



NEMA-CHOSSO IN THE GAMBIA

Delivering Outcomes, Reducing Poverty
Highlight of Success Stories





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Message from the Project Director

This is the first of a series of short stories of Outcomes delivered from the implementation of the National Agricultural Land and Water Management Development Project, more commonly known as Nema, in The Gambia. The purpose of the publication is to share stories of how Nema is contributing to changes in the lives and livelihoods of people, mainly women and youth in rural Gambia. The project is a reflection of the continued engagement of the International Fund for Agricultural Development (IFAD) and Government of The Gambia (GoTG) to invest in poor rural people. The project was designed to consolidate IFAD's agricultural development investment as well as complement government investment in rural and agricultural development in the country over the last 2 decades. In this framework, the development goal of Nema is to reduce poverty of rural women and youths by increasing incomes from improved productivity based on sustainable land and water management practices.

With one year to project completion, I am proud to indicate that we remain largely on track to meeting the project development objective as well as key targeted outcomes. Over the past 5-years, we have worked earnestly with beneficiaries and our partners to deliver key project results such as improved access to markets through investments in the construction of access-to-rice field and inter-village feeder roads, access to capital to stimulate investment in agricultural mechanization for increased productivity, and support to farmer organizations as a means of sustainable productivity and income increase for smallholder farmers. In this maiden publication, we begin to share true life stories of how Nema investments are transforming the lives of project beneficiaries across the country.

I wish to commend my colleagues on the project team, our implementing partners and esteemed beneficiaries for their invaluable contribution to making this publication a reality. I am equally appreciative of the guidance and support we have received from the IFAD Country Programme Manager for The Gambia, Mrs. Haoua SIENTA and her colleagues at IFAD who have worked with us since project inception. Similar sentiments are expressed to the project steering committee through the chair, Ms Ada Gaye, Permanent Secretary 1 of the Ministry of Agriculture and the Projects Coordinator and team at the MoA CPCU, Mr. Momodou Mbye Jabang. We are highly appreciative of the collaboration and true partnership we continue to enjoy with the West Africa Rural Foundation (WARF). My sincere appreciation and thanks also go to my colleague Project Coordinators and Directors under the Ministry of Agriculture and beyond.

A handwritten signature in black ink, appearing to be the name 'Momodou L. Gassama'.

INCREASED ACCESS TO FIELD AND MARKET ROADS CRUCIAL FOR SUSTAINABLE AGRICULTURAL VALUE CHAIN DEVELOPMENT IN THE GAMBIA



BACKGROUND/CONTEXT

Poor rural road networks impede access to productive agricultural land and markets and undermine the performance of key agricultural value chains in The Gambia. The consequent limited access to farmlands and markets drive up production costs and reduce farmers' capacity to optimize productive land for rice and horticulture production across the country. These are contributing directly to low productivity, high production costs, low competitiveness and the overall poor performance of rice and horticulture value chains. It is not surprising therefore that in these circumstances, The Gambia continues to rely on imports for more than 60% of its rice consumption needs. Despite the high potential and market opportunities of the horticulture sub-sector, the country also continues to grapple with the challenges of transforming the sector into a viable and profitable value chain capable of offering employment and revenue generation opportunities to rural youths.

NEMA PROJECT: IMPROVING FARM-TO-MARKET ACCESS ROADS FOR INCREASED VALUE CHAIN PERFORMANCE

In response to this challenge, IFAD and the Government of The Gambia have invested more than 1 million US Dollars in the construction and rehabilitation of rural access roads with associated structures (bridges, culverts) over the last 5 years. The investment is in line with the objective of implementation of the Nema project, which seeks to reduce rural poverty in the Gambia by delivering key outcomes that include increased access to productive farm land and rural markets for small scale farmers. This is emphasized by the Nema Project Director:

By providing year-round access to farmlands and markets, Nema has enhanced the overall performance of rice and horticulture value chains in its intervention areas, thereby contributing to reduced rural poverty across the country.

Since 2013, the Nema project has supported the construction and/or rehabilitation of more than 36 kilometers of inter-village and farm-to-market access roads in key areas of project intervention in the six Agricultural Regions of the country. The objective of these investments is to increase profitable trade in rice and vegetables produced by small-scale farmers by broadening and deepening local and national markets in terms of volume, quality and value addition. The access roads have played a vital role in opening up and enhancing the productive use of farmlands, connecting rural communities to markets as well as increasing access to vital social facilities such as hospitals, clinics and schools.



