

Training Fact File

- Warehouse Sensitisation
- 32 participants (4F & 28M)
- Kafulu 15th Feb 2012

Kafulu Community Elders and Association leaders get first glimpse of Rural Warehouse Receipt.

ACE is running a warehouse receipt project funded by Common Fund for Commodities (CFC) in partnership with European Union (EU). The project includes building and running of 3 rural warehouses for third party storage, and access to finance. Kafulu a community member based association has over 7000 members 1400 of them growing ground nuts, Maize and Soya beans will now have access to a 500mt storage constructed meters from their door step.

ACE organized one day warehouse receipt workshop in Kafulu, Dowa district in the central region of Malawi 90km from the capital Lilongwe. The objective was to sensitize community elders on the benefits of warehouse receipt system as well as agree on some modalities on the running of Kafulu Warehouse. Some modalities to be agreed included right of deposit or sale receipt, storage costs, financing model, among others.

Training in pictures

The Chairman of Kafulu Association addresses the Community Elders and other participants



500mt Warehouse under construction at Kafulu Community development Centre with the help of EU and CFC Funds for warehouse receipting.



32 Chiefs, Community elders among Kafulu farmer's association committee members train on how to access storage and finance via warehouse receipting system. The session included agreements on how to operate the warehouse in the community, to satisfy the needs of the smallholder farmers, whilst complying with warehouse receipt rules



Outcome

The training provided participants with an insight of how they can participate and benefit from using warehouse receipt systems. The four receipts issued in 2011 acted as a champion in selling receipting idea to farmers as they realize the potential benefits of it. The community elders pledged to deposit 300mt from the surrounding community thus on top of the associations pledge of 200mt. They did specify though that the idea is very new to most people and will require hard work from everyone to sensitize and teach people the benefit of a receipting system.

After a lot of deliberations on running of warehouses, the association decided that receipts will be issued to the association therefore also holding right of sale. All depositors to be registered and active members of Kafulu association who will in turn provide their member depositors with manual receipts copied to both ACE and depositor.

The association to form a warehouse receipting focus group who will mediate between the needs of depositors and ACE, they will also be responsible for manual receipting to association members ensuring crop conditioning and grading before presented to warehouse managers. The group will also decide when to sale receipts and together with Warehouse managers disburse income and loans to depositors.

Looking Forward

Focus group to be formed within the next two weeks and hold a meeting with ACE official by mid-March.

ACE is to write up Warehouse operations Agreement following on above outcomes of the workshop. Kafulu Warehouse focus group to agree with ACE on dates and areas to hold community sensitization and procedures in deposits, financing, sale of receipts.

Kafulu and surrounding areas community sensitization meetings start mid-march.