

ICT Update

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**Next-generation
ACP agriculture –
innovations that work**

Market information to mobiles promotes transparency within Senegal's value chains

Pierre Ricau, Hermann Tossou, Ossen Senou and Marc Ghislain Bappa Se

Digital agribusiness, N'kalô, is empowering Senegal's smallholders through the provision of reliable and objective market information to their phones. Using this data, farmers are able to negotiate to achieve the best prices for their produce.

Lamine Sagna, a cashew farmer in the Sedhiou region of southern Senegal, has learned first-hand that knowledge is power. "The key thing is to have negotiating power," he says. "With these text messages, we feel better equipped, more confident. When I see the information on my mobile phone, and a *bana-bana* (middleman) arrives offering a lower price, I tell all the other farmers not to sell. I let the *bana-bana* talk and when he finishes, I tell him I know the true price."

Sagna is one of a growing number of farmers who have subscribed to N'kalô, a market information service operating in Burkina Faso, Côte d'Ivoire, Mali and Senegal, which was supported by CTA during a scaling-up phase.

The service delivers weekly bulletins to farmers and their organisations by mobile phone, supplying valuable information about the market situation and trends for a particular crop, including the prices it may be expected to fetch.

An information gathering network

Each week, the N'kalô team collects information by telephoning and emailing a large network of private players – farmers, traders, processors – at local, but also international level, as well as communicating with them on WhatsApp. After analysing the market situation and prospects, the team sends advisory messages to thousands of farmers, mainly through mobile phone SMS messages. "When I receive messages, I feel stronger. I tell the middlemen: 'Take it or leave it. Someone else will come and buy it', and they are forced to take my product," says André Sadio, a farmer in Senegal's Ziguinchor region, who is a N'kalô user.

A knock-on effect of N'kalô has been better business for all farmers, including those who have not signed up for the bulletins. This is because traders have no way of knowing which producers receive the text messages, and those who do not. As a result, they are reluctant to offer prices that are too low, for fear of compromising their credibility. "Before, we would only receive information from middlemen, who fixed prices between each other," explains Karamouko Toure, a cashew farmer in Senegal's Kolda region. "Now," he adds, "the simple fact that the *bana-bana*, who come here on a regular basis, know that we receive information via N'kalô helps to ensure that the price they offer is fairer throughout the whole village."



