

	State	Out-growers	Dependency	Product(s)
	Oyo State	165 farmers	30%	HQCF, High-Quality Garri
Description	<ul style="list-style-type: none"> Eagleson & Nito, has a 10 tons/day installed capacity for HQCF. For the firm, out-growers are a sustainable source of raw materials and mostly an inclusive business opportunity for farmers. The primary method of farmer selection is through social structures via the community heads of the villages and settlements. The firm has a policy to support more of women farmers. Operates a nucleus estate model - land is leased by the firm and assigns (2 – 5 hectares) to out-growers. This model curbs the risk of side selling and default as the extension officers closely monitor them. 			
Contract	<ul style="list-style-type: none"> In the first stages of the scheme, a contract was signed when farmers used their own land. However, due to side selling and default, the company moved to the nucleus estate model and now just a registration is required. 			
Finance	<ul style="list-style-type: none"> Embedded service support is provided to all out-growers. This support includes improved varieties, herbicides, fertilizer, tractor services, extension services and semi-processing (into cake). The firm set up a multiplication plot for stems that was initially gotten from IITA. Farmers are paid less the value of pre-financed embedded services at the prevailing market price. Payment is made immediately in cash. 			

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Management	<ul style="list-style-type: none"> To manage the out-grower scheme, the firm uses a Field Project Manager, extension officers and tractor operations. The current ratio of extension officers to farmers is 1:10. Relationship with farmers is managed through constant communication between the firm and farmers, including in-depth interaction with the farmers and the community to engender trust and commitment. Communication channels include form and informal meetings. Due to poor communication network in the area, phone calls and SMS are sparingly used. The firm assists the farmers to mitigate the risk of Fulani herdsmen by providing the herdsmen with cassava peels for free as feed for their livestock 			
Partners	<ul style="list-style-type: none"> The firm partners with C:AVA II, IITA and UKaid 			

Out-grower Schemes

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An out-grower scheme is

"...A contractual partnership between the grower ('farmer') to supply produce of specified volume and quality, and processor ('firm') to off-take the produce and make payment."

