

Producers' Organizations and Commercialization of agricultural products

Cross cutting analyses resulting from the Inter-réseaux *working group* "Market access and commercialization of agricultural products"

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Summary

Many capitalizations of experiences of agricultural producers’ organizations were capitalized by Inter-réseaux and the CTA within the framework of the Working group “POs and commercialization”. These case studies show that there is a great diversity of activities which are undertaken by POs to improve access to markets and to better commercialize their agricultural products:

- 1) individual sales carried out by producers;
- 2) collective actions undertaken by producers once the agricultural products are produced, in order to better sell out their products;
- 3) collective actions realized by producers upstream of the market so as to have a mastery of production (quality and quantity) and the costs involved;
- 4) collective actions carried out by producers in order to organize markets in general as a means to have better sales conditions;
- 5) collective actions undertaken by producers in collaboration with other actors in the value chains as well as those involved in the development of sectoral policies.

The different aspects pertaining to the various types of actions are presented here by laying emphasis on the challenges and difficulties during their putting in place.

Cross cutting lessons derived from the various types of commercialization activities carried out by the POs are also presented in the conclusion. They illustrate that there is no miracle recipe: the experiences of POs are full of findings and lessons, with a host of possible activities, some of them traditional (purchase-sales), others on the regulation of markets (respect of rules, transparency...), regulation of supply, regulation of prices, alliances with other actors (intermediaries)...

The idea is not to give solutions or models of “best practices”, but to raise questions which members, PO technicians or personnel of support organizations can pose to ensure that the PO does not engage in the wrong activity which is impossible to manage and/or too risky!

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INTRODUCTION

Many capitalizations of experiences of agricultural producers' organizations were capitalized by Inter-réseaux and the CTA within the framework of the Working group "POs and commercialization". These case studies show that there is a great diversity of activities which are undertaken by POs to improve access to markets and to better commercialize their agricultural products: they are grouped into five major categories¹;

- 1) sales carried out by producers individually;
- 2) collective actions undertaken by producers once the agricultural products are produced, in order to better sell out their products;
- 3) collective actions realized by producers upstream of the market so as to have a mastery of production (quality and quantity) and the costs involved;
- 4) collective actions carried out by producers in order to organize markets in general as a means to have better sales conditions;
- 5) collective actions undertaken by producers in collaboration with other actors in the value chains.

1) THE PRODUCERS SELL THEIR PRODUCTS INDIVIDUALLY

The most frequent cases observed in the Working Group are the following:

- Individual sales at farm gate level or near the farms to middlemen or collectors acting on behalf of traders: This type of situation generally referred to as farm gate sales is found in many of the stories narrated by producers and it is certainly the most recurrent. "*How to eliminate intermediaries?* » is a question that is heard often and many attempts to "short-circuit" them are carried out individually, but also at the level of POs and sometimes with the support of NGOs and yet... the strategies adopted vis-à-vis these intermediaries are not always realistic?
- Individual sales on proximity markets: The producer carries products to the nearby markets and sells them (or at least tries) to traders or to the final consumers. The experiences differ in terms of access and the remunerations obtained by the producers. The initiatives that have been studied highlighted many key factors: the level of organization of the market and more specifically the level of participation of the producers in their organizations. Moreover, individual sales have higher chances to be positive for most producers involved particularly if the producers were involved stream in the organization of the market.

During individual sales, the producers are generally the major losers. They have a very weak negotiation capacity when they transact individually at farm gate level with a middlemen acting on behalf of a trader. Asymmetries in terms of information and negotiation power are at the greatest: contrary to the producer, the middleman has information (even if it is partial), on the supply situation, the demand and the prices of the product at different places.

