

Abstract

Babban Gona (“Great Farm” in Hausa¹) is an award-winning, high impact, financially sustainable and highly scalable social enterprise, which is part-owned by the farmers we serve. We franchise hundreds of mini farmer cooperatives across Northern Nigeria.

We are a community-oriented organization with a vision to increase the productivity and profitability of smallholder farmers in Nigeria. Babban Gona leverages technology and innovative programs to provide cost effective, end-to-end services to the network of farmer groups under our franchise.

Babban Gona began operations in 2012, in response to the rising incidence of youth unemployment in Nigeria, and the corresponding rise in the number of insurgencies which were observed to have occurred. Based on our belief that agriculture is a strategic job creation engine, we embarked on the creation of a private-sector driven initiative, the Babban Gona Agricultural Franchise Model, developed in conjunction with our partners. Our strategic focus in creating jobs, and empowering smallholder, rural farmers is designed to impact a core element in our vision to see Nigeria transition into an agricultural powerhouse. Over the years, this impact has been evidenced by significant increases in the yields and net incomes of our farmers, with our record retained at double and triple the national averages. Our impact is helping to re-create the narrative around agriculture, in an attempt to change the perception that it can only remain back-breaking work with returns that are not commensurate with labour. We are driven also to create a sector that is attractive to young entrepreneurs, and to depopulate an already saturated workforce.

Through our innovative model, we franchise groups of rural, smallholder grassroot farmer cooperatives, providing them with an end-to-end suite of services inclusive of (1) Financial credit, (2) Training and development, (3) Top quality agricultural input (such as seeds, herbicides, fertilizer and Aflasafe²), and (4) Post-harvest services. All Trust Group members receive these services in-kind. The services form part of each member’s customized loan package, which is repayable at the end of the growing season. Our Trust Groups are made up of 4-5 members, typically involved in the production of staple crops (particularly maize and rice). In 2015, Babban Gona became the largest single maize producing entity in Nigeria.

As a social enterprise driven to empower rural, grassroot farmers, we offer a combined strategy to drive a dramatic increase in net incomes for our farmers, which is summarily four-fold: (1) Significantly increase their net incomes through improved agronomic practices, by impacting all the key indices in their production cycle i.e. yield, input costs and commodity prices (2) Increase their incomes through access to premium markets (3) Provide them with an economy of scale, through our reduced costs of key agricultural inputs and, (4) Providing multiplied avenues for smallholders to create more income through our business lines. Through our work, our members have reported dramatic impacts on their livelihoods, enabling them to increase investments in their children’s education, buy additional farmland, improved household nutrition and purchased livelihood enhancing assets.

¹ Hausa is a dialect spoken in the Northern parts of Nigeria.

² A bio-control product required for maintaining the health of maize fields.

Our company has achieved a remarkable 250x growth in member base from inception, growing from a modest 100+ farmers and about 27 Trust Groups in 2012, to 751 Trust Groups with 2,910 farmers in 2015, and 4,230 Trust Groups with 16,080 farmers in 2018. In total, we have cultivated over 38,000 ha in partnership with our farmers. Our model has been proven to be cost effective, sustainable and scalable. We have delivered over 55,000 profitable loans till date, with a repayment rate of 99%.