In 2014, Propcom Mai-karfi (PM) and Africa Exchange Holdings (AFEX) piloted a warehouse receipt scheme to provide grain storage services to rural farmers. Following the pilot, the strategy for the scheme was expanded to include a swap component which allowed farmers to exchange their grains for fertilisers. PM’s contribution to a settlement fund enabled AFEX to access fertilisers on partial credit from Golden Fertiliser. This direct sourcing has eliminated risks of giving farmers adulterated fertilisers. PM and AFEX also entered a tripartite agreement with microfinance institution – Lift Above Poverty Organisation (LAPO) – to provide microcredits to farmers for fertilisers, directly disbursed by AFEX. The services provided by AFEX have improved farmers’ access to quality inputs and storage services, and have led to improved livelihoods for these farmers. By June 2016, 3,500 farmers had received fertiliser loans from LAPO and 320 farmers had swapped their grains for fertilisers. The potential for growth in 2016 remains substantial.

“In the past I could only afford to buy 2 - 3 bags of fertiliser, and sometimes when I open it I find that what I have bought is wet, does not dissolve well or has stones and impurities in it. Last year I did not have grains to swap for fertiliser and did not have money for inputs, so I took a loan from LAPO for 5 bags of fertiliser. I plant maize, rice and sorghum on my farm, and in total I usually harvest about 35 bags. Last year my yield increased from 35 bags to a total of 70 bags. I was able to pay off my loan from LAPO and could also set aside 5 bags of grains which I stored at AFEX's warehouse for sale later”. - Dije Sani

“Having money to buy fertilisers and a reliable place to buy it from has increased our yield. Last year all nineteen members of my cooperative received loans for 3 bags of fertiliser each from LAPO. We had more fertiliser which increased our yields. We had more profit and because of this we were convinced that we wanted to benefit from the loan next season, so we ensured to pay back all we received. This year, because of how well we paid our loans back, we have received double the amount of fertiliser loan. We each received 6 bags of fertiliser. I also swapped 2 bags of maize that I had stored in AFEX’s warehouse for another 2 bags of fertiliser, and was given some change. We are looking forward to a good season this year and already working towards increasing our farm sizes. In the past we could not get fertiliser when we most needed it and we did not also trust that the weights advertised on the bags were equal to the content. We are grateful, our businesses have really been strengthened.” Hajara Ibrahim