The strategies used by the intermediaries are often not aimed at achieving transparency in the transactions in terms of the volumes available and the prices, nor are they aimed at remunerating the quality of the product. They are in a monopoly situation. At the end, the producer obtains a price that is well below the market price. The producer can otherwise be cheated on the weights or calculation of the payments. He no longer has the power to negotiate the payment modalities (advances, cash and credit)

Different roles and functions played by intermediaries

No matter the case, middlemen or collectors who buy the products at farm gate level provide many services and play many essential roles for isolated farmers. They organize to come and collect products from distant and inaccessible places considering the nature of the roads (for these reasons, they have to remain informed, organize rounds, hire transport facilities when they do not have, in order to transport the products).

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¹ The actions 4 and 5 are just raised here given that they are much more developed in other two complementary slips resulting from the Working Group: "PO and organization of markets" and Interprofessional Organizations".

Moreover, they often grant loans to the producers; provide pre-payments for harvests and carry out on the spot purchases: these services are paid for by the producers at very high interest rates but then no formal financial organization accepts to provide these services which in effect are needed by the producers and their families. And this refers not only to agricultural related activities but also to those related to the education of their children or the purchase of drugs.

Through these intermediaries and networks of associated traders, even very small farmers who are very isolated and far away from markets are in fact integrated into the market system to sell their products when they are in need of money, to access credit and/or to buy the products they need to consume during periods of scarcity.

The intermediaries therefore have their use.

Intermediaries who do not necessarily want to go away

To eliminate the intermediaries is certainly not easy. An individual producer who brings his products to a market can be faced with traders who refuse to buy his products. This can even go to the extent of denying him a place on the market (many cases with “Bayam sellam” in Cameroon).

Can the PO always replace the intermediaries?

If the action to be put in place is at the level of a PO, the producers must succeed to collectively take charge of the functions which are normally carried out by the middlemen. That is if the middlemen refrain from engaging into this activity over time. In effect if the collective actions undertaken by the PO are cumbersome and long then attempts by middlemen to disrupt these actions are made easier and often take many forms: they can propose prices that are higher than those negotiated by the PO or they can support the dissident strategies of some producers to spoil the collective action and discredit the PO in front of other buyers...*“If all our products were sold as a group, the intermediaries would lose money and even their jobs because they would not have any more reason to be. They know it well and often sabotage the grouped sales by discrediting us”.*

Eliminate intermediaries to gain added value? This can work...

There are many cases where the organization of grouped sales by producers is aimed at short circuiting or eliminating the intermediary collectors in order to sell directly to wholesalers, and to recover added value or part of it from the intermediaries. These cases are observed amongst others, with banana producers in Macenta in Guinea Forestière or Onion producers of the Federation of Onion Producers in Fouta Djallon: they organized collection points. As such by dealing with POs which are able to organize a given quantity of produce, the wholesaler trader do not waste time, reduce his costs, do not have to pay advances to intermediaries and can therefore pay a higher price to the producers.

Better to work and negotiate with the intermediaries: it is also possible!

Particularly in areas where producers are isolated and less organized; wanting to eliminate the intermediary collectors appears to be a short-term strategy which might be less beneficial for producers. As such, rather than to try “to eliminate” the intermediaries, who despite everything provide certain services, producers have developed another option: better to deal and negotiate with them. This of course looks like working against nature and difficult (it is particularly difficult to establish long-term relationships with the intermediaries given that they change all the time). But then dialogue, negotiation and changes in the behavior of actors is never impossible.

The case of livestock breeders in the North of Benin is particularly illustrative. In this case, the Dilani intermediaries, after negotiation with the livestock breeders were given different responsibilities on the self managed market: from then on they oversee transactions between livestock breeders and buyers and are in charge of recording the taxes on behalf of the market. It is true that this was only made possible through the intervention of a very charismatic traditional leader who played a very important role in the negotiation process. In other situations, support organizations could also facilitate negotiations or work towards this direction.

