Associativity Model in the Colombian Coffee Sector: A Commitment to Rural Development

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ABSTRACT
Associativity is an organizational model with a longstanding presence in the history of the Colombian coffee sector. This study, conducted using a document review methodology, analyzed the stories, data, and figures of ten associative models that have undertaken the development of coffee processing plants in pursuit of higher quality standards in different regions of the country over the past ten years.
The study concluded that the associativity model has been an effective strategy for improving the country's coffee sector. Coffee unionization—through the National Federation, coffee-growers' cooperatives, and coffee producers' associations—has enabled the sector to advance in crop improvement, industrialization, and the expansion of its market share, achieving many of its proposed goals thanks to cooperation, associativity, and teamwork.

Keywords: Rural Associativity, Cooperatives, Associations, Social Development

Introduction

Colombia is one of the countries with the highest coffee production and exports in the world. It is considered to rank third after Brazil and Vietnam, and its coffee is highly recognized for the diversity of flavors and aromas. This, in turn, has spurred the development of a broad domestic industry in both the food and tourism sectors.
Coffee cultivation arrived in Colombia in the 16th century with the first plantations. In the 20th century it experienced significant growth, mainly on smallholdings, and by the 19th century it had become a key component of the economy. Coffee is primarily grown by small producers, although large plantations also exist (Bedoya & Fernández, 2014). Its development and expansion have generated positive impacts on the national economy and contributed to building a social fabric—another differentiating factor in the market (Bedoya & Fernández, 2014). In building this social fabric, the associativity of the coffee sector has played a very important role. Through various associative institutions, training and the technologization of coffee production have been promoted with the aim of reducing production costs, improving profitability, and enhancing the quality of life of Colombian coffee farmers. This has also contributed to the expansion of cultivation and to regional development. This rural associativity model has been developed in Colombia for nearly 100 years through the National Coffee Fund, the National Federation of Coffee Growers, and the coffee-growers' cooperatives established across all coffee-growing regions of the country.
Therefore, on the eve of the National Federation of Coffee Growers' 100th anniversary, this research was proposed with a qualitative, descriptive-analytical, non-experimental approach, supported by a systematic document review and thematic content analysis. This approach makes it possible to describe the associativity model in the Colombian coffee sector based on secondary sources, and to evaluate its contributions to rural development through a systematic analysis of relevant documents, with a particular analysis of a proposal originating in the country's eastern region. The review covers documents from the last 15 years that contain information on rural associativity and the coffee model developed in Colombia, as well as some data on the trajectory of this associative model in the country.
The documentary analysis begins with a conceptual framework addressing rural associativity and its implications for improving development conditions in the sector. In context, it presents the organizational model of the coffee sector in Colombia and the national regulatory framework that governs the sector, including public policies designed for its development. Finally, it presents the analysis of a project underway in the country's eastern zone, led by a coffee-growers' cooperative—an analysis that also revealed the current challenges of Colombia's rural sector, which faces a shortage of labor that hinders the generational renewal the sector needs.

Rural Associativity And Developmente

Internationally, the concept of rural associativity is recognized as a phenomenon that seeks to strengthen unity and facilitate access to technology and advances in knowledge, as well as to new models of trade and market management for populations located in rural areas. It has also been considered a socio-business strategy for rural development, enhancing human capacities and creating economies of scale that improve the sector's competitiveness (Sanabria Neira & Salgado Beltrán, 2023a). In this sense, by its very nature associativity provides the rural sector with the strength required to remain in the market—navigating the adverse conditions inherent to free trade and globalization—while fostering value creation in products, in the sector, and in entrepreneurship in general (Sanabria Neira & Salgado Beltrán, 2023a).

The development of associative models such as cooperativism has led in Latin America to improvements in income indicators and formal employment, and likewise to better performance on environmental and social responsibility indicators in a sustainable manner (Correa, 2022). This business organization model is considered an important tool for addressing the negative trend of rural abandonment around the world—a phenomenon that in turn threatens food security in some regions (Benson & Zamora-Duque, 2023). In Colombia, it has been a model developed by the National Federation of Coffee Growers, which—through the organization of small groups across regions—has disseminated technical advancements achieved in the study of coffee production nationwide.

