



EXPPERIENCE OF GROUP MARKETING OF GINGER BY THE NORTH WEST FARMERS ORGANISATION (NOWEFOR)

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Background

- **NOWEFOR is a Federation of Unions of Common Initiative Groups in the North West Province of Cameroon.**
- **Ginger cultivation is an old practice in Bafut zone of NOWEFOR.**
- **It is a crop that was traditionally cultivated by women.**
- **It was identified as an important economic crop and so the Farmers were organised into a Production Sector.**
- **In 2001 the ginger sector was created with 120 members (men = 26, women = 94).**
- **The production sector received technical and financial assistance for increased production of the crop.**

The need to organise the marketing of ginger in Bafut

- Before 2001 the price was 2 500 Fcfa/ 15 l bucket of Ginger
- Technical assistance received led to reduction of production cycle from 24 months to 12 months.
- The yield per hectare increased.
- The total production realised in 2001 was 150 tons.



Cont.

- This increase in production led to an observed price drop in the local market
 - from 2 500 Fcfa/15 l bucket
 - to 500 Fcfa/15 l bucket
- At 500 Fcfa/15 l bucket the total income is ~ 400 000 Fcfa/ha while the cost of producing is 500 000 Fcfa/ha
This means that the farmers were experiencing a net loss of 100 000 Fcfa/ha with this increased production.
- There was need to reflect on how to organise the farmers to increase their bargaining power in front of middlemen and wholesalers for better prices.

The creation and organisation of a local market control committee

- A local market control committee was created to sensitise all ginger producers on the need to organise the marketing of ginger in order to bargain higher prices.
- The members of this production sector agreed to sell their produce in one location in the local market together with all other ginger producers in the area.
- During a marketing session with all the produce in one location in the local market, it was observed that the prices were low because of excessive supply.
- The NOWEFOR farmers in the zone of Bafut reflected on strategies to reduce the supply of ginger in the local market.

Strategies to reduce ginger supply in the local market

- The first strategy was to group producers into four zones with each zone having a specific day to supply in the local market.
- Administrative and traditional authorities were involved in order to reinforce the zoning agreed upon.
- It was also deemed necessary to look for other market outlets out of the production zone (Yaoundé, Douala).

Some preliminary impact

- The zoning led to reduced supply and the price of ginger rose to 1 000 Fcfa/15 l bucket.
- Ginger was also supplied to buyers
 - in Yaoundé (2 trips of 5 tons each) at 1 400 Fcfa/15 l bucket
 - and Douala (5tons) at 2 100 Fcfa.
- This led to an increase in the price at the local market to 1 500 Fcfa.



Need to rethink the strategy

- Supplying at Yaounde was suspended because the client manipulated the farmers by reducing the accepted prices when the produce had been transported to Yaounde since there was no written agreement.
- The client in Douala took produce for credit and was not regular in repayment.
- The system was not also very attractive to farmers who had to supply their produce to the market control committee and only received payment when the produce had been sold.
- The organisation resolved to adopt an approach where produce was bought in cash at the level of the village.



New market arrangements

- Clients interested in bulk buying of ginger at the level of the village were identified.
- The local market control committee borrows money from the Credit House and buys the produce from the farmers.
- This produce is then later sold to the client ensuring that at least the buying cost is recovered.
- In case the negotiations enable the committee to make profit, part of it is used to motivate the members of the local market control committee while the rest is ploughed into the ginger production sector funds.

Impact



- Presently an agreement exists with 1 buyer to regularly supply 5 tons of ginger bi-monthly.
 - This demand is hardly met by the members of the organisation who have to buy from other producers to supplement.
 - Thus, the quantity supplied in the local market has greatly reduced.
- This has led to a price increase to 1 700 Fcfa/15 l bucket
This price is very stable and the trend is that it can occasionally increase.
- Consumers highly appreciate the quality of the ginger from this locality which is very organic.

Profitability



- With the present price 1 700 Fcfa/15 l bucket
 - the farmers experience a net profit of 1 million Fcfa/ha.
- It is hoped that if more bulk buyers are identified the farmers will be able to bargain and further increase the price.



Partners in the process

- SAILD assists the organisation in reflections on marketing strategies, market studies and identification of clients.
- The Bafut Municipal council assist in reinforcing the agreed location for ginger in the local market with fines inflicted on defaulters. They also exempt our clients from paying taxes on ginger.
- The Bafut Traditional Council supports the process by reinforcing the zoning of the producers and the agreed timetable for supply in the local market.

Challenges



- Not all farmers currently respect the zoning of the village for supply of the local market.
- Some farmers sell to middlemen before they arrive the market.
- The organisation buys from members in buckets while the client buys in Kg. Sometimes there is a big disparity with the different measurements.

Perspectives



- The vision is to attain the price of 2 500 Fcfa/15l bucket which the farmers used to experience in the zone.
- Small scale processing of ginger into various forms (powder, drinks etc) exist.
 - This processing could be promoted to increase the value of ginger thereby increasing income from the crop.
- Collection centres for ginger have been created in some far of zones to ease produce mobilisation and this has to be extended in other zones.
- Interest has been received from other bulk buyers like Leader Price because of the good quality.

However, we have not started supplying because the price offered is not very satisfactory.