In some cases, the collector offers a price to the producer per kilogram which is quite high or even about the same as the price proposed by wholesalers. However, when this is analyzed critically, it is observed that the margin of the intermediary does not come from the price differential as will be expected but from a ‘quantity’ variable. The margin of the collector is often not visible: the share of the value added retained by the producer can come not only from the elimination of the intermediary, but also through working with him on many aspects amongst which the measurement units and weights.

2) ACTIONS OF POs to BETTER SELL OUT THEIR PRODUCTS

The actions carried out in this case by POs are found downstream of the production process and seek to facilitate the sales of a given product. Amongst the cases studied there were “traditional” activities like:

Organization to transport the products by the PO

The PO can organize the collection and clustering of the members’ products and organize transportation of these products in order to access distant markets or buyers. The PO can then sell the products itself or only facilitate the process (in this case the producers remain the proprietors of the stock). But the question remains whether the transportation activities carried out by the PO always profitable for the producers? In theory, price differences between production zones (collection market) and consumption areas are important and many POs have tried to place their products directly on the consumer markets. In reality, the experiences of POs are constrained by two obstacles.

First of all to arrive in the market with a truckload of products without a precise buyer, or without prior negotiation, places the producers in an unfavorable power situation: the buyers can team up to bring down the prices, the products can also deteriorate if they are not sold quickly and it is very expensive for the farmers to carry the products back to their areas over very long distances. This unfavorable power relation is often translated by a price that is clearly lower than that which is expected by the producers.

After, the second obstacle is at the level of gross transport costs: this refers to the difference between the prices which can be obtained by a professional who is involved in the activity on a more regular basis (majority of traders) and an organization which carried out this function on an occasional (once in a while) basis. The margin of the trader like that of the PO/producers is reduced by the transport costs: hiring or depreciation of the vehicle, fuel, servicing, rents or depreciation of the office and warehouse, telephone, capital costs (if it was borrowed), losses from product deterioration during transportation. There is also a cost related to the risk taken.

All these transport costs combined with the risks involved add up to diminish the potential gain. If they are not minimized through a mastery of material, financial and risk management carried out with a network of partners (diversified or otherwise reliable), these costs can be higher than the price differential between the production zone and the consumer markets. For many POs, transportation of products from the village to distant markets is often very expensive and does not always cover the geographical price differential.

Lastly, even when the operation is economically positive, many POs are nonetheless less performant than the traders. This is especially true at the beginning when they take on new activities as well as other associated roles without sufficient know-how: search for buyers and transporters, negotiation, management of risk over time.

Another point which can strongly work against the producers is related to the mode of operation of their POs which can be more constraining: decision making in PO requires that many members be brought together to take sales decisions in a General assembly to accept prices (the lack of dialogue at the same time can lead to misunderstanding from the members and eventually lead to suspicions of embezzlement of funds). The traders on their part take can take decisions immediately and individually.

Costs of placing the products on the markets and transport costs more expensive, more time and energy mobilized: all of these can strongly constrain the interest of the POs to carry out these types of transport activities.

Two essential points can be kept in mind before engaging to undertake such actions; transportation is not easy.

In the first place, it is useful to verify whether the expected potential profit can actually improve the remuneration of the producers compared to other alternatives: what is the advantage in having a higher price in the cities if the margin that is gained is used up in transport costs (without taking into consideration the time and risks involved)? It is therefore important to assess whether it is not more realistic for POs and producers to sub contract some tasks to traders who have a network of buyers and to transporters who have a mastery of the different taxation agents on the road.

Secondly, if the action is undertaken, it is important to make sure that the PO has a reliable buyer and/or help it to measure and evaluate the level of reliability of the different buyers. It is, better where possible, to diversify the potential buyers in order to reduce the risks given that it is difficult to distribute the goods if the buyer makes unexpected changes on the sales conditions at the last minute. It is important to strengthen POs' understanding of buyers and traders so that they can have several opportunities, or by default to generate some competition amongst buyers or at least have an alternative situation to sell out their products despite everything at acceptable conditions in case of last minute problems.

