PRODUCER GROUPS AND COMMODITY CLUSTERS: BUILDING BLOCKS FOR SMALLHOLDER FARMERS' RESILIENCE AND EMPOWERMENT IN KHATLON REGION, TAJIKISTAN

Oxfam in Tajikistan Economic Justice Programme Case Study
Photos: Oxfam in Tajikistan
Summary
Producer Groups (PGs) and commodity clusters provide vital underpinning to the smallholder farmer (SHF) institutions supported by Oxfam in the Khatlon region of Tajikistan. Over the past five years, the two platforms have evolved and matured into robust farmers’ collectives, which have contributed to the integration of 1,496 SHFs in productive and equitable value chains in select agriculture commodities, increasing their income and enhancing their resilience.

1. Khatlon region: risks and challenges in agriculture sector

While most of Tajikistan’s population resides in rural communities, and nearly half of its formal workforce works in agriculture, productivity remains low, while poverty and food insecurity rates are high. Targeting agriculture and sustaining a boost in agricultural productivity in poor rural communities should help reverse these trends. Agriculture accounts for 45 percent of formal employment in Tajikistan, but only 25 percent of GDP. It suffers from low productivity and low wages, and overall, experiences erratic growth and high exposure to climate change risk. Despite the proportion of human resources devoted to farming activities, the country also remains food insecure. Tajikistan imports 60 percent of its food and is therefore also at risk of not meeting basic food needs in times of high foreign prices or exchange rate fluctuations.

Figure 1: Map of Tajikistan showing Oxfam target areas
In Tajikistan, SHFs face several constraints related to the small size of their operations. These include the inability to create scale economies, low bargaining power because of the low quantity of marketable surplus, scarcity of capital, lack of market access, shortage of knowledge and information, market imperfections, and poor infrastructure and communications.

To further understand the challenges in agriculture for SHFs in Khatlon, Oxfam conducted baseline research in the region in 2016 (see Figure 1), which shows less than 30 percent of the farmers having access to any sort of agricultural extension services — just over 20 percent had access to village shops for agricultural input supplies. However, awareness of sustainable agricultural practices and the use of bio-fertilizers and bio-pesticides was relatively high, with over 60 percent of households reporting an
understanding of these issues. From the assessment, it was clear that because of weak supply-chain networks for agriculture inputs and a near absence of extension and financial services, SHFs were unable to raise their productivity.

Similarly, agriculture market systems are weak, with SHFs deriving diminishing returns from their produce mainly due to a highly-skewed distribution of market power. Women farmers are doubly disadvantaged as they have less mobility and therefore mostly depend on male household members to access and negotiate with the market system.

To overcome the barriers and constraints in small holder agriculture, Oxfam under the Growth in the Rural Economy and Agriculture: Tajikistan (GREAT, 2013–16) and Towards Rural Inclusive Growth and Economic Resilience (TRIGGER, 2016–18) projects, both supported by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), mobilized SHFs for collective action and to lay the foundation for a smallholder farmers’ organization. The PGs facilitated under the project provided a voice for the SHFs, who often face discrimination and marginalization when it comes to input supply services, extension services, access to production and post-harvest technology and market. Over the past five years, the PGs have contributed to poverty alleviation, paving the way for an incipient ‘smallholder revolution’ in rural Khatlon. The PGs and their federated structures (commodity clusters) could achieve measurable success by generating economies of scale as well as the lowering of transaction and coordination costs for input supply and services. The PGs were designed to generate a countervailing power for the SHFs. Facilitating access to technology and markets on favourable terms, undertaking risk management, and income improvements were the other major objectives for establishing these farmers’ organizations. As farmers’ organizations, PGs and their commodity clusters have acted as multipurpose institutions and have offered a wide range of services to their members independent of the specific type of organization.
2. Producer groups and commodity clusters: farmers’ institutions to overcome barriers to higher productivity and resilience

