

# Farmer Organization & Aggregation

Third Consultative Forum  
**International Coffee Organization**  
Belo Horizonte, Brazil  
*September 10, 2013*



The National Cooperative Business Association  
CLUSA International



National Cooperative Business Association  
CLUSA International

- **29,000** Cooperatives in the US
- Over **90** million members
- **\$652** billion in annual sales
- **\$3** trillion in assets

Established in 1916, **NCBA CLUSA** is the **oldest** and **largest** U.S. trade association for cooperative businesses in the U.S. and an international development agency

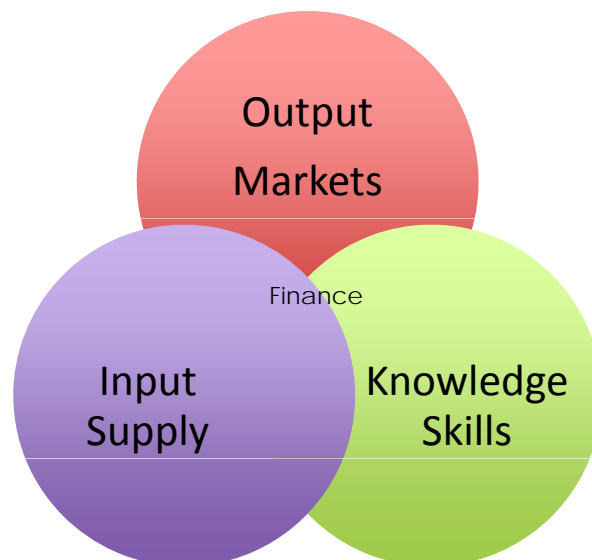
- **60 years** in international development supporting small farmers and cooperatives
- NCBA CLUSA has worked in over 80 countries in Africa, Asia, and Latin & Central America
- Currently working in 15 countries



**NCBA** CLUSA

[www.NCBA.coop](http://www.NCBA.coop)

# Aggregation...



Quality

Quantity

Reliability

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What's  
**HOLDING** things  
**BACK?**

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# CONFIDENCE

Decisions small holder farmers make are not just economic, they are...

Land,  
Livelihoods &  
Life  
Decisions

Agribusinesses see small scale farmers as too risky and unreliable

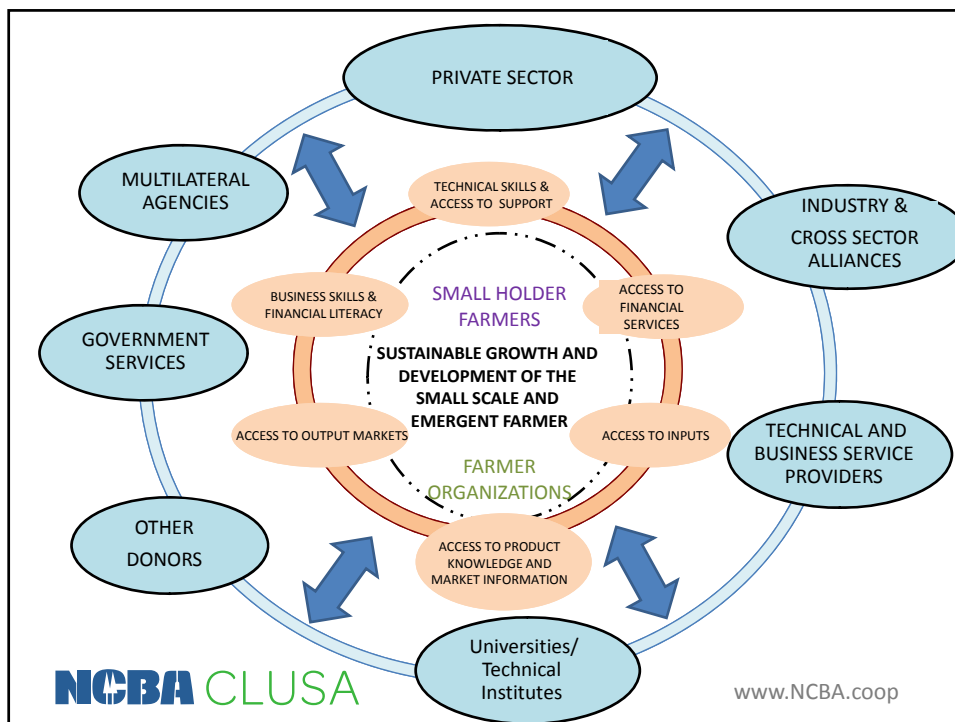
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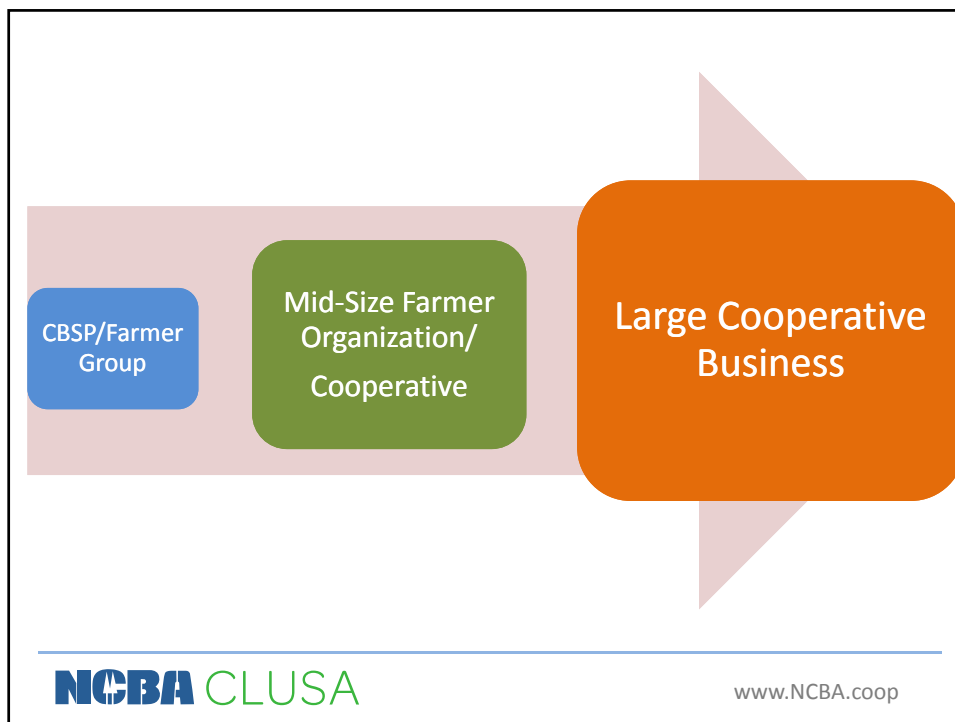
How do you  
build  
**CONFIDENCE?**

