

SNAPSHOTS OF COMMERCIAL PARTNERSHIPS

ALOKODONGO

Alokodongo runs a large farming business in the Upper East Region which includes mango and cashew plantations, livestock and dry season horticulture. The company moved from maize and soya grain to seed production and has 200 acres, of which 100 are irrigated. Through MADE support, Alokodongo has expanded from 100 to 500 out-growers producing maize and soya and has two Farm Enterprise Advisors (FEAs), two tractors and two shellers.



Business-to-business partnerships through MADE

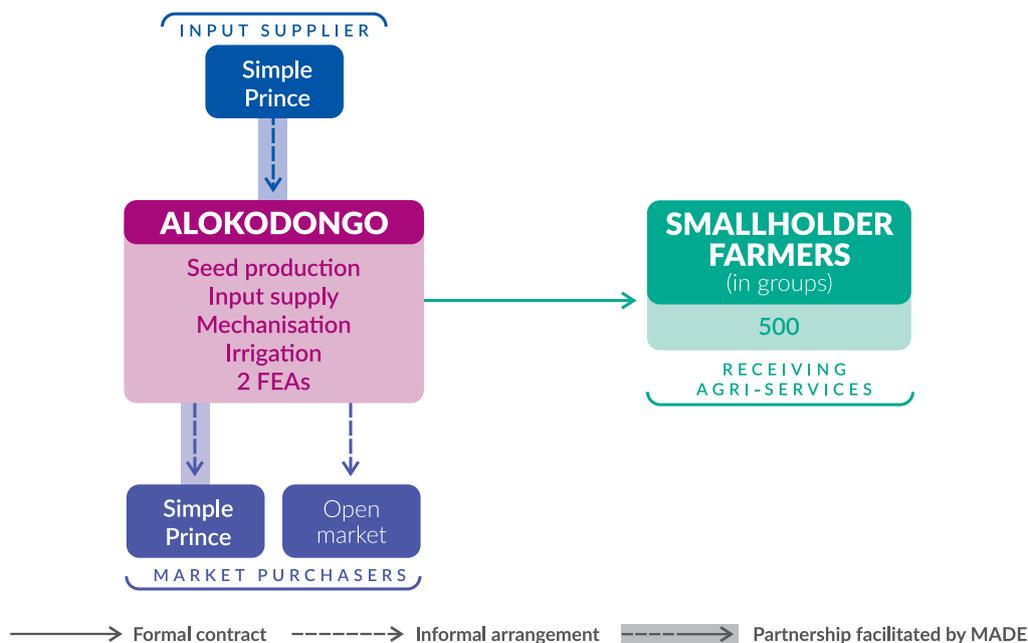
The company is a support enterprise partnered with the lead firm Simple Prince; through MADE support this has become a very close relationship. Simple Prince brings all Alokodongo's inputs to the farm gate at no extra cost. These inputs are provided on credit with no interest and are repaid in part with certified seed. Alokodongo also has relationships with Simple Prince's other support enterprises, Yelumde and Ariku Farms. The four companies have worked together to propose a deal to the insurer Ghana Agricultural Insurance Pool, to whom they were introduced by MADE. Alokodongo's business relationships are all managed informally on a basis of trust.

Other business-to-business partnerships

The company did not share details of any other non-financial business relationships.

Business-to-farmer relationships

Alokodongo's out-growers are organised in groups of about 100 farmers, two thirds of whom are female. The company has a simple written agreement with the lead farmer who manages each group. All the smallholder farmers' (SHFs') inputs and services, including irrigation, and tractor and sheller services, are delivered by Alokodongo. These are repaid through crop recoveries – apart from tractor services, for which the farmers pay directly. Following MADE's support, Alokodongo has seen SHF yields increase from five to ten bags per acre for maize and four to eight for soya.



Business-to-business and business-to-farmer relationships for Alokodongo

Smallholder farmer safeguarding

Alokodongo’s SHFs were constrained to working on plots smaller than they wanted this year. The SHFs were relying on the supplier PFJ for fertiliser but there was insufficient supply: the company was able to provide seed but was unable to source fertiliser. When the out-growers have crop failures, Alokodongo takes a photo of the affected farmer and makes a repayment agreement. However, the company has not explored crop insurance as its owner believes it would be too expensive.

Constraints and opportunities

MADE has introduced Alokodongo to drip irrigation for pepper plants. This may provide the company, and potentially SHFs, with dry season options that ease cashflow. Alokodongo reported that it is a constant struggle to access sufficient finance.

Growth potential

The company is constrained by access to finance but would like to expand out-grower production.

Additional insights

The company’s owner, Mr Alokodongo, reported that he had received 50% of the investment for his mango plantation from the Ghana Export-Import Bank, which supports tree crop production.



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