The PGs and their federated structures – commodity clusters – served as an organizational mechanism for mobilizing farmers’ collective self-help action aimed at improving their own economic and social situation and that of their communities. The two institutions provided space for participation, which contributed to group members’ ownership of the issue on the one hand and solutions on the other. This, in turn, built group cohesiveness and solidarity and promoted mutual support. The PGs were also a platform for building community and a social support system – increasing self-confidence, mutual learning and providing a sense of equality. Through PGs, significant emphasis is also put on empowering SHFs to gain increased agency in the household and the community through advocacy for SHF participation in decision-making and access to assets and resources for business development, legal support, and participatory advocacy for recognition, reduction and redistribution of unpaid care work. Under GREAT and TRIGGER, PGs have helped SHFs to secure access to services that individuals cannot access alone, such as training and extension services, access to land, and improved access to market.
Design principles of PGs and clusters

The design principle for PGs and clusters was based on the premise that SHFs need improved agricultural technology and access to financial and business development services and markets to improve their productivity and income, using an approach that is environmentally sustainable and socially equitable. Based on the above, the main principles for institutional development of PGs and clusters are as follows (Figure 2).

![Figure 2: Main principles for institutional development of PGs and clusters](Photo: Oxfam in Tajikistan)

Embedded in the CBO: The PGs were embedded within the Community Based Organization (CBO) as a sub-committee of the latter. In Tajikistan, CBOs are constitutionally recognized, representative bodies at the village level, responsible for local governance and development of the village. Over the past decade, Oxfam has worked extensively towards the mobilization and capacity building of CBOs across the
country. Oxfam used the CBO platform as an entry point to effectively communicate the purpose and agenda of PGs to villages. Due to their representative character and close linkage with local authorities, CBOs provided strong legitimacy to PGs at the local level. As a sub-committee of CBOs, PGs benefit from other developmental activities undertaken by CBOs that have a link to agriculture.

**Participatory governance:** PG and cluster governance is participatory in character, with leadership spread widely across members to ensure equity in decision-making. Each PG comprises of five members in an Executive Committee elected by all the members of the PG, which oversees PG functioning, including conducting regular meetings, implanting business plans, connecting to Village Advisory Models (VAMs) and so on. The clusters have a similar governance structure, with its members nominated from across the PGs connected to the cluster.

**Opportunities for disadvantaged producers:** Both PGs and clusters are platforms for SHFs, facilitated to serve the interest of small producer. The majority of members (80 percent) are therefore small producers (having > 1 hectare of land). A sprinkling of medium and large farmers are purposefully made part of the PGs and clusters, as they generally bring more resources, better market connectivity and have a larger appetite for the risk needed for starting an enterprise. These advantages are expected to have a positive spillover effect on the small producer. They pre-empt the familiar problem of ‘elite capture’ of the institution by the large farmers, whose proportionate number is kept low and whose representation in the executive body is also kept in fair balance with small producer members.

**Profit-oriented social enterprise:** PGs and clusters develop their business plan seeking to generate net profit for the members chiefly from the lower cost of input procurement and deriving higher income from improved market access. A vital part of the training of PGs is to help them develop and implement their specific business plan so that members have strong financial motivation to remain in the group.

**Capacity building:** PGs and clusters are provided with intensive training over a 12-month period to help them build their capacity for operation and management of group activities. A number of exposure trips were also organized for the clusters as part of the capacity-building plan. Capacity enhancement is a critical part of the organization development since most of the farmers’ lack past experience in working together and managing a platform.

**Gender equity:** Gender equity is a core objective of Oxfam, and steps were taken to promote women’s leadership and participation in the PGs and clusters. The overall achievement on gender equity in farmers’ organizations was modest, mainly because of broader societal and economic constraints (see section 5 under gender analysis).

**Climate resilient agriculture:** Small producers in Khatlon face major risks to their farm-based livelihood due to increasing frequency and intensity of climate-related shocks to their production. Building climate resilient agriculture systems is a major goal of Oxfam programming and therefore the farmers’ organizations were provided with specific training on adopting climate-resilient agriculture practices. Key input, such as climate- and pest-resistant seed varieties were promoted through PGs, and new climate-resilient cropping approaches, such as a system for crop intensification, were introduced to improve the resilience of farmers.

