



ssnup

Smallholder SustainAbility
Upscaling Programme

project results

STRENGTHENING A DIGITAL PLATFORM TO FACILITATE THE TRADING OF FRESH FRUITS AND VEGETABLES IN SENEGAL



Market access



Management system



Beneficiary organisation

Afrikamart is an agricultural technology ("AgTech") business based in Senegal. It seeks to transform fresh produce supply chain by operating a digital purchasing centre for smallholder farmers (suppliers) and a distribution platform for retailers (clients). Afrikamart uses innovation and technology to provide an end-to-end supply chain platform, sourcing fresh fruit and vegetables directly from smallholder farmers at attractive payment terms, and organising delivery to retailers serving urban consumers in a cost-effective way.

The challenge

Fresh produce are highly perishable, making it a central obstacle in the value chain. Unreliable logistics and the short life-span of fresh produce make it difficult to track inventory, minimise waste, and coordinate transportation effectively. Due to these challenges, the fresh produce value chain remains largely unstructured, affected by market inefficiencies, a fragmented supply chain, high price volatility, and significant information gaps between smallholder farmers and retailers. The complexity of the value chain is further exacerbated by the inability to capture real-time data on harvests, volumes, and prices limiting timely responsiveness.

The proposed solutions

By increasing the volume traded of fresh produce, Afrikamart can overcome these challenges and amplify its impact creating market opportunities for more smallholder farmers. Afrikamart started developing its own digital platform in January 2022 to further organise the supply chain. During its development, it realised the need to upscale the platform to reach and connect a higher number of smallholder farmers and small retailers across markets by automating data collection, data management, transaction, stock and financial risk management. The technology developments foreseen were ERP integration (Odoo software) in the platform, CRM development for greater interaction between smallholder farmers and retailers, and the enhancement of the IT system for automated dispatching and pricing (to adjust purchase and sell prices automatically according to market trends and dispatch product based on customer orders and trade margins).

The expected outcomes of the project were:

- 1 Availability of 14 essential locally produced fruits and vegetables on the platform.
- 2 More than 9,000 Senegalese smallholder farmers onboarded on the platform.
- 3 Facilitated distribution for 9,500 Senegalese fresh produce retailers.

PRIORITY TOPICS

Food security
and improved nutrition



Fair agrifood systems



IMPACT INVESTOR



**BAMBOO
CAPITAL PARTNERS**

BENEFICIARY ORGANISATION

Afrikamart

Senegal

NUMBER OF FARMERS REACHED

9,800

AGRICULTURAL VALUE CHAIN

Fruits and vegetables

START DATE

December 2022

END DATE

May 2024

TOTAL EXPENDITURE

€ 449,919

Including € 110,000 (24,5%)
financed by SSNUP



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key results

9,800

smallholder farmers supplier members

accessing a new market,
of which 5,360 (55%) were women



Nearly X3 increase

In the number of **smallholder farmers**
registered on the platform



EUR 1,420,222

disbursed income to suppliers'
smallholder farmers

**SDGs supported
by the project**



1. No poverty

1.4 Access to basic services,
including microfinance

1.5 Building the resilience of
vulnerable people

2. Zero hunger

2.1 Reducing food insecurity

2.4 Improving agricultural
productivity and increasing
smallholder farmers' income

**8. Decent work and
economic growth**

8.3 Economic development,
support to decent work
creation and entrepreneurship



KOROMACK

✓ information on the list of suppliers,
location, real-time prices, and
suppliers' contact details

✓ automated pricing and dispatching
advising on where to ship the
products



ERP
integration



afrikamart.
hotline



sales field
agent



web or
mobile app



**Successfully improved communication
between smallholder farmers and retailers**

4,050

retailers buyer members

whose market transactions are facilitated



Nearly X5 increase

In the number of **retailers** registered on the
platform



EUR 2,027,000

sales achieved to final clients

Despite the successful platform optimisation and increase in overall sales, Afrikamart positioning on the fresh product value chain demonstrated financial unsustainability of its business model, due to lack of competitiveness with the existing markets and delivery execution. At the end of 2023, Afrikamart took the opportunity to revise its economic model based on its market experience, reorienting its activities towards the most promising value chains - mangoes and groundnuts - and ceased reselling to individual retailers.



lessons learnt

✓ Capitalising the information that already exists is central to scale-up distribution companies' activities

The success of scaling up small agri-tech distribution and trade businesses can depend on the companies' use of AI and technological tools to capture and build on available data. By leveraging data on harvest dates, expected quantities, the availability of fresh produce, and the GPS coordinates of farmers' land, companies can improve planning, optimise logistics, and better align supply with market demand.

✓ Messaging platforms are not always the ultimate solution to collaborate with smallholder farmers

Using messaging platforms such as WhatsApp to communicate with smallholder farmers might not always be the most suitable option due to the high level of illiterates among farmers. Providing alternative support, such as having in place a hotline, can be a better way to reach a higher number of farmers.

✓ The development and use of a supply chain management digital platform can provide a broader perspective on business models

By aggregating and analysing operational data, it becomes possible to recognise that, even with strong logistics, the market may not be sufficiently mature to support a viable business model. It can also illustrate how operational challenges might be caused by external structural factors. Such insights can reveal when business opportunities are not (yet) profitable nor sustainable and guide strategic shifts towards value chains where demand and supply are less fragmented.

Outlook

Based on the lessons learnt of this project, Afrikamart switched its business model in 2024 focusing on the peanut and mango value chains. The AgTech continues discovering new digital ways to collect data on smallholder farmers' production (such as their land size, level of experience, and the quality and history of products) to support them accessing new market opportunities. **Afrikamart has partnered with a public processor and is now piloting a farmer engagement model in the groundnut value chain in Senegal.**

