



Collector Study: Summary of Findings

TOMAK Component 2: Market systems development

May 2021



Contents

Introduction	2
Methodology	2
Objective	2
Sample, data collection and analysis	3
Findings	3
Collector profiles	3
Average volume per collector by crop	5
Quantity and quality of supply	6
Instances of new collectors crowding in	7
Conclusion	8
Recommendations	9
Annex 1	10

Introduction

Component 2 (Market Systems Development) of the *To'os Ba Moris Di'ak* (TOMAK) program promotes the development of commercial agriculture following a market systems development approach focusing on four crops with high agribusiness potential (value chain crops): mung beans, shallot/onions, red rice and peanuts. Social behaviour change approaches are also applied under Component 2 to promote profit-seeking and self-advancement behaviours.

Throughout Phase 1, TOMAK partnered closely with the Ministry of Agriculture and Fisheries (MAF) (in particular with the MAF extension service) to promote improved farming practices for the four key value chain crops across three municipalities (Baucau, Bobonaro and Viqueque). Over the past two years, more emphasis has been placed on expansion farmers and less on the establishment of demplots in order to reach a sufficient level of production. As much as possible, expansion farmer households have been selected in targeted areas close to each other in order to form clusters or “production nodes”.

TOMAK has strengthened the link between farmers and output markets by:

- Identifying larger collectors and connecting them directly to farmers.
- Identifying output markets and connecting them with collectors, individual farmers, and representatives of farmer groups.

This small study was conducted in April 2021 with the collectors from Baucau and Bobonaro municipalities¹ that link TOMAK farmers with local and Dili-based markets. It explores the collectors' experiences working with TOMAK farmers in order to evaluate their satisfaction in terms of quality and quantity of supply, which will help guide future programming efforts with collectors by the TOMAK Component 2 team.

Methodology

Objective

The objective of this study was to respond to four indicators in TOMAK's Monitoring, Evaluation and Learning Framework (MELF) that fall under sub-question 2.4: *To what extent are farmers better connected to markets?* The indicators are:

- #39 Number of collectors
- #40 Average volume per collector by crop
- #41 Collectors report improved satisfaction of supply and quality
- #43 Instances of new collectors crowding in

The indicators are intended to help TOMAK track both the number of collectors (linkages made between TOMAK farmers and markets) and gather feedback on the quality and quantity of crops produced by TOMAK farmers.

¹ To date TOMAK does not work with any collectors based in Viqueque municipality, however, one collector from Baucau also collects onion/shallots from farmers in Ossu, Viqueque.

Sample, data collection and analysis

The study data was collected through semi-structured interviews with collectors that have been identified by the TOMAK program. All of the collectors that TOMAK works with were interviewed, comprising 10 interviews in total. The TOMAK Monitoring and Results Measurement (MRM) team developed the question guide in close collaboration with the TOMAK Component 2 team (see Annex 1).

Two TOMAK Program Officers (one in Baucau and one in Bobonaro) were briefed on how to utilise the question guide and subsequently carried out the interviews. The interviews were conducted by telephone due to COVID-19 travel and social distancing restrictions enforced by the Government of Timor-Leste. Informed consent was given by each collector to participate in the study.

After the Program Officers transcribed the interviews, the TOMAK MRM team analysed the results and prepared this short summary of the main findings.

Findings

Collector profiles

The 10 respondents interviewed for this study were all male and worked with TOMAK farmers in buying and collecting TOMAK's four value chain crops of red rice, onion/shallots, mung beans, and peanuts. The respondents can be categorised into three types of collectors:

1. Collectors – collectors that work on a bigger scale, generally connecting individual farmers with larger markets in Dili.
2. Representative Farmers – collectors that specifically work in a group and/or establish farmer groups to gather together the groups' produce to connect to markets.
3. Individual Farmers – farmers that sell their own produce at larger-scale markets through collecting produce from neighbouring farmers

The collectors support the sale of produce both at local markets and through marketing channels that have involved collectors making connections with major retailers such as Leader Supermarket, Meimart Fatuhada, W4 Supermarket, and Loja dos Agricultores, as well as other shops selling agricultural produce in Dili. The results showed that two respondents collected peanuts, two collected red rice, four collected onion/shallots, one collected mung beans, and one collected multiple crops (red rice, onion/shallots, mung beans, and peanuts).

