
**IMPACTS OF FARMER'S COOPERATIVE SOCIETIES IN MARKETING OF AGRICULTURAL
PRODUCE (A CASE STUDY OF LORO SUB COUNTY, OYAM DISTRICT)**

1 Amany Gibson, 2 Irumba Alex

1, 2 Metropolitan International University

ABSTRACT

The study generally aimed to assess the impacts of cooperative societies in the marketing of agricultural produce in Loro Sub County, Oyam district. Specifically, the study intended to (a) to characterize using socio-economic characteristics of members (b) members perception of performance of cooperatives (c) factors that determines the members' volume of produce sold by cooperatives in Loro sub county. A cross-sectional research design was employed and both purposive and simple random techniques shall be used to select a sample of 160 farmers. As for data collection, the structured questionnaire shall be used. Both quantitative and qualitative methods of data analysis are to be employed. From the finding above, 15% of the respondents agreed that they access agricultural information through radio programs. 28% of the respondent's access extension service through the available non-governmental organization that provides various information to the farmers. Majority of the respondents agreed that they receive extension service from the extension workers dedicated by the local government program and 7% of the extension workers access agricultural information from cooperatives. The findings are in line with that of Ozibwe et al (2000) who stated that most government in the developing countries is making effort to improve the agricultural services through dedicating of the extension workers to reach the local farmers. The study therefore recommends that the government should establish strategies to empower the farmers and other key stakeholders, government and all actors involved should execute comprehensive strategies and strengthen the enforcement of legislations pertaining to agricultural disease control and management, further technical studies

are recommended to find out more scientific facts and involvement of international partners.

Key words: farmers, cooperative societies, marketing and agricultural produce

Background of the study

The beginning of the cooperative movement in Uganda can be traced back to 1913, when the first Farmers' Union was founded by African farmers. This was in response to exploitative marketing systems that were against indigenous farmers (Grace et al., 2023). The colonial arrangement was that the native farmers were engaged in the production of cash crops such as coffee and cotton, while the Europeans and their Indian allies concentrated on the processing and marketing of such produce. Consequently, the Co-operative Ordinance of 1946 and Co-operative Societies. The 1962 law only served to formalize already organized cooperatives (Oscar et al., 2023). The performance of the cooperatives in the immediate post-colonial period was impressive and the government offered them a monopoly position in agricultural marketing. Savings and Credit Cooperatives (SACCOs) have rekindled hope for the revival of cooperatives in Uganda. This optimism necessitated the creation of an overall understanding of the position of the co-operative movement in the country. This paper responds to this challenge by providing a historical background to cooperatives in Uganda and analyzing the organization, performance and status of the cooperative movement (Derrick et al., 2023). Uganda achieved independence in 1962 and subsequently passed the first Co-operative Societies Act in 1962, which made several amendments to the 1946 Ordinance. The government then continued to vigorously promote the establishment and diversification of the co-operative movement in the country. With the government's claim that "the cooperative sector of the economy should achieve a leading position," agricultural cooperatives, which deal with the marketing, processing and export of cash crops, have come to the fore.

***Problem statement:** According to FAO (2002), agriculture is the main source of livelihood for people in developing countries. In Uganda, it contributes up to almost 20 percent of GDP, represents 48 percent of exports (UBOS, 2008) and provides a large proportion of raw materials for industry (Erem et al., 2023). Although statistics show that agriculture has maintained a growth of 4% slightly higher than population growth of 2.7%, yet many farmers still face the challenges of marketing their produce, which is usually done by cooperative societies (Collins et al., 2023). Abdallah (2002) argued that the role of government is to establish an appropriate body for marketing agricultural produce, which is usually cooperatives. Through a literature review, primary and secondary data analysis, the paper states that since the early 2000s, the Government of Uganda has facilitated the expansion, leadership and integration of cooperatives into the development process through: mainstreaming the importance of cooperatives into relevant development plans, strategies and programmes, namely: Eradication Action Plan poverty (Godfrey et al., 2023) and programs, Agricultural Development Strategy and Investment Plan; and the Prosperity for All programme; Consultative policy formulation for the development of cooperatives, amendment of cooperative laws and regulations; reform of the warehouse revenue system and the commodity exchange; supporting area cooperative enterprises to provide agricultural extension services (Niyonzima, 2023), input supply, produce marketing, savings and credit services; supporting financial service cooperatives to increase the provision of capital; provision of agricultural extension services and value added support; sensitization and promotional activities to popularize cooperatives (Kazaara & Christopher, 2023); capacity building of cooperatives with a focus on leadership, business management and entrepreneurship and integration of gender and environmental concerns in cooperative development, marketing of agricultural products is still lagging behind and thus this study was designed to assess the challenges faced by cooperatives in marketing agricultural*

products in Loro , Oyam district, and come up with possible solutions to the problems (Damasus et al., 2023).

