

SUCCESS STORY

Making the Grade: USAID Training Program Protects Crops

USAID Southern Africa Trade Hub trains warehouse managers to help reduce severe grain losses in region



Further courses will follow throughout 2013 and 2014 in Malawi, Zambia and Mozambique. By the end of the courses, 120 warehouse managers will be trained in Malawi alone from at least 50 different storage operators, reaching the majority of formal grain storage in the country.

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Fifteen to twenty percent of grain that goes into storage in Southern Africa is ruined before it can be used, leaving approximately 1.3 million tons of product damaged and unsuitable for human consumption or export every year. This represents almost US\$270 million in lost value annually. In addition, a significant amount of grain produced in the region is never graded, meaning that grain of varying qualities is blended without distinction, which lowers the overall price of the grain and prevents export.

The USAID Southern Africa Trade Hub is partnering with local organizations in Malawi, Zambia and Mozambique to address these significant losses with a series of grain management trainings. The trainings cover grain grading and standards, storage management and pest prevention.

Rigorous 12-day residential courses target employees from certified warehouse receipts facilities, government, private traders, feed and grain mills, and other grain processors. The in-depth training includes technical and hands-on demonstrations of sampling, sample preparation, weighing and calculation of percentage, moisture determination, sieving and cleanliness.

Students are taken through group exercises where they practice the grading and sampling themselves, and they visit grain warehouses to see what other players in the industry are doing. Daily progress tests are given to each trainee to evaluate information absorption, and a written examination is required at the end of the course before certification is granted. Sixty to seventy percent of attendees are receiving grain training for the first time.

Frank Kadzakumanja, a structured trade officer with the Agricultural Commodity Exchange (ACE) attended the first training in Malawi and explains the significance of the course: "The biggest challenge in warehouse management is balancing workload and prioritizing tasks. The other main challenge is keeping up with technology changes, finding time to read literature and staying up to date with new technologies. After the training, I have acquired more knowledge on the ground as well as literature that will help ensure all required procedures are completed and on time."
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Gloria Liwewe, Warehouse Manager, practices grain grading and sieving during one of the hands-on sessions.

The Trade Hub's support for grain grading training is an integral part of establishing the Warehouse Receipt System (WRS), which enables the creation of certified warehouse receipts storage facilities affiliated with ACE and with the Auction Holdings Commodity Exchange (AHCX). WRS allows farmers to store grain and sell when prices are favorable, using their warehouse receipt as collateral for inputs and other expenses in the meantime. Warehouses must meet accreditation standards to comply with insurance requirements and to access bank financing. Without accurate grading, a warehouse receipts system cannot function, as the entire system rests on a guarantee of definite quality and quantity.

Gloria Liwewe described the training course as “an eye opener.” As a warehouse manager, it is Gloria's job to intake product and decide how to store it. After completing 12 days of intense study, she can now ensure that any commodity flowing out of her warehouse is of high quality and able to conform to export standards. Because Gloria has completed the course, her warehouse can now function as a certified warehouse receipt storage facility, enabling farmers' access to finance and the benefits of the WRS.

On a personal level, Gloria cites aflatoxin mitigation practices as a special priority due to the toxins' link to breast and cervical cancer in Malawi. Gloria also believes that completing the course will help her face the challenges of being one of the few women of her position in the industry: “Knowledge is power. With the skills I have learned from this training I will be able to perform the tasks that men in this industry usually do.”