**Aggregate for economy of scale:** Recognizing that economy of scale in demand for input and in marketing of produce constitutes the main barrier to income enhancement for small producers, the clusters approach was devised to overcome this. Better access to quality input at a lower price and increasing marketability of the produce were the most important factors motivating members in the group. There was significant achievement in cost reduction in input procurement through demand aggregation of the members, but the marketability of the produce remained a persistent challenge.
Leverage business support of Village Agronomy Model: The PGs were linked to VAMs to access input and advisory services at the village level. This linkage was crucial in supporting farmers’ adoption of the new package of practice.

4. Structure of Farmers’ Organizations

Figure 3: Organization of farmers’ organizations in GREAT and TRIGGER programmes.

The farmers’ organization in GREAT and TRIGGER programmes was organized in three levels: the Small Farmer Agri-business Consortium (SFAC) at regional level, commodity clusters at jamoat (sub-district)

1 For details see Oxfam case study on VAM approach in Khatlon region.
level) and PGs and their federated structures at village level (Figure 3). SFAC, the apex regional platform, was initiated recently within the regional government structure and is currently in its formative stage. The structure was devised keeping in mind the unique context of the smallholder agriculture system in Khatlon: fragmented and scattered land holding, absence of public infrastructure and private investment in agriculture, and the special conditions of the SHFs – the majority are first generation farmers, with a weak knowledge of farming, and no experience of farmers’ collective action from the past. The basic level of PGs at village and the aggregate cluster at district levels have both served a distinct purpose and evolved progressively as lower-level structures could not solve the new and emerging challenges, as the programme evolved over time.

**Stage 1 (2012–2014):** During this initial two-year period, Oxfam started mobilizing the SHFs scattered over the region with the basic purpose of initiating collective action on the variety of challenges facing farmers. The PGs were formed at the village level with the objective of introducing a Package of Practice (PoP) based on new technology and high yielding input, to boost productivity across different crops (except cash crops, such as cotton). Over the course of the programme, the PGs received extensive capacity building support from the programme on range of issues, from governance and efficient land and water management to introducing a new PoP and strategy for improved marketing of produce. As part of the training, all PGs developed a business plan aiming at profitability in farming operations after the first year of training. To achieve fast and efficient diffusion of the new PoP, Oxfam devised an innovative extension model based on the principles of Farmers’ Field School (FFS). Entrepreneurial local farmers from the village were identified and mentored by the programme to lead on FFS. These lead farmers received intensive training and were then deployed in their respective villages to establish the demo-plots on their land, which served as the bedrock of FFS. The demo-plots provided direct visual experience to village farmers to see the result of adoption of new technology and input.
The PGs were linked to the demo-plot for exposure and on-site training led by the lead farmer.

Figure 4: PG and clusters – Enterprise development
Realizing the severe constraint in the supply-distribution of agriculture input and challenges with the last mile delivery of extension, Oxfam promoted the Village Agronomy Model (VAM) network where, based on local conditions, individuals, agro-shops or a CBO served as a VAM agent. The VAMs were instrumental in providing access to good quality and reliable input supply and advisory services to SHFs at village level. In a nutshell, the programme strived to build the whole farmers’ organization ecosystem, which was linked to a network of support services that together bolstered farmers’ capacity to move towards a new, more productive farming model. Farmers organized under the banner of a PG received training on a new PoP, creating a surge in demand for high-yielding input and local advisory support. The demo-plots and VAMS provided the necessary services to meet the new requirements of the farmers.

To achieve organic integration of PGs within the CBO structure the PGs were purposefully nested as a sub-committee within the village-level CBOs.

Stage 2 (2014–2017): Oxfam federated the PGs into commodity clusters at the district level. Each of the four clusters served one of the three selected commodities: onions, tomatoes, or rice, and were linked to an average of 20 PGs with coverage of 375 farmers that were predominantly growing the selected crops. The two main purposes of the cluster were firstly, to aggregate demand of agriculture input and carry out bulk procurement through markets (mostly VAMS) and secondly, institution building to support the PGs to continuously support organization development and their capacity enhancement. A typical commodity cluster platform with 20 PGs consisted of elected members drawn from the linked

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2 See VAM case study for details.
3 The selection of commodities was based on a market mapping exercise carried out by Oxfam in the inception phase of the programme (2014–2015).
PGs, having five members of Executive Committee (EC) that served the key functions, such as marketing support, aggregation of input demand from PGs and promoting new technologies through VAMs. The marketing function was carried out by promoting large collection centres for the select commodities at district level where the centres served as exclusive marketing and primary processing hubs for the farmers linked to the clusters through the PGs. For example, the tomato collection centre in Dahana jamoat, Kulyab district, was devised to provide market infrastructure support to over 400 farmers, with an estimated capacity of storing and marketing 1,000 tonnes of tomatoes per season.