Specific Objectives

- 1. To characterize using socioeconomic characteristics membership of Loro Cooperative Society*
- 2. To assess member perception on the performance of the cooperative*
- 3. To assess factors that determine members volume of produce sold through the cooperatives.*

Research Questions

- 1. What are the socio-economic characteristics memberships of cooperatives in Loro Sub County?*
- 2. What are the member's perceptions on performance of cooperatives in Loro Sub County?*
- 3. What factors determines the members' volume of produce sold through cooperatives in Loro Sub County?*

Methodology

Research Design

This study used descriptive and cross-sectional analysis using both qualitative and quantitative methods. Since the research required collecting views from respondents and much relevant data as possible, a combination of descriptive analytical research design based on results from the questionnaires and interviews were used. The selected research designs helped to generate explanations and descriptions of the phenomenon under study. Qualitative approaches included use of interviews and document review while quantitative approaches involved use of descriptive statistics that was generated with frequency tables, graphs, and Charts.

Target population.

The target population for this research was small holder's farmers who have come under a single unit that is Loro sub county cooperative society found in Oyam district of northern Uganda. The unit of analysis for this study was small holder farmers of the same cooperative since it enables capture of a range of social economic challenges under study at that level.

Sampling method

Purposive sampling was use at the different cooperative department levels whereby a researcher made a judgment as to which segment of the population should be included in the study. That segment that is believed to have the information about the various challenges the cooperative face in marketing of their produces. For example, the administration department, transport department and the information departments. This provided a basis of data analysis.

Sample size determination

According Krejcie and Morgan's (1970) formulas for the sample size selection, the value of the degree of accuracy was 0.05 and alpha value was also assumed to be 0.05. The sample size population as determined from the Krejcie and Morgan's table was therefore 50 individuals. These individuals were representatives of the entire population of the cooperative.

Data collection and tools.

A questionnaire consisting of both open-ended and closed-ended questions were in this study. Development of this data collection tool was intended to capture important information on the challenges the cooperative face in marketing of their

produces. This method helped the researcher to collect data in a wider area and gave the respondents freedom and confidence to expression. The questionnaires were administered by the researcher to the individual department of the cooperative in the area.

Data analysis

Statistical analysis was performed using IBM SPSS software version 20 (Nelson et al., 2022). To compare proportions of present members volume of produce sold through the cooperative. The data was presented in tables and in bar graphs. Descriptive statistics were used to explain the socioeconomic characteristics membership of Loro sub county Cooperative Society. Descriptive statistics helped to assess member perception on the performance of the cooperative and the factors that determine member's volume of produce sold through the cooperatives.

RESULTS

Table 1 Sources of agricultural credits in Loro Sub-County, Oyam district

Sources	Frequency (N)	Percentage (%)
<i>Borrow from friends</i>	14	18
<i>Banks</i>	38	48
<i>Peer farmers</i>	10	12
<i>Farmers' group</i>	18	22
Total	80	100

Source; survey data, 2021

As presented in the table above, majority (48%) of the farmers reported that their main source of agricultural credit is the bank. 18% of the farmers agreed that their borrowed money from friends, 12% from peer farmers and 22% of the respondents agreed they borrows credit from farmers group. The finding agrees with that of

Kalembe et al who reported bank as a financial institution provides financial support to more than 60% of the farmers in the developing countries.

Table 2: shows sources of information to small hold farmers in Loro sub-county

Source of information	Frequency	Percentage (%)
<i>Fellow friends</i>	8	10
<i>Buyers</i>	12	15
<i>Extension worker</i>	42	53
<i>Radio</i>	18	22
Total	80	100

Source: survey data 2021

From Table 2 above, it implied that majority (53%) farmers in Loro sub-county get information on market for their produce from extension workers. An extension worker working with Project for Rehabilitating Livelihood in Northern Region (PRELNOR) said they always organize monthly visiting of farmers where they give to them a lot of guidance on how they should apply agrochemical, when they are to apply the agrochemicals and at what rate the agro chemicals has to be applied.

From the finding above, 15% of the respondents agreed that they access agricultural information through radio programs. 28% of the respondent's access extension service through the available non-governmental organization that provides various information to the farmers. Majority of the respondents agreed that they receive extension service from the extension workers dedicated by the local government program and 7% of the extension workers access agricultural information from cooperatives. The findings are in line with that of Ozibwe et al (2000) who stated that most government in the developing countries is making effort to improve the agricultural services through dedicating of the extension workers to reach the local farmers.

