

SMALLHOLDER CASSAVA FARMERS IN RWANDA GET BETTER VALUE FOR PRODUCE PARTNERING WITH THE PRIVATE SECTOR

FO4ACP Success Story : The Ingabo Syndicate brokers innovative public-private-producer partnerships along the cassava value chain in Rwanda



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Farmers' Organizations for
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**Delivery of
economic
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Cassava, key value chain in Rwanda

In Rwanda, over 700 000 family farms grow cassava, producing over 1,7 million ton per year, making cassava one of the most important staple crops in Rwanda. With high yields per hectare, cassava is among the priority crops to help cope with food insecurity and therefore one of the priority value chains for Ingabo Syndicate, the Rwandan farm-workers ad farmers syndicate.

For more than two decades Ingabo Syndicate has been supporting smallholder farmers to strengthen their technical and economic capacities to become strong and competitive market actors, guiding them through all the steps of the productive process from seeds to post-production and marketing.

To support the smallholder farmers and their cooperatives Ingabo Syndicate promotes partnerships with companies as a value chain model to ensure producers are integrated in a more equitable and durable way. One model of such a partnership between cooperatives and downstream businesses takes the form of a purchase contract, as is the case here, between cassava cooperatives and the Kinazi Cassava Plant.

From farm to cooperative to company

With 15.000 active farmer members and over half of them involved in cassava production, Ingabo Syndicate built a lot of its services to members around the cassava value chain. All individual members are also a member of a cooperative, which allows the Ingabo Syndicate to work with groups of producers more easily and show them how they can be stronger working together. Support is given in all areas of the cassava value chain from healthy cassava cuttings to post-production and marketing.

With market access being one of the big challenges for the cassava farmers and cooperatives, it is also one of Ingabo Syndicate's main areas of support, placing effective win win contracting systems with companies, that also integrate proper dispute resolution mechanisms as one of their priorities. As such, in 2020, Ingabo Syndicate played a key role as an intermediary between cassava cooperatives and the Kinazi Cassava Plant to negotiate a beneficial contract for 15 cooperatives to sell their entire 2021 production directly to the plant at a good price.

"A few years ago, the supply of cassava to the plant was irregular and there were no set agreements with producers or cooperatives. Sometimes other buyers offered a better price for the produce. Sometimes the quality did not correspond to the standards of the plant. Other cooperatives did not want to sell their produce to the plant anymore as they had experienced delays in payments in the past. Establishing contracts with a competitive prize for the cassava, guarantees the plant enough supply of quality produces and at the same time it ensures a good prize and timely payment to the cooperatives and producers. It is a win-win for both parties." clarifies François Xavier Mbabazi, Executive Secretary of Ingabo Syndicate.

The contracts ensure regular delivery of good quality cassava for the plant and a competitive price and payment guarantee for the cooperatives and producers. Ingabo Syndicate worked on a model contract that can be adapted and re-used when more cooperatives want to sell their produce in a regulated way and at a price that takes into account production costs and that is higher than when producers sell their crops individually. The longer-term contracts also help the cooperatives to apply for loans in commercial banks, as they can use them as a collateral, while without guarantees or collateral it is very difficult for agricultural producers to obtain credit. The extra credit obtained can be used to invest in the production.

Despite the contracts with the Kinazi Cassava Plant, market access remains of great concern for the cassava producers from Ingabo Syndicate. As only part of the total production is sold to the plant, other solutions needed to be put in place.

During a cassava value chain stakeholder meeting in September 2020, a group of 89 cassava producers and 3 cooperatives decided to establish the company "CassVenture LTD" to further explore and develop market opportunities. The cassava business company has a capital amounting to 200,000,000 FRW (202,634 USD) and a three-year business plan was developed. The business plan focusses on commercialization of fresh cassava exploring market opportunities in neighboring countries such as the cities of Goma and Bukavu in the East of the Democratic Republic of Congo and close to the Rwandan border, that offer large markets for fresh cassava. The company will also look into transportation and appropriate storage facilities for the cooperatives and producers.



Over time CassVenture LTD also aims at gathering sufficient capital to be able to buy shares of the Kinazi Cassava plant once released on the market. At its inauguration in 2020, it was foreseen that about 30% of the shares of the company would be sold to farmers once the company was well established and profitable.