Image: Pierre Ricau

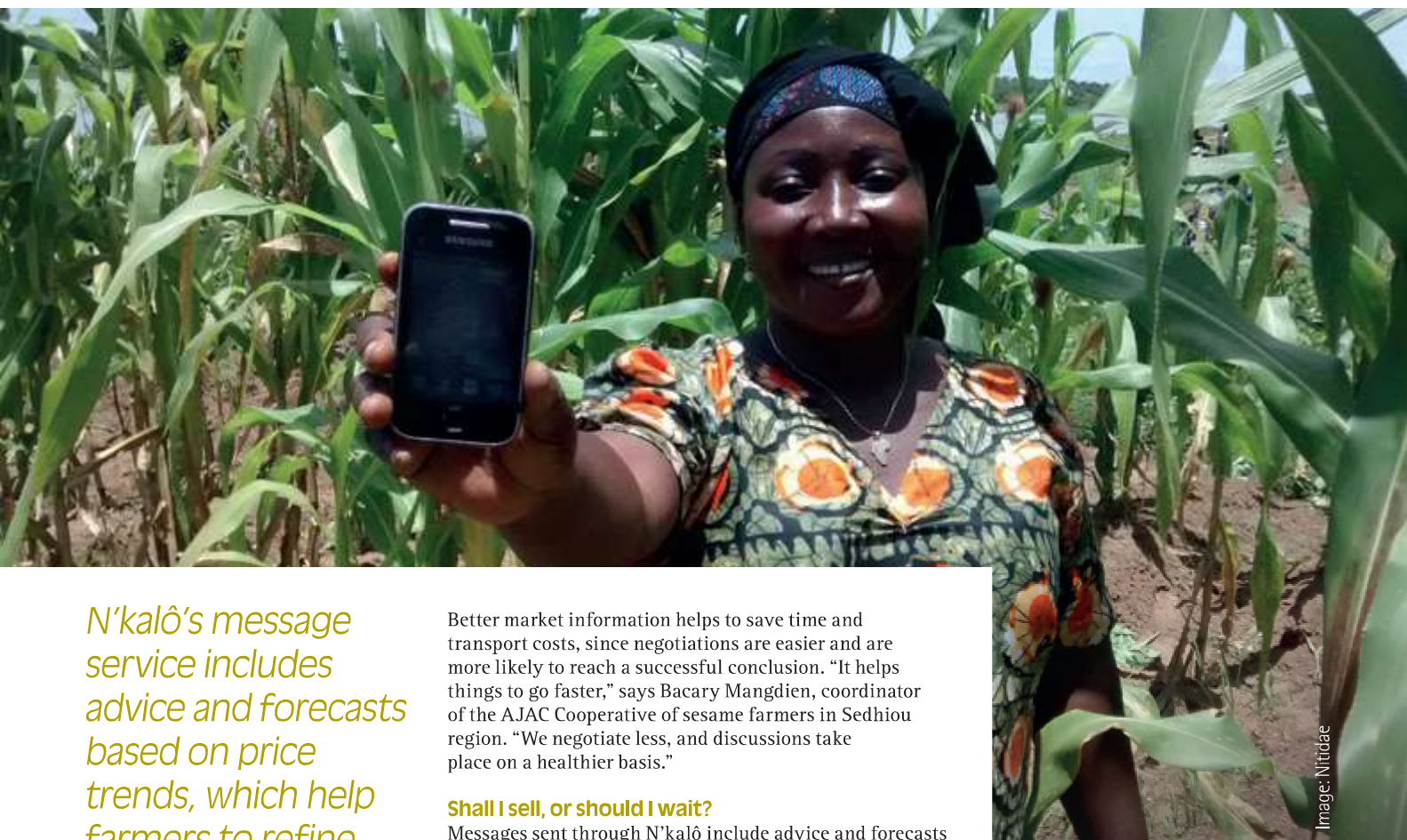


Image: Nitidae

N'kalô's message service includes advice and forecasts based on price trends, which help farmers to refine their short- and mid-term marketing strategies, and decide exactly when it is worthwhile selling their produce.

Market information sent to mobiles in Senegal is helping farmers negotiate better prices for their produce

SMS messages sent through the N'kalô mobile app include market advice and forecasts based on price trends

Better market information helps to save time and transport costs, since negotiations are easier and are more likely to reach a successful conclusion. "It helps things to go faster," says Bacary Mangdien, coordinator of the AJAC Cooperative of sesame farmers in Sedhiou region. "We negotiate less, and discussions take place on a healthier basis."

Shall I sell, or should I wait?

Messages sent through N'kalô include advice and forecasts based on price trends, which help farmers and farmer organisations to refine their short – and mid-term marketing strategies, and decide whether it is worth waiting before selling their produce.

A case in point was a recent decision by maize farmer Ibrahima Diop to delay sales amid forecasts of increasing price trends. "This year we had a small stock of maize that we held for longer, because the text messages warned us of a possible increase," says Diop, who is treasurer of the Yachalal Cooperative in Sokone region. Diop revealed that they "sold in April at a good price (210 FCFA/kg or €0.32/kg), which enabled the cooperative to make a profit." The Senegalese Federation of Sesame Farmers recently signed a contract for the 2018/2019 season with a foreign exporter on the understanding that the prices used for each transaction will be based on N'kalô figures.

Many N'kalô users report having improved relationships with clients throughout the value chain due to the widespread availability of reliable and objective market information. Leaders of farmers organisations say the service is helping to build trust and discussion within their membership. Overall, farmers in Senegal agree that the market information service has led to a better business climate. "N'kalô reminds me of the Chinese proverb that: if someone is in need, rather than giving him fish to eat, it is better to teach him how to fish," observes Amath Diouf, a cashew farmer and trader in Sokone region. "That's because people learn to understand markets. But, in addition, N'kalô also provides fish, because farmers often earn higher prices just by mentioning the messages to buyers." ●

About the authors



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