REPUBLIC OF YEMEN
The Republic of Yemen was established in 1990 through the unification of the Arab Republic of Yemen and the Peoples Democratic Republic of Yemen. Located in the southwest corner of the Arabian Peninsula, comprises a land area of over half a million km² but the population lives on only 2% of its geographical area and only 3% is considered cultivable of which less than half is normally cropped due to lack of rain or water.

Poverty still remains the major challenge of the country. The second major challenge, is the annual growth rate keeping Yemen among one of the fastest growing population in the world.
THE ROLE AND FUNCTIONS OF MIAN INSTITUTIONS & PRODUCERS GROUP
SOCIAL FUND FOR DEVELOPMENT (SFD): SFD is an autonomous public agency, strongly committed to poverty reduction, and recognized as the leading institution in Yemen in this field. Established in 1997 with low number (10).

District Local Councils (DLCs) The core functions of the District Local Council is to propose and prepare the district economic and social development plans and projects and supervise their implementation.

Tribal Structures Yemen society is known for its strong affiliation to the tribal system, which is deeply rooted in people's economic, social and political life. Tribal leaders continue to play an important role in the redistribution of goods and services and the settlement of conflict.
Individual male and female farmers in targeted communities organize themselves in groups and undertake the following tasks:

- Identify agricultural and livestock production initiatives.
- Elect rural producer groups’ representatives to form the Community Rural Producer Committee.
- Develop sub-project proposals and submit them to Community Rural Producer Committee.
- Receive funding and/or services to implement sub-projects.
- Report to group members and Community Rural Producer Committee on sub-project implementation progress.
- Share experiences with other groups within their communities and in other communities.
- Participate in initiation, preparation and implementation of inter-community sub-projects with groups from other communities.
Yemen has very long history with cooperative work. There are many types of informal collective society; economic, social collective society (alghorm, alaanah ..ect).
The formal cooperative work was started in 1956 in southern Yemen, while in northern started after Yemeni revolution in 1963. After the unification the government issued the “cooperative law” No.(18) for the year 1994 which was replaced by the “Cooperative Societies and Cooperative Union Law” No.(39) for the year 1998.
Where study took place

● The fours study sites represent different ecological zones as follows:
  ● Bani Matar District – Sana’a Governorate represents the Middle Plateau zone
  ● Al-Mahweet District – Al-Mahweet Governorate represents the Mountain Ranges zone
  ● Al-Mahweet is one of the limited governorates that has no branch for the General Agricultural Cooperatives Union
  ● Abs District – Hajja Governorate represents the Tihama Plain zone and middle Plateau
  ● Tuban District – Lahj Governorate represents the Southern Plateau and Costal Zone
THE GOALS AND OBJECTIVES

Assess and build on the potential of rural institutions to augment access to public and private services to the rural poor.
The main roles of the agricultural cooperative are: Agricultural production, Agricultural marketing, Animal production and animal resources, Agricultural inputs supply, Irrigation and water establishments, Environmental protection and soil and water conservation: Rural woman empowerment Activation of extension services Education and literacy Funding and credit in terms of giving members access to credit services Training and capacity building Poverty alleviation through provision of small scale enterprises for the poor.
Cooperative are to be registered with the Office of Social Affairs in their respected locations and according to legal framework and regulations included in the law. The Office of Social Affairs and the District Local Councils are authorized to supervise cooperative work which is to be audited by the Central Organ for Control and Auditing (COCA).
Government policy towards agricultural cooperatives

- The government of Yemen counts on agricultural cooperatives to achieve food security.
- The relationship between cooperatives and District Local Councils is to be clearly defined in the law. Also, the overlap between the Office of Social Affairs and the Local Council in regard with supervising the cooperatives need to be settled.
- The role of the General Agricultural Cooperative Union (GACU) is to be clearly defined. It should not focus on increasing its own financial abilities and profits on the account of member cooperatives. Coordination, technical, and institutional support, training, capacity building, and cooperative policy framework are to be the main focus of GACU.
- The Cooperatives law is to be revised in a way that guarantees appropriate utilization of cooperatives resources.
Why agricultural cooperative societies were selected as focal point institution in the study

- Agricultural cooperative societies exist in all governorates in the Republic of Yemen, the biggest number is in Al-Hodeidah (163) and Ibb (106) and the smallest in Al-Jawf (8) and Raymah (1).

