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WEST AFRICA

CASE STUDY

Mobile phone gives lifeline to Vedenu rice farmers' cooperative

Tradenet platform (www.tradenet.biz) opens wider market opportunities for farmers and traders in West Africa



“Until I attended the training, I never realized my cellular phone could be an important and low-cost business tool in my pocket. The cell phone has indeed given us a lifeline and negotiating power as we face today’s competition”

*Gabby Awumee, Secretary,
Vegbegbe Vedenu Rice Farmers’
Cooperative and member of Hohoe
District Alliance of Farmer Based
Organizations*

Challenge

The lack of access to timely and reliable market information has been a perennial barrier to trade and food security. The Vegbegbe Vedenu rice farmers, like several other farmers and farmer groups in developing countries, face a problem of finding markets for their produce: they produce without knowing where, to whom, and at what price to sell to make reasonable returns on their labor.

Initiative

A USAID/WA-funded MISTOWA project helped to pilot “TradeNet”, an internet application that allows users to access information on market prices, and contacts of buyers and sellers via the web, email and mobile phones. Tradenet was developed in partnership with BusyLab, a private Ghana-based software company. The project trained over 6,000 producers and traders from 90 organizations in West Africa to use the mobile phone to request prices and to post offers to sell or buy produce and inputs. Associations can also create their own web sites, “profiles” within the TradeNet site which they can use for information exchange. During one such training session in the Hohoe District of the Volta Region, the association secretary Gabby Awume created a profile for the Vegbegbe Vedenu Rice Farmers’ Cooperative and posted an offer by mobile phone to sell 120 tons of paddy rice on behalf of the cooperative.

Results

Within hours of posting the offer, Mr Awume received 26 phone enquiries from Ghana, Burkina Faso and Togo. The deal was finally concluded with a local milling company, Marsello & Co, from Kpong in the Eastern region of Ghana, whose representatives traveled to Hohoe to buy 100 tons of paddy rice, estimated at \$36,000. Other producer organizations and individual farmers have reported similar successes after receiving training. Through SMS alerts received on their cell phones, a producer association in Kara (northern Togo) found a soybean buyer in Lome, and concluded a deal worth \$6,029. A tomatoe producer in Togo found a buyer in Cotonou, Benin, and concluded a deal worth \$1,488, and an African entrepreneur in Paris, France responded to a shea butter sales offer posted by a Malian producer association AMEPROC and concluded a deal worth \$624,264. These successes have sparked interest among farmers and farmer groups. To meet this demand, BusyLab and IFDC have begun piloting a “TradePoint” concept where several “TradeAgents” are posted in different markets and rural areas to provide direct services using their cell phones.