

Great Taste, More Income for Local Farmers

Winrock International

Improving Lives and Livelihoods Worldwide



A Nigerian farmer shows off his sorghum crop.

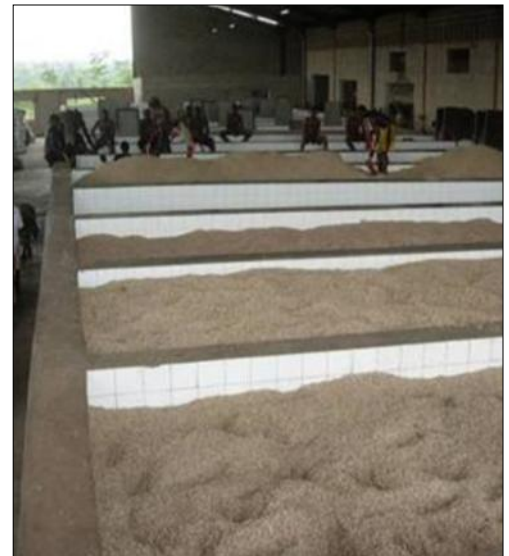
**Thanks to
Winrock,
West
African
farmers
gain new
multi-
million
dollar
market for
their grain.**

Winrock is helping African farmers earn more money from their fields by connecting them with the international brewers Heineken and Diageo, which counts Guinness and Smirnoff among its brands. In just two years, Winrock has opened up a new market for the farmers that is currently worth \$4 million and has enormous potential for growth.

Major beverage companies have long brewed beer and malt beverages in West Africa for the local market. Until recently, however, the brewers mainly relied on imported barley, unsure of whether African farmers were capable of producing a sufficient, reliable supply of quality grain. African farmers, on the other hand, were unable and reluctant to invest in their farms because they lacked access to capital and because they weren't sure they could profitably sell the increased yield.

Winrock stepped into this gap between local producers and international buyers. "Winrock used its experience and trust to work with both groups," said Henk Knipscheer, a senior program officer at Winrock. "The buyers trusted us, and so they committed to purchase a certain amount of sorghum from local farmers. We used this commitment to leverage loans for the farmers so that they could purchase the inputs they needed to grow grain." In Ghana, for example, [SINAPI](#), a local micro-finance NGO, made \$1 million available to farmers so they could purchase good-quality seed, fertilizer, and other supplies.

Winrock and its affiliate [EUCORD](#), with support from the [Common Fund for Commodities](#), [USAID](#), [Heineken](#), and [Diageo](#), also provided technical assistance to farmers by identifying and



Sorghum malting at Nigeria Breweries. In this first stage of the brewing process, grain is moistened until germination, then quickly re-dried.

propagating the sorghum varieties that are the best replacements for barley, demonstrating the most productive planting methods, and building common storage and delivery facilities. The facilities help farmers avoid middlemen and keep their profits in their pockets.

These improvements have helped 9,000 farmers in Nigeria, Ghana, and Sierra Leone, produce 14,200 metric tons of sorghum for which they were paid an estimated \$4 million. Because farmers spend most of this additional income, the payments have an even larger impact on local economies. A recent study in Sierra Leone showed that the average dollar paid to a small farmer changes hands five times a year.

“In Sierra Leone, sorghum was only used as a subsistence crop,” explained Knipscheer. “There was no market for it. So, the first year the farmers didn’t believe us when we said we were going to be able to buy all the extra sorghum they grew. But after the first year they said, ‘Oh, now we believe you.’ It takes a number of years to build this up. The trust has to grow. To invest in the increased production, farmers have to trust that the buyer will come back year after year. They’ve had their fingers burned too many times by people who come in with promises.” Winrock is helping to grow that trust. Despite poor rains, the amount of sorghum that farmers sold to brewers in the second year of the project doubled.

A steadily increasing supply of grain is crucial for brewers. “Brewers, if they want to change their recipes, can’t do it suddenly,” continued Knipscheer. “They have to add sorghum and decrease barley very gradually. And if the sorghum supply suddenly stops, they can’t just switch back to barley.



A Sierra Leonean farmer with his sorghum crop, eight weeks after seeding.

So, before they switch their recipe to sorghum, they must be confident in the local supply.” Heineken, Diageo, and their West African subsidiaries are invested in the success of this project. Together, they have committed over \$1.5 million to support the project’s coordination and technical assistance, in addition to the millions they have already paid to local farmers.

“This started as a social project, but lately it has become very interesting from a commercial perspective, because commodity prices have risen so much,” observed Mr. Knipscheer. The program has been a huge success for farmers and brewers, and Winrock has been invited to replicate it in several other African countries, including Burundi, the Democratic Republic of Congo and Cameroon.

Read what London’s [Financial Times](#) said about this project.

Winrock International is a nonprofit organization that works with people in the United States and around the world to empower the disadvantaged, increase economic opportunity, and sustain natural resources.