Of course, the reliability of the buyers is an important challenge. The reliability of the PO with respect to the buyers is also an element that has to be taken into account: relationships of trust are built in two directions. Moreover, the reliability of the producers with respect to their POs is also an element to take into account.

Purchase-storage of members' products by the PO

The PO buys the products from the members and takes charge of looking for buyers with the hope of re-selling the products at better conditions. Sales are often done after a period of storage. The PO becomes the owner of the stock for some time. It remains to be known whether the PO is a better buyer than the traders. And if the purchase – storage activities carried out by the PO is necessarily beneficial to itself and to the members at the end?

One can underscore the high financial expenses, high storage risks (if there are post harvest losses), the lack of visibility on future market prices and the absence of resources to be protected against risks of decreasing price variation, the risks of losing the working capital as well as own funds... We can also ask what are the interests of the purchase-storage actions for the producers and their POs.

The intention is not to denigrate the purchase-storage operations carried out by POs which can provide some facilities for members. The members can be paid cash on delivery of their products and therefore have liquidity that is needed to take care of their family needs or agricultural activities. Some experiences exist at higher levels where effective services are provided to members. The risks borne by the PO however, are to be taken into account: many issues have to be controlled given that the actions are neither easy, nor sure and can destabilize the dynamism of the producers. These operations are surely among the most difficult to undertake: they require high amounts of working capital and as much mastery of the market as that of the traders (whose profession is that of buying), with an additional difficulty related to the exigencies of the members and their privileged relationships with their POs. If we undertake this type of activity, it is not enough to have working capital.

Measured precautions must be taken and many issues have to be worked on:

- at the level of the producers, it is necessary to properly differentiate this type of sales to a PO and one which is done to an unspecified and anonymous company: the PO is not a classical enterprise! ;
- training and capacity building of the producers and the PO are essential to enable them have better understanding of the market and improve organization;
- the question of obtaining credit from banks has to be analyzed carefully: resorting to credit (for the totality of stock) is very expensive and intermediate solutions are to be explored (for example, to negotiate an advance payment from the buyer at the time of the order and to receive payment of the balance at delivery in order to reduce the volume of funds needed by the PO). Value added is created when the funds are turned over (case of the traders). During storage operations, capital is immobilized (dead capital) and given the cost of credit, one can question whether at the end the storage operations benefit the producers or the bankers. The PO works for whom? For the benefit of the banks?

Non perfect mastery of the operation explains the many failures.

Facilitation of access to credit for marketing activities of members

In case marketing remains individual, the PO can carry out collective actions so that the producers have the means through credit in order to engage into market oriented production of quality products or simply to market their products. Warehouse receipt system storage-credit or warehouse receipt system is a possible credit option which can be facilitated by the PO. But are these actions of facilitating access to credit beneficial to producers?

Like traditional storage operations, warehouse receipt system operations require POs that are more organized to have adequate storehouses (or be able to access them), to constitute stocks quickly after harvest, to verify and check the quality of the products stocked, and track the prices, etc

In any event, the warehouse receipt system works best when the farmers are accompanied by their POs to build and strengthen their members' capacities (training, information especially on market mechanisms) or to set up collective activities (acquisition of inputs).

Processing and post harvest conditioning

The PO can help in the processing and conditioning of products through the acquisition of processing equipment in order to process products. There are many objectives: to create and, if possible gain added value, to access other markets (local or export markets, branding/label), and/or to endow itself with necessary processing resources which enable it to avoid hasty sales at low prices at harvest and to gain some time in order to sell the products later when the prices go up.

Very few experiences were studied within the framework of the *Working group*. Nevertheless, an example from Benin about female processors makes it possible to open a debate.