Studies by ECLAC show that associations in Latin America are primarily guild-type representations that look after the interests of their members, rather than pursuing growth as profit-seeking enterprises (Bravo et al., 2020). This helps explain why they achieve a certain level of positioning or recognition, even if they are not always equally accepted internally.

This organizational model—fundamentally built through cooperatives and associations—presents an opportunity to transform the rural sector and acknowledges the changes brought about by globalization, which demands agile transformation, adaptation, and the exchange of practices and cultures (Sanabria Neira & Salgado Beltrán, 2023a), especially in an agricultural country like Colombia.

Globalization is a decisive factor in transforming the rural sector. Free competition and shifts in the business fabric impose new demands on rural products: value addition and productive reconversion—achieved when education and employment conditions across the sector improve (Sanabria Neira & Salgado Beltrán, 2023a). This in turn improves producers' quality of life.

Worldwide, rural cooperatives and associations have been widely recognized as effective instruments of local development. One example is a model developed in Quebec (Canada), where cooperatives with more than 30 years of existence strengthen business development and job creation in rural regions (Buendía-Martínez & Côté, 2014). The initiative is supported by a public policy framework aimed at mitigating long-standing rural challenges. Although there is no single ideal model, fostering enterprise creation in rural areas promotes wealth generation and the commercialization of local resources (Buendía-Martínez & Côté, 2014).

Furthermore, rural associations and cooperatives have achieved success factors primarily related to leadership capacity and the strengthening of their social base. A study in Antioquia shows that these factors are linked to democratic practices when electing directors and participating as active members, the formulation of institutional strategic guidelines, and ongoing training in both technical and organizational matters (Benavides Santacruz et al., 2021).

In Colombia, research in Santander and other regions shows that agricultural cooperatives have been effective agents of rural development by promoting economic linkages, community participation, and local well-being. Within the framework of the socioeconomic reintegration of ex-combatants, rural cooperatives have been fundamental in addressing factors such as unemployment, lack of access to basic services, and democratic participation in conflict-affected rural areas. This is an exercise in social economy in which cooperativism has emerged as a crucial agent (Vargas-Chaves, 2025).

Documentary evidence from 2010 to the present shows that rural associativity contributes significantly to rural development by: allocating economic surpluses collectively; strengthening social capital and community cohesion; improving access to markets and services; and fostering social empowerment—especially of women and vulnerable groups—as well as by building sustainable, resilient models in the face of territorial challenges.

Associativity Model In Colombia

Colombia has a long tradition of associativity. Notable examples include long-standing financial cooperatives; business associations and industrial guilds organized into federations such as the coffee sector; the Cattle Fund; ACOPI—which brings together small industrialists; Chambers of Commerce; among others. However, it was the cooperative model that gave rise to associativity in Colombia. From there, new forms of associativity emerged, grounded in principles of solidarity, fairness, equity, and democracy (Sanabria Neira & Salgado Beltrán, 2023a).

As state policy, Colombia has regulations that underpin the development of these business models. Law 79 of 1988 establishes the regulatory framework for the cooperative sector; Law 454 of 1998 sets the framework

for the social economy, regulates its financial activity, and creates the Superintendency of the Solidarity Economy. Law 1233 of 2008, Law 1391 of 2010, and several decrees in 2006 and 2008 regulate aspects of social security, associated labor, pre-cooperatives, and employee funds. Finally, Law 1955 of 2019 incorporates the cooperative model into public policies as a pillar for strengthening enterprises within the framework of the solidarity economy. Although, as Buendía-Martínez & Côté (2014, p. 48) state, "there is no consensus on the most appropriate models, instruments, or measures" to guide public policy for the sector, state intervention remains essential as a regulator of any economic or social activity created to generate development and well-being in territories.

