

WEST AND CENTRAL AFRICAN MILLET RESEARCH NETWORK (ROCAFREMI / WCAMRN)

MARKETING OF MILLET IN GHANA



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Introduction

Pearl Millet is one of the four main cereals cultivated in Ghana in terms of area and yield, the others being maize, rice and sorghum. The crop is mainly cultivated in the northern, upper east and upper west regions of the country. The average annual production of the crop is about 155,000 tonnes with an average yield of between 0.7 and 0.8t/ha. However the crop is marketed over most of the country as the consumption is in no way restricted to the main production areas. To establish the nature of the millet trade in Ghana, some of the major markets in the northern and transitional zones were surveyed to investigate the socio-economic background of the participants in the millet marketing system, the organisation of markets and marketing channels. The survey also identified sources of supply, origin of buyers, consumer preferences in terms of quality attributes and varietal differences, seasonal variations in supply and prices as well information on market facilitating functions

Methodology

The survey was undertaken in the Northern, Upper East and Brong Ahafo Regions using the Participatory Rural Appraisal (PRA) technique. PRA is a process of learning about rural conditions in a systematic, informal, intensive and iterative manner. Informal discussions or semi-structured interviews are conducted using a checklist instead of formal structured interviews used in conventional questionnaire surveys (Nabasa *et al.*, 1995).

Discussions were held with a total of 150 traders including itinerant traders, wholesalers and retailers

Markets Visited

Market	Location	Description
Zebilla	Upper East Region (Bawku West District)	Sub-urban / rural market organised on a 3-day cycle. A new market is under construction
Bawku	Upper East Region (Bawku East District)	Sub-urban / rural market organised on a 3-day cycle. A new market is under construction
Tamale (Aboabo Market)	Northern Region (Tamale Municipality)	Urban wholesale market. Periodic market organised on a 6-day cycle. A relatively developed market with marketing facilities.
Techiman	Brong Ahafo Region (Techiman District)	Urban wholesale market. Organised from wednesday to friday weekly. A relatively developed market with marketing facilities

It was observed that all the markets visited attracted traders from southern Ghana as well as within the regions. These markets are managed by the market management committees of the District Assemblies who are responsible for infrastructural Development of the markets. Market tolls/fees are charged for the use of covered and open space or on the value of the produce sold

The actual marketing of millet is organised by a large army of individual private traders, who take the responsibility of ensuring adequate and regular supply of millet to cities and deficit rural areas. Co-ordination of their activities is rather informal, each trader usually making the necessary arrangements for an efficient execution of his or her business. No co-operative marketing approach is practised and there is no governmental control over volumes traded and pricing. The main participants in the millet marketing system included assemblers, commission agents, wholesalers, retailers and others who perform market facilitating functions such as creditor/money lenders stall owners, transporters and MOFA.

MOFA (PPMED) is responsible for market information on wholesale and retail prices, and commodity movement

Assemblers (Itinerant wholesalers): This group provides the most permanently available outlet for marketable surplus at the rural level and sometimes provides production credit for farmers-contractual procurement with farmers

The assemblers, who could be residents or outsiders, buy predominantly in the farmers' field or at the farmer's house and rural markets. Those who may not have adequate knowledge of local supply and demand conditions employ the services of buying agents. Some credible agents are also given cash advances to facilitate purchasing. An assembler may buy up to 200bags of millet depending on availability of supplies and capital.

Commission Agents: These do not take title to the goods and therefore do not bear any marketing risks, but buy or sell on behalf of the traders for a fee (1000-2000 cedis/bag). They sometimes make extra money when millet is bought or sold above the price agreed upon with owners. At Techiman market, the agents own stores and therefore take custody of grains from assemblers and sell.

They also run a small trade of their own and may use their experience gained as agents to set up as independent wholesalers. Majority of the commission agents are men.

Wholesalers: These sell in bulk to other visiting wholesalers or to retailers. They do not rush in selling because they hold large stocks using their own storage facilities to ensure availability throughout the year and most importantly to get attractive prices. Sometimes grains are treated and stored for a maximum of 1 year. At the Tamale and Techiman markets for instance, most of the grain wholesalers are men.

Retailers: These are permanent traders whose activities are restricted to local markets. They sell in small quantities to consumers in bowls (a bowl of millet is about 2kg). They may sell up to 20 bags depending on the location and demand conditions. They usually hire a store for keeping unsold grains at the end of each marketing activity.

Transport: Transport is an important marketing facility linking production centres to consumption centres. It was observed that traders make prior transportation arrangements with transporters for commodity movements between markets. The relationship between traders and transporters could be described as healthy. Traders do not accompany their goods however; packaging materials are marked for identification purposes. Sometimes transportation costs are borne by truck owners and payment made after sales. The driver's mates do loading and unloading. It was revealed that headload, push trucks, donkey carts, bicycles and tractors are used to transport grains from the farm gate to the assembling point for onward transportation by truck service to urban markets.