In Benin the processing of traditional local products (corn, beans, cassava...) into products "ready to use", for urban consumers, is recent and is in response to a new demand. The study of the value chain of these new products revealed the difficulties encountered by persons involved in the processing activities at the level of provisioning (dispersion and cost of the raw materials), technical level (to obtain products of homogeneous and regular quality; labeling and conditioning) and in the selling the products.

The question remains to know how producers can organize to position themselves on these new markets for processed products. Like for the transportation activities, are producers best suited to process the products? A necessary first step however is already found at the level of production: produce sufficient quantity and quality products to supply the transformers, important for the processors/transformers to have enough resources to buy and then transform the products.

Balance sheet

These traditional activities often aim at improving the profit of producers because of a better price; better price thanks to improved negotiation power (given the higher volume of product (supply), better price because of the inter-temporal price differential (storage and differed sales over time), better price given the spatial/geographical price differential (transportation of the products to find new buyers and markets, "elimination" of some costs or intermediaries). The profits generated from these types of activities undertaken downstream of the production process differ greatly for producers and their organizations: many experiences pin point some failures which lead POs to change course towards contracting with privates or with external organizations in order to carry out these types of activities.

3) ACTIONS OF POs TO HAVE A MASTERY OF THE PRODUCTION PROCESS AND THE COSTS INVOLVED

POs can take part to improve the mastery of the production techniques for their products (quality, quantity, harvest dates, etc) notably through the following with through in particular of the following activities:

- activities to facilitate provisioning in inputs and advisory services to members to improve production and farming practices;
- specific advisory-support services carried out by the PO to improve on the quality of products in order to obtain better prices and/or simply to be able to access markets.

The actions that are aimed at improving the farming practices are "traditional or classic" when they are considered from the perspective of attempts at improving production <<just for production>>, but they are less so when they are developed to improve the production of members in anticipation of placing the products on the markets and with the perspective of commercialization.

The mastery/control of supplies- timely production, volumes and expected qualities - and the associated production costs are the indispensable requirements which should enable the producers to organize themselves in order to meet up with engagements or commitments taken collectively with

buyers and to sell larger volumes of produce or obtain better prices which should cover the extra costs resulting from the chosen farming practices.

These activities which are developed before the products are brought to the market or which are done in view of accessing specific markets enhance the sales of the products and a better valorization of the products for the benefit of the producers.

Balance sheet

From the various experiences that have been analyzed or discussed, it appears that steps taken to improve the quality of the products within POs are always linked to privileged contacts and shorter market channels: when the PO is in contact with importing traders for example or where the producers try to sell the products themselves on the markets or try to meet the demand of buyers. On the contrary in the case where the POs sell to different intermediaries no matter their reputation, the notion of quality is scarcely taken into consideration.

Collective efforts to improve on the quality of agricultural products require strong organizations and strict discipline as regards the respect of rules by all the producers. Apart from the supplementary costs (production techniques, equipment...), this search for quality always represents additional costs related to: mobilization, information and training. And one is never sure whether these improvements will be compensated by better remuneration. Experience shows that this varies per case observed.

4) ACTIONS OF POs TO IMPROVE THE MARKET CONDITIONS

Other types of actions which are less often developed aim at improving transaction conditions and trade between producers and buyers. Here the activities which are developed enhance transparency between producers and buyers; a better encounter between supply and demand of products (better visibility of the supply and the potential demand, prices and volumes) and the organization of agricultural fares²:

- actions of the PO to improve the instruments used to measure the weights/quantities in order to ensure correct measurements;
- actions of the PO to improve market information: This can take place not only through price information systems but through other means;
- actions of the PO to cluster supply at a unique place on a transparent market;
- actions of the PO to facilitate the coming together of producers and buyers, the search for buyers to the organization of regulated markets and agricultural fares: The PO plays the role of intermediation between producers and buyers but does not buy the products. It facilitates their coming together/ contact; transactions and contracting;
- actions of the PO to regulate supply of the local products on the markets.

