**Study of Cooperative Approaches to Farmer Organisations & Cooperatives in LIFT Partner Projects**

**– a summary**

**Promotion of farmers’ organisations by implementing partners (IPs) of LIFT**

Four of the IPs of LIFT – AVSI Foundation in Labutta, GRET in Bogale, Oxfam GB in Dry Zone and TAG in Shan State – promoted formal or informal farmers’ organisations. The IPs established these organisations in variety of ways. AVSI promoted a cooperative of smallholder farmers with 81 members (currently 66). GRET promoted several types of informal community based organisations (CBOs) for agri support services, (especially credit), with 1,300 members. TAG implemented a project around beekeeping and formed 21 village institutions called community based enterprises (CBEs) with 328 members; 16-18 CBEs with about 290 members are currently operational. TAG also promoted an Apiculture Resources and Business Centre to promote honey production and advanced beekeeping techniques. Oxfam promoted 37 membership organisations (MOs) of farmers and landless people with about 4,600 members; 29 MOs with about 3,600 members are reportedly operational.

**Strengths and weaknesses of different farmers organisations**

The farmer organisations have basic books of accounts and documents. The organisations usually adopt transparent and participatory processes for selecting leaders and in decision making. They also have some infrastructure/machinery funded through the project. They lack adequate capital or assets/infrastructure, or both, to expand and diversify their activities. The extent of service provision by the MOs of Oxfam has reduced drastically after the project period. With the revised project approach, only a few members in TAG’s CBEs are actively engaged in beekeeping. No value addition to agricultural produce has been enabled by the organisations promoted by AVSI, GRET and Oxfam resulting in lack of access to premium markets for high value products. TAG reported selling a small quantity of processed honey in premium markets. One of the major issues in all the organisations is the lack of adequate understanding about the business and commercial approach to service provision, identification & tapping of business opportunities, financial sustainability and, subsequently, growth. All the organisations lack the skills to consolidate financial information and make financial statements to analyse business performance. After the project period, in most cases, linkages with government agencies, either do not continue in any meaningful way or are a formality, if any exist at all. There are wide variations in the current capacity of the organisations. GRET’s CBOs were found to have better institutional capacity than the others.

**Value for money and scope for scaling up and replication of different approaches**

Oxfam’s effectiveness in terms of cost per participant covered by the project and cost per participant institutionalised in farmer organisations is better than the other approaches. However, this finding is moderated by the current low level of service provision and the dormant status of many MOs. Overall, GRET appears to have a better and more balanced cost effectiveness considering the CBOs’ overall institutional quality. While the B-C ratio of the GRET project at 0.42 is better than the others it is still very low relative to the minimum international standard of one. Thus, none of the projects can be termed to be successful in value for money terms. Assessment of the scope for scaling up/replication of farmers’ organisations is based on their current relative status. Considering the cost effectiveness and current overall institutional quality in a relative context, it seems that GRET’s approach, modified as discussed in the report, could offer the possibility for scaling up/replication. Significant additional capacity building to the farmers’ organisations of other IPs is needed before they could be considered for scaling up/replication. Generally, such projects require a longer timeframe for capacity building and to achieve institutional/financial sustainability than has been provided until now. GRET’s project has been ongoing for more than 4 years now; longer than the other projects

**Possible opportunities for LIFT**

Considering the nascent stage of farmers’ organisations in Myanmar, LIFT can provide further support in strengthening the capacity of such organisations based on international standards and economic principles. The likelihood of the emergence of appropriate supporting policies from the new government to improve the agriculture sector and small farmers, there can be numerous opportunities for LIFT to engage with different stakeholders for this purpose. Some dialogue with the government on possible amendments to the Cooperative Act to enable farmers’ organisations to use this legal form productively could also be beneficial.