

Full Length Research Paper

Evaluating Cooperative Membership Dynamics in Seed Production and Marketing: A Case Study from Amhara, Ethiopia

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Accepted 03 October, 2024

The seed producer and marketing cooperatives play a great role in addressing the problem of food insecurity by provision of basic seed to the farmers which are high yielding and marketable varieties. The objectives of the study were to assess the extent and status of members' participation in seed producer and marketing cooperatives. The total members in those cooperatives were 248, from this, 42 were selected systematically by random sampling. The extent and status of member's participation in seed producer and marketing cooperatives have measured by calculating the score value of the participation index. The extent of members participation is high in activities like participation in different meetings, selling and buying produce, purchasing agricultural inputs from the cooperative, participating in general assembly and in experience sharing's, but it is weak in dividend or sharing profits, training, leadership and participation in buying additional shares to reduce capital deficiency of the cooperative. The participation status of members has been categorized into low, medium and high, but all fallen under the category of low. Therefore partners who were involved in cooperative promotion and development should focus on the interest of the members, when organizing cooperatives. Organizers at all level should be skilful to assist on knowledge based. Provide training, keeping autonomous, development of entrepreneurship skill and advices are some of the important conditions suggested to increase members' participation in rural cooperatives.

Keywords: participation, seed, cooperative, marketing

INTRODUCTION

Background information on farmers' cooperatives

A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise (www.ica.org). Seed producer cooperatives, as economic

enterprises play a meaningful role in uplifting the socio-economic conditions of their members and their local communities. Over the years, cooperative enterprises have successfully operated locally-owned people-centered businesses while also serving as catalysts for social organization and cohesion. With their concern for their members and communities, they represent a model of economic enterprise that places high regard for democratic and human values. The seed producer

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Fig 1 Amhara national regional state map

cooperatives play a great role in addressing the problem of food insecurity by provision of basic seed to the farmers which are high yielding and marketable varieties. In rural areas, it is also equally necessary to consolidate the small economic capabilities of the poor and weaker section based on the cooperative principles. The collective strength and effort of the poor and weaker section has to be expanded and mobilized to activate rural economy by developing agro-enterprise, local skills, industry and business promotion activities (www.imf.org). One solution is to encourage farmers to mobilize collectively in agricultural and marketing cooperatives that engage in the production, processing and marketing of agricultural products and gives them access to markets (Ross and Smith 1999). Seed production started in Ethiopia specifically Amhara region before 10 years by organizing informal seed producer groups in collaboration with governmental and nongovernmental organizations. Informal seed producer groups were functioning without a legal ground and vision, mission and strategic plans, therefore to increase a supply of seed in accountable and sustainable manner legal groups became important and seed producer cooperatives are emerged.

Participation

Participation may have different explanations in different contexts. But in this regard, participation refers to the role and extent to which members involve themselves in the decision making process and the implementation of such decisions in different activities (Mathew 2000). Participation in some form or the other has been included as an important element in development strategies of countries in sub-Saharan Africa. Indeed, participation has become an essential ingredient and a prerequisite of good governance. Participation or empowerment is a part of the process in development. Therefore, There is a growing consensus that people everywhere have a basic human right to take part in decisions that affect their lives (Abebe 2011).

Statement of the problem

Seed producer and marketing cooperatives became in existence from 2009 and it is a new venture in Amhara region. The local seed business partnership project with its regional and national partners and stakeholders supported selected farmers groups to elevate to skilful and profitable seed production and marketing cooperatives. Eight Seed producer and marketing cooperatives (SPMCs) were legalized and participated in seed production and marketing through contractual and non-contractual bases starting from 2010. These SPMCs are bounded by different challenges which hinder their growth but also with great opportunities for success. In cooperative business members are the owner and user of the service, so that high members participation in all aspects have indispensable advantage for the growth and development of cooperatives, so this paper want to address how is the extent and status of members participation in economic and social activities hence, there is a lack of information in this regard since the seed production and marketing business is new in the region, as a result this paper want to address with the objective of assessing the extent and status of members participation in leadership, dividend, training, contribution both in kind and cash, experience sharing and variety selection

METHODOLOGY

Description of the Study Area

Ethiopia is one of the politically and geographically known countries in Africa and administered by federal states, accordingly it has nine regional states and two city administrations. The study conducted in three districts namely Jabi Tahinan, Mecha and Yilmana Densa found in Amhara National Regional State. These Weredas are selected for the reason that seed producer cooperatives

are doing business starting from 2010. Amhara National Regional State is found in the North West region of the country with borders to Sudan. The region has a suitable climate condition for agriculture and animal husbandry.

Data Source and Collection Method

Both qualitative and quantitative data were employed and are collected from seed producer and marketing cooperative members.