Table 1 provides an overview of each of the collectors interviewed for this study, including seven collectors from Baucau that cover six sukus and three collectors from Bobonaro that cover three sukus.

Table 1: Profile of TOMAK collectors

Demographic of respondents	Summary
Baucau collectors	
Collector (suku Uailaha)	<p><u>Crop:</u> Onion/shallot</p> <p><u>Farmers supported:</u> 30 farmers, some of whom work individually and others who are part of farmer groups</p> <p><u>Number of collections:</u> Two (October 2020 and January 2021)</p> <p><u>Market/s:</u> Leader supermarket in Dili</p> <p><u>Other:</u> Also collects non-value chain crops from TOMAK farmers and crops from non-TOMAK farmers including sweet potatoes, taro, and garlic</p>
Individual Farmer (suku Uailaha)	<p><u>Crop:</u> Onion/shallot</p> <p><u>Farmers supported:</u> Produced own onion/shallots and delivered them to markets</p> <p><u>Number of collections:</u> N/A</p> <p><u>Market/s:</u> Meimart Supermarket in Dili and local markets in Baucau.</p>
Individual Farmer (suku Uailaha)	<p><u>Crop:</u> Onion/shallot</p> <p><u>Farmers supported:</u> produced own onion/shallots and used his car to sell them</p> <p><u>Number of collections:</u> one delivery (July 2020)</p> <p><u>Market/s:</u> local markets in Venilale, Viqueque, Natarbora, and Same</p>
Representative Farmer (suku Vemasse)	<p><u>Crop:</u> Red rice</p> <p><u>Farmers supported:</u> A group of 10 farmers</p> <p><u>Number of collections:</u> One (October 2020)</p> <p><u>Market/s:</u> Leader Supermarket in Dili</p>
Individual Farmer (suku Uaigae)	<p><u>Crop:</u> Red rice</p> <p><u>Farmers supported:</u> Produced own red rice</p> <p><u>Number of collections:</u> One (August 2020)</p> <p><u>Market/s:</u> A rice milling and distribution company (ACELDA) collected his produce. Farmer may in future collect from neighbouring farmers to sell to ACELDA.</p>
Representative Farmer (suku Gariuai)	<p><u>Crop:</u> Peanut</p> <p><u>Farmers supported:</u> Collected and delivered produce from 10 farmers (5 in suku Gariuai, 5 in suku Ostico)</p> <p><u>Number of collections:</u> One (June 2020)</p> <p><u>Market/s:</u> Leader supermarket in Dili</p>
Representative Farmer (suku Ostico / Bahamori)	<p><u>Crop:</u> Peanut</p> <p><u>Farmers supported:</u> Collected and delivered produce from 5 individual farmers</p> <p><u>Number of collections:</u> One (June 2020)</p> <p><u>Market/s:</u> Leader supermarket in Dili</p>
Bobonaro collectors	
Collector (suku Batugade)	<p><u>Crop:</u> Mung bean</p> <p><u>Farmers supported:</u> Collected from 10 farmers including both individual farmers and farmer groups</p> <p><u>Number of collections:</u> Two (November 2019 and September 2020)</p> <p><u>Market/s:</u> Oceanview Restaurant and W4 Supermarket in Dili</p> <p><u>Other:</u> Also collects mung bean produce from non-TOMAK farmers</p>

