



Agricultural Cooperative as An Instrument for Agricultural Transformation in Imo State, Nigeria: Prospects and Challenges

*Agho E.C¹ & Udemezue J.C²

^{1,2}National Root Crops Research Institute Umudike, Abia State Nigeria.

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*Corresponding author: Agho E.C

National Root Crops Research Institute Umudike, Abia State Nigeria.

Abstract

This study explores the role of cooperatives as a vital instrument for agricultural transformation in Imo State, Nigeria. Agriculture plays a pivotal role in the economic growth and food security of the region. However, the sector faces various challenges, including limited access to credit, insufficient resources, and fragmented production practices. To address these issues, cooperatives have emerged as a significant mechanism to promote collective action, resource pooling, and knowledge sharing among farmers. This research examines the impact of cooperatives in enhancing agricultural productivity, income generation, and socio-economic well-being of farmers in Imo State. The study therefore assessed the various cooperative models adopted in the state, including producer, marketing, and financial cooperatives, to determine their effectiveness in promoting agricultural productivity, income enhancement, and market access for smallholder farmers. It also investigates the role of cooperatives in fostering sustainable agricultural practices, promoting gender equality, and mitigating rural poverty. Cooperatives have contributed significantly to improved agricultural practices, increased market access, and enhanced bargaining power for farmers. Furthermore, cooperatives have facilitated technology adoption, access to credit, and capacity building initiatives that have strengthened the agricultural sector. However, challenges such as governance issues, inadequate infrastructure, and limited government support persist. This study however, underscores the crucial role of cooperatives as an instrument for agricultural transformation in Imo State Nigeria, highlighting the need for continuous support, policy reforms, and collaborative efforts from various stakeholders to sustain and maximize the benefits of agricultural cooperatives in the region.

Keywords: Cooperative, Instrument, Agricultural transformation and Imo state.

Introduction

Agricultural cooperative also known as farmers cooperative is a business organization in which a group of individuals who have common interest agreed to pool their resources together for production or distribute goods and services for the purpose of making profit and maintaining the welfare of members. Agricultural cooperative has played a significant role in provision of services that enhances agricultural development amongst the rural farmers in Imo state Nigeria. Agriculture plays a pivotal role in the economic development of Nigeria, with a majority of its population reliant on the sector for their livelihoods. Imo State, situated in the southeastern region of the country, agriculture has been identified as a key driver of growth and poverty reduction. However, despite its potential, the sector has faced numerous challenges, including limited access to modern technologies, inadequate infrastructure, and fragmented land holdings (Crooks, 2004, Ogbuabor *et al* 2018). In addressing these challenges, Agricultural cooperative societies have emerged as vital instruments for agricultural transformation in Imo State. Agricultural cooperatives offer a structured and collective approach that empowers farmers, fosters knowledge-sharing, and facilitates access to resources and markets. (Onuoha *et al* 2020). Agricultural cooperatives serve as instrumental tools that drive agricultural development and uplift rural communities, empower small-scale farmers and marginalized agricultural producers. (Baarda,2004), Ugwu *et al* 2019). Furthermore, cooperatives facilitate knowledge sharing and skill development among their members. Through training programs and workshops, farmers acquire modern and sustainable agricultural practices, enhancing their overall productivity and competitiveness. This, in turn, leads to improved food security for the region and contributes to the

economic growth of Imo State. The primary aim of these co-operatives is basically geared towards promoting economic, social and cultural interests of its members. Agricultural co-operative like any other type of cooperative provides a platform for small holder farmers (members) to gain access to improved natural resources such as land, water and seeds, information on modern extension practices and machineries, adequate finance, efficient marketing skills and an enabled marketing structure. Before now, farmers in Imo States have been facing some challenges on how to get credit facilities, good market channels, and improved agricultural technology and farm inputs to improve on their agricultural sectors, but since the inception of some agricultural cooperatives in Imo state and environs all these challenges have been addressed. Farmers can now pull their resources together to achieve their goals and move agriculture forward as well as improving their livelihood. However, cooperative came into Nigeria by the colonial administration. The launching of cocoa marketing societies in western Nigeria in 1922 by the department of agriculture was aimed at boosting high quality cocoa production to implement its market reform measures. About 1933, C.F Strickland a colonial administrator was commissioned by the colony and protectorate of Nigeria to advise it on the possibility of introducing cooperation in the colony of Nigeria. His report entitled Report on the introduction of cooperative societies into Nigeria was submitted to the colonial government on the 17th of April 1934. Currently, Co-operatives had existed as a business organization and had attracted the attention and interest of many authors over the years. Many agricultural development programmes had been initiated by government with some strategies such as input subsidization, marketing boards, and institutional reforms geared towards improvement of agricultural production. The failure of many agricultural development programmes in Nigeria could be traced to poor organizational structure and implementation at the grassroots level (Fulton *et al* 2006, Omotosho, 2007). Ijere, (1977) also observed that co-operative is a learned process, so education is central to its success. Nnadozie et al, (2015) examined the Nigerian agricultural co-operatives as driving agricultural transformation, shedding light on the impact on farmers' livelihoods, productivity, and overall rural development. By working collectively, farmers gain access to shared resources such as machinery, seeds, and fertilizers, which they might not afford individually. This pooling of resources enhances productivity, efficiency, and economies of scale, leading to increased agricultural output and income for the members (Mohammed, 2004, Baarda, 2006). Agricultural cooperatives serve as a powerful instrument for agricultural transformation in Imo State, Nigeria.

