Les Potagers du Bandama: a social enterprise in Ivory Coast

Les Potagers du Bandama is a social enterprise founded by an NGO called the European Institute for Cooperation and Development (Institut Européen de Coopération et de Développement, or "IECD"). The enterprise sells the production of its network of market gardeners through direct sales, and through large and mid-size distributors. Quentin de Villechabrolle discusses the history of the project and the challenges faced.



GDS: Can you tell us a little about your business?

Les Potagers du Bandama is an Ivorian social enterprise founded as part of the TAM-CI project, which helps market gardeners in Ivory Coast transition to agroecology. The aim of this pilot project is to create a sector dedicated to agroecology in Ivory Coast. Our action can be broken down into three successive stages.

First, TAMCI conducts experiments with a control group of farmers to develop sound farming practices and select the best inputs or the best crop-management techniques. Next, the project trains farmers in the region (target: 450), teaches them the previously identified agroecological practices and help them put what they learned into practice. Lastly, Les Potagers du Bandama, whose leading shareholder is IECD, covers all sales-related activities (collection, packaging, marketing) and introduces the products into the formal market. We mainly sell food baskets delivered weekly to retail customers. but we also sell to wholesalers and supermarkets. We have about one hundred regular customers, which means we are selling 50 to 60 baskets a week.

GDS: In what ways is your model innovative?

To bring about the emergence of this practically nonexistent sector, we had to cover all activities. The farmers follow a comprehensive pathway: Once trained and prepared to meet the requirements of the formal market, they are exposed little by little through the company to contract farming. We train them to work on many products simultaneously, because diversification helps preserve the soil and minimise risk. But doing so requires sound planning and management, which are essential to maintaining regularity of production

About 30 of the 250 farmers trained supply the company on a regular basis and therefore enjoy stable and guaranteed income. They comply with best practices in agroecology, produce year-round, have accessible land... There is still just a small number of them who meet all of the conditions. Supply also needs to grow in pace with demand so that production is not devalued. The number of farmer-suppliers is therefore controlled.

GDS: Are organic sectors just a niche market?

We conducted a market study in Abidjan and noticed two trends: a preference for local production and production without pesticides! There is demand in urban areas among the upper and middle classes. In my opinion, the challenge is on the production side. The climate in Ivory Coast is far from ideal for market gardening, so we need to be much more creative. I dream of the day when people will be eating organic strawberries from Yamoussoukro and Ivorian heirloom tomatoes! Such innovative and healthy products would help reduce imports of expensive fruits and vegetables and boost farmers' income.

Agroecology has several significant assets for farmers: preservation of soil quality and health, better sale price if they can access formal markets, products that store better and that are therefore preferred by wholesalers, steady income and – for those who work with us – guaranteed income! Les Potagers du Bandama therefore adds value in four ways: health, social impact, ecology and diversity of products!

GDS: What are the main challenges encountered?

Covering the entire value chain is an important challenge. When it comes to the provision of inputs, our company is helping make up for the lack of effective cooperatives and the hesitancy of microfinance institutions. We put market gardeners in contact with private suppliers of inputs, irrigation equipment and crop-protection services, but we also need to prefinance seeds, nurseries, compost, scales, containers, etc. at zero interest to facilitate the implementation of best farming practices.

There are also obstacles linked to the fact that, for decades, the sector has been underfunded and unorganised: no organised logistics, no accessible wholesale/semi-wholesale market. Farmers' investment capacity is extremely limited, and microfinance institutions are hesitant when it comes to market-gardening activities, which they are not very familiar with. It is now important to find political support to help the market-gardening sector, whether organic or conventional. Provision of inputs, competition from imports and logistics are major obstacles for small farmers and lead to market price volatility, which is difficult to manage.

We are also trying to identify farmers who want to band together as a group, because playing the role of cooperatives is not our long-term objective. Banding together into unions and committed cooperatives will help farmers obtain political support for the sector and more effectively promote their production. Institutions must imperatively support them.

We are constantly torn between the desire to control everything in order to provide supplies and succeed in our sales, and the need to help farmers take ownership of the production side. Downstream, the direct sale of ultra-fresh products requires sophisticated organisation, a lot of handling and high indirect costs: packing, cleaning, packaging,

delivery, billing, payment collection, advertising, etc. Customers chose us solely based on trust, because certification is practically nonexistent in Ivory Coast.

That's why we are participating in a project for a fully Ivorian participatory guarantee system. This quality assurance system self-managed by the sector helps cut costs while ensuring compliance with specifications that are strict, realistic and adapted to the realities faced by farmers. Those who participate take great care to make sure that everyone is in compliance, so as not to dis-

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credit the system. Certified farmers are much more autonomous when it comes to marketing. They don't need to advertise their products, because their label speaks for itself. Just like customers who are wary of misleading branding, large distributors have much greater trust for certified fruits and vegetables. It frees them from responsibility for the quality of the products on their shelves. Let's hope that someday those local labelled products will replace the huge quantity of expensive imported products sold in the country's shops!

GDS: But what is the advantage of entering into a contract with a large supermarket chain?

It may be counter-intuitive, but large and mid-size distributors are very attractive outlets for agroecology. Their customers have strong purchasing power, and they buy large quantities and help reduce per-unit logistics costs, which makes up for the lower sale price. CFAO/Carrefour already market roughly 30% of our volume at two shops in Abidjan, accepting the constraints that go hand in hand with working with a very small supplier like us. We need to be able to meet their demand in terms of volume and regularity of supply. CFAO/Carrefour are helping us in that regard. They have a marketing strike force that is much greater than a small entity could ever hope for.

This is essential because market-gardening products – especially organic ones – are not promoted institutionally and are invisible compared with consumer goods such as beer, which are ubiquitous in advertising displays (pp. 34-35). The risk, of course, would be to have 80% of sales in the hands of one or two decision-makers imposing their conditions...

Quentin Villechabrolle



quentin.devillechabrolle@iecd.org Head of the TAMCI project for IECD. He is in charge of experiments, training and marketing. He is also manager of the company Les Potagers du Bandama.



Farmers first receive training in agroecological practices, and the social enterprise takes over in terms of marketing aspects. The farmers gradually become better prepared to meet the requirements of the formal market and contract farming.