

# Cooperative-to-Cooperative Platform

## Expanding Networks for Community-Led Business Development



**SEED**

promoting entrepreneurship  
for sustainable development



### Background

Malawi's agriculture sector is facing multiple challenges related to the threats of climate change. Changing weather patterns resulting from such as fluctuating temperatures, changing rain patterns and weather shocks can destroy expected returns from harvests and trap farmers and households in cycles of poverty. This is exacerbated due to high levels of dependency on rain-fed agriculture.

Cooperatives have proven to be a central organisational model for social inclusion, economic growth and a multiplier of capacity building efforts across economic sectors. Cooperatives rooted in communities support the activities of smallholder farmers and agribusinesses that are the core of employment in agriculture sector. They support these enterprises to access climate-smart technology and extension services. However, agriculture cooperatives in Malawi lack coordination and there are limited opportunities or platforms for sharing best practices. Additionally, many cooperatives have limited knowledge and skills for supporting climate-smart agriculture approaches. They also tend to fail to attract younger generations of agribusinesses and have weak links to markets for sustainable agriculture value chains.

### Solution Overview

The **Cooperative-to-Cooperative Platform for Climate-Smart Agriculture** is a digital platform offering combined performance indexing, knowledge sharing, and matchmaking between cooperative unions and cooperatives across Malawi. The platform supports the further coordination of cooperatives and public sector initiatives in Malawi. This proposed policy instrument combines:

**Co-operative performance assessment and index** that builds on existing data and mapping of active cooperatives and cooperative unions across Malawi and solicits additional information through cooperative unions to build a picture of climate-smart value chains and the market potential of these value chains for public and governmental use.

**Cooperative-to-Cooperative Matchmaking for Capacity Building around youth entrepreneurship** that links best practice cooperati-

<b>Focus:</b>	Climate Change Adaptation
<b>Ecosystem Impact:</b>	Business Development Services, Entrepreneurial Mindset
<b>Lab Cycle:</b>	Policy, Malawi 2019
<b>Challenge Hosted by:</b>	Malawi Federation of Cooperatives (MAFECO)

### Policy Relevance

The cooperative-to-cooperative platform will support the drafting and implementation of targeted policy for the development of climate-smart agriculture value chains by:

**Informing policy agendas** with evidence on climate-related risks and climate-smart agriculture practices and by streamlining cooperatives performance indexing and data collection for evidence-based policy-making.

**Influencing the Cooperative Development Policy drafting<sup>1</sup>** by ensuring that climate-resilient business models are prioritised within policy and a commitment to youth entrepreneurship for climate-smart agriculture is strengthened.

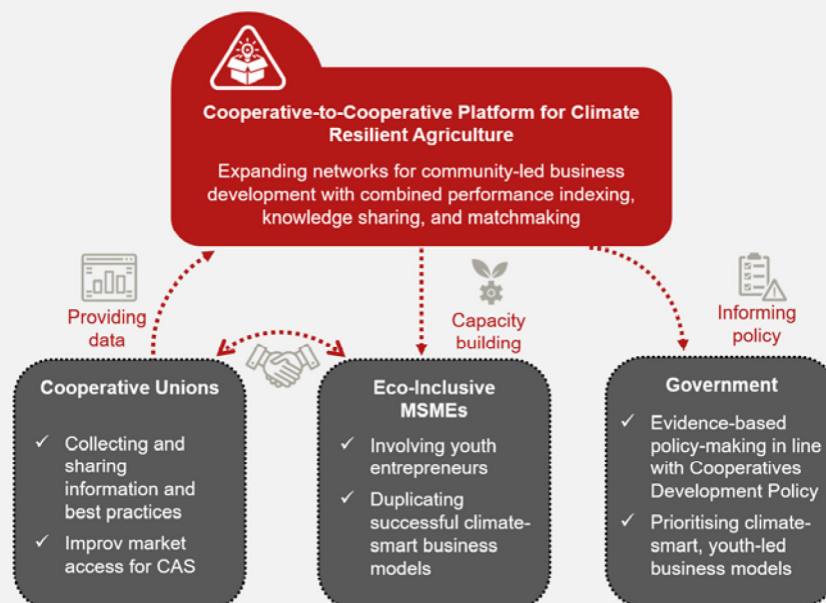
ves and cooperative unions, as assessed by the cooperative performance index, with those in need of capacity building to adopt climate-smart agricultural practices and access markets.

### Key Features

This proposed solution for leveraging the community-based networks and capacity build opportunities offered by cooperatives:

1. **Employs decentralised approach to co-operative performance surveying** which relies on networks of cooperative unions to solicit additional information on membership demographics, major climate-related risks, uptake of climate-smart value chains and market reach of cooperative networks.

[1] Malawi's Cooperative Development Policy from 1997 is currently being revised. Government of Malawi (1997). Cooperative Development Policy. Retrieved from: [https://cepa.rmportal.net/Library/government-publications/Cooperative%20Development%20Policy%201997.pdf/at\\_download/file](https://cepa.rmportal.net/Library/government-publications/Cooperative%20Development%20Policy%201997.pdf/at_download/file).



2. **Launches integrated digital platform and roadshow of networking opportunities**, allowing cooperatives in need of capacity building support to link with best practice cooperatives that have effectively engaged youth entrepreneurs and supported the development of climate-smart agriculture value chains.
3. **Offers targeted capacity building support packages for youth-led climate-smart entrepreneurship** to inform cooperatives of the existing policy environment and extend access to support (in the form of toolkits and/or smaller group workshops) in enlisting youth entrepreneurs to deliver climate-smart agriculture business models.

## Benefits to Eco-Inclusive Entrepreneurship

This proposed policy instrument combines a cooperative performance index and matchmaking platform to cultivate entrepreneurial mind-sets and youth-led, eco-inclusive agricultural enterprises<sup>2</sup>. Youth entrepreneurship offers great potential in the transition to a climate resilient and socially inclusive Malawian economy. The platform supports this transition by ensuring:

**Activation of youth-led agribusinesses and involvement in cooperatives** through the delivery of business development services which directly target youth involvement and the growth of business-oriented cooperatives for sustainable agriculture markets.

**Capacity building support is made available to growing youth-led eco-inclusive enterprises** to adopt effective climate-smart business models and improve market access through their involvement in cooperatives across Malawi.

## Role of Government

In order to increase coordination among cooperatives and develop markets for climate-smart and youth-led agribusinesses, government support is required to:

- Advocate within policy for youth-led entrepreneurship to deliver climate-smart agriculture solutions, leveraging the support of agriculture extension services in particular.
- Audit and record achievements of cooperatives through a transparent system for improved performance indexing and matchmaking.
- Operationalise key recommendations of the Cooperative Development Policy and the Department of Cooperatives through targeted measures that enlist the support of all levels of government for knowledge sharing and capacity building for climate-smart and socially inclusive agricultural markets.

## Solution Developer



**Malawi Federation of Cooperatives (MAFECO)**

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**SEED Practitioner Labs Policy Prototyping** work with policymakers, eco-inclusive enterprises and intermediaries over a multi-step collaborative process to design policy instruments which increase access to and improve the quality of support mechanisms for socially inclusive and environmentally sustainable enterprises looking to scale their environmental, social and economic impacts

<sup>[2]</sup> Eco-inclusive enterprises are micro-, small- and medium-sized enterprises (MSMEs) that deliver combined environmental, social and economic benefits.