

Challenges Facing Small Milk Producers in Two Villages in Beni–Suef Governorate

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ABSTRACT

Small Milk Producers (SMPs) in Egypt are currently suffering from the absence of public Extension and Advisory Services (EASs) due to the ever-decreasing numbers of Village Extension Workers VEWs and ever-declining Governmental funding. New arrangements need to be initiated for effective provision of these services. Contract-based agreements, involving different stakeholders, represent an appropriate platform for linking SMPs with local market by providing them with their needed and demanded EASs.

This study aimed to investigate the challenges facing a platform established for linking SMPs with markets in two villages in Beni–Suef Governorate. The study was conducted in (Halabiya and Ghafar) Villages in Beni–Suef Governorate, A personal interview questionnaire was used to collect data from all the SMPs who signed a contract with two Non–Governmental Organizations (NGOs) (and their number 107 respondents, 26 females, and 81 males from the two mentioned villages respectively), within a platform established for providing SMPs with needed knowledge and skills for improving the quantity and quality of their production. In addition to the SMPs, this platform included a private milk marketing company and dairy production experts from the public and private sectors. Frequencies and percentages were used for data presentation and analysis.

Results revealed several financial, marketing, and production challenges that face the platform. The respondents' suggested

recommendations to face these challenges include: increasing prices of SMPs' products; securing timely provision of subsidized inputs, enhancing all partners' accountability, attracting more milk processing companies to join the platform; and providing SMPs with quotas of production inputs on credit through their NGOs.

Key Words: Challenges, Extension and Advisory Services, Small Milk Producers, Beni-Suef.

Introduction

Since the application of Economic Reform and Structural Adjustment Programs (ERSAP), in the mid-1980s, Egypt's Agricultural Services (EASs) public and free, provided by Village Extension Workers (VEWs), have been ever-decreasing due to the Governmental policy of not recruiting new VEWs in addition to the ever-shrinking Governmental budgets allocated to these services. Consequently, SMPs are currently suffering from the absence of these services. Public Private Partnerships (PPPs) represent a more pluralistic extension approach, that involves SMPs as members in an autonomous NGO, and relevant partners, stakeholders, service providers, through contract-based agreements, could secure good quality EASs for SMPs.

As reported by (Kozin, et al:2020), PPP is traditionally considered as an effective interaction between the state and business in various forms by combining their resources to achieve the common goals of socio-economic development.

Several research results, from different Less Developed Countries (LDCs) confirmed the necessity and advantages of establishing PPPs, Innovation Platforms (IP), or Innovation Systems (IS), for modernizing agriculture through providing small farmers and producers with the EASs that enhance their agricultural productivity and farming income.

For example, in Egypt, as concluded by (El-Shafie et al, 2022), establishing partnerships among relevant stakeholders and service providers to provide small producers with their needed and demanded extension and advisory services, is highly recommended. They could involve different agricultural extension and rural development actors including civil society organizations and the private sector. The government should play an important role in supervising the whole activities, training and licensing extension personnel, protecting small producers' rights, quality control, judging, and disagreement or disputes among the different partners. The other recommendation is encouraging small producers to establish their own autonomous civil society organizations, that could aggregate the individual powers of individual producers, facilitate their access to their needed and demanded EASs, and improve SMPs' bargaining and negotiation powers.

The Kingdom of Saudi Arabia, (Herabet al, 2022) indicated First, the importance of further popularizing partnerships in the cooperative sector occurs by developing multi-stakeholder platforms to articulate policy frameworks guiding public and private actors with the agricultural cooperatives. Second, the assessment of a partnership as successful should be supported by more rigorous methodologies systematically evaluating the outcomes of engagements.

In Uganda (Aseeteet al, 2022) indicated that PPP was of great benefit to farmers for promoting innovations that increase production, productivity, market participation, and food security.

As reported by (Kalibwniet al,2022) the multistakeholder approach of the IP has the potential to improve milk production at the household level through training in dairy management, fodder preparation, and other services that were offered to the IP members.

In Kenya, as reported by (Eidt et al,2020), the challenges facing many of Kenya's rural communities, including widespread poverty and household food insecurity, make increasing the productivity of the agricultural sector a high government priority. The agricultural policies and programs that have been put in place tend to emphasize the importance of building stakeholder linkages and ensuring the participation of small-scale farmers in driving innovation and economic growth. Within this context, innovation platforms have been identified as a viable way to promote technological innovation and market access in rural Kenya.