In rural areas there are also organizations with fewer years of activity and small groups of cooperators or associates engaged in various agricultural or livestock production processes. The department of Valle del Cauca has been characterized by the application of the associative model in rural production—albeit more recently. There, only 8% of existing organizations are more than 20 years old; most (50%) are older than 10 years and are small organizations with fewer than 30 members, and very few have between 50 and 100 members (Benson & Zamora-Duque, 2023). Another associative model has developed around the guava-paste ("bocadillo") industry in Vélez, Santander. In this case, associativity among small producers has supported the technification of crops (Buenhombre Vásquez & Mariño Becerra, 2022), which can improve productive yields, product marketing processes, and the living conditions of involved farmers. However—as observed in other models—there are shortcomings in organizational and administrative matters that do not favor the growth of productive capabilities (Buenhombre Vásquez & Mariño Becerra, 2022). This also hinders the competitive growth required to enter new markets or remain in existing ones. It should also be noted that many associations are created to secure government support (Buenhombre Vásquez & Mariño Becerra, 2022). Once such support is obtained, the original objectives of associativity may be downplayed. In Vélez–Santander, analysis showed that when associations are created primarily to gain government aid, they lose their potential to generate a positive impact on regional development plans—both economically and socially.

Any associative model requires confidence in the activities to be undertaken in order to ensure durability over time. Another Colombian example concerns small and medium-sized enterprises grouped in ACOPI, an association created in 1952 with chapters across the country, each implementing programs such as the PADES—Associativity and Sectoral Business Development Program—carried out in Antioquia to strengthen tools that enhance SME competitiveness. These models show that among small and medium-sized enterprises, associativity is not generally used as a strategy for innovation and technological development (Coronado Medina et al., 2014). Instead, most firms use cooperation for joint staff training, and some invest in contracting R&D projects (Coronado Medina et al., 2014). This is leveraged to improve their strengths within strategic planning that is not always well structured, because their administrative and organizational capabilities are often weaker than their productive, commercial, and financial abilities (Benson & Zamora-Duque, 2023). Thus—regardless of sector—among small and medium-sized entrepreneurs, administrative and organizational elements at the firm level often fail to improve despite involvement in associative models. As a result, some projects and goals do not reach their ideal realization, and associativity is reserved for very specific purposes such as entering a particular market or receiving government or institutional support.

Another important element studied in relation to productive rural organizations (PROs)—as these associative models in the rural sector are also known—concerns financing or access to credit. It has been concluded that not only do PROs improve their access to credit, but so do their members—and in some cases even non-members engaged in the same agricultural activity (Benson et al., 2020). This suggests that access to credit is another strength of associativity in rural sectors and among individuals with limitations to obtain credit on their own—especially considering its effect on the possibilities of technological upgrading of production processes, increasing productivity, and improving competitiveness in the sector and the market.

A particularly illustrative case is that of the coffee sector, whose associativity model has been led by the National Federation of Coffee Growers (FNC), a non-profit entity created in 1927 to strengthen coffee production in the country. Through regional structures, the FNC has developed an associativity model to disseminate knowledge and experience in coffee production—an approach that has given it the responsibility of certifying coffee that meets the Colombian quality seal and can be exported or marketed internationally (Alberto et al., 2014).

Over time, its organization has encompassed all coffee-producing regions through departmental and municipal coffee committees, coffee-growers' cooperatives, and the National Federation itself. Its purpose has been to enrich the production process with technical improvements and to promote coffee cultivation in Colombia (Alberto et al., 2014). Coffee has been positioned as an export product that not only globalizes a food but also a culture that identifies Colombians. This effort has allowed the Juan Valdez brand to be positioned in different parts of the world with broad international recognition.

The National Federation of Coffee Growers—founded in 1927 as a union of community and rural associations devoted to coffee cultivation—has sought to improve quality of life and has led actions such as

upgrading tertiary roads to facilitate coffee growers' access to major cities, among many other initiatives (Medina, 2017). The Federation is regarded as one of the largest NGOs in the world due to its ability to organize and its model of strategic direction, with a mission aimed at the well-being of coffee growers and a vision to achieve their economic and social development. All this is pursued within a sustainable model that respects the environment and seeks to position Colombian coffee in domestic and international markets as an exceptional consumption experience.