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# Farm Organization Outreach Models



### Community-Based Solution Providers (CBSP's)/FGs

- Selected by their communities/ farmer groups as third party agents
- Aggregate products – input and output
- Provide extension services to FGs
- Work of sales/commissions/fees

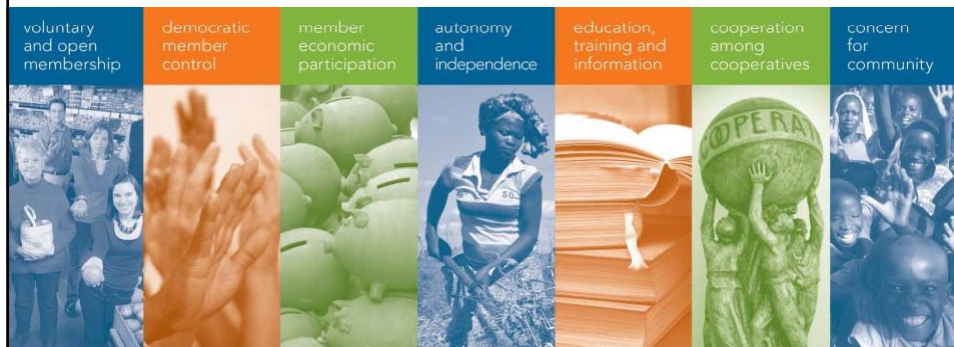
## Mid-Sized Farmer Organization



## Large Cooperative Business

- Serves **thousands of farmers** and employees hundreds of workers
- Offers a **wide range of business solutions** in close proximity to farmers
- Ag processing, technology, and service clustering, exporting, etc
- Is **managed by professionals** that are accountable to a board
- Tends to **focus** on a single commodity

# Cooperative Principles



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## Cooperative Principle # 1

### **Voluntary and Open Membership**

Cooperatives are voluntary organizations, open to all people able to use its services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.



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## Cooperative Principle # 2

### Democratic Member Control

Cooperatives are democratic organizations controlled by their members who actively participate in setting their policies and making decisions.



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## Cooperative Principle # 3

### Member Economic Participation

Members contribute to the capital rather than outside investors. Members benefit in proportion to the business they conduct with the cooperative rather than on the capital invested.



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## Cooperative Principle # 4

### **Autonomy and Independence**

Cooperatives are autonomous, self-help organizations controlled by their members. If the co-op enters into agreements with other organizations or raises capital from external sources, it is done so based on terms that ensure democratic control by the members and maintains the cooperative's autonomy.



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## Cooperative Principle # 5

### **Education, Training, and Information**

Cooperatives provide education and training for members, elected representatives, managers and employees so they can contribute effectively to the development of their cooperative. Members also inform the general public about the nature and benefits of cooperatives.



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## Cooperative Principle # 6

### Cooperation among Cooperatives

Cooperatives serve their members most effectively and strengthen the cooperative sector by working together through local, national, regional and international structures. Cooperatives often lack necessary resources to meet all the needs of their members; can achieve greater economies of scale by working with other co-ops.



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## Cooperative Principle # 7

### Concern for Community

While focusing on member needs, cooperatives work for the sustainable development of communities through policies and programs accepted by the members. Cooperatives serve their members most effectively and strengthen the cooperative sector by working together through local, national, regional and international structures.



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## Final Note



Strong Farmer Organization  
Working in Close Collaboration  
with all industry actors

=

More Efficient Aggregation

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# Thank You

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