Cooperatives and the Role of Information and Communication Technologies (ICTs)

Wednesday 6 June *2012*
Conference Room 7, North Lawn Building
United Nations Headquarters, New York
1:15 p.m. – 2:45 p.m.

Presentation by **Ms. Lila Hanitra Ratsifandrihamanana,** Director, FAO Liaison Office, United Nations, New York

Introduction

On behalf of FAO, I would like to commend DESA for the timely organization of this Panel Discussion on cooperatives and ICTs and for its leadership in the implementation of the 2012 **International Year of Cooperatives**.

This FAO's presentation will focus on Agricultural cooperatives, which by definition include all types of farmer organizations, such as groups of agricultural producers, forest users, livestock raisers, and fisher folk. They play a fundamental role in rural employment generation, poverty alleviation, and ultimately, improved food security.

The impact of agricultural Cooperatives can be seen in developed and developing countries alike. However, agricultural cooperatives are often weak due to the lack of an enabling environment conducive to their development and sustainability.

Before turning to the theme of our discussion, let me briefly share some of FAO activities in implementing the IYC program of work.

FAO activities in implementing the IYC program of work

-   FAO is the lead Agency promoting agriculture sector cooperatives within the IYC, and is working closely with the RBAs. We are fully committed to implement the program of work with DESA, COPAC[1], ILO, and ICA and to make sure that agricultural cooperatives are recognized and remain on the international agenda.
-   FAO participated in the launch of the IYC October 2011 and has held several events to support the year such as side events during the launch and in the margins of the 56th CSW in March.
-   A multi-stakeholder session on "**farmers and enabling environment**" is planned during the upcoming General Assembly of the WFO.
-   Furthermore, FAO has chosen "**Agricultural Cooperatives**: Key to feeding the world" as the theme for **World Food Day**, thus creating a direct link to the IYC.
-   Finally, FAO is producing a series of policy and communication materials for the Producers Organizations and cooperatives.

---

[1] COPAC: Committee for promotion and advancement of Cooperation

FAO and ICTs

Let me also share briefly some successful ICTs initiatives led by or involving FAO. The **e-Agriculture Community of Practice, led by FAO, was launched in 2007 to** serve for knowledge sharing and collaboration; face-to-face events; and in-country interventions. It has now grown to over 6,000 members, from both the private sector and civil society, in more than 150 countries.

Another successful initiative is the **Bridging the Rural Digital Divide Programme,** using ICTs to coordinate and facilitate the development and management of critical food security information, including social media, such as Facebook and Twitter.

Together with partners, FAO formed the **Coherence in Information for Agricultural Research for Development** (CIARD), aimed to enhance agricultural Research. Similar initiatives include the Global Online Research on Agriculture program (**AGORA**), the Information Management Resource Kit (**IMARK**) e-learning initiative, the "EC/FAO Programme on Linking Information and Decision Making to Improve Food Security".

Recently in July 2011, t**he Youth in Agriculture Blog Competition** (YoBloCo Awards) was launched. It aims to bring into the limelight successes and challenges faced by youth engaged in agriculture, and to encourage the production of information and the use of new ICTs by young farmers' groups and organizations.

Concrete achievements are already witnessed, such as the widespread use of **Mobile Telephony in rural areas**, and a better access to information and knowledge on agriculture and food markets in developing countries.

Agricultural Cooperatives and ICTs

Cooperative members' access to and use of technologies should be improved, in order to increase their efficiency. Ultimately, they can help in achieving poverty reduction and fulfill social development goals.

Evidence from the ground shows that when strong rural organizations such as POs (Producers Organizations) and cooperatives provide a full range of services to small producers, they are able to play a greater role in meeting a growing food demand on local, national and international markets.

The types of services offered can be grouped into 4 main categories: enhanced access to and management of natural resources, access to input and output markets, improved access to information, knowledge and capacity building, and enhanced voices in policy making.

In particular agricultural cooperatives can function more efficiently by using ICTs and providing a series of benefits to members, such as:
- **Enhanced connections between members:** through cooperatives, farmers share market information and technical know-how, and they remain informed about the cooperative's activities.
- **Improved accounting and administration:** farmer cooperatives are often responsible for handling very large amounts of money that may represent the cash income of thousands of farm families. Efficient record keeping allows a

cooperative to serve its members better, and the transparency offered by computerization and other technologies enhances trust. Cooperatives that have invested in modern management and member information systems can improve their image to attract high-quality staff and gain members' trust and confidence.