**Final stage (2017–ongoing):** Oxfam is promoting the SFAC in Khatlon region with a vision ‘to promote agri-business in Khatlon by encouraging institutional and private sector investments and linkages to ensure improved productivity, income and resilience to SHF especially women’. The main mission of the SFAC is ‘to link small farmers to market and improved technology, by building network, alliances and collaboration with private sector, by providing backward and forward linkages to agri-businesses’. As an apex regional level Multi Stakeholder Network (MSN) platform that can bring diverse stakeholders together, foster collaboration and kick-start agri-business network in the region, the SFAC can serve as an ideal vehicle for influencing government and development agencies by building a collective body of knowledge and a shared understanding of common challenges among the stakeholders. Oxfam has successfully facilitated an agreement between the government of Sughd oblast and government of Khatlon where the former, through Agro-platform Sughd, a regional MSN on agriculture enterprise promotion, will provide institution building and mentoring support to the SFAC.
**Box 1: Stages in the Evolution of a Farmers’ Organization: Lessons from Producer Groups**

Following the linear pathway in the typical development sequence of small groups, the PGs promoted by Oxfam evolved in four stages: **forming, storming, norming** and **performing** (see Figure 5). However, although the pathway appears linear, there is significant overlap between the stages, and the transition from one stage to another is mostly seamless. In the **forming** stage members are mobilized through the awareness programme, often with support of CBOs and local community leaders. Oxfam delivers the first key message on the purpose and function of PGs. Farmers join the group through a process of self-selection and provisionally agree to a group charter. There is less clarity on purpose and expectation among the members from their group, but the group transitions to the next stage, **storming**. In this stage, differences emerge on purpose and governance mechanisms for the group. The underlying factor is local social power dynamics where powerful members and their sub-groups seek to assume key position to derive maximum benefit. For the Promoting Institution (PI), like Oxfam, managing the conflict and reinforcing the message on purpose and principle of governance becomes important to keep the group functional. Some members drop out because of disagreement with the emerging norms or because their expectations are not met. A few groups may actually get dissolved at this stage. The **norming** stage is set when members have developed a shared understanding on purpose, roles and responsibilities and expectation from the PGs. More crucially, group norms and formal and informal rules crystallize, and members are primed for common action. For PI, training and capacity-building exercises, like exposure trips, serve as a key method to boost motivation and help the group navigate through the storming to the norming stages. As the name suggests, the group starts to perform as single, coherent entity in the **performing** stage. Some groups never reach this stage and get stuck in either the storming or norming stages. For PGs the performing stage is the final self-sustaining stage where groups serve as dynamic entities that can shape the operating environment and meet complex emerging challenges on their way to achieving their objectives. Based on internal assessment, PGs promoted by Oxfam have achieved varying degrees of market maturity. Most have transitioned to the norming stage, and at least 40 percent are in the performing stage. In project cycles of fixed duration and finite resources, this is along expected lines. The key here is to leverage performing groups as nuclei to support norming groups towards the next transition.

![Figure 5: Four stages of the development of PGs.](image_url)

5. **Scale and outreach**

By end of 2017, 81 producer groups in total had been established (under both GREAT and TRIGGER projects) targeting 1,496 small holder farmers, including 29 percent women. The average land availability is 1.43 ha per member with a total 351 ha land cultivated per cluster of commodities. The clusters developed under the GREAT project were consolidated and reduced under TRIGGER, and as a
result, there are currently four clusters operational in four districts of Khatlon oblast: tomato in Kulob and Jomi districts, onion in Vose’ and rice in Balkhi district.

