



# Cooperative Business School

**Managing business services for members  
of producer organizations**

**Handbook with special focus on  
maize and promotion of rural youth**

**2<sup>nd</sup> Edition 2020**

Preview pages

## Introduction and acknowledgements

Over 1.4 million African agricultural smallholders have undergone **Farmer Business School (FBS)** training since the development of this approach by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH with partners for cocoa smallholdings in 2010<sup>1</sup>. Several evaluations confirmed that many FBS trained groups have reactivated dormant or registered new producer organizations. These male and female, young and old agricultural entrepreneurs achieve more market power and economies of scale if their producer organizations provide business services to them professionally.

To strengthen these efforts, the Sustainable Smallholder Agri-Business Program (SSAB, 2014-2019) developed with support of the European Union the **Cooperative Business School (CBS)** in 2016 and implemented it for over 500 organizations of cocoa producers in Côte d'Ivoire, Ghana, Togo, Nigeria and Cameroon. The Nigeria country module of the Global Program Green Innovation Centre for the Agriculture and Food Sector has introduced and customized CBS for maize and Irish potato in 2018. The Global Program Rural employment with a focus on youth 2019 has supported the integration of aspects suited to promote rural youth. Since January 2020, the Agri-Business Facility for Africa (ABF), successor program of SSAB, supports requesting parties to customize and introduce FBS, CBS and Processor Business School. ABF has implemented this overall review to have an updated, optimized and fine-tuned reference version of CBS for introduction processes ahead.

This reviewed edition of CBS is the joint response of different programs to the need to strengthen agricultural producer organizations (APO) in the delivery of business services to their members, to promote rural youth and consequently to contribute to the transformation of rural economies in Africa.

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<sup>1</sup> *Sustainable Cocoa Business, West and Central Africa (SCB 2009-2014)*

## CBS in a nutshell:

CBS is a one-week training for management teams of APO.

CBS builds on the FBS training. CBS illustrates knowledge with practical examples about services.

Technical and economic viability are premises for successful business services.

Promoting the rural youth and youth employment is an integral part of the curriculum.



## CBS is effective.

Impacts reported by trained producer organizations comprise

- ☺ Group sales have more than doubled thanks to better quality and higher prices negotiated
- ☺ Members receive better inputs at lower prices from bulk procurement
- ☺ Services are attractive for members and more viable
- ☺ More members and mergers of producer organizations
- ☺ New buyers and off-taking agreements
- ☺ Management and administration are more transparent
- ☺ Access to loans from banks.

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## Good Morning!

I am a manager of an agricultural producer organisation. My dream is to place our group among the best.



To achieve this, we use modern management techniques.

We carefully prepare each production season. We plan and budget well for all activities.

We also produce other crops to improve meals for our families and increase our income.

We help producers in our group to have access to the best financial services.

Our producers are trained in entrepreneurship and follow good agricultural practices (GAP).

Our group procures the inputs for our members.

We integrate the young men and women of our farming communities in our activities and services so that they have income and employment. They are equal members with equal access to information and positions within our organisation. They bring in fresh ideas towards the future of farming. It is our hope that the youth can generate a decent income so that they can stay in the rural areas, where pollution is less and the daily costs are lower compared to the big cities.

### The benefits of being a member of our group

- 👉 Together, we do things that one person cannot do alone or can do only at a very high cost. Members of our group learn together and support each other.
- 👉 We organise group sales of our agricultural produce and like this improve the market access for our members. My group gets a better price from the buyer – if the quality of the produce is good.
- 👉 We organise group purchasing of agricultural inputs and services to get lower prices from input and service providers.
- 👉 Our members **have easy access to financial services and information on improved production techniques.**

**Members of our group improve their business.**

## How to use this handbook

This is the **structure of the handbook**:

Chapter 1	How business services add value to your members
Chapter 2	Skills to develop strong business services
Chapter 3	Key business services for the value chain including economic calculations
Chapter 4	Skills to manage the group
Chapter 5	Navigating through the formal requirements for cooperatives in your country

<p><b>The youth is our future.</b> We want to support you to integrate the youth in your group. Like this, you create job and income opportunities for them, and one day they can take over your business.</p>	<p>This is how we highlight the elements with special focus on the <b>youth</b>:</p> 
<p><b>For each skill and business service, we offer tools</b> your group can adapt for your use. You find templates of our tools in the printed toolbox and in the Excel file you receive during the training.</p>	<p>This is how we introduce the <b>tools</b>:</p> 
<p><b>Digitalisation offers added value</b> for your members and for your group (to manage the business services and the administration).</p> <p>You can use digital tools, which are smartphone based such as apps or pre-programmed Excel based files with your desk computer, laptop, tablet or smartphone.</p>	<p>This is how we prompt you about using a <b>digital tool</b>:</p> 

## Impressum

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