitates transactions and exercises an oversight function.

The strategic choice of the cooperative is to create added value at the local level, to participate in local development as well as development for women. It was also decided that the producers would sell paddy rice exclusively to women residing in the Mogtédó district, who would then process it and resell in the local market.

The steps established by the cooperative are built on the strong involvement of all the stakeholders (members, women who buy and process rice, authorities), the preservation of their respective interests, on greater transparency in the transactions (volumes, prices, quality, weights) and their control thanks to the concentration/clustering of supplies and the promotion of certain principles which are rigorously respected. In this experience we highlight the following particular points:

- Bringing the local market closer to the cooperative for more transparency: concentration of supplies with delimitation of a place in the market exclusively for rice sales, near the cooperative's warehouse in accord with the administrative authorities.
- Stricter application of texts and measures for the functioning of the cooperative. The clustering of supplies enhanced discipline and facilitated the application and control of the commercialisation rules defined with other partners, notably for prices and weights. The cooperative collaborated closely with women who were interested in processing and selling rice, and all sales of paddy outside of this circuit are seen as a breach of the cooperative rules and can lead to sanctions, up to exclusion of the farm from the cooperative.
- The concerted market regulation mechanism managed by the farmers and the cooperative. The cooperative makes an assessment of the available supply of paddy, the prices of imported rice, the costs of oven drying and hulling of rice and then sets the purchase price for rice in agreement with the leaders of the cooperative and the women. The price talks are an exchange that aims to reach an agreement on the splitting of the final margin, while the complementary interests of the parties are given priority over their apparent differences. Then the price is set and announced before it is implemented at the cooperative's sales point in the market.

During sales of paddy to local women, the weights and measures are managed exclusively by farmers—members of the cooperative whom the cooperative has trained to carry out these functions. The women cannot measure the rice they will buy (since the implementation of this rule, the members of the cooperative have registered variances of up to 15%). These farmers are paid directly by the members of the cooperative.

- The functions of the cooperative: No purchases, sales or processing but only oversight. The cooperative put in place a trade observatory in charge of overseeing and monitoring the evolution of supply and demand, and the prices of imported rice. The cooperative also supervises the work of the farmers who are in charge of weighing rice, and ensures that sales at the market take place within the area delimited by the cooperative.
- The cooperative does not buy or stock paddy: After each production season/campaign, the cooperative receives paddy as repayment for production loans in kind (seed, fertiliser etc.). Apart from this rice, members stock their own rice at home and resell it through the cooperative's market. This is in compliance with joint decisions but most importantly it is through this market that the producers obtain the best price (i.e. the price that is set by the cooperative) and the fairest measuring of rice quantities.

Processing of rice by hulling is an essential element in the commercial strategy of the cooperative. The cooperative opted not to invest more in this aspect because private operators carry out this function efficiently.

Apart from the gains in prices, this approach has associated socioeconomic benefits: improved work for women who are involved in the commercialisation strategy (higher volumes of rice, mastery of the oven drying technique); development of processing which creates an important market for private operators; byproducts of hulling which are used to feed animals for market and to make manure/compost for use in the rice paddies and in market gardens; better management of the cooperative and the commercialisation of rice which has fostered the development of other activities (market gardening, animal breeding, small-scale commerce).

## CONTENT

<b>I- THE AGRICULTURAL CONTEXT IN BURKINA FASO AND THE CHALLENGES OF A PROFITABLE FOOD CROP</b>	<b>1</b>
1. <i>Development policies in Burkina Faso</i>	1
2. <i>National and international policies related to grains</i>	1
3. <i>Challenges of the rice supply chain</i>	1
<b>II- COOPERATION: A TOOL FOR THE PROMOTION OF IRRIGATED RICE?</b>	<b>3</b>
<b>III- PROGRESSIVE ORGANISATIONAL CONSTRUCTION</b>	<b>4</b>
<b>IV- DETERMINING FACTORS FOR THE SELF-MANAGEMENT OF THE COOPERATIVE</b>	<b>5</b>
1. <i>The capacity to capitalise on the experience of the cooperative</i>	5
2. <i>Determination and conviction of the leaders</i>	5
3. <i>The desire for efficiency and transparency in governance</i>	5
4. <i>Openness to innovation and experimentation</i>	5
5. <i>A concerted approach to the search for solutions</i>	6
6. <i>The existence of skills and essential internal capacities</i>	6
7. <i>Sharing/exchange with other producer organisations</i>	6
<b>V- COMMERCIALISATION STRATEGY: AUTO-ADJUSTMENT AND CLAUSES</b>	<b>7</b>
1. <i>Characteristics of the cooperative commercialisation process</i>	7
2. <i>Foundations of the commercialisation strategy of the cooperative</i>	7
<b>VI- THE RICE SUB-SECTOR, KEY TO LOCAL DEVELOPMENT</b>	<b>9</b>
<b>VII- PERSPECTIVES AND LIMITS OF THE COOPERATIVE</b>	<b>10</b>
<b>CONCLUSION</b>	<b>10</b>

