Supporting local innovation by means of an alternative finance mechanism

The support fund strengthens the resilience of farmers with meagre resources in the Ségou and Mopti regions of Mali

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Introduction

Innovative farmers have developed local solutions aimed at overcoming the constraints of poverty and land degradation. A support process based on the Local Innovation Support Fund (LISF) was established to facilitate low-income farmers’ access to financing as well as to promote and improve their local innovation. It is an initiative from the project aimed at strengthening the Farmers’ Research Networks (FaReNe) in the regions of Ségou (Nabougou and Nampasso) and Mopti (Kiri and Pongonon).

The implementation of the aforesaid process led to the identification of constraints related to farming innovation, for example the poor quality of the materials supplied and the diversity of solutions, such as the pooling and digging in of organic fertilizers in order to overcome such constraints and enable farmers to qualify for the Local Innovation Support Fund.

The purpose of this case study is to document the experience of the FaReNe in Mali in relation to the results of the local innovation support funds.

The organizational arrangement

A management committee was set up at the national level. This comprised two representatives from the Association des Organisations Professionnelles Paysannes (Association of Farmers’ Professional Organizations), two representatives from the Institut d’Economie Rurale (Institute of Rural Economy), one representative from the Direction Nationale de l’Agriculture (National Directorate of Agriculture) and two representatives from the non-governmental organization the Association pour le Développement des Activités de Production et de Formation (Association for the Development of Production and Training Activities). The national management committee was set up to analyse and review funding proposals as well as to monitor and assess the process. This committee was composed of members of the project’s technical team.

Fund management tools (grant application templates) were developed by the national committee. These were translated into the Bamanankan language so as to facilitate exchanges among the groups.

At the local level, a fund management committee was set up for and by each one of the four groups that were identified following the calls for proposals by the local innovation support fund, facilitated by the Association of Professional Farmers’ Organizations (AOPP) and selected once the funds had been received. The local fund management committee comprised three (3) members appointed at a general meeting: a president, a secretary general and a treasurer. The president convenes and presides over meetings, the secretary is in charge of information and communications, and the treasurer provides funding for committee activities.

Process implementation

The support process, through the innovation support funds, started with an information and training session for the stakeholders (producer groups, agricultural advisers and researchers) in both regions, run by two members of the national committee. In the information training sessions, both the existence of the local innovation support funds as well as the terms and conditions of access to the aforementioned funds (see Frame 1) were explained.

The selected groups formulated applications for funding in the local language and sent them to the two regional coordinators of the Association of Professional Farmers’ Organizations.

The requests were then forwarded to the national committee by the regional AOPP coordination teams. The national committee then selected the applications according to clearly defined criteria as stated below (see Frame 2). The applications received were analysed and reviewed by the national committee, the feedback concerning the application of which was sent to the applicants after each approval.
The local management committees were placed in charge of allocating financial resources among the members of their group.

On average it took thirty-four days after the submission of the application to arrive at the decision by the national committee (see Frame 4). After 18 days - on average - the disbursement was also made. These figures show that the process put in place has worked reasonably well in a timely manner.
Monitoring and evaluation

Monitoring and evaluation of activities related to the local innovation support fund were carried out at the local level by the local committees at least three times a week. The AOPP coordinators and the national technical team carried out the monitoring of funded activities on a monthly basis in order to analyse and assess the progress of planned activities in relation to the applications that were accepted. The monitoring of these activities was focused on the number of people who were using the training they had received; the amount of compost produced; the health status of the ewes and sheep within the framework of sheep breeding and fattening. The local and national committees and regional coordinators followed the same indicators but at different frequencies and the data were collected by the local committees and the technical team.

Results

The local innovation support fund is a mechanism that facilitates the promotion of local innovations throughout the farming community. The FaReNe project has succeeded in developing and putting in place a structure and a process for the functioning of the Local Innovation Support Fund (LISF) adapted to the Mali context. The support fund both motivates group members to participate in activities and also attracts new members (producers).

The Local Innovation Support Fund (LISF) financed four proposals for a total amount of 2,145,000 CFAF (€ 3,270). The funding was used for the purchase of small ruminants benefiting women, as well as strengthening the capacity of producer organizations to increase the production of organic manure and, finally, to improve the income of the association through the reproduction and sale of animals (see Frame 5). The funded activities were focussed on technical training and the purchase of animals, as well as other agricultural products, and especially on learning activities, which distinguishes LISF from other sources of funding.