This article therefore concisely reviewed Agricultural cooperative as an instrument for agricultural transformation in Imo State, Nigeria.

Strategies Used by Agricultural Cooperative in Transforming Agriculture in Imo State

In Imo State, Nigeria, agricultural cooperatives have played a significant role in transforming the agriculture sector. Some key strategies they have employed include:

Pooling Resources: Cooperatives bring together small-scale farmers to pool their resources, such as land, capital, and labor, which allows their members to access better inputs, machinery, and technologies that they might not afford individually

Knowledge Sharing: Members of cooperatives often share knowledge and best practices, benefiting from each other's experiences and expertise. This exchange of information helps improve agricultural techniques, crop yields, and overall productivity.

Access to Markets: Cooperatives provide a collective marketing platform, enabling farmers to access larger markets and negotiate better prices for their produce. This reduces the dependence on middlemen and increases farmers' income.

Training and Capacity Building: Agricultural cooperatives invest in training programs to enhance the skills of their members. These programs cover modern agricultural practices, financial management, and value addition, leading to improved efficiency and profitability.

Joint Purchasing Power: By buying inputs in bulk, cooperatives can negotiate better prices, reducing the overall cost for their members. This increases the affordability of quality inputs and improves farm productivity.

Advocacy and Policy Influence: Cooperatives can act as a unified voice, advocating for favorable agricultural policies and supportive government interventions that benefit their members and the agricultural sector as a whole.

Value Addition and Processing: Some cooperatives engage in value addition and processing of agricultural products. This transforms raw produce into higher-value products, leading to increased income for farmers and creating employment opportunities.

Sustainable Farming Practices: Many cooperatives promote sustainable agricultural practices, including organic farming and conservation techniques. This helps in preserving the environment, ensuring long-term viability for agriculture in the region.

Access to Finance: Agricultural cooperatives facilitate access to credit and financial services for their members, making it easier for farmers to invest in their farms and expand their operations.

Challenges Faced by Agricultural Cooperative

Limited access to capital: Agricultural cooperatives often struggle to access sufficient financial resources to invest in modern farming techniques, equipment, and infrastructure. The lack of capital can hinder their ability to scale up operations, adopt new technologies, and compete effectively in the market.

Inadequate infrastructure: The state of infrastructure in rural areas of Imo State can be subpar, hindering efficient transportation, storage, and processing of agricultural produce. Poor road networks and inadequate storage facilities can lead to post-harvest losses, reducing the overall profitability of cooperative members.

Fragmented land holdings: Small and fragmented landholdings are common in many parts of Imo State. This fragmentation makes it challenging for cooperatives to implement large-scale agricultural projects and benefit from economies of scale. It also limits their bargaining power when dealing with input suppliers and buyers.

Limited access to technology and information: Many agricultural cooperatives in Imo State lack access to modern farming technologies and essential information on best practices. The lack of information can result in lower productivity and efficiency, hampering the cooperative's ability to compete in a rapidly changing agricultural landscape.

Inadequate training and capacity building: Successful cooperatives require skilled and knowledgeable members who can efficiently manage the cooperative's affairs and make informed decisions. However, inadequate training and capacity-building programs can limit the effectiveness of cooperatives and reduce their overall impact on agricultural transformation.

Market access and price volatility: Cooperative members often struggle to access reliable markets for their produce. Additionally, they may face price volatility, which can lead to uncertain income for farmers and cooperative members. Establishing stable and profitable market linkages is crucial for the success of agricultural cooperatives.

Limited government support: Although the government recognizes the importance of agricultural cooperatives, the level of support they receive can vary. Insufficient policy support, inadequate funding, and bureaucratic hurdles can hinder the growth and sustainability of cooperatives.