As indicated by (NJAS;2019), Within the agricultural sector, PPPs have become increasingly popular within the mix of policy instruments aimed at promoting innovation, and they have been mentioned as a solution to counteract interaction problems between actors.

The study conducted by Kale and Mbataru (2022), concluded that:

- a) PPPs are important in assisting small-holder sorghum farmers to gain access to farming training which led to an increase in sorghum production,
- b) farmer groups assisted small-holder farmers to access credit and financial assistance,
- c) farmers sold their sorghum produce through farmer groups which gave them bargaining power and made it easy for them to deliver their produce to the market,
- d) through public-private partnerships, small-holder farmers were able to access farming inputs easily and on time,
- e) most of the farmers had received farming inputs through the PPP, which led to improved sorghum production,
- f) the availability of markets encouraged the sorghum farmers to produce more.

(Brown, et al:2021), reported that IPs can be a useful approach, particularly to enable the adoption of Conservation Agriculture-based Sustainable Intensification (CASI) practices.

The study problem and objectives

The problem of the study was to identify the challenges facing a platform established for linking SMPs with markets, by providing them with their needed and demanded EASs, in addition to exploring the SMPs' recommendations for improving the EASs provided by the platform through facing its main threats.

The objectives of this study were to

- a) Identify the Conservation Agriculture–Based Sustainable Intensification facing the platform established for linking SMPs with the local market.
- b) Explore the SMPs' opinions concerning the methods of handling the challenges facing them and their suggested recommendations both to face these challenges and improve the performance of the challenges.

Methodology

The study was conducted in two villages: Halabiya and Ghafar in Beni–Suef Governorate, 145 Km from Cairo. Data were collected by using A personal interview questionnaire from all the SMPs who signed a contract with the NGO.

Those SMPs were 107 from the two mentioned villages (26 females, representing 24.3 %, and 81 males 75.7 %).

The data collection tool included open–ended questions directed to the respondents to express their points of view related to the challenges facing them in receiving the EASs they need for improving the quantity and quality of their milk production in addition to their suggested recommendations for handling these challenges and their suggested recommendations for positive reactions needed for facing these challenges. The SMPs were members of two NGOs, working to receive the milk produced by SMPs, according to predetermined and agreed–upon

specifications. Frequencies and percentages were utilized for the analysis and presentation of the results.

Results

Several challenges facing the platform in providing SMPs with their needed and demanded EASs. Revealed by the study findings Shown in Table (1), be summarized as follows:

classified into 4 categories, namely: communication and educational; production and marketing; and administration. The most important of these challenges are as follows:

1-) Communication and educational challenges

This category includes a lack of access to information about new innovations (as reported by 96.3% of the respondents), a lack of information about local and exporting markets (96.3%), and limited numbers of qualified and experienced extension workers (93.5%).

Suggested SMPs ' recommendations to face these challenges include: providing SMPs with timely information about different indicators related to markets (local, regional, and global); recruiting new extension workers in the public EASs or contracting with well-experienced extension workers for a specific time period covering the production and marketing season.

2-) Production and marketing challenges

This category includes: the absence of exporting companies during harvest times (97.2%), delays in providing production inputs (97.2%), decreasing subsidy on production inputs (97.2%), low and fluctuating prices of SMPs' products provided to local markets (96.3%), low and fluctuating prices of SMPs' products provided to exporting markets (96.3%), fragmented small landholdings (92.5%), High risk (uncertainty) in many agricultural activities(70.9%), Limited numbers of skilled farm laborers

(91.6%), Weak marketing infrastructural facilities (83.2%) and High marketing wastes (63.6%)

Suggested SMPs' recommendations to face these challenges include: providing SMPs with quotas of production inputs on credit through their NGO, the commitment of the contracting exporting companies to timely provision of fair prices, providing the legal mechanisms to guarantee the accountability of each partner in the platform, and providing incentives to attract more exporting companies to join the platform during harvesting seasons.

3-) Administrative challenges

Examples of administrative threats include the long time needed for establishing NGOs (90.7%), too many paperwork needed for establishing NGOs (90.7%), weak PPPs' institutional framework (55,1%), limited administrative skills among NGOs' staff (72.9%), and Complicated governmental control procedures on NGOs (81.3%).

