

Zomba Community Sensitization

QUICK FACTS

-Zomba WRS sensitization 11th -13th June 2013

-**Mwandama** (13 Female & 15 male)

-**Nswaswa** (42 female & 34 male)

-**Katete** (85 female & 37 male)

-**Makoka** (51 female & 27 male)

Zomba Sensitization on how they can take part in Warehouse Receipt System (WRS)

Agricultural Commodity Exchange for Africa (ACE) is implementing a Holistic Approach to Agricultural Marketing by promoting structured trade which gives farmers a better price for their produce. ACE is running a warehouse receipt project with the view to provide efficiency, integrity and security to the agricultural market by providing a marketplace, where buyers and sellers come together to trade, assured of quality, delivery and payment. All players, from farmers to traders are assured of excellent handling, grading and storage. Farmers can also access a loan from a reputable bank and farm inputs when they store their commodity in an ACE certified warehouse while they wait to sell when prices go up later in the year. In Malawi, prices of commodities (especially maize) are usually high from December up to March due to low supply and high demand.

ACE and Millenium Villages Project (Zomba) organized a three day community sensitization in Zomba district for the Mwandama Executive Committee. There were also other sensitizations at Nswaswa, Katete and Makoka areas. This season of 2013, ACE plans to implement the Warehouse Receipt System (WRS) at Mwandama Grain bank because it is ideally positioned to feed the southern region of Malawi during acute lean season.



Inside Mwandama Grain bank



Entrance leading to Mwandama Grain bank

Mwandama Grain Bank Executive Committee Sensitization

The Mwandama Grain Bank executive sensitization attracted about 28 executives from the Mwandama Association. The grain bank is located at Mwandama village, Traditional Authority Mlumbwa, 7 km from the M3 road.

The executive was briefed about the ACE trading platform, the Warehouse receipt system and Market Information System. The executive was pleased to learn about linkages to markets, access to better storage and finance as well as dissemination of market price information.



Mwandama & ACE Officials share notes about WRS

Farmers gathering for a meeting outside Mwandama Grain Bank

Nswaswa, Katete and Makoka Community Sensitization

A Total of 191 women and 111 men attended the three day sensitization meetings at Mwandama. The sensitizations included Warehouse Receipt System (WRS) presentation by ACE officials, opening speeches by community leaders, Millenium villages Business & Cooperative Coordinator and Cooperatives Facilitator. The participants were sensitized about linkages to markets, access to finance while they wait to sell and availability of professional storage while they wait for prices to go up. Farmers around this area usually lose most of their commodity due to poor storage. A portion is left for consumption but the rest is sold to vendors at a very low price due to ignorance about prevailing market prices elsewhere. A warehouse receipt is an answer to solve these problems because under this system commodity is professionally stored and banks are willing to lend against the commodity as collateral up to 70% of the commodity value. On the other hand, when a market is available, buyer is assured of availability of commodity in a third party insured warehouse and contractual performance is guaranteed.



ACE official making a presentation on WRS



Farmers ask questions to ACE as Local leaders look on

Making a comment after the sensitizations, Business and Cooperatives Coordinator for Millennium Villages Project (Zomba), Mr Rodrick Chirambo said that Mwandama Grain Bank wishes to add to its service portfolio by introducing the warehouse receipt system. “This will ensure continued use and income for the grain bank even after the MVP phases out. The Millennium Villages Project has teamed up with the Agriculture Commodity Exchange to introduce the concept. The farmers of the Mwandama area have been sensitized and there seems to be great enthusiasm for this service bearing in mind the wide range of maize prices that are experienced annually. So far 5 meetings were conducted where by 302 people (111 male and 192 female) attended.” He said.

The Mwandama area has a total population of 7,000 households with about 40,000 people. It is made up of 114 villages and smallholder farmers have an average land holding size of 0.4 hectares per family. The crops grown are maize, pigeon peas, soybeans and beans.

Outcome

Agricultural Commodity Exchange (ACE) plans to partner with Millennium Villages Project in implementing the warehouse receipt system at Mwandama Grain Bank. The Grain Bank Cooperative also wishes to add to its portfolio by introducing the Warehouse Receipt System (WRS) so that the cooperative continues to run the Grain Bank when Millennium Villages Project (MVP) phases out.

Looking Forward

Follow up meeting required to finalize ACE and Mwandama Grain Bank partnership. In the future, more sensitizations are required especially in the month of July and August.