![Figure 6: Land area under supported commodity across four districts/clusters (n= 2168.3 ha)](image)

In terms of coverage, rice in the Balkhi in Bokhtar regions is the leading crop, both in terms of absolute coverage, total 223ha, and as a percentage of total land available for cultivation (30 percent, see Figure 6). The tomato cluster in Kulyab and Jomi has a total coverage of 82ha and the percentage of total cultivable land is much less (9.6 percent and 5.7 percent respectively). Rice cultivation in Khatlon oblast is mostly concentrated in Balkhi district, and therefore the percentage coverage is higher here. In contrast, tomato cultivation is widely spread out across the oblast as one of the principal crops of the SHFs across many districts, including Kulyab and Jomi. However, these districts are leading cotton cultivation centres with less land under other cash or food grain crops. Therefore, the proportional coverage of tomato against total land is less.

**Gender analysis of farmers’ organizations**

In general, gender relations in the agriculture system in Tajikistan is highly skewed, with women facing multiple barriers and discrimination in their participation in agricultural activities. Although a reported 20 percent of households in Khatlon oblast are female headed, because men from many households migrate to Russia for work, women’s opportunities to contribute towards agriculture are constrained, partly due to structural barriers to their participation in economic activities, but mostly due to prevalent patriarchal attitudes, beliefs and norms. Gender discrimination is starkly revealed within households, with women having much less decision-making power than men. In a socio-economic baseline conducted by Oxfam in Khatlon region in 2016, less than 50 percent of the women respondents said they had decisive role in key economic decision-making in the household, such as those related to employment, marketing of produce and access to credit. Women’s contribution in the form of paid and unpaid care work is also often underreported and poorly understood, further marginalizing them in policy discussions, development of programme design and in resource allocation. A recent Oxfam programme on women’s unpaid care work further reveals the realities of gender work-distribution. The research carried out in Khatlon in this regard notes: ‘Gender roles, appear to be entrenched with men reporting greater perceptions over the importance and contribution of decision-making, supervision, roles than women.’

Against this backdrop, the overall achievement of farmers’ organizations in furthering women’s economic empowerment is modest. The programme made headway in promoting participation and leadership of women in agriculture activities; however, it fell way short of challenging the fundamental social inequities embedded in gender relationships that provide the bedrock underlying poor gender
outcomes. This weakness was mostly due to lack of gender focus in the design of the GREAT project, which was partially addressed by Oxfam in its successor TRIGGER project, but nevertheless could not take the bold path of a transformative gender approach. The stakeholders engaged in the project had a varied, but mostly constrained, understanding of the implications of gender aspects on the overall project outcome and impact. Oxfam strived to integrate and strengthen the gender dimensions in the programme design through a multi-pronged strategy – ranging from convening dialogues, sponsoring research on gender roles in agriculture and disseminating the results to leveraging gender components from other Oxfam programmes in the action area⁴ and finally introducing ground-breaking initiatives, like women’s unpaid care work, which specifically seeks to highlight salient aspects of women’s contribution to the economy, providing a firm basis for incorporating gender into future programming.

Figure 7: Gender composition of PG leadership across four districts/clusters (n=398).

Figure 8: Gender composition of PG membership across four districts/clusters (n=1496).

The gender outreach under GREAT and TRIGGER programmes shows that overall 29 percent of the 1,496 members of the PG were women (Figure 8) while only 16 percent of the women were represented in the PG management, which includes PG members that are office bearers in the group. This shows that women are under-represented in the PG membership and had still lower representation in group leadership. A quick analysis further shows that in relative terms, women’s representation in

⁴ For example, through Oxfam’s Gender, Enterprise and Markets project (2014–2018), implemented in Khatlon. The project provided lateral support to TRIGGER and GREAT by supporting gender-based interventions in agriculture value chains.
membership and management of PGs was much higher with the two tomato clusters in Kulyab and Jomi and was negligible in the rice cluster of Balkhi. Controlling for other contributory factors, this result is most likely due to the traditionally smaller role of women in rice cultivation, which remains predominantly a male activity and the relatively larger gap in gender equity in Kurghanteppa region (where Balkhi district is located) compared to Kulyab region (where rest of the clusters/districts are located). To address the systemic gender gap in rice cultivation, Oxfam has recently introduced a new method, System for Rice Intensification, or SRI, that potentially raises productivity, reduces the cost of cultivation, enhances household food security and, importantly, provides a greater role for women in the rice production system.

