

ANNEX C: PRODUCER GROUP CONSTITUTIONS

1. WHAT ARE CONSTITUTIONS AND WHY DO GROUPS NEED THEM?

A basic set of rules is essential for any producer group. A constitution is a written document that clearly explains what is expected from the group members and what they can expect from the group. It reminds members of the group's objectives and ensures everyone's interests are heard. A constitution governs the group's activities based on democratic principles.

2. WHAT BASIC ELEMENTS SHOULD BE INCLUDED?

The complexity of the document will vary depending on the needs of the group, but some aspects that should be considered are:³⁴

- ▶ **Name and location** of group
- ▶ **Founding members and date**
- ▶ **Objectives** of the group
- ▶ **Membership** – criteria, duration, rights, and obligations
- ▶ **Leadership** – elections, length of service, rotation of officers, duties, committees
- ▶ **Meetings** – when, where, how often, decision-making method, voting
- ▶ **Contributions** – who pays, how much, how often, uses of dues and/or fees
- ▶ **Recordkeeping** – how, by whom, and how to be shared
- ▶ **Procedures** for amending constitution or terminating the group

Key Points About Constitutions

- Constitution is a set of ground rules for how the group should operate
- Contents of the constitution should be determined and agreed upon by group members
- Constitution doesn't help unless the members understand it and expect it to be followed
- Constitution can help solve problems and disputes that may arise among members
- Constitution can help to build trust among producers
- It doesn't have to be complex!

3. DEVELOPING A CONSTITUTION

Use the following worksheets to facilitate a discussion around the important parts of a group constitution. The writing of the constitution should be done by the members themselves, but the market facilitator can guide the group by asking questions and making sure they consider more than one possibility before deciding on the best one.

³⁴ Adapted from: FAO. 2001. *The Inter-group Resource Book: A Guide to Building Small Farmer Group Associations and Networks*; FAO. 1998. *Agricultural Cooperative Development: A Manual for Trainers*; and Draaijer, Jurjen. 2002. *Milk Producer Group Resource Book*. FAO.

1. **Form the group.** Because there are a lot of elements to the constitution, it probably will not be feasible to develop the constitution with all members present. You may want to invite a smaller group of representatives to spend a day working on an initial draft.
2. **Draft the constitution.** Use the checklist as a guide for discussion. Write down the group consensus for each element of the constitution. Use the example constitution for help, but make sure the group discusses what is right for them and does not just copy the example.
3. **Share with the entire group.** At the next full-group meeting, read the constitution (or pass out copies if all members can read), and stop after each item to make sure everyone understands and agrees with what has been decided upon. Make any changes based on a majority of the group.

4. PRODUCER GROUP CONSTITUTION CHECKLIST

A. GENERAL

- ▶ Name of the producer group
- ▶ Location
- ▶ Formation date
- ▶ Objectives of the producer group

B. MEMBERSHIP

- ▶ **# of members.** Between 15 and 30 members is the recommended range. More members mean more difficulties in coordination and management, but too few people might not have enough power to gain group benefits.
- ▶ **Membership criteria.** Consider whether the group should be made up only of the target population, or if the group will function well with a more diverse group of people.
- ▶ **Duties of members.** Examples:
 - Attend meetings
 - Pay dues
 - Comply with group sales contracts (no side-selling)
 - Vote
- ▶ **Rights of members.** Examples:
 - Receive payment for produce sold
 - Participate in trainings
 - Vote
- ▶ **Reasons of disqualifications/termination of the membership.** List any conditions that might cause members to be removed from the group. Examples include:
 - Death or left the area
 - Refusal to comply with group disciplines
 - Creation of conflict among the group members
 - Dishonesty and misappropriation

- Any other reasons that will harm the group

C. LEADERSHIP

- ▶ **Positions.** Decide which positions the group needs to stay well-organised. At a minimum, each group should have a president, secretary, and treasurer. Other positions might include:
 - Lead farmer
 - Market agent
 - Market information collector
 - Other _____

- ▶ **Duration of leadership positions.** ___ years

- ▶ **Methods of leadership selection.** At a minimum, election of leaders should be democratic. Each person should have the right to vote. The exact election procedure (e.g., raised hands, secret ballot) will be up to the preferences of the group. If some members of the group would feel uncomfortable and not act according to their true beliefs if their votes were made public, encourage a form of secret ballot. Also, make sure that if not all members are literate, symbols are used on written ballots.