Through educational processes and its Extension Service, the FNC transfers technology that contributes to the profitability of coffee growing and to the well-being of growers, their families, and communities—promoting participation in technical, economic, environmental, and social programs. Technological advances are developed at the National Coffee Research Center (Cenicafé), which generates competitive and sustainable knowledge and technologies focused on increasing productivity, competitiveness, and profitability in Colombian coffee farming, and delivers these developments to growers through its extension program carried out by specialized technicians who visit and assist farms throughout the country.

In Colombia, the associative model of coffee-growers' cooperatives established across regions is very common. A large percentage of producers sell green coffee to the cooperatives, which handle the hulling, marketing, and export processes in accordance with the guidelines of the National Federation of Coffee Growers—the entity responsible for regulating the export of green coffee from Colombia (Alberto et al., 2014).

However, given that not all green coffee reaches cooperatives with the same quality, the construction of centralized processing facilities—known as beneficio plants—has been considered. These are sites where freshly harvested coffee cherry can be received and processed in modern facilities that meet required quality standards to produce dry parchment or green coffee. The FNC has led this process in different parts of the country, consolidating it as a strategy that facilitates product industrialization for increasingly demanding and competitive markets.

These plants are built with new technologies such as the Ecomill model for water use management and control, and the Belcosud model for handling and reusing residues—used to produce organic fertilizers for the same production process, or ferments for farm animals—within a circular-economy framework.

Several such initiatives have been implemented in the regions, including: the Manzanillo plant in Risaralda with a capacity to process 40,000 kg of cherry per day; the Ecological Center of Palestina with capacity to depulp 58,000 kg of cherry per day; a processing plant in Pitalito (Huila) with a capacity of 180,000 kg per day; a smaller plant named La Quiebra del Naranjal in Chinchiná (Caldas) with capacity for 20,000 kg per day; the Los Farallones central beneficio plant in Antioquia with capacity to depulp 35,000 kg of cherry per day; a smaller plant in Anserma (Quindío) with capacity of 6,000 kg per day; and finally the plant located in Riachuelo (Santander) with capacity to depulp 5,000 kg of cherry per day.

All of these models have received support from the FNC and have been based on the associativity of coffee growers to improve their production processes. The model involves creating regional coffee-grower associations to manage the plants. The FNC supports the process, provides resources and technical assistance, and cooperatives participate in the associations and facilitate growers' access to credit to maintain the infrastructure as required.

In reviewing primary sources for this research, we accessed information from the Coffee Growers' Cooperative of Santander, which is currently developing a project to build a beneficio plant for its members and other coffee growers in its area of influence. The project is being developed with the technical support of the FNC and academic support from the Universidad de Investigación y Desarrollo (UDI) in San Gil, which is conducting the project's financial and social evaluation.

Within its area of influence, the cooperative covers municipalities with high production levels and, above all, with recent improvements in plantations that have boosted production. El Socorro, Páramo, and Confines are among the municipalities that contribute the highest percentage of coffee production in Santander. The area also includes other municipalities with a coffee tradition, where farms average around 18,000 plants—equivalent to 3 or 4 hectares of cultivation.

According to information published by the National Federation of Coffee Growers, Santander currently ranks as the sixth department in planted area and coffee production, with a 6.17% share of the country's total production.

It is also reported that the department has 55,300 hectares under cultivation and produces 700,000 export-type bags, representing 23% of the department's agricultural output—El Socorro and nearby municipalities being those with the highest concentration of production. Due to its technification characteristics, rust-resistant varieties, renovated plantations, and 78% of coffee grown under well-managed shade, Santander is considered one of the youngest and most productive coffee regions in the country.

Another highlight is that in 2012 the area consisting of El Socorro, Palmas del Socorro, Valle de San José, and Páramo was certified by the Colombian Agricultural Institute (ICA) as an Area of Low Prevalence of Coffee Leaf Rust—the only zone in the world with this status. In 2014, the Superintendence of Industry and Commerce recognized Protected Designation of Origin status for all coffee produced in the department, in

recognition of its development, cultural and human components, tradition, and good practices in shade management, harvesting, and processing.