Case studies of the use of ICTs in cooperatives

There are already good practices in a number of countries that could be scaled up. A joint IFAD-FAO publication entitled ***Building innovative rural institutions for improved food security: a collection of good practices*** featured a series of 35 case studies on innovations in producer organizations which have had an impact on food security.

In Kenya, for example through mobile phone-based money transfer (MMT) services, farmers can receive funds to invest in agricultural financial transactions. A study in Kenya shows that one of the factors that influence the use of MMT services in a positive way, is membership to a farmers' organization[2]**.**

India: The Self-Employed Women's Association (SEWA) established Community Learning Centers (CLCs) which function as 'hubs' for 10-15 villages and offer a gamut of services - ICT training, capacity building, skill development, disaster mitigation related activities and trainings, childcare, village database etc. The initiative aims to develop a sustainable ICT based model for addressing economic and social problems and sustainable livelihoods generation. The **IFFCO Kisan Sanchar Limited (IKSL)** a tri-lateral venture between the Indian Farmers' Fertilizer Cooperative Ltd (IFFCO), Airtel and Star Global Resources Limited, promotes Airtel SIM cards branded "Green Card". Users receive recorded voice messages, free of charge, each day pertaining to crop calendar activities, localized weather forecasts, yield increase tips, government schemes and disease alerts, as well as answers from experts in agriculture to any farming question.

In Niger: The **Dimitra**[3] community listeners' clubs[4] have mobilized more than 6.000 women (mostly rural women) and men, involving 9 community radio stations in Niger villages. The aim is to break the isolation of rural populations and to improve their participation in community life and development. Members' views on topics of interest (off-season crops, agricultural inputs, inventory credit, plant and animal health, access to health centers for women, early marriages, land access…) are recorded in community radios then broadcasted, prompting discussion – by mobile phone – from other listeners. The project has also improved rural populations' knowledge of new technologies, such as crank and solar-powered radios and use of mobile phone 'fleets'.

In **Rwanda:** Usually, the procedure for registration of a cooperative is long and those who want to do so often lack the knowledge and/or the means to fill in all the documents required. Most people in rural areas do not have easy access to computers

---

[2] Kirui, O.K., *Determinants of Use and Intensity of Use of Mobile Phone-based Money Transfer Services in Smallholder Agriculture: Case of Kenya*, Conference paper for the Third IAALD Africa Chapter Conference, 2012.

[3] **Dimitra,** named after Demeter, the ancient Greek goddess of agriculture and harvests, is a project launched in 1994 by the European Commission with the support of the King Baudouin Foundation. It became an FAO project since 1998 and receives financial support from the Belgian Development Cooperation. Dimitra also benefits from the support of other bi- or multilateral funding Agencies

or other typing facilities to complete the forms. The need to consult relevant authorities further slows down the procedure. The Rwanda Cooperative Agency has made efforts to provide model of bylaws and facilitate the registration process. This initiative could be reinforced by sending field Officer with portable computers to assist the farmers filling the required documents.

Recommendations

- In order to facilitate or provide access to ICTs to cooperatives, they must be strengthened by the establishment of an *enabling environment,* including a legal, policy, business environment and participatory frameworks that are conducive to the establishment and development of organizations.
- A greater number of cooperative members should benefit training in the use and application of ICTs, in particular women and youth. Young people learn quickly and can then teach the others. ICTs can equally make the agricultural sector more attractive to young people.
- Participatory needs assessments should also be carried out, in view to better understand what ICT is most appropriate (i.e. mobile phone versus a computer, etc) in different contexts.
- Awareness needs to be raised on the benefits of ICTs in accessing and communicating timely market information. Extension services can be increasingly provided through modern technologies.
- It is essential to address the crucial challenge of sustainability of the ICTs projects. Concerns were raised several times about the decision of some development donors to stop their investments. That is why we continue to urge Governments and key donors to scale up the activities that have worked.