Many important lessons emerge from the programme’s weak outcome on gender. Firstly, gender outcomes from the programme should be defined at the outset and then organically embedded in the programme framework. Retrofitting gender into an existing programme design generally results in a weak outcome. Since the gender lens was largely missing in the GREAT project design, there was a belated attempt to incorporate gender elements in TRIGGER, but this only achieved shallow harmonization instead of the desired deep harmonization of gender roles in the programme. Secondly, recent examples from other Oxfam programmes in the country shows that starting any programme with gender awareness training for stakeholders results in greater sensitization and capacity on gender aspects, which ultimately results in overall stronger gender impacts.

6. Main results from programme assessment

The impact of PGs and clusters can be assessed from a multi-dimensional perspective and at different levels. At the strategic level, indicators such as relevance, effectiveness and efficiency of the programme are analysed to determine the overall impact. The results of programme impact analysis are summarized in Table 1.

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<th>Area of Assessment</th>
<th>Weightage</th>
<th>Grade</th>
<th>Efficient</th>
<th>Good</th>
<th>Avg</th>
<th>Poor</th>
<th>Very Poor</th>
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<tr>
<td>Relevance and Appropriateness</td>
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<td>Good</td>
<td>Avg</td>
<td>Poor</td>
<td>Very Poor</td>
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<td>Efficiency in Implementation</td>
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<td>12%</td>
<td>Excellent</td>
<td>Good</td>
<td>Avg</td>
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<td>9%</td>
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<td>Organisational Capacity</td>
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<td>Avg</td>
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Table 1: Assessment of PGs and clusters development programme.

5 Based on analysis of socio-economic baseline survey of Oxfam conducted in 2016.
6 For details see Oxfam case study paper on SRI (2018).
7 For example, Oxfam’s Natural Resource Management programme in Zerafshon valley (2016–2020), Sughd region, where Oxfam conducted extensive gender training for all programme partners and stakeholders in the inception phase.
8 Data in this section is derived from i) independent evaluation of GREAT programme commissioned by Oxfam in 2016, ii) impact assessment of TRIGGER carried out by Oxfam in 2018, and iii) Oxfam’s case study on the Village Agronomy Model (VAM). VAM served as a supply-distribution channel for input and for advisory services to both PG members and non-PG members in the action area.
In overall terms, the PG and cluster development programme could achieve three quarters of its total desired impact.

1. The impact assessment clearly shows the high degree of relevance and appropriateness of the programme design to meet the set objectives of the GREAT and TRIGGER programmes. The indicator here pertains to geographical focus, profile of beneficiaries, issues addressed by the programme and choice of the strategy.

2. On efficiency in implementation, the programme performance was good. Under this, the programme could achieve its planned coverage with timeliness, but could only partially leverage contributions from its own and other sources. The programme synergy with other Oxfam programmes, such as WASH and GEM in Khatlon, was below par, which otherwise could have leveraged the impact to much higher level. Similarly, the programme engagement with the stakeholder was moderate, strong at the community and local government levels, but weak at regional and national levels, which partly explains the reduced impact on influencing and advocacy.

3. The process quality and delivery of output was excellent. Robust internal control and oversight in the implementation process, with a strong programme information system, ensured effective tracking of programme performance and focused delivery of output.

4. Outcome and impact achievement were good. The achievement on outcome is high as the majority of PG members have adopted the sustainable agriculture practices introduced by the programme. However, because of limited achievement on market integration of clusters and gaps in building sustainable support services (such as input supply through VAMS), the impact at this stage is moderate.

5. Sustainability of benefit is average as the market maturity of PGs and cluster institutions promoted by the programme is mixed, with several clusters not yet able to function independently and deliver sustained benefits to the members. Furthermore, the underlying constraints with the market infrastructure and challenges from tax and regulatory environments pose long-term risk to the projected benefit from the PGs and clusters. On the non-financial side, because of the programme investment in capacity building, the PGs and clusters are likely to provide benefit to members that comes from sharing of knowledge and information, self-help, group solidarity and collective action to resolve their problems.