ACHIEVEMENTS AND EFFECTS

The farm-to-market access initiative of the Nema project is having direct effects on the livelihoods of multiple rural communities across the country. With 3000 hectares of farmland opened-up for rice production alone, more than 1000 households in the project intervention areas have benefited from increased access to more productive farmland. One direct effect of this is increased rice production for households in the targeted areas. With inter-village roads delivered to thousands of rural households, value chain actors in these communities now have easy access to agricultural markets where they can readily purchase farm inputs and sell their produce.



AWA JAGNE: THE BOIRAM INTER-VILLAGE LINKAGE ROAD HAS CHANGED OUR LIVES

The case of the Boiram, Fass and Njoben inter-village road is a good illustration of how the farm-to-market access initiative of the project is contributing to sustainable agricultural value chain development and supporting access to vital social services in rural areas of The Gambia. The access road links the communities of Boiram, Brikama ba, Njoben, Fass and Tabanding in the Central River Region/South



As noted by Awa Jagne, a leading woman farmer of Boiram:

The access road has become a lifeline for trade and agricultural value chains not only for Boiram but the entire region. Prior to its construction, access to the key Brikama Ba market was a major constraint for communities in this area. Thanks to this initiative however, we now have ready access to this important market where we purchase agricultural inputs and sell our produce. Awa notes that there is now a regional dimension to trade and free movement in the zone, with traders coming from Guinea and Kolda in Senegal.





BASIROU BOYE, ANOTHER PROMINENT FARMER IN BOIRAM, ALSO CHIPS IN TO CONFIRM AWA'S STATEMENT AND HIGHLIGHT THE IMPORTANCE OF THE INVESTMENT

Prior to this initiative, access to Brikama Ba and the Jahaly Health Center was a huge problem for our communities. Vehicles rarely dared to ply this route and we had to rely almost exclusively on alternative transportation to go to the Brikama Ba market or surrounding social and health facilities. This problem has been largely addressed by the new access road. We highly appreciate this investment and have a strong commitment to ensuring that it is sustained for the benefit of the entire area.



LESSONS

A key lesson from this initiative is that in border communities, investments like this have spill-over effect and will promote trade and value chain development across national borders. The more than 3.5 KM Boiram/Fass/Njoben inter-village access road is now serving to promote trade between rural value chain actors in Gambia, Senegal and Guinea.

PERSPECTIVES

- Road maintenance and sustainability mechanism to be urgently put in place before completion of the initiative
- Promote national and local ownership of the investment

VIABLE PRODUCER ORGANIZATIONS ENABLE FARMERS TO PARTICIPATE PROFITABLY ALONG AGRICULTURAL VALUE CHAINS IN THE GAMBIA



BACKGROUND/CONTEXT

Smallholder farmers in the Gambia generally have limited access to production resources and agricultural capital. Farming is the single biggest employer for the rural population. However, it is largely subsistence and characterized by low input use, low productivity and low profitability. It can be argued that the very nature of small scale farming remains the major challenge to attracting the youth and the private sector to participate actively along agricultural value chains in the country. Smallholder farmers especially have a much weaker bargaining position than other actors of the value chain. They are generally faced with challenges of limited access to agricultural capital, high interest rates on agricultural loans and high transaction costs for both production and marketing of their produce.

It is a longstanding argument that farmer cooperatives will increase bargaining power and access to markets as well as enable smallholders to participate profitably along agricultural value chains. According to the Nema Knowledge Management and Communications Officer who doubles as focal point for Production Organizations: *Supporting the establishment of viable producer organizations is key to ensuring profitable participation of smallholder farmers along key agricultural value chains in The Gambia. However, rural and agricultural development actors in the country continue to grapple with the question of how to set-up viable and operational producer organizations. Addressing this issue will contribute positively to the project goals of increasing agricultural productivity and revenues and reducing rural poverty in the country; thus the initiative by the project.*



NEMA PROJECT SUPPORTING THE REVITALIZATION OF PRODUCER ORGANIZATIONS IN THE GAMBIA

Over the past 5 years, the National Agricultural Land and Water Management Development Project has supported the revitalization of producer organizations in the project intervention zones. More specifically, the project has supported the consolidation of 6 cluster producer organizations (cooperatives) in the rice production belts of the North Bank (Salikeni and Jurunku), Lower River (Pakalinding), and Central River/South (Kudang and Boiram) and Central River/North (Barajally Suba) Regions of the country. The initiative has focused on providing organizational, operational and financial support to organizations to render them viable and operational. Additional support has included capacity development support as long as linkages to the principal national fertilizer in the country for group access to fertilizer for rice production.

The six cooperatives, which span 25 villages, now have a total membership of more than 12000, with elected executive committees and relevant legal instruments for their operations. The project has also supported each cooperative to put in place a savings mechanism to support their operations and ensure their sustainability. Mr. Jammeh, notes that in 2018 alone, the total savings of the six cooperatives is now in excess of 5 million dalasi.