Suggested SMPs recommendations to face these challenges include: providing technical assistance to NGOs to help with the needed paperwork and facilitate their establishment, securing the administrative assistance of well-trained staff to help the NGO assume management procedures in addition to the capacity building of the NGOS' staff through regular training to upgrade their administrative skills.

4-) Financial challenges:

The most important challenges of this category include high prices of production inputs (96.3%); low and fluctuating prices of SMPs' products provided to local markets (Low marginal profit) (96.3%), resulting in low and fluctuating prices of SMPs' products provided to Exporting markets (Low marginal profit) (96.3), Restricted budgets allocated for advisory services (95.3%), Weak financial resources of the newly established NGOs (94.4%), limited financial resources provided to NGOs (41.1%), and Restricted

financial resources of the NGOs' members (platform' beneficiaries) (96.3%).

Suggested SMPs' recommendations to face these challenges include:

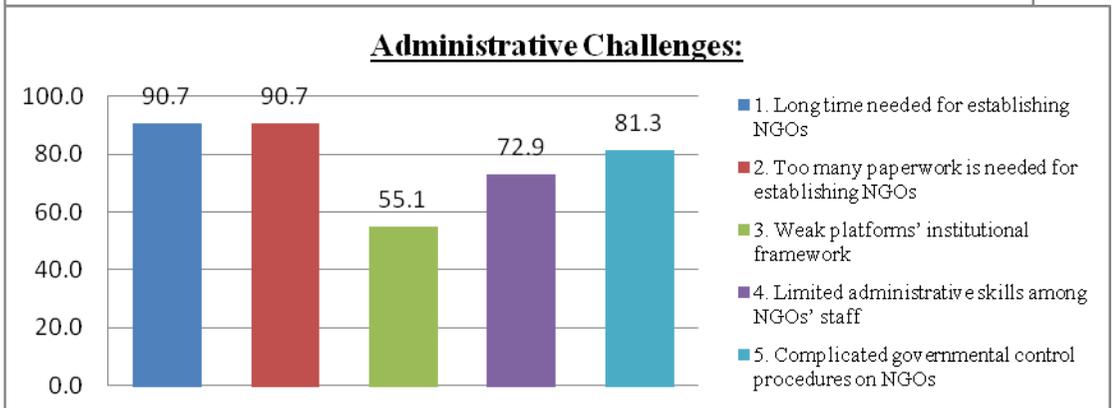
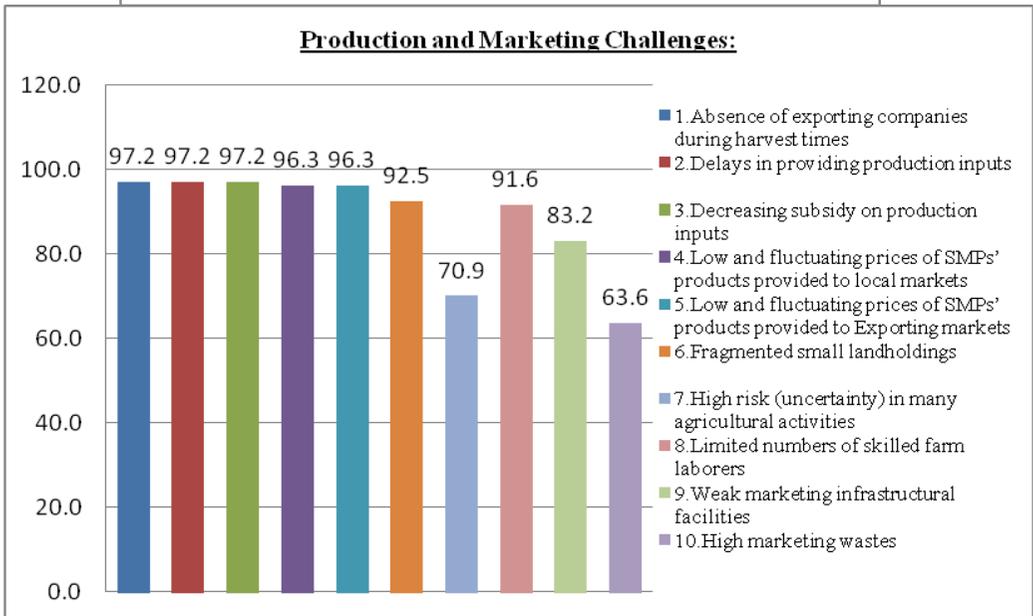
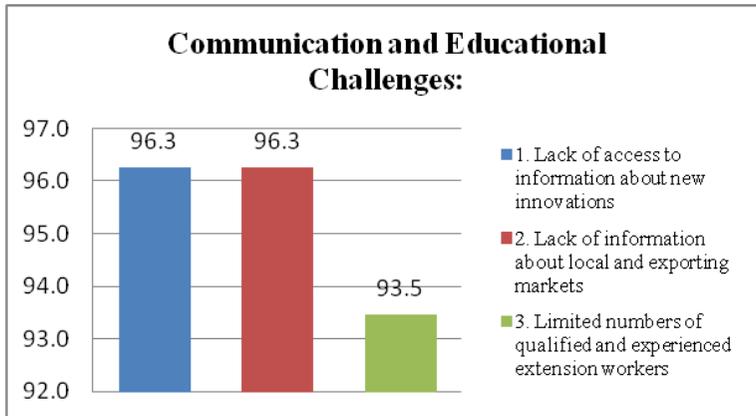
Increasing prices of SMPs' products, providing SMPs with subsidized inputs through their NGOs, and developing new financial initiatives to support the NGO's budget.

