

### Case Study Profile: Andrew Kachete 's story

I haven't been so long in the business of trading; usually I transport maize, soya beans and groundnuts. I buy maize from small scale farmers, and with current fuel problems, sometimes I have to wait for weeks before I can transport the maize.



Even then there are long queues at the silos. I have spent the night outside the silo before. I decided to use the receipt system to help me find a market. I was the second person to use the system and ACE found me a contract for 35 MT of maize.

There are positives and negatives to the warehouse receipt system. Those who can store their maize in large quantities for longer periods of time will benefit more because of other charges involved – for example there is a tax for storing the maize.

In terms of storage, the warehouses will take care of the maize and the money from the deposit can be reinvested – if farmers can afford to have their money tied up in the maize deposited in the warehouse then they can benefit.

I was able to buy another load of maize through the receipt system. It's a real eye opener to compete with bigger sellers for buyers like WFP. We thought the market was exclusive to bigger players.

In terms of capital, my advice is for those who can deposit large volumes to be patient. If I had kept my maize in the warehouse I would have made more but I don't have any regrets. I made a nine percent profit, I was going to be forced to sell at 27 kwacha but I sold it at 36, and if I had waited longer I could have made more.