- Total number of various types of cooperatives societies and unions registered with the Ministry of Social Affairs in Yemen is 1410 from which 850 (60.3%) are agricultural cooperatives societies (ACSs).

- Total number of agricultural cooperative societies and unions registered with the Agricultural Cooperative Union (ACU) is 554 with membership exceeding 132,586 households and with capital investment exceeding YR 3,270.7 million.
Main characteristics of cooperatives in study sites

- Cooperative geographical coverage can be Ozla, district or more than one district
- Cooperatives membership varies significantly from 107 (Bani Shehab) to 5,619 members (Al-Shatri)
- There is no female membership in Bani Shehab and Aljar, 1.8% in Al-Argoob, and 7% in Al-Shatri
- There are female members in the board of only one cooperative (Al-Shatri)
- Cooperative capital varies between YR 35 million (Al-Argoob) and YR 260 million (Al-Shatri)
- Percentage of cooperatives membership from the total number of farmers in the geographical zone is 30% in average. The lowest percentage is in Aljar where almost all members are investors from outside the area and the highest in Al-Shatri (68%)
- Three cooperatives have been established as result of local initiatives by community elites while in Al-Shatri was established as a government organ during the socialist era.
Constraints to agricultural production in Al-Mahweet

Small and fragmented agricultural holdings

Agricultural production do not cover farmers needs because of

a) rainfed irrigation
b) low production landraces
c) spread of agricultural pests and
d) low prices of agricultural products

Lack of agricultural credit services that suites farmers situation (high interest rate, inappropriate timing, and guarantee is above the farmers capacities)

Lack of veterinary and animal health services
Major constraints to agricultural production in Abs District

- Water Resources: lack of underground water and low rainfall rates
- Lack of resources and funding sources to meet the high cost of agricultural production
- Due to low returns, farmers abandoned agriculture to trade in animals, work in qat farms, or work in public services sector
- Outbreak of animal diseases (The Rift Valley Fever)
- Frequent floods that hit that valley part of the district very frequently and caused death of people, killed animal, damaged agricultural crops and caused soil erosion
Major constraints to agricultural production in Tuban

Marketing:

Agricultural production plans: Farmers and concerned governmental entities do not develop agricultural production plans that assist farmers to produce agricultural products.

Low Productivity:

Credit Services

Agricultural and Farming Practices

Lack of grazing land and appropriate veterinary services in the area

Lack of irrigation water and conventional, non-rationalized irrigation techniques are used

Terraces abandonment
Major constraints to agricultural production in Bain Matar

- Lack and high cost of labor: due to internal migration and very high competition with qat farmers, crops and coffee growers suffer from lack of labor during critical periods in the agricultural calendar.

- Lack of funding: due to high level of poverty associated with increased agricultural production cost, majority of farmers are unable to afford enough resources to cultivate their lands in an economically viable manner.

- Soil Erosion: Soil erosion is evident in terraces on hill slopes overlooking intermountain plains. Totally or partially damaged terraces as a result of abandoning or road construction.

- Small and fragmented agricultural holdings
Issues and implications of research

Policy issues and implications

- Cooperative work needs to be institutionalized. Cooperatives must have strategic plans.
- Additional resources need to be allocated for cooperatives.
- Monitoring and evaluation processes need to be one of the main concerns of cooperatives boards.
- Cooperatives constitutions, by laws, and internal systems must be a) well known to all members b) periodically reviewed and updated and c) put into action.
- Need capacity building program for members to be delivered by the cooperative movement.
Areas of policy improvement

- The Cooperatives Law needs to be reviewed and modified in a way that accommodates new developments in the agricultural sector, decentralization process, and market directions and demands.
- Role of Districts Local Council and its relationship with cooperative is to be clearly stated and enhanced in a way that assists cooperatives in performing their functions.
- "The role of the Office of Social Affairs (OSA) is not to be limited to cooperatives' registration, capacity building in terms of training, technical support provision and institutional support are to be the entire responsibility of OSA.
- The role of the General Agricultural Cooperatives Union (GACU) must be changed.
- Policies of the Agricultural and Fisheries Production Promotion Fund (AFPPF) has to be adjusted.
Institutional support package

a) Training: There is severe need for high quality action oriented training in many areas (Principles of cooperative work, Cooperative organization and management, Business development and management, Marketing strategies and planning and basic marketing skills)

b) Capacity building: Each cooperative must have a capacity building plan that is to be developed on periodic basis and reviewed on annual basis

c) Resources provision:

d) Institutional support