## **I- THE AGRICULTURAL CONTEXT IN BURKINA FASO AND THE CHALLENGES OF A PROFITABLE FOOD CROP**

### **1. Development policies in Burkina Faso**

Since independence, development policies in Burkina Faso have always seen the agricultural sector as the principal motor for economic growth. The successes of these policies and the objectives realised in this area have been below expectations.

In the early 1990's, when agriculture was the main sector of the economy (86% of the population, 40 % of GNP), the state undertook reforms to create foundations for accelerated economic growth. These reforms were built on two major orientations: economic liberalisation and the disengagement of the state from productive sectors. The application of these reforms meant liberalisation of trade and prices of agricultural products, privatisation of nearly all public enterprises intervening in the production, transformation and commercialisation of agricultural products, elimination of subsidies for agricultural inputs, and the reorganisation of agricultural services. Without any effective preparation, and unable or unwilling to invest in a high-risk sector, private actors did not take over the state's role in supporting production and commercialisation.

### **2. National and international policies related to grains**

From 1974 to 1987, trade in grains (rice in particular) was under state control: the general fund for stabilisation (CGP) created in 1978 had a monopoly on imports, set the purchase prices of paddy paid to producers and sale prices to consumers.

After 1987, financial restrictions at the CGP led to a reduction in the control of domestic and foreign trade in rice. Between 1980 and 1992, domestic yields doubled thanks to the results of research and technical assistance to farmers.

Between 1992 and 1997, a political decision to encourage the production of rice translated into an increase in cultivated surface area, from 25.000 to 53.600 ha. In 1996, the full liberalisation of the rice sector led to the complete withdrawal of the CGP. This process was accompanied by a reduction in import custom duties. In the end, the liberalisation of the grains sector led to diversification, in the quality of imported rice, in suppliers and in modes of supply.

### **3. Challenges of the rice supply chain**

There are significant socioeconomic challenges to rice production in Burkina Faso which justify public intervention and greater involvement of farmers.

#### **- Food security**

Along with dry cereals, the development of the rice sub-sector constitutes a strong element in the food security strategy of the country: consumption of cereals exceeds rice consumption<sup>1</sup>, even though we observe a reversal of this trend in favour of rice, due to increased population growth in the cities.

The domestic production of paddy is about 100.000 t and covers 30 to 40 % of the domestic demand; the rest is imported. Projected rice imports<sup>2</sup> are for 300.000 t in 2015, representing about 70 billion FCFA of hard currency expenditures.

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<sup>1</sup> Rice constitutes 5% of national consumption of carbohydrates.

<sup>2</sup> Analysis of the rice sector conducted in 1996 by the Agriculture Ministry.

In Burkina Faso, self-sufficiency in rice and exportation of this product remains a distant goal, but an improvement in the national rice balance will be an important step towards some security. With respect to agro-climatic conditions which are relatively less favourable for rice, the profitability of domestic rice remains marginal but can be achieved if world prices are in the vicinity of 300 US\$/t and if yields attain the levels made possible by research.

According to the FAO, in 25 years domestic demand for rice is expected to increase by 40 %, and world production by 30 to 70 % to meet rising demand. Because of the stagnation in production levels in recent years in Asian countries (90 % of world production), Africa and Latin America are expected to play a greater role in world rice production. The rice supply chain action plan in Burkina must lead to a level of productivity which is economically viable and which anticipates the increase in demand and world prices.

### **- Perspectives for growth in domestic production and markets**

Supply. In certain zones (Sahel), shortages of domestic rice are chronic and while the variation between minimum and maximum prices is 50 FCFA/kg for imported rice, for domestic rice it stands at 100 FCFA/kg. All of this highlights the weakness of the national commercialisation circuit. Processing with ovens or dryers is one way to raise the value of domestic rice but it remains very marginal (technical, organisational, financial problems). The rice liberalisation policy resulted in prices being maintained or even increased for consumers, but brought a reduction in the prices paid to the producers for paddy.