![Figure 9: Summary of PGs and cluster assessment.](image-url)
6. The organizational capacity of Oxfam to implement a PG and cluster development programme can be rated as good. Within this, the programme strategic direction was clear and responsive to the external environment, as evidenced by adaptive measures taken in the programme, such as the launch of the SFAC as a regional platform to anchor newly emerging issues in agricultural enterprise (private sector collaboration, advocacy) that could not be potentially addressed at the cluster level. The human resources needed for the development of such Farmers’ Organizations was deficient with fewer staff deployed for community mobilization, capacity building and monitoring and gaps in staff skills and expertise to deliver on crucial areas, such as gender mainstreaming, institutional development and building links to financial services.

7. Impact on PG members
The specific impact of the programme on members of the PGs was assessed on indicators including awareness, knowledge and adoption of sustainable agriculture practices by PG members; income and productivity of farmers that were members of the PGs; and finally the broader impact related to Farmers’ Organizations’ emerging role in carrying out advocacy and influencing issues pertaining to SHF agriculture, conducting successful negotiations with private agencies and public institutions to secure their group interest, and their ability to respond effectively to dynamic changes happening in the agriculture sector in the country.

Based on impact assessment, the overall picture shows that while farmer members of the PGs and clusters have developed capabilities and skills in joint action, collective bargaining and market negotiations, they are not yet at the stage of functioning independently as autonomous, self-sufficient, dynamic institutional entities. This is especially true of the cluster level platforms. As young entities they have not yet reached the ‘performing’ stage (see Box 1). The capacity of clusters to independently explore market linkages, provide cost-efficient storage, process and value additional services to members, and their link effectively with the private sector is limited. Most of these roles at this stage are facilitated by Oxfam and, based on assessment, it will take at least two years of dedicated investment in the institutional capacity of clusters and the new regional level institution, SFAC, to build their capabilities and start functioning independently. As a strategic approach, from now on Oxfam will focus exclusively on the institutional development of existing clusters and the SFAC (while putting a freeze on future expansion of PGs) to leverage these institutions for improving market linkages and promotion of agriculture-based enterprise in the region.
8. Summary of PG assessment

The short-term result clearly shows that PG members have achieved improved yield and productivity for selected crops. The main results are further analysed below.

Impact on crop productivity

- SHFs that are members of PGs linked to VAM have achieved major improvements in productivity for onions and tomatoes (Figures 10 and 11). The net productivity improvement in onion crops between PG members linked to VAM and non-PG members is 48 percent (2017) and 40 percent (2018). In tomatoes the yield increment is even higher, 64 percent (2017) and 83 percent (2018) for the two respective groups. These results clearly demonstrate the impact of VAM in improving the productivity of SHFs.

- It is interesting to note that the non-PG members also show a significant jump in productivity when compared to the average yield from the district for both crops in two years. This can be attributed to the spillover effect of PGs and their supporting structures, such as VAMs. Non-PG members belong to the same village as PG members and benefit from peer learning from PG members. Furthermore, they also have access to VAM agro-shops for purchasing high-quality input. For the members of the PG, the crucial difference is their membership of the group, which provides them with intensive training on the use of improved technology and input for high productivity. In addition, the PG members also benefit from continuous monitoring and advisory support from the VAM entrepreneurs throughout the cropping season.

- Based on the aforesaid points, it can be surmised that while local availability of input and peer learning does contribute to a marginal increase in productivity, for a major boost, institutional support of PGs is of critical importance.

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9 Impact assessment is based on preliminary analysis of field data. Due to seasonality factors in agriculture, only limited data is available at this point and data for more crops is likely to be available from end of 2018.
10 Data obtained from the local Hukumat (district) office of two districts.
11 Based on interim assessment and discussion with the farmers from all three groups.
While revenue and sales assessment of tomatoes and onions has not been carried out for the latest cropping season, it is reasonable to expect a major jump in net income for SHFs that are part of a PG compared to non-PG members. As in previous years, this net increase in income is likely to come from joint sales of produce by farmers through the commodity clusters promoted by Oxfam as a commodity specific aggregate of PGs operating at the district level.

