

# Building the capacity of producer organisations

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One might think that the recent rise in global food prices presents an opportunity for the developing world's 450 million smallholder farmers. But too few are responding by increasing production. Why is this so? In this issue, Jack Wilkinson, former president of the International Federation of Agricultural Producers (IFAP), and a farmer himself, gives this rhetorical response: "Imagine being a farmer in an area where there is no road and no credit system, and yet you are hearing about a global food shortage. It wouldn't mean you are removed from the whole system?"



Addressing the food crisis will require an enabling environment and price incentives for small farmers to increase production. It will also require that the livelihoods and working conditions of these farmers be improved. Farmers must be given the opportunity to strengthen their position in global food value chains. Value chains represent the sequence of activities through which value is added to a product from its raw form until it reaches the consumer. The more farmers participate in value chains, and the more they benefit from higher prices, the better they can help tackle the food crisis. However, individual small farmers are often only marginal participants in value chains. Producer organisations can help farmers to strengthen their position in value chains. Therefore building the capacity of farmer organisations should be considered an important element in a wider strategy to address the global food crisis.

In this issue's feature article, Jos Bijman and Giel Ton give an overview of the types and functions of producer organisations and the ways they can help small farmers position themselves in value chains. In the guest column, Agnes van Ardenne explains that producer organisations are also important go-betweens for governments, development agencies and industrial buyers to reach out and broker deals with farmers. Thus, building the capacity of producer organisations makes a lot of sense. But what kinds of capacity do they need to develop, and how?

Martin Prowse believes that in order for farmers to engage in successful contract farming arrangements with buyers, producer organisations should develop their capacities to market their agricultural produce, rather than focus on providing public goods to an entire community. Joseph Nkandu explains the 'farmer ownership model', in which farmers, and not producer organisations, remain the owners of the product and gradually expand the scope of their activities along the value chain. According to this model the producer organisations need to develop the capacity to provide services to farmers rather than adopting a role similar to a middleman, and alienating the farmers. Julio Berdegué argues that successful producer organisations function as vehicles for change and are well embedded in networks that generate ideas, resources and opportunities that can be shared with members.

A producer organisation should stay in control of its own capacity development. That can be hard because development agencies often come with their own priorities and views with regard to what a producer organisation should do. To avoid capacity development directed by the preferences of development agencies, Peter Otimodoch introduces a development programme called 'weaving the web' for balanced capacity development. Dave Boselie presents the case of a citrus estate in South Africa where the local community and workers are co-owners of the business, and have gradually taken on more management tasks. Jack Wilkinson emphasises that capacity builders should not come with preconceived ideas. It is important for capacity development practitioners to start by looking at the world through the eyes of farmers and the leaders of producer organisations in order to understand the challenges they are facing, their aims and how best to achieve them.

By Heinz Greijn, Editor-in-Chief

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