These actions aim to facilitate supply and demand to meet and in general “improve” on the market mechanisms. In addition, the actions seek to reduce the transaction costs³ - thereby improving the competitiveness of the products. These actions tend to help balance the negotiation and power relationships between producers and buyers.

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² See the slip: PO and Organization of Markets/ A. Lothoré, P. Delmas. - Inter-réseaux, CTA, 2009. - 10 p.

³ Transaction costs are the costs related to a market transaction. C.J Dahlman categorizes them into: search and information costs (prospection, price/quality ratios assessments proposed by interested parties, market research, etc); negotiation and decision making costs (writing and termination/conclusion of a contract, etc); monitoring and transfer/implementation costs (quality control of the transaction, verification of the deliveries etc)

5) ACTIONS OF POs UNDERTAKEN IN COLLABORATION WITH OTHER VALUE CHAIN ACTORS

In the cases studies, POs carried out actions aimed at establishing modes of function and regulations at the level of the value chains by involving many types of actors:

- participation of the PO in dialogue and negotiation of sectoral –national level agricultural policies. For example actions which involve supply of imported products which compete with local products;
- activities and participation of POs at the level of dialogue platforms or in Inter-professions or multi actor regulatory discuss to establish agreements and modes of regulation involving many other actors and where the POs try to make known their positions, ensure that their viewpoints are valorized, facilitate agreements amongst inter-professions agreements or put in place rules and market organizations which do not work against them.

Limitation of imports

The blockage/suspension of imported potatoes at the border and the success of the ‘Belle de Guinee’ in the Federation of Farmers of Fouta Djallon in Guinea (FPFD) is surely the most widely known example: this experience has been widely broadcasted but often with very simplistic insights or with quick short cuts which can give the impression that blocking imported products is the miracle solution.

First of all there was no blockage at the border, but rather different blockage modalities, at particular periods and on volumes that were negotiated. And during these periods of imports suspension, there were parallel actions that were carried out by the FPFD which led to the realization of the positive results which are known: contracting with research, traders and transporters; organization of collection points; putting in place of revolving funds at the level of the partner traders; follow up of prices and volumes on the markets in the production zones.

It is obviously more complicated to make it possible for producers to live well from their products than just to close the borders. The example of onion in the Fouta Djallon Federation clearly illustrates this point: other factors were not in place to ensure the valorization of the product and to benefit from the temporal border protection measures. The difficulties observed on this value chain remain unsolved.

The battle was therefore not won only at the border, but also on the field as regards production and the organization of marketing at national level: in reality the Federation has a better mastery in the production and commercialization of Irish potatoes than on the production of onions. Thereafter, Irish potatoes⁴ were no longer blocked at the border and the ‘Belle de Guinee’ started to yield benefits.

Many other actions are necessary and requests for protection at the borders can be listened to and negotiable when production and marketing are approached in a coherent and coordinated manner with other actors of the value chain and the final demand of consumers.

These actions involve POs at different levels of organization, from the grassroots level to the apex structures and national federations which have more visibility and weight. They can have the power and weight at their own levels and or thanks to alliances created with other value chain actors (Interprofessional organizations) and even with consumers to influence agricultural policies and regulate the opening of the frontiers.

The failure of internal markets: another barrier not to be neglected!

Revendications to close the frontiers for some products can diminish if world market prices increase (imports become more expensive and therefore less competitive on local markets). Many voices insist on the need for political arbitrage between protectionist policies which are favorable for the emergence of local production and liberalization which is favorable for urban consumers.

It appears important to take into account favorable price policies for local production (custom as well as fiscal policies), but also institutional support policies which take other factors into consideration rather than only price (organization of actors, research to provide adapted materials for production, support to quality, infrastructures, etc). Internal barriers to commercialization are in effect more pressing and worrisome than external barriers and also international trade.

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⁴ The suspensions in 2007 and 2008 are more blockages to export products in a context of internal crises in Guinea (price increases and food scarcity which led to the prohibition of exports of some Guinean products).

Dialogue Platforms or pluri actor/Interprofessional forums for regulation

Interprofessions, frameworks of dialogue, Interprofessional committees, and value chain meetings, are forms of organizations known as “Interprofessional” which have emerged and flourished these last years in West Africa and they are arousing a strong interest on the part of economic actors involved in various value chains, political leaders, some donors and support organizations.

These forms of organization can be grouped under the generic term “Interprofessional Organizations (IOs) which is used when at least two “professional families” of a value chain come together to dialogue, concert, establish agreements and/ or carry out collective actions around a particular product or groups of agricultural products. These organizations can take on many different forms depending on the actors which make them up, their missions, products involved, territory covered, role and place of the state in the value chain, etc. Often, the IOs have as main objective to “organize” the market, to “structure” the value chain and to represent the interest of the professionals.

In some countries, the setting up of IOs is even presented as the solution to a whole range of problems from the regulation of the markets to the organization of the value chains and even the improvement of their competitiveness and the defense of the “interests” of the professionals.

But then, IOs are at the same time many and diverse: there is no standard model but many diverse forms of IOs⁵.

CONCLUSION

The initiatives that have been studied first of all, show that POs provide undeniable services: POs make it possible for farmers to access markets on better conditions (re-equilibration of power relations, reduction of risks and transaction costs...), and/or to derive a better value for their products. This is the more so when the producers have an understanding of their socio-economic environment (supply-demand relation, price determination on different types of markets, role of the value chain actors and of rural development actors...), and that they reinforce relationships amongst themselves (producers) over time, but also with other local actors by making use of their know-how and respective networks. In this direction, it was observed that, even if they have the means, POs are not necessarily more performant than transformers, transporters, traders, or even individual producers to carry out some marketing related activities.

Recurrent factors of success and failure observed in the initiatives of POs are also illustrated: some are related to marketing activities while others relate to collective actions and to the functioning of POs in general. These lessons are not new; highlighting them here only serves as reminder, knowing that the idea here is not to present “best practices” that should be replicated in other places- as much as it is possible.

In the cases studied, it appears that POs make points and are reinforced in their services and credibility vis-à-vis their members and their partners, when beyond the common vision shared by the members on the collective action, different success factors are ensured (criteria which can also be reference questions that NGOs/donors can ask themselves during the putting in place of a commercialization actions for a PO):

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⁵ See slip: Interprofessional Organizations in West Africa/ J. Teyssier. – Inter-réseaux, CTA, 2009. - 10 p.

Not best marketing practices to copy, but possible questions to ask.⁶

(1) The actions put in place by the PO:

- respond to the reliably analyzed needs?
- take account of the negative effects or predictable constraints?
- contributes more value added with regards to those already offered by other actors?
- are diverse and complementary without focusing on a "miracle action"?
- are discussed and shared by members of the PO?
- have clear rules and control systems?
- leave some room for flexibility and possibility for renegotiation?
- are carried out with other stakeholders in the value chain and local development actors?

(2) The Producers' Organization:

- has the means to implement its actions and makes good use of its resources?
- is clear on its mandate?
- has active members and leaders who assume their key roles?
- has competent leaders and employees for the provision of quality service?
- has systems to capitalize and use its collective capital experience?

- ...

There is no miracle solution or ready made solution, but modes of organization to adapt (to the contexts, actors, situations, products), by giving priority to economic solutions (without need for heavy financial investments no fundamental reorganizations of the PO which will have to integrate many new functions), without taking too much risks which can destabilize the PO and the structuring/organizational dynamics.

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⁶ Elements inspired from the Compas Quality (reference of criteria which define the quality of a humanitarian project) developed by the URD group (Urgency, Rehabilitation, Development). This approach places the actions "beneficiaries" at the centre of the frameworks for the steering and evaluation of humanitarian actions (www.urd.org).