Demographic of respondents	Summary
Representative Farmer (suku Odomau)	<p><u>Crop:</u> Onion/shallot</p> <p><u>Farmers supported:</u> Collected from one individual farmer who lives in suku Odomau, aldeia Anahun</p> <p><u>Number of collections:</u> One (August 2020)</p> <p><u>Market/s:</u> local market in Maliana and agriculture shops</p>
Collector (suku Soileso and neighbouring areas)	<p><u>Crop:</u> Onion/shallot, mung bean, peanut</p> <p><u>Farmers supported:</u> A total 64 farmers including both individual farmers and farmer groups (onion/shallot from 20 farmers, mung bean from 30 farmers, and peanut from 14 farmers)</p> <p><u>Number of collections:</u> One (October 2020)</p> <p><u>Market/s:</u> Leader Supermarket in Dili and other shops selling agricultural produce</p> <p><u>Other:</u> Collects crops from non-TOMAK farmers including shallot, peanut, and mung bean</p>

Average volume per collector by crop

The respondents were asked about whether the average volume of the crops they collect has increased, decreased or stayed the same since they started collecting from TOMAK farmers. While the collectors generally agreed they were satisfied with the quantity of the crops available, the majority were not able to make comparisons given it was their first time collecting from TOMAK farmers. The two collectors that had collected from TOMAK farmers on more than one occasion agreed that the volumes have increased. However, one onion/shallot collector from Baucau municipality reported that crop production volumes are still low, and that production should continue to increase because of the high market demand for onion/shallots. Furthermore, collectors also showed their general enthusiasm for TOMAK crops by urging TOMAK farmers to further increase their production volumes so they can continue to collect and distribute to markets in the future.

Following are the average volumes of each crop that collectors have collected from TOMAK farmers and distributed through their market channels.

a) Red rice collection

Two red rice collectors from Baucau (an Individual Farmer and a Representative Farmer) were interviewed. The Representative Farmer had collected a total of 1 tonne (1,000kg) of red rice from different farmer groups from suku Uaigae, which they sold to a local company named ACELDA. He said that when he collected red rice from each farmer group, *“they each provided a different volume of red rice which ranged from 200kg, 300kg and 500kg”*. The Individual Farmer reported that he had collected 1.2 tonnes (1,200kg) of red rice from suku Vemasse, which he then supplied to Leader Supermarket in Dili.

Overall, the red rice distributed by the two collectors from Baucau reached an average 1.1 tonnes (1,100kg) per collector.

b) Onion/shallot collection

Information on onion/shallot volumes collected came from five collectors, consisting of three from Baucau and two from Bobonaro.

The study showed that in Baucau municipality, the two Individual Farmers collected 1 tonne (1,000kg) from suku Uailaha and 847kg from suku Uatuhaco, with their produce supplied directly to local markets and to Meimart Supermarket. The other collector from Baucau collected onion/shallots from a farmer group of 30 members with a total of 6 tonnes (6,000kg) from three different sukus (Uailili, Uatuhaco and Uailaha) and delivered them to Amigo Supermarket and Leader Supermarket in Dili.

While in Bobonaro municipality, there were two collectors who collected onion/shallots from a total of 21 farmers. One collector (a Representative Farmer) collected onion/shallots from one farmer in suku Odomau with a total of 51kg, while the other collector collected from 20 individual farmers in suku Soileso gathering a total 3 tonnes (3,000kg) of onion/shallots which were sold primarily to Leader Supermarket (with a smaller amount to Loja dos Agricultores).

Overall, the onion/shallots distributed by the five collectors in Baucau and Bobonaro reached an average of 2,180kg per collector.

c) Mung bean collection

There were two mung bean collectors from Bobonaro municipality who collected from both individual farmers and farmer groups. One collector reported gathering 550kg of mung beans from a group of 10 farmers in suku Batugade, which were sold to a restaurant and W4 Supermarket in Dili. The other collected 2 tonnes (2,000kg) of mung beans from a farmer group with 30 members which was supplied to Leader Supermarket and other shops in Dili.

Overall, the mung beans distributed by the two collectors in Bobonaro reached an average of 1,275kg per collector.

d) Peanut collection

Peanuts were collected by two Representative Farmers from Baucau and one collector from Bobonaro.