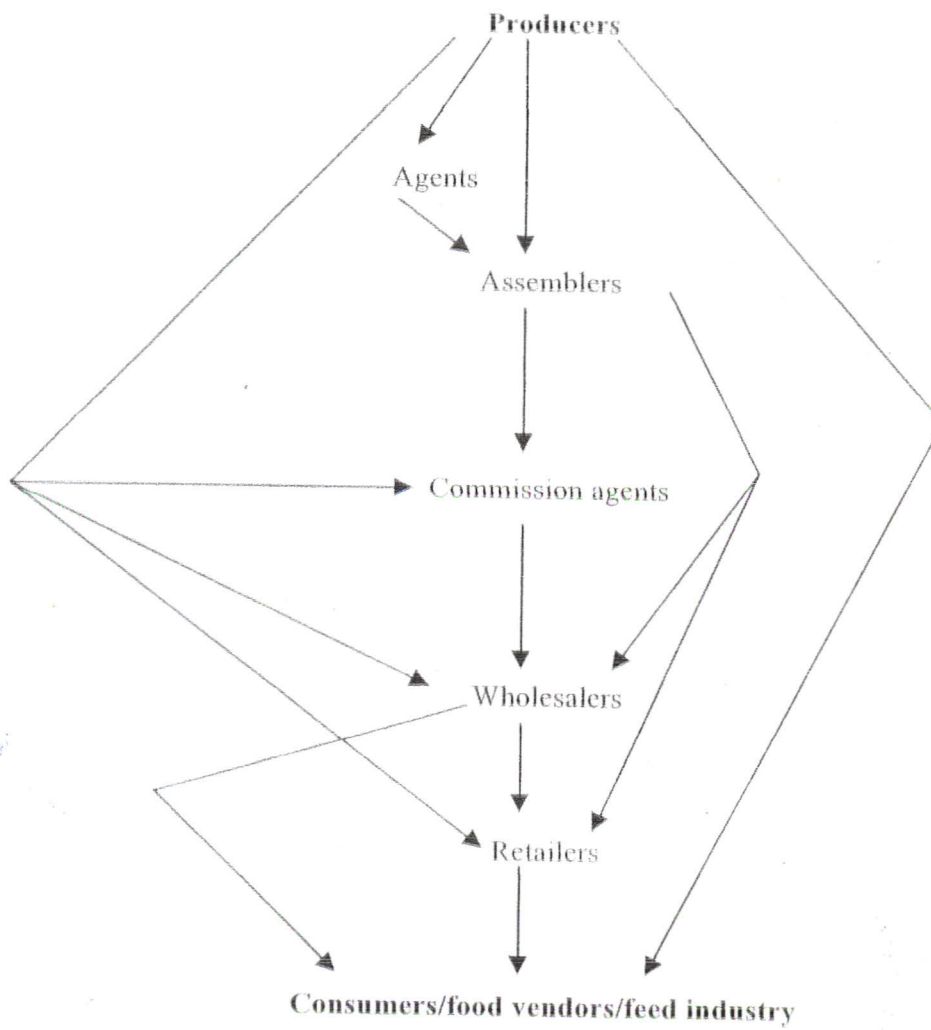
Distribution channels

The survey revealed that a few producers market their produce to the final consumer directly on the local markets. Most producers depend on the complex chain that begins from the farm through various intermediaries before reaching the final consumer. Marketing of millet involves two or more wholesalers due to the storability nature of the commodity, thus making marketing costly.

The first level wholesaler (assembler) sells to the second level wholesaler who usually links different markets especially, sub-urban markets to urban wholesale markets. For instance, there were wholesalers who operated between Bawku/Zebilla and Tamale/Techiman markets while others linked Techiman/Tamale markets to wholesale markets in southern Ghana (Accra, Sunyani, Cape Coast, Sekondi Takoradi, Tarkwa, Obuasi, Mankessim, etc, etc.). Movements of these wholesalers are guided by price signals and supply availability information given by MOFA, agents or by visiting the markets themselves. Millet distribution outlets are presented below.

Seasonal variation in supplies and prices

Seasonality in supply is reflected in pricing. Unlike maize, which is planted twice in a year, millet cultivation is unimodal with harvesting done only once a year. Early millet is harvested in October-November while late millet is harvested in January-February depending on the rainfall pattern. Stocks are held for stable supply throughout the year, especially at the market level. Farm level storage is quite minimal due to urgent cash needs by farmers. Thus supply on the market after the harvesting season is highly controlled by traders. Peak price occurs in June-July when other staples are scarce on the market while low prices are registered in the harvesting period. It was realised that the individual farmer generally sells quantities that are insufficient to influence the level of prices ruling in any particular market, the individual farmer is a price taker. Details of price variations would be discussed later,



Millet Distribution channels

Grading and Standardisation

There is lack of standardisation, grading and uniformity in weights and measures. It was observed that measurement is by volume and the unit of measurement commonly used is the *koko* bowl. However, the size of *koko* bowl is variable, a bigger sized-bowl with an 'arm wall' is used at the rural markets while smaller sized-bowl is used at the retail level. The average *koko* bowl weighs about 2kg. Also at the farm gate level traders buy grains with old sacks, which weighs about 120kg but resell with new sacks, which contain about 109kg at the urban market. There is no price differential in terms of varieties.

Quality attributes

Some of the quality attributes considered when buying grains include level of impurities and degree of dryness, presence of moulds and powdery substances, size of grain and sometimes seed colour depending on the utilisation purposes. Usually, the quality of bagged grain is determined by sampling for close examination using a spatula (popularly termed as shocker).

Financing

Majority of the traders finance marketing activities from their own resources, moneylenders and financial support from relatives. Some also relied on credit purchases and only few had assistance from the formal financial sector.

Constraints

Weakness inherent in the marketing chain include the following:

- Lack of proper physical facilities in some markets
- Inadequate storage facilities
- Inadequate credit facilities for marketing
- Lack of uniformity in weights and measures
- Lack of standardisation or grading
- High cost of transportation

Conclusions

The nature of millet marketing in Ghana is very similar to that of other local cereals. Traders involved are either wholesalers or retailers with commission agents that buy and stock grains on behalf of traders for a fee.

There is price fluctuation which depends mainly on the size of the harvest and the time of the year. There is a lack of standardisation, grading and uniformity in weights and measures. No formal credit facilities exist in the trade and the majority of traders finance their operations either from their own resources or obtain credit from money lenders or from family members.

References

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