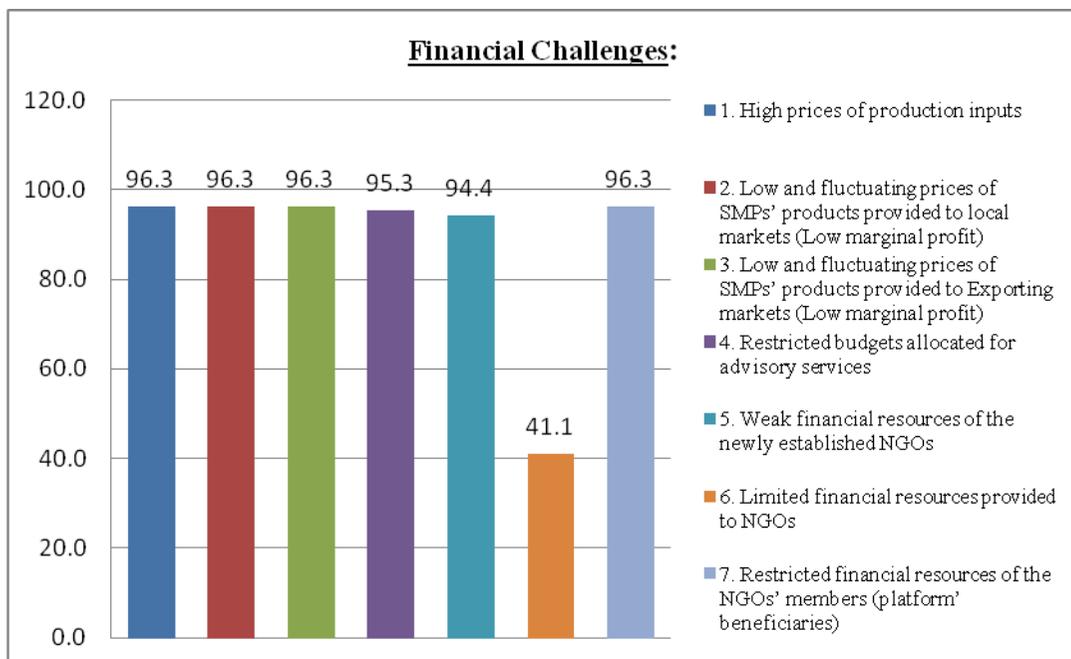
SMPs' Suggested recommendations for improving the performance of the platform

Several recommendations were suggested by the respondents for handling the challenges facing the platform and sustaining its effective functioning. Among the most important of these recommendations are the following:

- 1- The distribution of roles and responsibilities of each partner in the platform must be discussed, agreed upon and documented in the contract.
- 2- Incentives for each partner must be provided for securing the continuing functions of the platform.
- 3- Specific institutional arrangements need to be developed for maintain the platform. Establishing a permanent office for the platform is an example of these arrangements.
- 4- Empowering the different partners in the platform through regular training programs, discussions, and dialogues among all partners.