The Representative Farmer from suku Gariuai reported supplying 500kg of peanuts to Leader Supermarket in Dili. The other Representative Farmer from suku Ostico collected a total of 426kg of peanuts, which he also delivered to Leader Supermarket.

The peanut collector from suku Soileso in Bobonaro collected 500kg of peanuts in Cailaco, from a TOMAK farmer group of 14 members which were also supplied to Leader Supermarket.

Overall, the peanuts distributed by the three collectors in Baucau and Bobonaro reached an average of 475kg per collector.

Quantity and quality of supply

The study asked collectors to provide their feedback regarding their satisfaction with the supply (quantity) and quality of crops from TOMAK farmers. Overall, most of the collectors reported being satisfied with the quality of the produce they collected from TOMAK farmers. One collector from suku Soileso in Bobonaro municipality reported that when he supplied onion/shallots to Leader Supermarket in Dili, the representative in the shop told him: *“these onion/shallots are good quality because we can keep them longer here to sell and they still taste good and people like them a lot”*.

Similarly, the onion/shallot collector from suku Uatuhaco in Baucau municipality who supplied onion/shallots to shops and restaurants obtained feedback that *“TOMAK farmers’ onion/shallots are good quality because the onions are larger in size compared to onions from non-TOMAK farmers”*.

Collectors reported that most shop owners showed their positive support and hope that the collectors continue to provide them with produce from TOMAK farmers.

Instances of new collectors crowding in

New Collectors Find Opportunities to Meet Market Demands

During TOMAK Phase 1, the Component 2 team worked on identifying a group of collectors that could support TOMAK farmers to sell their products at local and Dili-based markets. While TOMAK actively sought out collectors in some cases, there were other instances where entrepreneurial farmers observed a gap in the market and took active steps to fill the gap by becoming a collector themselves. TOMAK refers to this process as 'new collectors crowding in'. To date, four collectors have 'crowded in', two of whom are profiled here.



Photo: Alarico and his family harvesting peanuts in their farm

Alarico Fernandes is a peanut farmer from suku Gariuai in Baucau. Over a number of years, Alarico observed a steady market demand for peanuts in the capital Dili. Although Alarico grew peanuts himself, the quantity he produced was not sufficient to sell on a commercial scale. As a result, he began seeking out neighbouring peanut farmers to see if they could combine their produce for sale at the market. *“After observing the market in Dili, I went back to my suku and visited individual farmers to see whether they were interested in selling their peanuts together. Then I went to talk to TOMAK and we arranged a meeting with the manager at Leader Supermarket.”* Alarico then informed all farmers of the price per kg being offered by Leader so they could decide whether they wanted to sell together and calculate their expected profits. Discussion between the peanut farmers led to mutual trust and respect, with Alarico chosen to deliver all the farmers' peanuts to the buyer. Farmers were happy to sell their produce in a single transaction, and Alarico was also happy with the result. He and his neighbouring farmers plan to continue selling their products to Leader in the future. Alarico used the income from the sale to pay for household necessities and his children's school fees. He also reserved some of the money to pay for a tractor to prepare his family's land for the next peanut planting. He plans to expand his peanut production further in future if there is high enough demand from market.



Below photo: Cancio and his family together with MAF staff harvesting red rice in his farm

Cancio Soares is a red rice farmer from suku Vemassee in Baucau. Like Alarico, Cancio became aware of the demand for red rice in markets in Dili and began working with his neighbouring farmers to fill the gap in the market. In 2020, he had a first meeting with Leader Supermarket, after which he began to approach red rice farmers in his area and eventually organised a meeting with seven neighbouring farmers. In this meeting, all the farmers agreed to put their trust in Cancio and his connection with the manager of Leader. Each farmer was informed of the price per kg being offered by Leader before Cancio visited the farmers to weigh and collect their produce and deliver it to the buyer. The income from the sale will be shared between the farmers based on the volume of rice they supplied. All the farmers were satisfied with the sale and the profits they gained from the market. Cancio was also happy to establish a direct connection with a larger buyer and to receive direct payment in cash. He plans to continue selling products to Leader, as the manager has informed him that they are still interested in buying produce from TOMAK farmers. The money he earned was used to pay for his children's school fees as well as household necessities. Based on this experience, Cancio would like to expand his collection activities in future and collect red rice from a larger number of farmers in order to increase the volume of red rice distributed to Leader Supermarket.