It is also worth mentioning the enormous impact of collective purchasing of agricultural input and services. Farmers, especially smallholders, make significant savings on bulk purchases from cutbacks to operational costs (like transportation) and improved negotiating power. Over 80 percent of members have engaged in collective purchasing of agriculture inputs resulting in 11 percent savings on the total cost. Farmers have improved their position in negotiations, improved their access to different markets and have more accountable deals with certified suppliers.
9. Conclusion

Learning derived from several developing countries shows that building collectives of small producers is a long-term task, where enabling policy support and the appropriate legal environment play a critical role. This is all the more important for poor country like Tajikistan, which is still transitioning from the old Soviet model of collective farming to the new, smaller, private-holding model. Gross deficiencies in agricultural and market infrastructure and a meagre budget allocation are further making it harder for small producers to achieve break-even in farming operations. An agricultural policy regime that provides incentive and protection to SHFs in the form of minimum support price for main crops, crop insurance, lower taxes and import tariffs on inputs, such as seeds, the regulation of the fertilizer market, and public investment in storage and post-harvest facilities, are some of the areas for reform. The Farmers’ Organizations facilitated by Oxfam faced these constraints, which is reflected in the overall mixed impact on productivity and income.

There is no existing legal framework to promote and govern farmers’ collectives, like PGS and clusters, in the country. The PGs and clusters serve as informal, self-organized farmers’ groups under

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12 In 2016 >3% of the national budget was allocated to the agriculture sector.
the umbrella of CBOs. In the absence of a formal legal framework, these institutions will find it hard to perform as group-based business enterprises. Since they are distinct from pure business entities in terms of their structure and objectives, their long-term growth will depend on their being recognized as a separate category of farmer-producer company, that is geared towards profit generation for members.

As noted earlier, the basic motivation of farmers to become members of the PGs and clusters is to get quality input supply at a lower cost and to sell their produce in the market. The programme achievement on improving input supply was significant, but access to profitable markets remained a challenge. To overcome the marketing barrier, the clusters on onions and tomatoes have mobilized their internal resources, and with a part contribution from the project, are now building new collection centres for the two products in Vose’ district and Dahana jamoat respectively. These collection centres, managed by cluster committees, will provide storage and marketing facilities to members. The local authorities have supported the cluster by providing free land and basic infrastructure. It is expected that the clusters will be able to provide the market information and physical space to small producers to help them to aggregate and sell their produce at competitive market price.

The intangible gains of Farmers’ Organizations, such as solidarity among the farmers, cohesion in the group and emerging social capital, is often discounted in programme assessment. Nevertheless, for many of the first-generation small producers of Khatlon, the benefit of finding their collective voice through the PG platform was big achievement, given that no such opportunity of coming together had been available in the past. During the programme assessment, many members valued this aspect far more highly than the anticipated benefit of higher income.

10. Follow-up
In the anticipated next phase of the programme, Oxfam will invest in facilitating systemic reform in the SHF agriculture system. The platforms set up in past years will serve as cornerstones for advancing the level of
institutional development, primarily geared towards building equitable value chains linked to national and export markets.

The clusters have not yet achieved full institutional maturity to function as autonomous and dynamic entities. In the next phase, clusters will be further strengthened to improve their business and enterprise management skills. Oxfam is setting up the SFAC Khatlon as the apex oblast-level agro-platform that can work towards attracting private sector investment in the agriculture sector of Khatlon and develop strategic collaboration with other regional agro-platforms in the country. The SFAC can also serve the crucial purpose of being an advocacy platform to kick-start policy reform in the agriculture sector of the country.

Photo: Oxfam in Tajikistan
DISCLAIMER:

The Towards Rural Inclusive Growth and Economic Resilience (TRIGGER) project was implemented by Oxfam GB in Tajikistan along with Deutsche Gesellschaft für Technische Zusammenarbeit (GIZ) and the financial support of BMZ.

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