Primary Source of Data

The data are collected by producing semi structured questioner and enumerators were recruited to collect data from individual members.

Secondary Source of Data

Secondary data were found from the past reports and studies conducted by institutions and Researchers and report of the local seed business project

Sampling Technique

Simple random sampling: There are eight cooperatives that are producing different types of crops and varieties. Due to availability of time, resource, different agro ecology, and types of crops grown three seed producer and marketing cooperatives are selected purposely. The total members of the cooperative in the three sites are 248 and by using systematic random sampling 42 members are selected and interviewed.

Methods of Analysis

The extent of member's participation in rural cooperatives at different levels of participation in each activity has been analyzed by putting all those levels of participation in to a participation index as (Hoque and Itohara 2008) used to analyze "The Participation and Decision Making Role of coop members in economic activities in Bangladesh. The extent of participation in each cooperative activity has been measured by putting the indicator activities with their score values of frequencies starting from frequently to never participation. Respondents were asked to what extent they were participating in these activities. This is based on their intervention as frequently, occasionally, seldom and never. Point was awarded for each response with sufficient scoring values as 3, 2, 1 and 0 respectively.

Therefore, a respondent's score could be ranged from 0 to 126, where 0 indicates all members are not participating in a given activity and 126 indicates highly participation of all members in that activity, that means all are participating frequently. The frequency counts of responses have been recorded to compute the Participation Index (PI) of a member for each of the selected activities. Then Participation Index for each individual activity has been computed by using the following formula:

$PI = (N1 \times 3) + (N2 \times 2) + (N3 \times 1) + (N4 \times 0)$ Where:

PI = Participation Index for different activities of participations in the cooperatives

N1 = Number of members who participate frequently

N2 = Number of members who participate occasionally

N3 = Number of members who participate seldom

N4 = Number of members who never participate

The participation index described above expresses to what extent members are involved in each activity of a given cooperative. But in order to measure the status of members participation in rural cooperatives as a general, the scores of these activities were calculated for each respondent and converted them in to a significant index value as (Tilahun 2008) and (Roman 2010) used the same procedure to measure access to and utilization of family planning information among rural women and the empowerment status of rural women by calculating the scores obtained from the different indicators. The indicator activities used for this analysis include: members participation in leadership, participation in meetings, participation in voting or election, participation in sharing profits or dividend, training, variety selection and participation as membership of different committees in the cooperatives.

RESULTS AND DISCUSSION

Demographic and economic characteristics

This table notified the age of the respondents in the seed producer and marketing cooperatives. The minimum and maximum age was found 18 and 67 respectively.

The educational levels of the respondents are categorized in to different levels. Those are not read and write, read and write primary school (1-8) and high school (9-12). This is to observe the educational differences among the members of the respondents in the cooperatives. Therefore, respondents who cannot read and write are 38%, 36%, of them are those who can read and write, 14% of them completed from grade 1-8 and 12% are from high school.

Land is the valuable property in rural areas in which most people need to have it. This is because; it is the main source of income and increases the status of the people in the community. The minimum and maximum

Table1 Age of respondents

No	Age	Frequency	Percentage	Minimum	Maximum
1	18-35	18	43	18	67
2	36-53	16	38		
3	54-67	8	19		

Source: own survey, 2012

Table 2 Educational level

No	Educational status	Frequency	Percentage
1	Not read and write	16	38
2	Read and write	15	36
3	Primary school	6	14
4	High school	5	12

Source: own survey, 2012

Table 3 Family size

No	Family size	Frequency	Percentage
1	1-5	18	43
2	6-10	24	57

Source: own survey, 2012

Table 4 Land holding size

No	Land holding size	Frequency	Percentage
1	0-1	32	76
2	1.1-2	7	24

Source: own survey, 2012

Table 5 Income distributions

No	Income per year	Frequency	Percentage
1	0-10000	34	82
2	10001-30000	6	14
3	30001-200000	2	4

Source: own survey, 2012

land sizes of the respondents are 0.25 and 2 hectares respectively.

According to table 5 82% of the respondents failed in the income category of up to 10000 birr income per year , this showed members income generated from different activities is very minimal.

According to Table six the status of member participation in this study has been measured by calculating the score values obtained for each respondent from the frequencies of the indicator activities. Then the mean value is calculated after summing up of each individual score.

Following Tilahun (2008) and Roman (2010), respondents were classified into three categories based on their respective score values for the purpose of this study that is low, medium and high. This is based on considering the mean actual score of the respondents obtained for the value of the whole activities. Hence, categorization of respondents based on their participation score was 0-3, 4-8 and 9-12 for low, medium and high categories respectively. The score was expected from 0 which is minimum score to 36 which is the maximum

score for each respondent. The result from the indicators in the table shows that 100% of the sampled respondents are under low participation category.