These entrepreneurial farmers have seen the value in working as a collector to sell their crops alongside their fellow farmers. TOMAK expects to see more collectors 'crowding in' as production nodes consolidate.

Conclusion

The TOMAK program has been successful in establishing market linkages between TOMAK farmers and collectors, in turn helping to motivate farmers to increase their production to improve their economic situation. It was clearly stated by the respondents in this study that collecting crops from TOMAK farmers has been a worthwhile opportunity for them because the crops produced by TOMAK farmers are of high quality. Receiving positive feedback from buyers encourages the collectors to continue to source produce from TOMAK farmers. Although most collectors have only collected from

TOMAK farmers on one occasion, they were generally satisfied with the quantity they collected and the overall volumes they collected were reasonable for selling to local and Dili-based markets.

Recommendations

- TOMAK should continue to prioritise strengthening individual farmers'/farmer groups' capacity to increase production volumes and maintain quality to attract more collectors and large buyers in Phase 2.
- It is crucial that TOMAK continues to foster ongoing coordination between local collectors and retailers by initiating meetings to link the various actors, and supporting the long-term sustainability of these connections. These retailers should include Leader Supermarket, Meimart Supermarket in Fatuhada, W4 Supermarket, Loja dos Agricultores as well as any other retailers identified which sell local agricultural produce.

Annex 1

Introduction and Consent:

Hello, my name is ____ and I work for TOMAK. I would like to talk to you today about your experiences collecting crops from TOMAK farmers. Please answer all questions in relation to TOMAK farmers only. We will use the information to help us learn about your experiences as a collector working with TOMAK farmers.

You do not need to do the interview with me today and you do not need to answer all of my questions. Please let me know if you want to stop the interview at any time. I expect our discussion to last for about 15-20 minutes.

Do you agree to continue with the interview? Yes No

Date of interview: _____

Name of interviewer: _____

Interview Questions:

Question	Response
1. Complete name	
2. Sex	Male Female
3. Location of collector	Suku: Administrative Post: Municipality:
4. Company name (if applicable)	
5. Type of collector	Collector Representative Farmer Individual Farmer
6. Product/s	Red Rice Onion/Shallot Mung Bean Peanut
7. How many TOMAK farmers do you collect from (by crop)?	
8. Do you collect from individual farmers or from collective farmer groups or both? Which one do you prefer? Why?	
9. Where are the TOMAK farmers located that you collect from (by crop)?	
10. When did you start collecting each crop type from the TOMAK farmers? (include month and year for each crop)	
11. In a year, how many times do you collect these products from TOMAK farmers? Or how many times per season?	
12. What is the average volume you collect per crop from TOMAK farmers?	
13. Has this average volume increased or decreased or stayed the same since	

you started collecting from TOMAK farmers (by crop)?	
14. How do you feel about the supply available from TOMAK farmers (by crop)? Is it enough or do you need more?	
15. How do you feel about the quality of the crops you get from TOMAK farmers (by crop)?	
16. Is the quality better or the same or worse now compared to in the past (by crop)? When did the change occur?	
17. Is the quality better or the same or worse compared to the same crops you get from non-TOMAK farmers?	
18. Where do you sell each crop?	
19. How satisfied is the supermarket/shop with the quality of the crop you sell?	
20. Apart from the 4 main crops produced by TOMAK farmers, are there also other products that you get from TOMAK farmers?	
21. Apart from TOMAK farmers, do you also collect other products from other farmers? (what kind of products do you collect)?	
22. Do you have any other comments to share?	