In all, these different factors highlight the progress to be achieved for enhancing the value of rice produced in Burkina Faso. If there has been some relative progress in the rice supply chain, it needs to be reinforced to ensure economic, social and ecological profitability at the level of the farmers. The effective consideration of global concerns in the entire chain remains imperative for success. Also in the face of state disengagement which weakens technical support services, producer organisations (PO) are called upon to develop a strong spirit of initiative as well as new aptitudes to participate fully in production and commercialisation.

Over the course of the years the agricultural plain of Mogtédó has become engaged in the construction of a commercialisation strategy built on creating added value for a group of local actors.

## II- COOPERATION: A TOOL FOR THE PROMOTION OF IRRIGATED RICE?

In the framework of its agricultural development policy to promote irrigation of crops, the state proceeded in 1963 with the construction of a dam in Mogtédó over the Nakambé river, and later on constructed an irrigated perimeter for agricultural production.

After consulting with the traditional village chiefs in the locality, the administration created an agricultural cooperative of 37 members to exploit the irrigated perimeter. The 37 members were heads of households of at least five members. At the time the cooperative was conceived as an extension tool for disseminating techniques in crop irrigation to the local population, rather than as a collective management tool managed by the heads of farming operations.

The quest to ensure discipline, rigour and the population commitment to new production techniques explains the predominance of the state and traditional leaders in the decision-making bodies (management committee), while members of the cooperative are found on the board of directors which executes the decisions of the management committee.

*"We were like agricultural labourers for the cooperative. We did not have a viewpoint in the granting and withdrawal of parcels. We supplied the quotas of our production demanded by the management committee which set the prices for producers and ensured commercialisation.*

*Later on they informed us of the financial situation of each member after deduction of the farming loans (fertiliser, water tax, etc.). Very often we came out with a deficit without any proper understanding of the balance sheet established."*

The cooperative had technical extension services run by civil servants who were in charge of ensuring the application of the technical pathways defined by the overworked services of the Ministry of Agriculture. According to statistics of the cooperative, about 1/6 of the surface area of the irrigated perimeter was reserved for demonstration plots and for seed multiplication. Adequate equipment was acquired (tractors, threshing machines, etc.) to enhance technical support operations, harvest and the commercialisation of rice.

As of today, the Mogtédó cooperative has been fully re-appropriated by its members who now number 378, exploiting 110 ha. This represents an current average farm size of 0,25 ha/farmer. The cooperative carries out two production campaigns per year, for an average yield of 4 to 5 t/ha. Since 1984, three varieties of rice have been tested by the Mogtédó cooperative with different levels of production.

### **Organisation of the Mogtédó Cooperative**

Administration by three bodies:

- General assembly (AG): decides on the major strategic production orientations and adopts the balance sheets of the production and commercialisation exercise (once every six months);
- Management Committee: ensures the daily operational management of the decisions of the general assembly (once every month) and organisation of production, provision of inputs, commercialisation, loan repayments, organisation of collective work, elaboration of the balance sheets of the production and commercialisation campaigns
- Control committee: in charge of internal oversight of financial management and efficiency in the operational management of the management committee. It uses the existing management documents and reports to the AG.

The cooperative is a member of FENOP (where it heads the consultation forum of the rice chain) and the CICR (Interprofessional committee of the rice sub-sector put in place within the framework of the national plan of action for the sub-sector).

### III- PROGRESSIVE ORGANISATIONAL CONSTRUCTION

The story told by the cooperative members clearly shows the internal and external factors that were determinant for the present organisational dynamics.

In 1963, in the framework of the agricultural development policy by irrigation, the state constructed a dam primarily for agricultural purposes. The valleys were marginally exploited by the local population, for whom the project seems to have exceeded its limits. Then the state decided to create an agricultural cooperative and to relocate migrants to exploit the newly prepared plain. The project was not discussed with the peasants. In 1967, 57 ha were prepared and put at the disposal of a cooperative of 37 co-opted members, as decided by the government administration in agreement with the traditional chiefs. Rice production started in 1968. Two bodies were in charge of the management of the cooperative: the management committee and the board of directors.

The management committee is made up of the district officer/prefect (president), representatives of extension services and a representative of the traditional chiefs. This body is the proprietor of the prepared plain and makes decisions about the operations of the cooperative, the management of credit, collection and commercialisation of rice. It fixes the purchase price paid to rice producers.

The board of directors groups cooperative members in charge of executing decisions, convening meetings, monitoring the implementation of production planning as well as the technical practices recommended by the support services. The production and management decisions in effect were not made by the members.

