N2Africa - Putting nitrogen fixation to work for smallholder farmers in Africa

Promoting collective marketing to ensure smallholder farmer access to domestic and international grain market

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Introduction

Pulses — dietary protein, cash income, soil fertility improvement and livestock feed. But, compared to cereals, low focus given and the legume sub-sector suffers from

- \succ Low productivity and
- > Poor value chain development
- □ N2Africa, a large scale, science-based 'R4D' project, partners with legume value chain actors, promoting



- Improved legume technologies and
- Integration to input and market access to improve smallholder farmers benefit

Smallholder farmer business environment

- □ The smallholder farmer organizational structures, business orientations and capabilities *m* a challenge in input-output market integration making
 - Coordination of product bulking and delivery
 - > Farmers' bargaining power and profit margin sharing
 - > Marketing decisions and
 - > Networks with private buyers, more difficult and unviable



not exceed 10% and moisture content	Article 7
is less than 11%. 3.6.2. The market price at factory gate will be set subjected to basic marketing principles and quality of the grain	Termination (Φ-Δ)ΔΔ/95-ΔΔ) 7.1.Any party which might try to set terminate this contractual agreen without fulfilling its obligation shall
(4.1). Article 4	liable for any crises or costs on counterpart.
Price and Mode of Payment	Article 8
4.1 For every contract size (which is	Contract Duration (@\\$3749"2.48.0.1.1.8
minimum 3000 qt) the price of 700.00 per quintal on delivery to AKF. The buyer will make payments effective to the supplier upon delivery of the product volume of commitment to the AKF	 This contract agreement shall ren firm from the date of agreement until payment is made effective to the supj upon product delivery to the buyer. 8.2. The contract agreement can
Company. 4.2.Transportation and Wage Expenses (???????????????????????????????????	renewed and extended as far as there mutual understanding and interest f both parties.
4.4. The supplier will facilitate product	IN WITNESS WHEREOF, the Par
bulking, transportation and delivery to the	hereto, acting through their e
buyer.Costs incurred by the supplier for	authorized representatives, have cau
bulking, transportation and loading will be	this Agreement to be signed in its name
inclusive and considered in the final selling	FOR AND ON BEHALF OF ALE
price at delivery to the company. Expenses for unloading at destination will be on haver	KOUDLIS FEED PLC
expense.	
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Grain storage (silo), animal feed processing, blending and packaging at AKF plant, Bishoftu, Ethiopia

Challenges

- \succ Quality of the supplied raw material; foreign matter, moisture, etc.
- Business capacity of the unions (personnel, finance)
- \succ Failure in fulfilling the commitment with the buyers in terms of quality, quantity and timeframe
- Market demand estimation facilities



Contractual agreement signing between Mama Union and AKF at AKF plant, Bishoftu, Ethiopia

Collective marketing: The farmer cooperative union model

□ In a landscaping study with potential legume value chain actors

- > Alema Koudijs Feed Plc (AKF) was identified with annual demand of 250 tons (soybean) and 1000 tons (maize)
- > AKF was interested to source quality grains from farmers' organizations
- Farmers Cooperative Unions (FCU) like Mama and Anzina were desperately looking for markets
- □ N2Africa/Pawe agricultural research centre facilitated contractual agreement between Mama FCU and AKF, hence
 - > Smallholder farmers' in Pawe cluster linked to a large animal feed processing company (AKF) through FCU (their organization) for

Dairy feed processed at AKF plant to be fed to cows by dairy farmers

Opportunities

- Growing domestic and international market demand (processing and) exporting companies)
- Increasing focus for pulses by public and private actors

supplying soya grains

- \succ The partnership has also helped smallholders to come on board and negotiate for price with the buyer,
- Improved grain assembling from individual member farmers and delivery of 1,500 tonnes of soybean grains in 2015

\succ Growing awareness from farmers about the untapped legume potential

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