

## Inclusive Growth: Making Access to Finance a reality for women shea collectors



In 2023, the Global Shea Alliance, in collaboration with Advans Ghana under the Shea Business Empowerment Programme (SBEP) being implemented in partnership with the Mastercard Foundation, launched a credit facility tailored to the peculiarities of the shea industry and specifically, women shea collectors. The [model](#), developed in consultation with the women shea co-operatives, was piloted during the 2023 shea season,

involving 12 co-operatives, 1,937 women shea collectors and over GHs 500,000. At the end of the season and the loan repayment period, Advans Ghana recorded a 100% loan repayment rate, with an increased appetite for credit from the shea co-operatives. The active involvement of young people in the co-operatives, particularly in leadership positions, ensured that the necessary record keeping and fund management systems were in place to guarantee this exceptional milestone. It is also worth noting that tailored resources such as the Advans Ghana loan have played a pivotal role in fostering the interest of young people in the shea industry by providing them with the means to invest in skills, technology and entrepreneurial abilities. The youth now see shea collection and processing as a viable livelihood choice to secure increased income and respect in their households and communities.

*“Before we took the credit, we [the cooperative executives] sat down with all our members to discuss how we would pay the money back and everyone agreed to it. So, when the time came, we did not have any issues with our members. Everyone brought their kernels to the warehouse and we made the payment. We*

*even finished paying it earlier than the date, so we got some of the money back. We are very excited for the next season!”* **Rafia Fuseni, Financial Secretary, Bobgu Nyeyaa Women Cooperative**, Chama, North East Region.

As noted by Advans Ghana, the co-operative leadership played a key role in managing and repaying the credit. The co-operative leaders were responsible for weekly tracking of aggregation in the warehouses, ensuring members who received the credit were not selling their kernels to other buyers. Once the warehouse received a sizable quantity, between 25 to 40 metric tonnes, the leaders contacted the buyers for collection and sale. Payment for the kernels was made through the co-operative bank account, at which point the loan repayment deductions were made accordingly.



This strong leadership role from the co-operatives was supplemented with on site monitoring and evaluation from the Advans Ghana team. *“Working with the co-operatives, it was imperative for us to always have boots on the ground. We were in constant communication with the co-operative leaders, as well as the buyers, ensuring that at the point of collection, the buyers had the requisite details on the co-operative loan amounts.”* **Mandela Adocta Adajagsa**, Advans Ghana.

The collaborative working relationship adopted by Advans from the facility design stage up to implementation, created a shared sense of responsibility among the co-operatives, replacing previous sentiments of fear and suspicion in dealing with financial institutions. Similarly, Advans worked in tandem with the buyers to ensure that kernels were collected on time, improving the cash flow of

co-operatives, while optimising the aggregation efforts of the buyers. *“It was helpful that Advans could work with our field officers, co-ordinating purchases from the communities. Their efficiency in engaging the co-operatives ensured that we had no challenges with the women collectors, about the deduction of loan amounts and payments for remaining kernels.”* **Job Osei, Procurement & Sustainability Manager**, Fuji Oil Ghana Ltd.

Primary to the effectiveness of the model has been the availability of warehouses. The co-operatives' ability to aggregate their kernels in a central location, created a seamless process and ensured that incidents of side selling were reduced and in most cases, eliminated. Indeed, one of the 12 co-operatives experienced delays in repayment of their loan, due to the unavailability of a warehouse, which resulted in individuals selling their kernels to community buyers. Following the completion of the 2023 loan cycle, Advans has held feedback sessions with the participating co-operatives and buyers. The sessions highlighted a strong positive perception and experience from the co-operatives, with calls for a 400% increase in the loan amounts being provided in 2024. As noted by the co-operatives, the increment will provide sufficient capital to cover the costs related to planting an acre of farmland during the upcoming farming season.

*“The pilot phase has shown us that this model works and we are excited to expand our scope and deepen our partnership with the existing co-operatives in the programme. This is as much a win for us, as a financial institution committed to supporting MSMEs, as it is for the shea industry and women collectors.”* **Jean-Brice Robert, Chief Business Development Officer**, Advans Ghana.

Access to finance is fundamental in transforming the operations of shea co-operatives and developing them into sustainable shea businesses. The credit facility offered through the Shea Business Empowerment Programme has shown that with strong co-operative leadership, where the skills and capabilities of young people are leveraged, availability of storage solutions, private sector engagement and effective monitoring, shea co-operatives are capable, willing and able to

receive and manage credit, fostering long term business relationships with buyers and financial institutions.