In 1984, the orientation of national agricultural development policy changed with the arrival of the revolutionary regime. The will to reinforce the status of peasants and their involvement in decision-making was strongly displayed by the authorities; there was a reorganisation of the legal and regulatory framework for peasant/farmer institutions/structures; a new cooperative law was adopted proposing new management organs: board of directors (BOD) and executive bureau (EB). The BOD and the EB of the Mogtédó cooperative therefore had more responsibility in the decisions and management of the activities. Working with the prefect the farmers made two major decisions:

- reorganisation in the attribution of farms to resolve the many pending applications from farmers: the average surface area fell from 1 to 0,25 ha/farmer; the number of members in the cooperative rose from 100 to 378;
- active civil servants were excluded from the cooperative and their farms withdrawn to strengthen the appropriation of the production apparatus by the peasants. This improved the recovery of loan payments which were becoming a burden to the cooperative.

This marked the beginning of the **responsibility** of peasants in the management of the cooperative. In 1986, the cooperative benefited from the assistance of the Sens<sup>3</sup> project to strengthen its management capacities and put in place a revolving fund for the provision of inputs. This allowed the cooperative to develop its collaboration with financial institutions at the local level.

In 1989 with its organisational, technical and management capacities improved, the cooperative decided to let go the last remaining representative of technical support services on the Board of Directors. This was possible thanks to the new cooperative law.

In 1998, suspicion of poor management divided the members of the cooperative and the high commissioner in the mediation process called for a financial audit which was carried out by the Ministry of Agriculture. The results of the audit did away with doubts and suspicion. Confidence in the bureau was restored and its mandate was renewed to continue the management of the cooperative. This also led to more effective procedures and management tools.

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<sup>3</sup>National project for promotion of dams ( Holland-based aid programmes) to create/reinforce technical and financial autonomy and better value for irrigated crops.

#### **IV- DETERMINING FACTORS FOR THE SELF-MANAGEMENT OF THE COOPERATIVE**

Agricultural cooperation in Mogtéo, whose management is the responsibility of the farmers, is to this date their only tool for adding economic value to production. The commercialisation strategy that is applied in the current situation of farmers' responsibility is the outcome of a process that is founded on six determining factors.

##### **1. The capacity to capitalise on the experience of the cooperative**

As regards commercialisation, the Mogtéo cooperative had experienced many unfortunate initiatives. Lessons were drawn from these for the construction of the present strategy. The balance sheet of these experiences convinced the members of the precarious nature of distant markets and the necessity for better visibility and legibility in the commercial operations for members.

- following three loss-making contractual production campaigns with UCOBAM<sup>4</sup> (1970, 1974, 1975), the cooperative decided to market its rice elsewhere;
- difficulties in selling rice in markets in Ouagadougou and neighbouring towns (Pouytenga, Koupéla) led members to renounce distant markets;
- following difficulties encountered in the collaboration with SONACOR<sup>5</sup> after many years of experience, the members were more focused on selling their produce in neighbouring markets, improving control and visibility for all members;
- under the management of the government administration, the sales prices were neither lucrative nor transparent, and the members ended up refusing to supply their rice to the cooperative.

##### **2. Determination and conviction of the leaders**

The construction of a commercialisation strategy with all that it entails in terms of disciplinary measures was founded strongly on the conviction and engagement of the leaders, and the lessons of the social and organisational difficulties they had already faced. The application of certain measures, notably penalties, were not always readily accepted, and this revealed hidden or open conflicts with the leaders and/or between the leaders. At certain moments the leaders were nearly lynched.

*"When we refused to sell our rice to SONACOR, many partners were asking questions about the grounds and pertinence of our decision. They did not see any possible commercialisation alternative for rice like our own."*

##### **3. The desire for efficiency and transparency in governance**

To succeed in their wager, the leaders staked their hopes on dynamic leadership of the cooperative, with regular decision-making and management sessions, since the cooperative was effectively autonomous vis-à-vis the government administration. This enhanced regular information to members about activities and also made for more efficient decision-making. Since 1998, in addition to the internal controls, the cooperative carries out a yearly audit of its accounts.

##### **4. Openness to innovation and experimentation**

The Mogtéo cooperative has proved to be open to innovation and experimentation:

- the cooperative spent years of experimentation on water management with IIMI<sup>6</sup> and EIR; apart from the contribution of these partners some peasant practices were also promoted;
- after a visit to the rice cooperative in the Kou valley, the Mogtéo cooperative carried out infrastructure work to recuperate and use drainage water;

<sup>4</sup> Union of Agricultural and Market Gardening Cooperatives of Burkina.