The Coffee Growers' Cooperative of Southern Santander is the promoter of this project, considering the benefits it would bring to its members and to coffee growers in the region who currently face difficulties carrying out the processing stage.

This associative proposal would benefit some 6,000 coffee growers in the region, located in seven geographically close municipalities. Using a purpose-designed methodological instrument, they view the construction of this plant as a good option that facilitates processing and helps address the scarcity of agricultural labor currently affecting Colombia.

Rural population in Colombia has declined, and those who remain working in the countryside are typically between 45 and 65 years old. Generational renewal is not occurring: young people want to live in urban areas where access to technology is much easier. As a result, technological adoption has taken longer to reach these productive processes—the dynamic has been people moving toward technology, not technology moving toward where people are.

This detachment from the countryside has left traditional coffee growers alone in the process, facing difficulties especially during harvest—when a large labor force with crop knowledge is required. This has influenced their decision to join together to carry out coffee industrialization processes communally in beneficio plants, optimizing costs, resources, and time. Their commitment to cultivation, more than for economic benefits, has a cultural and identity component. Thus, they see associativity as beneficial for tasks that have become more complex over time and as a route to reach higher quality standards and better prices in global markets. The project is now in the financial viability phase, with the expected support of the FNC and the participation of the regional cooperative as a contributing partner.

Discussion

The organizational model developed by the FNC over its 100 years of existence represents a commitment to a business approach that has produced far more successes than failures and continues to position Colombian coffee among the best in the world and as an important driver of local economies. As Sanabria & Salgado (2023b) point out, this is a socio-business strategy that enhances human capabilities and improves sector competitiveness.

The FNC case also shows that cooperativism contributes positively to income and formal employment among participating populations, supporting Correa's (2022) findings on environmental and social indicators associated with this type of associative model, and Bravo et al.'s (2020) conclusion that in Latin America such guild-type organizations tend to safeguard members' interests rather than pursue organizational profit growth.

The FNC's century-long trajectory lends credibility to rural associative models that link the primary sector of the economy to the others, bringing industrialization, technology, and skilled labor to populations which—due to topographical constraints, as in Colombia—have limited access to them. This kind of model also fosters the construction of social fabric, the development of democratic participatory environments, and improvements in quality of life in economic, social, and environmental terms.

Conclusions

The rural associativity model developed in Colombia over nearly 100 years by the National Federation of Coffee Growers—through its programs and articulation with regional coffee cooperatives—has benefited many aspects of the populations and the sector devoted to coffee cultivation and industrialization. Achievements include technological advances developed at Cenicafé and disseminated to coffee growers through rural extension programs; the preservation of coffee identity; and active democratic participation in boards and committees, ensuring representation at all levels. Individual coffee farmers, in particular, have benefited from improved technification of cultivation, processing management, and support for marketing and export through training days, on-farm technical assistance, study sessions, and visits to specialized coffee-handling centers, among other initiatives. All of this underscores the importance of associativity within a rural production model that is part of the country's identity.

However, studies on associativity across sectors suggest that among small and medium-sized entrepreneurs, administrative and organizational elements at the firm level do not necessarily improve despite involvement in associative models. Consequently, some projects and goals fail to achieve their ideal realization, and associativity is often reserved for very specific purposes such as entering a particular market or receiving government or institutional support—a situation linked to attitudes and behaviors toward the very concepts of associativity and guild organization.

Finally, the analysis of the model reviewed shows that the slow generational replacement among coffee-growing populations is leaving older cohorts—typically between 45 and 65 years of age—to carry the process alone. This leads to low expectations for product industrialization, which could otherwise improve producers' incomes, as the OECD has noted in various studies. On the other hand, this situation has become

a decisive factor making associativity an important alternative: it allows coffee growers to focus strictly on cultivation and harvest while community beneficio plants take on industrial processing—an advantage given the current scarcity of labor for this stage. Industrialization has already been implemented in associative models that commit all members to organizing and executing the project and, ultimately, to sharing in the results and benefits. The models studied have produced significant advances in associated communities and are today counted among the achievements of rural associativity in Colombia.

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