Three of the four groups financed with the assistance provided by the Local Innovation Support Fund (LISF) renewed their application for funds allocated to LISF-financed activities at least once. The fourth group has not yet repaid the funds received owing to the low mobilization of members of the group, AOPP coordinators, and members of the national technical team.

A message from women farmers to their male counterparts

The LISF made it possible to put 20 ewes at the disposal of the cooperative that were bought 20,000 F CFA per head. After a year of breeding, the ewe lambed twice, the first lamb was given to the cooperative, and I sold the second one for 40,000 F CFA. It allowed me to help my husband with our children’s medical and tuition fees.

Mrs. Dina POUDIOUGOU, Village of Kiri, Circle of Koro, Region of Mopti, photo by Mr. Amagana Djimé de Kiri
stemming from a lack of leadership. Indeed, once the funds invested in an activity have been reimbursed in full by the group, these same funding is placed (renewal) at the disposal of the group to perform other income-generating activities in connection with farming innovation.

The amount granted has been increased thanks to the renewal of the innovation support fund for the groups and currently amounts to 3,890,000 CFAF (€ 5,930) including 430,000 CFAF (€ 655) in grants. The number of fund renewals (7 in total so far) is a function of the dynamism of the group as well as an indicator of mastery by members of organizations or groups pursuing innovations.

The training in composting enabled the production of 22.5 tons of compost by the three (3) groups between 2017 and 2018, which led to fertility improvement in the soil of the association’s common parcel. Small ruminant breeding has meanwhile seen the birth of 14 lambs for the benefit of the Doumnokènè cooperative in Kiri. The sheep fattening carried out by members of the same Kiri cooperative generated a total profit of 750,000 FCFA (€ 1,143).

In addition to the collective benefits, breeding small ruminants enabled women to obtain lambs from the second lambing that compensated them for the efforts made to maintain the animal during the rearing period.

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**Frame 5 The eligible applications**

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<tr>
<td>Recovery of degraded land by digging in organic matter</td>
<td>Kiri, Mopti</td>
<td>Doumnokènè Group</td>
<td>Breeding small ruminants</td>
<td>500,000</td>
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<td>Purchase of seeds in order to assess the effectiveness of the improved varieties</td>
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<td>Technique of peanut seeds in the furrows</td>
<td>Nampasso, Séguo</td>
<td>Bankadi Group</td>
<td>Fattening sheep</td>
<td>615,000</td>
<td>490,000</td>
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<td>Training on the virtues of moringa to improve nutritional quality</td>
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<td>Purchase of moringa seeds</td>
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<td>Recovery of degraded lands by planting acacias</td>
<td>Nabougou, Séguo</td>
<td>Benkadi Association</td>
<td>Purchase of equipment for tapping and hives</td>
<td>500,000</td>
<td>345,000</td>
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<td>Transportation of equipment</td>
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<td>Training in tapping and honey production</td>
<td>100,000</td>
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<td>Recovery of degraded lands by simple and partitioned furrows</td>
<td>Pongonon, Mopti</td>
<td>Amakènè Group</td>
<td>Sheep fattening</td>
<td>530,000</td>
<td>480,000</td>
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<td>Totals</td>
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<td>2,145,000</td>
<td>630,000</td>
<td>3 140,000</td>
<td>750,000</td>
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Legend: Darker orange corresponds to the initial amounts; Lighter blue corresponds to the grant amounts; Light blue corresponds to the amounts not renewed and Red corresponds to the amount not renewed
Challenges encountered

Sustaining the dynamism created by the local innovation support fund is a major challenge, especially mastering the management tools by a large number of groups in order to obtain funding. But already the various renewals of funds encountered at the level of the groups have constituted a beginning of the sustainability of the process.

The lack of involvement of technical services at the local level, owing to the absence of a collaboration protocol, led to losses of some small ruminants in Nampasso. The involvement of technical services is important in overcoming this constraint in order to minimize animal losses.

Lessons learned

The support provided by the Local Innovation Support Fund (LISF) has made it possible to boost the income of the populations as well as their resilience. It has notably led to the integration of agriculture and livestock husbandry with, for example, the sale of small ruminants after fattening and the use of organic manure from these animals to improve soil fertility and crop yields.

The commitment of the various stakeholders in the implementation of the Local Innovation Support Fund constitutes a guarantee for its success. The renewal of funds and mastery of improvement activities by the members are also important for its sustainability and success.

The enthusiasm for LISF’s inclusiveness among farmers and their organizations has attracted new members to the group.

The LISF is a tool for conducting learning, experimentation and innovation activities aimed at improving the incomes of farmers with meagre resources.

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