<sup>5</sup> SONACOR: National Society for the Collection of Rice

<sup>6</sup> International Institute for the Management of Irrigation



- the institution of the second production campaign during the dry season was decided on the basis of the far-reaching and convincing results of a farmer experiment with rice shoots planted in the rainy season (started in 1983 and pursued by the cooperative). After exchange with local extension services, they recognised and confirmed the feasibility of the second campaign and approved its realisation (1991).

In all, the cooperative has always had an pro-active approach which enhances individual and collective consciousness, an open spirit and improved organisational and technical mastery.

### **5. A concerted approach to the search for solutions**

One of the strong points of the Mogtédó cooperative resides in its capacity to concert with other actors in the search for solutions to its preoccupations. This proceeds from the recognition of shared responsibilities with other actors.

Exchange visits are generally followed by decisions, trials which are shared with local administrative authorities (Prefect, High commissioner), and/or with technical support services. The decisions on the commercialisation of paddy are discussed with all the local economic operators who are involved in the rice chain (processors, traders in dried rice).

Apart from the efficiency in the decisions, this approach has enabled the cooperative to develop a certain social and political audience through an important relational network in its environment. This also enhances governance and the management of internal conflicts thanks to many potential mediators who are ready to offer their services.

### **6. The existence of skills and essential internal capacities**

The Sens cooperation project held alphabetisation sessions for members and organised technical training (financial and economic management, elaboration of balance sheets). By facilitating the development of internal skills of members and a revolving fund for the provision of inputs, the project created the basis for technical and financial autonomy of the project. In 1995, the project also organised a national encounter aimed at the agricultural plains area, to create a forum for exchange about their future in a context of reduced technical follow-up as a result of the government's structural reforms. This support enhanced individual and collective awareness among the members and their determination to get organised and to look for common solutions for selling their products.

### **7. Sharing/exchange with other producer organisations**

The first national peasant encounter was an important learning and sharing period for the Mogtédó cooperative. The information they obtained from the decentralisation process and the disengagement of the state following the application of the structural adjustment programmes was highly determinant in terms of consciousness of the new responsibilities of farmers and farmer organisations.

The message for the farmer—an actor in the production and commercialisation of his/her agricultural products and citizen participating as full partner in the governance of agricultural policies especially at the local level—was fully understood.

A cassette recording on the process of decentralisation produced in the local language was used to facilitate the restitution and dissemination of the future vision of the political authorities on development strategies and the sharing of responsibilities between different actors in the framework of strategies and practices. An important decision by the cooperative was taken with more than three hundred other farmer organisations to constitute a national pressure group which would serve as a forum for dialogue with different actors and for exchange between farmers.

The desire to anticipate the effects of decentralisation by the state led to in-depth reflection about how to boost the value of the rice sub-sector through a more efficient commercialisation process. This decision was reinforced by local technical and political authorities.

## V- COMMERCIALISATION STRATEGY: AUTO-ADJUSTMENT AND CLAUSES

### 1. Characteristics of the cooperative commercialisation process

In various ways, the commercialisation strategy of the Mogtédó cooperative is different from that of other agricultural plains regions. In accordance with the local administrative authorities, the cooperative delimited a specific place in the market reserved exclusively for rice sales.

This location for the centralisation of rice supplies is in front of the cooperative's warehouse. The aim of this clustering, among other objectives, is to enhance discipline and to facilitate the application and enforcement of the rules of commercialisation as defined with its other partners, mainly prices, weighing and weights.

After each production campaign, the cooperative receives only two 100-kg bags of paddy per member in exchange for a production loan (seed, fertilisers). Excepting this commission, each member stocks his/her production at home and re-sells it through the cooperative, in compliance with the decision taken together but also because it is where producers get the best prices (that is fixed by the cooperative) and more accurate measurement of quantities. For the same 100-kg bag of paddy, the difference in the measures at the cooperative's location and elsewhere in the market varied between 10 to 15 kg to the detriment of the producer.

The producers sell their rice only to women residing in the Mogtédó district who transform it and resell it in the local market. All sales of paddy outside of this circuit are seen as a breach of the rules of the cooperative and can lead to sanctions up to exclusion of the production plots.

### 2. Foundations of the commercialisation strategy of the cooperative

Learning from its previous unfortunate experiences and relying on its internal capacities, the cooperative built its strategy on rigorously respected principles:

- **strict application of the texts and measures in the functioning of the cooperative;**
- **bring the market closer to the cooperative.**

A fundamental option was taken to work mainly on local markets. The cooperative also invested in the development of this market. To enhance clustering/grouping and a better control of supply, a unique point was selected, in accord with the administrative authorities, for sales by all the members of the cooperative.