Participation index by leadership PI (leadership)

$$PI (LEADERSHIP) = (3*3) + (6*2) + (7*1) + (26*0) = 28$$

Participation index by meetings PI (MEETINGS)

$$PI (MEETINGS) = (10*3) + (13*2) + (17*1) + (2*0) = 73$$

Participation index by dividend PI (DIVIDENEDED)

$$PI (DIVIDENEDED) = (0*3) + (0*2) + (5*1) + (37*0) = 5$$

Participation index by buying and selling PI (SELLING BUY)

$$PI (SELL BUY) = (21*3) + (9*2) + (7*1) + (5*0) = 88$$

Participation index by input purchase PI (INPUTPURCH)

$$PI (INPUTPURCH) = (14*3) + (4*2) + (12*1) + (12*0) = 62$$

Participation index by additional share PI (SHARE)

$$PI (SHARE) = (1*3) + (4*2) + (16*1) + (21*0) = 27$$

Participation index by general assembly PI (GASE)

$$PI (GASEM) = (17*3) + (11*2) + (13*1) + (1*0) = 86$$

Participation index by training PI (TRAINING)

$$PI (TRAINING) = (1*3) + (19*2) + (10*1) + (9*0) = 41$$

Table 6 frequency of distribution

No	Activities	Frequency of participation									
		Frequently		Occasionally		Seldom		Never		Total	
		N	%	N	%	N	%	N	%	N	%
1	Leadership	3	8	6	14	7	16	26	62	42	100
2	Meetings	10	24	13	31	17	40	2	5	42	100
3	Dividend	-	0	-	0	5	12	37	88	42	100
4	Selling and buying	21	50	9	21	7	17	5	12	42	100
5	Input purchase	14	34	4	10	12	29	12	29	42	100
6	Share purchase	1	2	4	10	16	38	21	50	42	100
7	General assembly	17	41	11	26	13	31	1	2	42	100
8	Training	1	2	19	45	10	24	9	21	42	100
9	Provision in kind and labour	19	45	8	19	11	26	4	10	42	100
10	Experience sharing and field day	8	19	15	35	7	17	12	29	42	100
11	Market information	6	14	9	22	12	28	15	36	42	100
12	variety selection	13	31	10	24	9	21	10	24	42	100

Source: survey, data 2012

Participation index by provision of cash and king PI (PROV)

$$PI (PROV) = (19 \times 3) + (8 \times 2) + (11 \times 1) + (4 \times 0) = 54$$

Participation index by experience sharing PI (EXPER)

$$PI (EXPER) = (8 \times 3) + (15 \times 2) + (7 \times 1) + (12 \times 0) = 61$$

Participation index by market information PI (MKT)

$$PI (MKT) = (6 \times 3) + (9 \times 2) + (12 \times 1) + (15 \times 0) = 48$$

Participation index by variety selection PI (VAR)

$$PI (VAR) = (13 \times 3) + (10 \times 2) + (9 \times 1) + (10 \times 0) = 68$$

The result of the participation index (PI) shows that, the extent of members participation is high for activities like meetings, selling the product to the cooperative, purchase of input from the coop, participation in the general assembly meeting, provision of labor and materials for the expansion and construction of stores and offices and in the variety selection, because of the value of 73, 88, 62, 86, 62 and 68 are scored for participations in each activity, respectively, from the total expected value of 126. But the extent of member's participation is less in activities like dividend, purchase of share (capital mobilization), trainings and market which have the score value of 5, 27, 41 and 48 respectively.

CONCLUSION AND RECOMMENDATIONS

Generally speaking the participation of members in rural cooperatives in the study area is very low. Members are not contributing what is expected from them as membership of the cooperative. According to the principles and cooperative business model members are the owners and beneficiaries of the cooperative, however according to the result members had low participation in leading the coop at different level, participation in dividend, in purchasing shares every year, and participating in market information. Members are good in comparative with the above participation tools like; participation in different meetings, selling and buying produce, production input from the cooperative,

participating in general assembly and in experience sharing's. It is possible to say that the majority are observers except a few. According to the result of the study, all are under low participation category between 0-3.

Government and nongovernmental organizations should give emphasis not to have large number of cooperatives that have low member participation and low member interest to participate in all cooperative activities, so better to work synergistically in creating awareness about the importance of cooperative and the comparative advantage of working together. Continuous trainings, coaching, capital mobilization and access to credit can boost the performance of the cooperative by increasing participation. The outsiders also should be capacitated to maximize the support for the cooperatives. Members are attracted when there is a benefit unless we lose all coop members in a short period of time.

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