In addition to this, notes Jammeh, *direct membership benefits have included group access to almost 830 tons of fertilizer for rice production in 2018.* This translates directly into yield and productivity gains resulting from increased access to crucial production inputs by cooperative members. This was achieved through a project initiative linking the cooperatives to the GGC, the national fertilizer dealer in the country. Through this support, each cooperative was able to purchase fertilizer in bulk, and then loan out the procured fertilizer to its members at a concessional but profitable price.

The advantages of cooperative membership as highlighted by members of the Salikene Producer Organization in the North Bank Region:



Mr Foday Trawally, Salikeni Producer Organization President

Membership in the Salikene producer organization has opened opportunities for access to fertilizer, a critical input for improving rice yield and productivity in our region. Prior to the cooperative, we procured fertilizer in small amounts and plagued with the problems of limited access, high costs and the extra cost of transportation when fertilizer is available. The resulting effect was that very few farmers could afford to use fertilizer, and those who applied fertilizer used quantities that were well below the crop requirements. This has now changed over the last 2 years; through the Nema cooperative, we now purchase fertilizer directly from GGC and loan adequate quantities to our members at reasonable prices. The number of farmers applying fertilizer is increasing steadily, and our yields

have almost doubled from an average of less than 2 tons per hectare to between 3.5 and 4 tons per hectare. This means more paddy in our grain stores, more money in our pockets and a growing ability to purchase other inputs for rice production as well as the production of other crops without need for external support.



Ndey Buoy, Boiram Cooperative Society

Since I joined the cooperative, I have been able to easily access fertilizer and good quality seed for rice production. Last year I realized twice the yield I used to get in previous years. I am sure that my yields from the current cropping season will be much higher. With the increased production and potential revenue from the sale of paddy, I will not have problems assisting my husband with household expenses and paying school fees for my young children. What we need now is to ensure that mechanisms are put in place to facilitate paddy marketing in our region.



PERSPECTIVES FOR SUPPORT TO PRODUCER ORGANIZATIONS

The project will continue to support the development and consolidation of producer organizations to ensure profitable engagement of smallholder farmers along key agricultural value chains. The experience with the six cooperatives clearly point to significant potential benefits accruing to smallholder farmers when they cooperate and act jointly. Over the remaining life of the project, efforts will focus on consolidating the gains of the 6 cooperatives through providing the necessary capacity development support to ensure that they remain operational, viable and sustainable. The project will specifically focus on initiatives to:

- Facilitate access to improved inputs and technologies for cooperative members through direct linkages between the cooperatives and key input suppliers in the country;
- Through the VC interaction platform initiative, link the 6 cooperatives to other key actors of the rice value chains in their zones
- Support joint marketing through linkages with bulkers and wholesalers
- Support the development of modalities for documenting and sharing the experiences of the initiative
- Put in place adequate mechanisms for the sustainability of the cooperatives

ACCESS TO CAPITAL STIMULATES AGRICULTURAL MECHANIZATION AND SUSTAINABLE VALUE CHAIN DEVELOPMENT IN THE GAMBIA



BACKGROUND/CONTEXT

Access to appropriate machinery and equipment is essential for increasing labor and land productivity and overall performance along key agricultural value chains. In The Gambia, major processes along agricultural value chains (production, harvesting, transportation, processing, etc.) remain manual, thereby undermining efforts to modernize agriculture and promote gainful employment for women and youths in rural areas. In effect, essential machinery and equipment along key agricultural value chains remain out of reach of actors because their operations are largely small-scale and they lack the necessary capital to purchase relatively expensive equipment. In addition to this, it has long been recognized that actors also lack access to financial markets which are either reluctant to invest in agriculture or put in place lending mechanisms (lending conditions, interest rates, repayment conditions), which are unsuitable and unattractive to the value chain actors.

One consequence of this situation is low investment in machinery along agricultural value chains, with persistent reliance on labor intensive and often unproductive technologies. Efforts to address this through involvement of the public sector in the provision of essential services (such as tractor plowing services and milling services) have had mixed results at best. Innovative options to addressing this issue are urgently needed in order to improve the performance of agricultural value chains and ensure that investments in poverty reduction and rural development initiatives yield targeted results.

