

Quick Facts

- Warehouse Sensitization & agreement on modalities
- 9 participants (1F & 8M)
- Balaka Nasfam Center

Balaka Smallholder farmers Association leaders get first glimpse of Rural Warehouse Receipt.

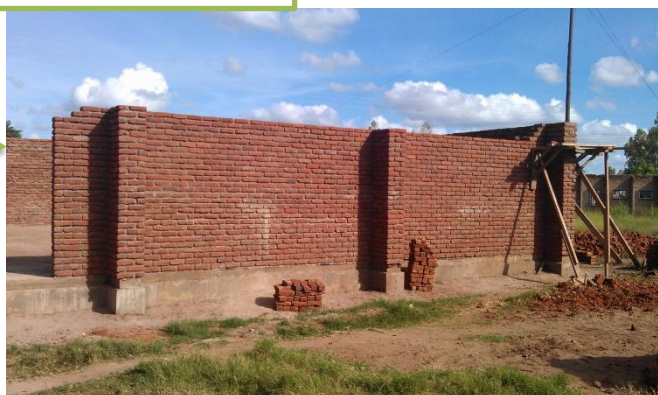
ACE is running a warehouse receipt project funded by Common Fund for Commodities (CFC) in partnership with European Union (EU). The project includes building and running of 3 rural warehouses for third party storage, and access to finance. Balaka Farmers association spans into three districts of Machinga, Mangochi and Balaka on a radius of 128km with 3545 registered members split into 9 Grain aggregation centers GAC. The farmers in the association are diversifying from their initial tobacco output to growing Paprika, groundnuts, Pulses and sorghum.

ACE organized one day warehouse receipt workshop in Balaka district in the southern region of Malawi 240km from the capital Lilongwe. The objective was to sensitize community and association elders on the benefits of warehouse receipt system as well as agree on some modalities on the running of the Balaka Warehouse. Some modalities to be agreed included right of deposit or sale receipt, storage costs, financing model, among others.

Training in pictures

The Chairlady of the association notes with cautious how WRS will help her farmers especially women.

Balaka 500mt Warehouse on Nasfam site under construction due to complete mid-April.



Board members of Balaka smallholder association keen on how ACE is able to find markets for smallholder farmers, and how WRS will help his farmers export



Outcome

The workshop 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.

After a lot of deliberations on running of warehouses, the association decided that receipts will be issued to the association as well as individual deposits (member or non-member) therefore also holding association or individual right of sale. Individual depositors will adhere to minimum deposit volumes.

Deposits will be made at chapter level usually consisting of over 600 farmers, the committee at that level 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.

Individual deposits will carry urban warehouse rules but limited to minimum deposit of 3mt of Groundnuts, 3mt of Pulses and 3 mt of Maize.

Looking Forward

ACE to organize community sensitization meetings from April