

AN ANALYSIS OF EXTERNAL INTERFACES LIMITING CO-OPERATIVE SUSTAINABILITY IN THE PRIMARY AGRICULTURAL MARKETING CO-OPERATIVE SOCIETIES (AMCOS) IN TANZANIA, EVIDENCE FROM SELECTED COFFEE PRIMARY AMCOS OF BUKOBA AND MOSHI DISTRICTS

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ABSTRACT

The importance of a co-operative as a member-owned socio-economic institution has attracted global focus to identify mechanisms by which co-operatives can meet members' needs and aspirations using co-operative democracy. In Tanzania, co-operative policy and legislation highlight ownership and participative democracy to co-operatives; various efforts have been made to ensure primary Agricultural Marketing Co-operative Societies (AMCOS) use member democracy in decision making to sustain co-operative institutions. The study assessed the extent to which democratic practices reflect member ownership in different decision making processes. The study objective was to examine external interferences limiting co-operative sustainability in the primary AMCOS in Bukoba and Moshi districts. A cross-sectional design was used whereby 400 members were selected from ten primary AMCOS of Bukoba and Moshi districts. The study used primary data by the use of household survey and interviews, focus group discussions and key informant interviews. Documentary review was done to collect secondary information. The findings on the external sustainability influence results shows government roles were more identified as to tax members' produce than regulation and creating enabling environment for co-operative business; a total of 47 deduction and tax items were found to effect member produce on Farm Gate Price. Also, the decline of coffee price was the leading factor affecting the co-operative business. The study recommends that ordinary members, board and managers of the Primary AMCOS should prepare strategies that will expand the capital base of their firm in order to have a sustainable capital system. Also, the role of the Government should be creating enabling environment to co-operative rather than taxing co-operative members.

Key words: External Interfaces, Co-operative Sustainability, Primary Agricultural Marketing Co-operative Societies.