First: Graphs





Second; Tables

Table no,1 challenges facing the platform as reported by the SMPs (N=107)

Challenges	N	%
Communication and Educational challenges:		
Lack of access to information about new innovations	103	96.3
Lack of information about local and exporting markets	103	96.3
Limited numbers of qualified and experienced extension workers	100	93.5
Production and Marketing Challenges:		
Absence of exporting companies during harvest times	104	97.2
Delays in providing production inputs	104	97.2
Decreasing subsidy on production inputs	104	97.2
Low and fluctuating prices of SMPs' products provided to local markets	103	96.3
Low and fluctuating prices of SMPs' products provided to Exporting markets	103	96.3

**Continue table no. 1: 1 challenges facing the platform as reported by the SMPs
(N=107)**

Challenges	N	%
Fragmented small landholdings	99	92.5
High risk (uncertainty) in many agricultural activities	75	70.9
Limited numbers of skilled farm laborers	98	91.6
Weak marketing infrastructural facilities	89	83.2
High marketing wastes	68	63.6
Administrative challenges:		
Long time needed for establishing NGOs	97	90.7
Too many paperwork is needed for establishing NGOs	97	90.7
Weak platforms' institutional framework	59	55.1
Limited administrative skills among NGOs' staff	78	72.9
Complicated governmental control procedures on NGOs	87	81.3
Financial challenges:		
High prices of production inputs	103	96.3
Low and fluctuating prices of SMPs' products provided to local markets (Low	103	96.3
Low and fluctuating prices of SMPs' products provided to Exporting markets	103	96.3
Restricted budgets allocated for advisory services	102	95.3
Weak financial resources of the newly established NGOs	101	94.4
Limited financial resources provided to NGOs	44	41.1
Restricted financial resources of the NGOs' members (platform' beneficiaries)	103	96.3

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التحديات التي تواجه صغار منتجي الألبان بالسوق في قريتين بمحافظة بني سويف

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المستخلص

يعاني صغار منتجي الالبان في مصر حاليا من غياب الخدمات الارشادية والاستشارية الزراعية بسبب التناقص المستمر لأعداد المرشدين الزراعيين بالقرى المرشدين الزراعيين والتراجع المستمر في الميزانيات الحكومية المخصصة للإرشاد الزراعي الحكومي. ويحتاج تقديم هذه الخدمات الى مبادرات جديدة للتوفير الفعال لهذه الخدمات. وتمثل الاتفاقيات المبنية على التعاقد والتي تتضمن مختلف الاطراف المعنية منصة مناسبة لربط صغار منتجي الالبان بالسوق المحلي وذلك من خلال توفير ما يحتاجونه وما يطلبونه من تلك الخدمات. وقد استهدفت الدراسة استكشاف التحديات التي تواجه منصة انشأت لربط صغار منتجي الالبان بالاسواق في قريتين بمحافظة بني سويف، وقد أجريت هذه الدراسة في قريتي الحلابية بمركز بني سويف وجعفر بمركز الفشن بمحافظة بني سويف. وتم جمع البيانات من جميع صغار المنتجين المتعاقدين مع المنصة وعددهم 107 مبحوثا (26 منتجة، 81 منتج) كأعضاء في هذه المنصة والتي انشأت لتوفير المعلومات والمهارات التي يحتاجها الاعضاء لتحسين كمية ونوعية انتاجهم. وبالإضافة إلى صغار المنتجين المنضمين للمنصة كأعضاء في منطمتين غير حكوميتين، فقد تضمنت هذه المنصة شركة خاصة لتسويق منتجات الألبان و أيضا خبراء في منتجات الألبان من القطاع العام والخاص. وقد استخدمت التكرارات والنسب المئوية لتحليل وعرض البيانات وكشفت نتائج الدراسة عن العديد من التحديات التمويلية والتسويقية والانتاجية التي تواجه المنصة مثل انخفاض أسعار توريد الألبان مع رفض بعض شركات التوريد الكميات الموردة من الألبان. وتتخلص التوصيات التي اقترحها المبحوثون لمواجهه هذه التحديات ما يلي: تحسين أسعار منتجات الأعضاء، ضمان توفير مدخلات الإنتاج المدعمة التي يحتاجها صغار المنتجين، تدعيم المحاسبة لكل الاطراف المشاركة، جذب المزيد من شركات الالبان للانضمام لعضوية المنصة، وتوفير حصص من مستلزمات الإنتاج للاعضاء من خلال قروض توفرها منظماتهم،