NEMA PROJECT: CAPITAL INVESTMENT STIMULATION FUND (CISF) FOR INCREASED VALUE CHAIN PERFORMANCE

With funding from Government and the International Fund for Agricultural Development (IFAD), the Nema project in The Gambia has been implementing a CISF initiative commonly referred to the Matching Grant programme over the past 5 years. The initiative seeks to promote investment and access to relevant equipment in order to promote productivity and quality assurance along rice and horticulture value chains across the country. In this framework, Nema has worked with selected value chain actors and financial institutions to promote access to financing for the capitalization of their operations. The mechanism involves the project covering 45% of the total equipment or service cost through direct investment,

45% loan arrangement with a suitable lender and 10% direct contribution by the value chain actor, based on an approved business plan. During the 5 years of its operations, the project has invested more than GMD 25.0 million to support 24 agro-enterprises to source funding for the capitalization of their operations along rice and horticulture value chains across the country. The main areas of investment under the CISF scheme have included the purchase of tractors for plowing and related services (14 enterprises), investment in solar systems and boreholes for continuous access to water in horticulture (10 enterprises).



The project focal point for the CISF initiative, Mr Banky Njie notes that: *Project beneficiaries who have accessed the capital investment stimulation fund have been able to acquire much needed equipment and machinery to improve productivity and post-harvest quality. This is contributing directly to enhancing the performance of the targeted agricultural value chains across the country.*



ACHIEVEMENTS AND EFFECTS

The objective of the Agricultural Commercialization component of the Nema Project is to increase the profitable trade in rice and vegetables produced by small-scale farmers by broadening and deepening local and national markets in terms of volume, quality and value addition. The CISF or matching grant scheme has contributed to the capitalization of businesses along the rice and horticulture value chains across the country. From an investment of GMD 25 million, 24 rice and horticulture value chain actors have been supported to access relevant machinery and equipment for key operations along the chains. Among these, 13 operators have purchased tractors 8 have invested in solar powered irrigation systems whilst the remaining two have invested in refrigerated truck and vegetable processing equipment. The productivity and income effects of these investments are clearly recognized by the beneficiaries. Across the board, individual beneficiaries and community members clearly recognize the advantages of timely farm operations, increased yields as well as the positive income effects of investment in agricultural machinery and equipment. To understand the positive effects of the scheme, we recorded feedback from selected beneficiaries in two communities:



Alhaji Saikou Kanteh of Jarra Soma in the Lower River Region benefited from the CISF scheme to purchase a tractor in 2017. His story illustrates how IFAD and the Gambia government are changing the lives of rural populations through Nema CISF scheme:

I have been able to purchase a tractor through support from the CISF scheme operated by the Nema project. My involvement in the scheme has definitely had a positive effect in terms of increased individual and household income as well as the overall wellbeing of myself and household members. I currently provide tractor plowing services to rice farmers in my community as well as the surrounding communities in my area. In less than 2 years of operation, I have reimbursed 100% of the loan provided by my equipment supplier, and I am currently running a successful and viable tractor plowing operation. Just take a look around my compound: I am currently putting up a new house, and purchased a taxi with proceeds from my tractor plowing operations alone. I am saving enough to guarantee regular maintenance and availability of spare parts when needed. I am indeed confident that after 2 more years of operation, I will generate enough revenue to purchase a second tractor to grow my business. It is also important to note that I currently employ 2 tractor operators.



In the North Bank Region, Mrs. Amie Bah of Balal Kafo in the Sabach Sukoto Fula community also received a matching grant facility to purchase a tractor. She notes that:

Prior to my association with Nema and the approval of my application, our entire community struggled to access tractors for timely plowing of our fields. The demand-supply gap for plowing services was so wide that we either had to plow our fields manually or risk waiting late into the cropping season before we could access tractors from other areas. This has all changed with the advent of the Nema CISF scheme. Since the purchase of my tractor, we are able to undertake land preparation and planting on time for the community of Sabach and surroundings. For women rice farmers in our community, this has been a life-changing scheme. Labor intensive manual land preparation has been a back-breaking experience for generations of women in our community. Breaking this cycle of labor intensive land preparation is indeed important for increased rice productivity and incomes. We cannot however overlook the nutrition, health and social effects on women and their young children.

Amie Bah received her tractor in 2018 and already has generated over GMD 800,000 in revenue, enough to settle more than 75% of her loan from an equipment supplier and keep more than GMD 200,000 in savings to maintain her tractor and ensure continued business operation.

LESSONS

- Targeting of women and youths to ensure that they participate actively in the CISF scheme is important given that they are the key target beneficiaries of the project and have a low current participation rate
- CISF beneficiaries require follow-up support for the development of appropriate operational and maintenance plans
- Sensitization of CISF beneficiaries on the importance of savings for the purchase of spare parts and maintenance of equipment is important for sustainability

PERSPECTIVES

- Exploration of new partnerships to promote youth participation in the scheme
- Continuous engagement of the private sector for ownership and sustainability
- Increased attention to other actors of the value chain: processors, transporters, etc.

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