A simple majority is the easiest way to determine a “winner,” but if other methods are suggested, they should be considered.

This section might also include procedures for nominating people for the positions (including oneself), as well as what opportunities the candidates have to tell the group why they want the position or why they are qualified for it.

D. MEETINGS

- ▶ **Meetings for all members.** The entire group should meet about once per month. The date, time, and location should be clearly communicated to all members, and should be chosen so that it is possible for everyone to attend.
- ▶ **Agenda.** Describe the procedure for members to submit an issue for discussion at a group meeting.
- ▶ **Decision-making.** Similar to elections, any important decisions should be made democratically, with all members having the chance to vote—majority wins.

E. RECORDKEEPING

- ▶ **Records to be kept.** List the records that should be kept, how often, and the positions responsible for keeping them.
- ▶ **Sharing the records.** Records should be available to all members to read and understand. Describe any procedures for regularly sharing the records (reading the previous meeting’s minutes, or giving an update on the financial state of the group at a meeting), as well as for how members can access records on an as-needed basis (obtain a copy of the current membership list from the secretary).

F. CHANGES

- ▶ **Procedures for changing the constitution.** Describe the process for adding, removing, or changing any parts of the constitution.
- ▶ **Terminating the group.** Describe the conditions under which the group would terminate, as well as how the groups' assets would be divided.



Producer Group Constitution

Group Name: _____

Location: _____

Date of formation: _____

Group Objectives:

Membership

Number of members: _____ to _____

Membership criteria:

1. _____
2. _____
3. _____
4. _____
5. _____

Duties of members:

1. _____
2. _____
3. _____
4. _____
5. _____

Rights of members:

1. _____
2. _____
3. _____
4. _____
5. _____

Reasons for disqualification/termination of the membership:

1. _____
2. _____
3. _____
4. _____
5. _____

Leadership

Positions:

1. President
2. Secretary
3. Treasurer
4. _____
5. _____
6. _____

Duration of leadership positions: ____ years

Methods of leadership selection:

Meetings

Meetings for all members:

How often: _____

Meeting day, time, and place:

Submitting issues for discussion (meeting agendas):

Decision-making

Recordkeeping

Records to be kept:

Record	How often	Who keeps it

Sharing the records

Changes

Procedures for changing the constitution:

Terminating the group:

Producer Group Constitution - Example

Group Name: Syan pukuria Chashi Akota Committee

Location: _____

Date of formation: _____

Group Objectives:

Membership

Number of members: 25 to 30

Membership criteria:

1. Age (18-50 years)
2. Gender (same gender)
3. Geographic area (same village or adjacent village)
4. Profession (member will have the same profession)
5. Economic status (Economically same condition)
6. Living type (Should be live permanently)

Duties of members:

1. _____
2. _____

Rights of members:

1. _____
2. _____

Reasons of disqualifications/terminated the membership:

1. Death or leave the area
2. Refuse to comply groups disciplines
3. Create conflicts among the group members
4. Dishonesty and misappropriation
5. Any other reasons which will harms group

Leadership

Positions:

1. President
2. Secretary
3. Treasurer

4. Organising secretary
5. Market representative
6. Market information collecting secretary

Duration of leadership positions: 2 years

Methods of leadership selection:

Meetings

Meetings for all members:

How often: monthly

Meeting day, time, and place: Last Wednesday of each month, 7:00-9:00 p.m., at the town hall. Changes to this schedule to be agreed by the group at the meeting prior to the change.

Submitting issues for discussion (meeting agendas):

Decision-making

Recordkeeping

Records to be kept:

Record	How often	Who keeps it
Membership list	Ongoing	Secretary
Meeting minutes	Each meeting	Secretary
Descriptions of meetings with buyers and sellers	Each interaction	Market representative
Savings log	Each meeting	Treasurer
Income and expense log	Each meeting	Treasurer
Market prices	Bi-Weekly	Market information collecting secretary
Farm records	Ongoing	All members
Action plan	Ongoing	Secretary

Sharing the records:

Changes

Procedures for changing the constitution:

Terminating the group:

