



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
 - 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 → 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



Grain storage (silo), animal feed processing, blending and packaging at AKF plant, Bishoftu, Ethiopia

Challenges

- Quality of the supplied raw material; foreign matter, moisture, etc.
- Business capacity of the unions (personnel, finance)
- 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 supplying soya grains
 - 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



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
- Growing awareness from farmers about the untapped legume potential

Acknowledgements

- Cluster partners including: ILRI, AKF, MBI, EIAR-PARC, Mama and Anzina Unions, Zonal and Woreda BoA and ACOS-Ethiopia
- BMGF, WUR and IITA

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N2Africa project is funded by Bill & Melinda Gates Foundation

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