- **A concerted market regulation mechanism managed by the farmers**

The Mogtédó cooperative is practically the only one to sell paddy above the normative price imposed by the industries which is set at a fixed rate of 110 FCFA/kg of paddy (the cooperative sales price fluctuates with supply, between 125 and 175 FCFA/kg of paddy).

The prices are set in collaboration with the leaders of the cooperative and the women who resell whole grain rice. The cooperative makes an initial assessment of the local supply and the prices of imported rice. Considering these data and the cost of drying and hulling, a price is set for the purchase of paddy. The price offered at the cooperative's sales point is systematically higher than the prices offered by the rare traders who try to intercept producers in the outskirts of the market.

The prices are set and issued at least one week before their application. This is made possible thanks to the distribution of the added value that is created from processing.

At the time of sale, weighing is done exclusively by the farmers trained by the cooperative with measuring tools defined by it. No woman can herself measure the rice she wants to buy. Since implementation of this rule, the members have seen a difference in the weights of the bags of paddy, to their advantage. Where previously buyers were measuring a bag of 100 kg of paddy at 35 plates (measurement unit), the farmers trained by the cooperative obtain 40 plates (a difference of 15 %!).

- **A strategic choice to create added value at the local level**

One of the key principles in the commercialisation strategy developed by the cooperative is the option to put only full grain rice on the market. This means local processing of rice by drying and hulling.

To achieve this objective, the cooperative decided to collaborate closely with the women who are involved in the transformation and commercialisation of rice. These women make up an integral part of the strategy of the cooperative which in return reserves exclusive sales of paddy to them. Since the implementation of this strategy, the cooperative refuses all offers to supply paddy.

Apart from the gains in prices, this approach is retained for its complementary socioeconomic benefits (job creation for women, markets for hullers).

- **A commercial strategy sustained by its own dynamics**

To ensure the sustainability of its system the cooperative relies on the following points:

- preservation of shared interests with the women: debates on the price to be set for paddy are seen much more as a discussion of how to share the final margin; the complementarity of interests is highlighted and protected, rather than apparent differences / divergences;
- greater involvement of the members;

*"We put the profits of the members ahead of those of the cooperative. This enhanced their mobilisation and their strong adhesion to the reorganisation of commercialisation.*

*When you show fertile ground to a farmer to cultivate, you become his enemy automatically if he does not have a good harvest. It is risky and difficult to show a man the route to his development. It has to be found with him.*

*When you tell a farmer, I will sell your produce, there is a great chance that he will not be happy with your action. Following many unfortunate experiences, we opted to put in place a commercialisation approach which involves everybody and which is clear and understandable to everybody. We easily share our successes and failures without problems and we all strive to succeed."*

- remuneration of the commercialisation costs: this refers to farmers who are in charge of measuring and weighing the paddy being sold. They are directly remunerated by the members on the basis of 100 FCFA/100 kg. They are intermediaries who carry out paid services for the members. Anybody is free to carry out this activity but he/she has to be a member in the cooperative and must be trained. Competition for these jobs enhances their performance and commitment to the task.

- **The oversight function of the cooperative**

The cooperative put in place a group of 10 people which in collaboration with the executive bureau constitutes the trade observatory. It studies on regular basis the evolution of supply and demand and prices of imported rice, and supervises the work of the farmers in charge of weighing the paddy. It also verifies that cooperative members sell within the delimited market area in the geographical zone.

## VI- THE RICE SUB-SECTOR, KEY TO LOCAL DEVELOPMENT

The leaders of the cooperative explain in a clear manner the strategic development vision which serves as the foundation for their commercialisation approach. One of the principal objectives is to create the basis for getting better value for rice, with significant induced effects on the activities of the farms and on other sectors of the local economy.

The implication of women in the commercialisation strategy proceeds from this vision. They have since developed a certain mastery of rice drying techniques thanks to training. More and more women are getting involved in this activity. All the production of the cooperative (less families' own consumption) is dried and hulled by the women before it is sold.

*"In the 1980s, women who were selling dried hulled rice carried their merchandise on their heads. Today about 40 women own hand carts for the transportation of their products."*

More and more rice farmers from neighbouring villages or distant rice plains use the Mogtédó market to sell their products.