Table 3: Marketing of agricultural produce

<i>Independent variable</i>	<i>Frequency (N)</i>	<i>Percentage (%)</i>
<i>Land allocated</i>		
<1 ace	13	17
1-3 acres	45	56
>3 acres	22	28
<i>Total quantity sold</i>	<i>Frequency (N)</i>	<i>Percentage (%)</i>
<1 ton	65	81
>1 ton	15	19
<i>Quantity sold through cooperatives</i>	<i>Frequency (N)</i>	<i>Percentage (%)</i>
< 1ton	35	44
>1ton	45	56
<i>Quantity sold through open market</i>	<i>Frequency (N)</i>	<i>Percentage (%)</i>
< 1 ton	48	60
>1 ton	32	40
<i>Quantity sold through other outlets</i>	<i>Frequency (N)</i>	<i>Percentage (%)</i>
<1 ton	19	24
1-2 tons	23	28
2 tons and above	38	48

Source; survey data, 2021

From the finding, 17% of the respondents agreed that less than 1 acre of land was allocated for farming while 56% of the small holder farmers agreed they cultivated between 1-3 acres of land and 28% of the respondents cultivated more 3 acres of lands. The findings are in line with that of Nakiwala et al (2003) who stated that majority of the farmers in Africa participates in agriculture in small scale cultivating limited acres of land.

According to the findings, majority of the respondents (81%) has sold less than 1 ton and 19 % of the respondents sold more than one ton of the produce. This may be because most of the farmers produces crops in low yield and quantity, below one ton. The quantity of produce sold through other outlets accounted less than 1 ton by 24% of the respondents, 1-2 tons by 28% of the respondents and 2 tons and above by 48% of the respondents. This means that majority of the respondents sells their produce through other outlets.

Conclusions

From the findings it was concluded that, crops were grown by married youth, men and who attained primary, secondary and tertiary level of education. Majority of the respondents had experience in crop production of 1-5 years. According to the findings, majority of the household heads are male, accounting 65%. The study reveals that most of farmers cultivates crops in a land of about 1 acre.

Recommendations

Efforts should be made by various actors to tackle the factors such as ignorance, negligence, mindset and lack of knowledge on the disease that were found to contribute to the spread of the disease and its effects as well as addressing cross cutting issues like gender inequality, HIV/AIDS and environmental degradation.

References

-
- Collins, A., Kazaara, A. G., & Kazaara, A. I. (2023). *Agricultural Loans and Farmer's Livelihood in Uganda a Case Study of Nyakayojo Sub County in Mbarara District*. 7(3), 40-46.
- Damasus, M., William, O. J., & Sarah, A. (2023). *IMPACT OF SOCIAL MEDIA MARKETING ON THE BUSINESS PERFORMANCE A CASE*. 2(4), 203-212.
- Derrick, T., Nelson, K., Kazaara, A. G., Deus, T., Catherine, M., & Ismail, L. (2023). *The Effects of Savings and Credit Cooperative Societies on the Livelihood of Rural Dwellers, A Case Study at Kyamuhunga People's Sacco Rutookye Town Mitooma District*. 7(2), 329-346.
- Erem, E., Patrick, K. S. B., Rwambale, K., & Kitembo, R. (2023). *The impact of youth unemployment in Uganda, A case study of Kampala district*. 2(4), 970-985.
- Godfrey, S., Matovu, K., & Ismail, L. (2023). *Effect Of Youth Unemployment and Crime Rates in Uganda, A Case Study of Mityana District*. 7(3), 325-334.
- Grace, M., Kazaara, A. G., & Kazaara, A. I. (2023). *Factors Associated with Potato Yields' Variations in South Western of Uganda. Case Study: Kanungu and Kisoro Districts*. 7(3), 198-205.
- Kazaara, A. G., & Christopher, F. (2023). *Impact of Micro Credit Financing on Agricultural Production A Case Study of Bundibugyo District in The Western Region Of*. 7(3), 56-62.
- Nelson, K., Christopher, F., & Milton, N. (2022). *Teach Yourself Spss and Stata*. 6(7), 84-122.
- Niyonzima, E. (2023). *Assessing the Impacts of Rural-Urban Migration on Agriculture Production in Rwanda: A Case Study of Huye District, in Southern Province*. 7(4), 1-15.
- Oscar, O., Kazaara, A. G., Kazaara, A. I., & Micheal, T. (2023). *Impacts of Farmer's Cooperative Societies in Marketing of Agricultural Produce. A Case Study of Loro Sub County, Oyam District*. 7(3), 272-278.
-