Social and cultural factors: In some cases, cultural norms and attitudes may discourage farmers from actively participating in cooperatives. Traditional beliefs, distrust, and social hierarchies can hamper cooperation among farmers and limit the potential benefits of collective action.

Climate change and environmental challenges: Imo State, like many other regions, is susceptible to the impacts of climate change, such as irregular rainfall patterns, prolonged droughts, and increased pests and diseases. These environmental challenges can negatively affect agricultural production and pose additional risks to cooperative members.

Overcoming these challenges requires a multi-faceted approach that involves government support, investment in rural infrastructure, provision of training and capacity-building programs, access to finance and technology, and fostering a supportive social environment that encourages cooperation and collective action. By addressing these hurdles, agricultural cooperatives in Imo State can play a pivotal role in transforming the agricultural sector, improving rural livelihoods, and contributing to food security and economic growth.

Way Forward in Transforming Agriculture by Agricultural Cooperative In Imo state

Access to Finance: Facilitate better access to finance and credit facilities for agricultural cooperatives. The government can collaborate with financial institutions to create tailored financial products that suit the needs of cooperatives, including low-interest loans and grants for agricultural projects.

Investment in Infrastructure: Improve rural infrastructure, such as roads, irrigation systems, and storage facilities, to enhance the efficiency of agricultural activities and reduce post-harvest losses.

Technology and Information Sharing: Promote the adoption of modern farming technologies by providing training, workshops, and demonstrations to cooperative members. Create agricultural extension programs that offer technical expertise and advice on best practices.

Capacity Building: Invest in capacity-building programs for cooperative members to enhance their skills in management, financial planning, and marketing. Encourage leadership development and provide training in cooperative governance.

Market Linkages: Establish reliable market linkages for agricultural cooperatives to ensure a steady demand for their produce. Encourage the creation of farmer-producer organizations that can negotiate better prices and access higher-value markets.

Government Support: Strengthen policy support for agricultural cooperatives. The government can create an enabling environment through supportive policies, incentives, and streamlined bureaucratic processes. Consider tax incentives and subsidies for cooperatives to encourage their growth.

Climate Resilience: Promote climate-smart agricultural practices to address the challenges posed by climate change.

Encourage the adoption of drought-resistant crop varieties, water conservation techniques, and sustainable farming methods.

Social Mobilization: Raise awareness and promote the benefits of agricultural cooperatives within local communities. Address cultural barriers and build trust among farmers to foster a cooperative spirit.

Research and Development: Invest in agricultural research and development to provide cooperatives with access to innovative solutions, crop varieties, and farming techniques that are suited to the local context.

Networking and Collaboration: Encourage cooperation and collaboration among different agricultural cooperatives in the state. Facilitate the formation of cooperative federations or unions to amplify the collective voice of farmers and improve their bargaining power.

Monitoring and Evaluation: Implement a robust monitoring and evaluation system to assess the impact of agricultural cooperatives on the overall transformation of the sector. Use data-driven insights to make informed decisions and adjust strategies as needed.

Public-Private Partnerships: Foster partnerships between agricultural cooperatives and private sector entities, research institutions, and NGOs. Such collaborations can bring in additional resources, expertise, and market linkages.

By implementing these driven initiatives, Imo State can create an enabling environment for agricultural cooperatives to thrive, leading to a sustainable transformation of the agricultural sector.

Conclusion

In conclusion, transforming agriculture through cooperatives in Imo State is a multifaceted endeavor that requires the collective efforts of the government, private sector, NGOs, research institutions, and, most importantly, the farmers themselves. With a dedicated commitment to addressing challenges and leveraging the power of collective action, agricultural cooperatives can drive sustainable growth, food security, and economic development for the state. Key areas of focus should include improving access to finance and credit, investing in rural infrastructure and technology, providing capacity-building and training programs, and establishing reliable market linkages for cooperative members. Additionally, supportive government policies and public-private partnerships will be crucial in creating an enabling environment for cooperatives to flourish. Addressing climate change and environmental challenges should also be prioritized to build resilience in the agricultural sector. Promoting climate-smart practices and adopting innovative solutions can mitigate risks and improve agricultural productivity.

Moreover, community engagement and social mobilization efforts can overcome cultural barriers and foster a spirit of cooperation among farmers. Building trust and collaboration among cooperatives can

Enhance their collective bargaining power and enable better decision-making.

Lastly, monitoring and evaluation mechanisms must be put in place to assess the impact of cooperative-driven initiatives accurately. Data-driven insights will guide evidence-based policymaking and help refine strategies for continuous improvement.

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