

Promoting Agriculture

ZNFU'S SMS Market & Trade Information Service

A Blessing to Farmers

By Zainab Pandor

Without up-to-date market price information, farmers are susceptible to selling off their produce at below-market rates. Thus, it makes them reluctant to diversify in to diversifying cash crops.

The SMS market and trade information service offered since 2006, developed by Zambia National Farmers' Union (ZNFU) and currently running on Airtel is a price information system. The platform serves as a price discovery type of tool built to help farmers access actionable up-to-date market prices on their own, within their vicinity, and allows them to have a better negotiating position. They can avoid the daunting task of going out of their way to look for a market.

This innovation in mobile phone technology has now been running for eight years. All the farmer needs is the most basic simple cell phone to receive weekly price updates. It works on a simple easy to use SMS principal. With no internet required, it is ideal for the small-scale farmers.

“Every week, the platform is updated with the latest prices. We have a list of 160 companies from milling companies to traders who are registered with us on the platform. I call the registered companies to find out how much they are buying a particular commodity for in that week or if there is a change in the price they are offering,” says Tibone Moyo, ZNFU'S Market Information Economist.

“There is an opportunity for companies who are into commodity trading to register themselves. Registration is free and they are not obliged to be a ZNFU member. Amongst the registered companies, all of them may not be active for certain periods but they still remain in our system. Companies benefit by suppliers approaching them with offers of the quantities they require at competitive prices. And for farmers, this service makes it so much easier for them to find the most suitable buyer.”

The SMS market and trade information service which is linked to a website is only available on the Airtel network. Commodity prices that are accessible on the platform are: maize, soybeans, sunflower, sorghum, cassava, beans, rice, jatropha, popcorn, honey, groundnuts, wheat, beef, sheep, goats and bran.

“More commodities can be added but they have to be farmer driven. They have to be popular among the farmers especially the small-scale who were the target group for this facility, otherwise we would just be overloading the platform,” says Tibone.

“We started with six commodities and we have now increased to 16. Bran was added last year. We are now looking in to adding milk. Cotton is an option but cotton prices remain stable most of the time. Wheat, soybeans and maize are sensitive. With the onset of crop marketing, maize prices are forecast to remain relatively strong especially now that government has lifted the ban on maize exports.”

To find out the market price of a commodity, all one needs to do is type the first four letters of the commodity and send to 4455. For example, to find the current price for wheat, you type ‘whea’ and send to 4455. Once the SMS is sent, within seconds, the system will reply to inform you of who is buying and at what price they are buying. The cost of an SMS is 50 ngwee.

The search can also be conducted by province or district by using the specific province codes. The province code is typed after the commodity code. After the user has selected the appropriate buyer, farmers can send a second SMS message with the buyer’s code to 4455. In response, a text message will be received to notify the user about the contact details of the buyer for a direct link.

All the instructions and details are available on the ZNFU owned website www.farmprices.co.zm, a link from www.znfu.org.zm. Instructional brochures with commodity and district codes are also available.

To operate this kind of platform, the union has had to conduct hands-on type of training. Very few companies would actually come and call upfront to notify of a price change. Promoting it is expensive. Some new users would want you to practically show them how the platform works. Farmers dotted around the country need to be aware that this beneficial service is easily accessible as long as they are within the Airtel Network area.

When this information service was first started, a survey was conducted to see what types of users are using the platform. Undoubtedly, the majority was the small-scale farmers for whom it was targeted at. However, some commercial farmers, researchers and traders also use this service.

A blessing to farmers, ZNFU’S SMS market and trade information service gives a farmer access to comparative market data and the best price for their produce. As a result, competition arises amongst traders and processors who can observe their competitors prices. Freeing them from isolation, the small holder is saved by middlemen who buy cheap and sell expensive.

END