Processing by hulling is an essential element in the market process. However the cooperative has opted not to invest in hulling, as long as private operators ensure this function efficiently. The development of processing created a significant market for these private operators who are investing in more effective equipment.

*"Initially there was a small hulling machine in the village with a capacity of 100 kg per day. It was operated only in the rainy season. Since we decided to sell whole grain rice to consumers, the processing units have increased in number. We currently have 7 units with a capacity of 100 kg each. They operate all year round since there are 2 production campaigns".*

With the hulling of rice, the rice farmers benefit from the byproducts, mainly rice bran used as animal feed to fatten livestock for market, and to make compost used in the irrigated fields for rice production and/or market gardening.

The improvement in the management of the cooperative and commercialisation of rice was accompanied by the development of related activities: market gardening, livestock breeding, small-scale commerce, etc.

Apart from the investments of individuals in their farms and families (health care, education, housing, pilgrimages, etc.) the members contribute collectively towards the construction of infrastructure for the development of Mogtédó. The cooperative participated financially to the construction of the middle school, the dispensary, the prefect's residence, the primary school and the community leisure centre.

Annual taxes of 1 000 FCFA per farmer as well as other forms of budgetary contributions to the council fully involve the members in the learning process of a new citizenship which the decentralisation process requires.

Today Mogtédó is a major centre for market gardening production. These products (mainly tomatoes, onions and carrots) are sold entirely in the local market. Tomatoes are sold mainly via Togolese traders, and onions are shared between Togolese traders and wholesalers in the Ouagadougou market.

*"In the market gardening chain, we are working towards putting in place the same form of organisation. After consultation between retailers and producers a committee of 12 persons was put in place to work on setting prices and to determine a sales point in the market."*

## VII- PERSPECTIVES AND LIMITS OF THE COOPERATIVE

The liberal policy which created the favourable external conditions for the consolidation of cooperation is still the basis of the national agricultural development strategy with all that it entails in terms of opportunities, risks and threats to the PO.

The follow-up measures related to the application of this policy for rice production, recommend qualitative and quantitative improvements in production, the strengthening of the organisational, technical and managerial capacities of producers, the establishment and reinforcement of consultation between actors.

These different strategic orientations have to be translated into action plans, including the action plan for the rice sub-sector currently in application.

Theoretically, the Mogtédó Cooperative like many others should receive support in order to reinforce and strengthen its capacities. Unfortunately, national action plans usually lack the necessary funding, or lack coherence with the dynamics and needs of the producer organisations at the time of execution (long after their elaboration).

The dike of the dam and the irrigation canals are close to 40 years old and heavily damaged; effective repairs are beyond the financial capacities of the cooperative.

The Mogtédó district still has significant potential with the Nakambé River basin which can be exploited for irrigation purposes. Irrigation will reinforce and strengthen the production capacities of the cooperative.

