

Project Summary

Title	Functional Analysis of Cooperatives and their impact on Livelihood and Sustainability: A case of Agricultural Cooperatives in Malawi.
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Purpose	The broad objective of this research is to strengthen the development of the cooperative movement so support improvement of income levels and create employment opportunities among smallholder farmers.
Project Summary	Agricultural cooperatives play an important role in agricultural production and marketing. A cooperative structure provides agricultural producers the opportunity to process and market their crops in a joint business venture with other producers. Producer's cooperatives provide uniformity in quality by inspection during production, at harvest and upon delivery. Over the years Malawian farmers have been encouraged to diversify their cropping systems into cash crop production. An increase in production of agricultural crops needs to go hand in hand with well a functioning value-adding and marketing activities if farmers are to realize the gold

	<p>they are sitting on. In this case, cooperatives come in as one of the best sets of choices. Cooperatives are business entities; as such they have to employ sound business principles if they have to operate profitably. All resources, (including financial, human and physical resources), have to be used efficiently if the cooperatives are to survive and thus attract more members. In order to achieve both efficiency and profitability goals, there is need to understand both internal and external factors that affect cooperative performance. This study will identify such factors so that appropriate policy recommendations can be made. Variables that may affect organizational effectiveness will be determined and a socio economic analysis of the impact of cooperatives on the members in particular and the communities in general will be determined. This analysis is important because the choice of individual farmers to join the cooperatives must be based on certain expected socioeconomic benefits. It will therefore be necessary to find out the socioeconomic factors that determine cooperative membership and how individual members benefit from the membership. The legal and policy environment in which cooperatives operate will also be analyzed so as to assess their potential effect on the management and performance of cooperatives in Malawi. This study focuses on the analysis of Malawi's Agricultural Cooperatives in terms of business performance and capacity to meet the goals and aspirations of their members, and thus reduce poverty. The project will be implemented within a period of two years. Two Master's students will be trained and will carry out the research on business analysis and impact assessment.</p>
Country and Specific Location(s)	Malawi
Participating Institutions	Ministry of Trade, Commerce and Industry, MALEZA and Farmers Union of Malawi.
Start Date	2010
End date	2012
Amount of Funding	USD 59,768