

Training Fact File

- Warehouse Receipting system Sensitization
- 10 participants (3F & 7M)
- Nathenje 28th Feb 2012
- Membership base 3545 (1770 Men & 1730 Women)

Board members 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 whilst markets pick up reasonable prices. ACE has since built a 500mt storage warehouse in Nathenje as a pilot rural warehouse site. ACE convened a warehouse receipting system workshop with the board members of Lilongwe south smallholder association administered by Nathenje Nasfam office on the 28th February 2012.

Nathenje NASFAM site is along M1 road, about 37 kilometers from Lilongwe, the workshop attracted 9 Board members of Lilongwe South Smallholder association, representing three associations; Mpenu, Nyanya and Mlodzeni association. The objective was to sensitive members of Lilongwe South smallholder association on the benefit they can get from warehouse receipt system and to agree modalities on Nathenje certified warehouse operations.

Training in pictures

The Manager of Nathenje NASFAM Unit shares his view on warehouse receipts community Elders and other participants.



500mt Warehouse under construction at Nathenje Nasfam Unit with the help of EU and CFC Funds for warehouse receipting.



10 Board members of Lilongwe South smallholder association trained 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 benefit of it.

ACE had the opportunity to make agreements with association board members on how to run the rural warehouse to suit the needs of their respective communities. Some agreements made included

1. Right to deposit and sale

Members of association will be depositing through association and the association has the right to sale. The will be organizing the crop through club level to Group Action Centre (GAC) from where the crop will be taken to the warehouse. The warehouse assistant manager will be monitoring the quality and grade of the crop before it is carried to the warehouse.

Individual deposits (member or non-member) are limited to a minimum deposit of 10 metric tonnes of maize, 5metric tonnes of soya beans or 5mt groundnuts per receipt and therefore hold individual right to sale or finance. Members with less than 10mt of commodity to deposit through Association, non-members in this scenario will have to join association or team up to meet minimum requirements.

2. Incapacity or divorce

It was agreed that for individual deposits, a depositor is required to state next of kin in case of incapacitation, or death. However the association board of directors will make decisions on behalf of members who have not stated next of kin according to customary law.

3. Financial Modalities

Members were advised by ACE to open separate bank account for this project possibly with National Bank of Malawi for easy transactions. The NASFAM Accountant (Nathenje) will be responsible of collecting funds from the bank and preparations of status sheet and distribution. All receipt issued by the end of Wednesday their finances will be ready on Friday that's if they need loan. Individual deposit will follow general WRS rules responsible for the sale and collecting finances

Looking forward

- *ACE warehouse managers to agree sensitization programs with association directors for March and April 2012.*
- *ACE to make final rules and regulations governing the operations of Nathenje warehouse by end March.*
- *Warehouse managers trained on the system, and operations modified to the agreed terms on 8th March 2012.*