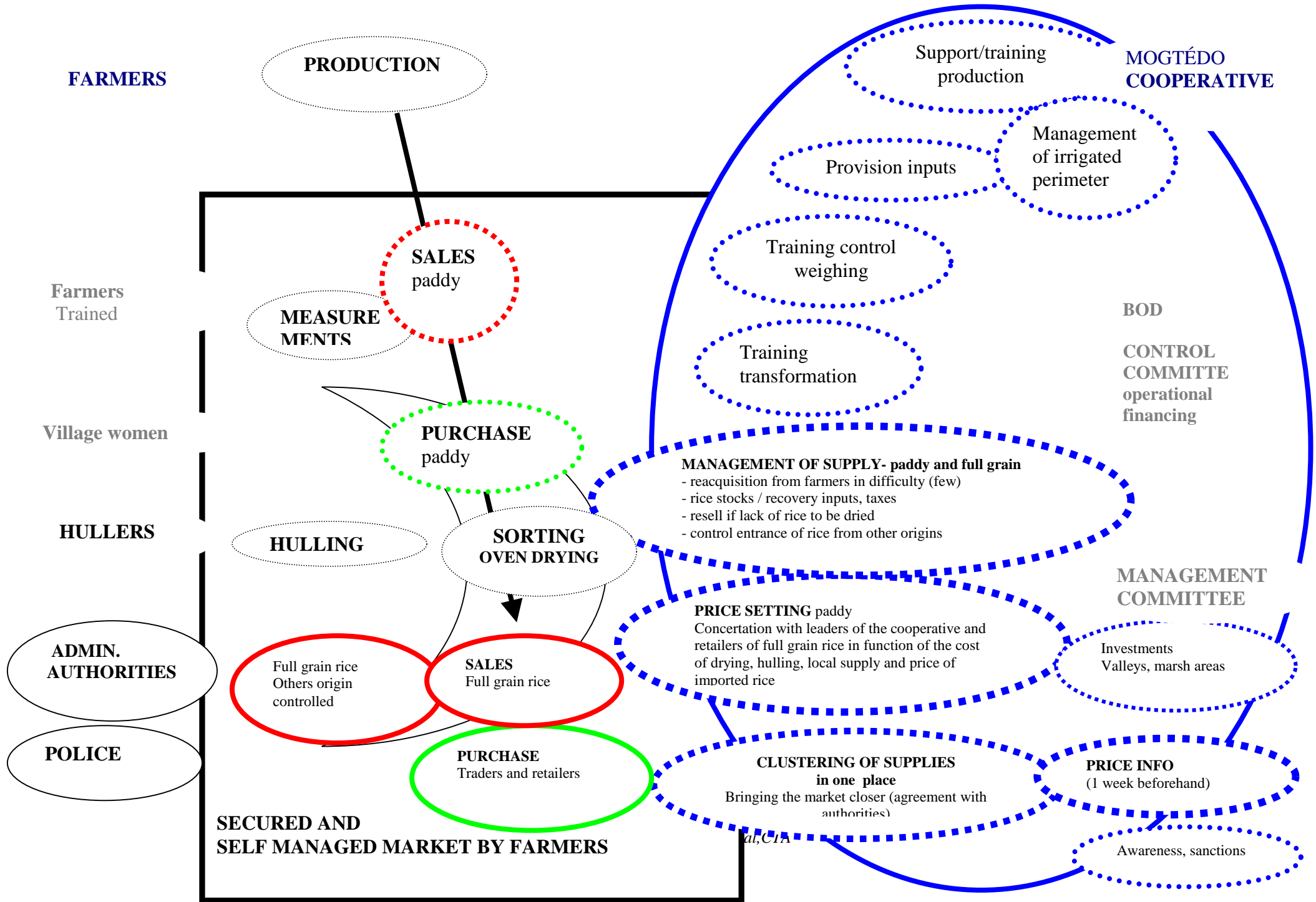
Conscious of the important role of markets for the evolution of production, the cooperative plans to carry out action to reinforce its competitiveness on the local markets:

- regular renewal of planting equipment used by the members in collaboration with technical services and/or the relevant services of agricultural research units. For the next campaign, basic seed of the FKR variety which is in high demand in the market has been bought for distribution at the local level;
- improvement of techniques in oven drying by women. According to the cooperative, this technique improves the nutritional quality and its industrial processing properties, with a low rate of breakage;
- the construction of drying slabs or terraces to enhance proper drying of rice while eliminating all impurities (stones and other foreign bodies);
- investment in social capital through training and addressing the concerns of young people when renewing management organs (BOD and EB).

## CONCLUSION

In the present political and economic context, the emergence and affirmation of producer organisations is an important issue for the state and development partners. The producer organisations must be part and parcel of the development process, recognised by others and with a capacity to make the most of their alternative strategies.

The commercialisation experience developed by the agricultural cooperative of Mogtédó on a large scale shows that POs can handle new responsibilities effectively, on the condition that they develop a certain intrinsic capacity and take advantage of a favourable institutional, legal and economic environment to enhance their potential.



# MOGTÉDO COOPERATIVE

**FARMERS**

Rice more expensive, easier to sell

**FARMERS**

Trained measurers

Gains + 15 %

**Village women**

Purchase+ volume  
Job creation  
Hand carts

**HULLERS**

+ Activity  
+ Machines  
+ Jobs

OVEN DRYING  
+ volume

**Satisfied authorities**

Participation local development (invest... governance

Supply of rice from other origins controlled

**TRADER**  
Better quality of rice  
Knowledge of prices before hand  
Gains in time+ volume

**MARKET**

Unique sales point  
Supply controlled  
Prices controlled

**Choice to create LOCAL VALUE ADDED**

**Set COMMON RULES**

**CONCERTED REGULATION MECHANISM** managed by the farmers

**FACILITATE TRANSACTIONS:** small purchases

**Conditions for success**

- Capitalisation/ valorisation of past experiences
- Determination, conviction
- Courage, innovation, application of penalties
- Transparency, honesty, associative life
- Will for efficiency, rigour, external control
- Openness to innovations, experimentation
- Exchanges
- Concerted search for solutions
- Dependence on internal strengths
- Involvement of all stakeholders (members, women, administration...)
- Preservation of shared interests