“Our public-private producer partnerships are along the entire value chain” adds Mr. Victor MANARIYO, Agriculture and Livestock Development officer at Ingabo Syndicate. *“We need to work with research institutes to have disease resistant cassava varieties. The use of better varieties has increased yields from 10 to over 40 tons per hectare. We need to work with the Government for agricultural subsidies and better policies. We need strong private sector players to buy the produce. By bringing all actors together we can make the value chain stronger”* he added.

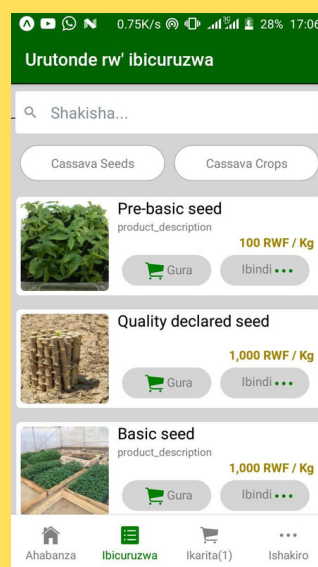


Ingabo Syndicate helps negotiate the contracts between the cooperatives and the plant
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E-cassava market application

Over the course of 2020, Rwanda was, like the rest of the world, confronted with the Covid-19 crisis. As for many farmers' organizations, federations and syndicates this resulted in new needs of their farmers' members, who had to face lockdowns, lack of transport and limitations in movement, amongst other difficulties. To respond to this need, Ingabo Syndicate worked on the development of the E-cassava market application that was launched during Cassava Week in November 2020. The application aims to bridge the gap in exchanging information about seeds, farmers produce and market availability across cassava value chain actors. With this technology, farmers can easily know which cassava varieties are available and where to find them without having to go on-site. Additionally, buyers will know where to find sellable cassava produce and the available quantity.

Ingabo Syndicate will further develop the E-cassava market service over the course of 2021, alongside other initiatives to develop the capacities of its members to develop their profession digitally, giving them the necessary tools and developing the necessary skills.





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Cassava week

Cassava week is an annual event in Rwanda, organized by Ingabo Syndicate and supported by the Ministry of Agriculture of Rwanda that brings together all cassava value chain stakeholders: farmers, development partners, private sector and government decision makers. The objective of the event is to connect cassava farmers with the market players and with different partners who work towards development of the cassava crop in Rwanda. The discussions during the weeklong event help the stakeholders find solutions for the challenges they are still facing in the cassava value chain. During the event, achievements are celebrated and pledges for the upcoming year are made.

INGABO Syndicate

The INGABO is the Rwandan Farmers syndicate, which has been legally recognized by the Government of Rwanda through the Ministry of Labor and Public Services in April 1st, 2005.

It was originally established by farmers of Southern province with the mission to improve technical and Economic capacities of agricultural producers so that they become competitive players on the market. The INGABO Syndicate has three organizational levels: the basic syndicates (at the grassroots), regional and national level.

At each level, there is a congress, an executive committee, a supervisory board and an arbitration commission. Syndicate has also general secretariat in charge of daily implementation of programs. Currently the INGABO Syndicate has around 15,000 active members with about 55% women and 45% men. All individual members are also a member of a cooperative, which facilitates the economic accompaniment of the farmers.

The INGABO Syndicate is headquartered in Muhanga District, Nyamabuye Sector, Gahogo Cell. Particularly its activities cover the southern province and the district of Bugesera of Eastern Province. However, according to the 2020 general congress resolutions and as per syndicates policies and regulations, INGABO has decided to extend its activities countrywide.

The mission of the organization is to improve technical and economic capacities of its members to become competitive market actors. As a farmers' syndicate, INGABO focuses on lobby, advocacy and strategic partnerships to develop the required services to the members.

The INGABO Syndicate is a founding member of EAFF (East Africa Farmers Federation), and is also a member of the World Farmers Organization (WFO).

For more information visit:

<https://www.ingabosyndicate.org>

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INGABO Syndicate and the FO4ACP programme

As a member of the East Africa Farmers Federation (EAFF), recipient of the FO4ACP programme, INGABO Syndicate is one of the beneficiaries of the FO4ACP programme at the national level. The FO4ACP programme supports INGABO's development activities in the cassava value chain. In particular, the programme supported the partnerships with the private sector, the development of business plans, the Cassava Week 2020 and the development of the E-cassava market application and institutional support to the farmers' organization itself.

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<https://www.ifad.org/en/web/knowledge/publication/asset/42147725>

