

# Warrantage Inventory and Credit System

Grain in the Bank: Future Assurance

The warrantage inventory and credit system is a practical solution for small-scale farmers. It operates through a warehouse receipt mechanism, allowing farmers to store non-perishable crops (such as millet) in secure warehouses. In return, they receive inventory credit—loans against the stored grain.



Farmers deliver grain to warehouse, and an officer registers the quantity and quality



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This technology is **TAAT1 validated**.

**8·9** Scaling readiness: idea maturity 8/9; level of use 9/9

Gender assessment **4**

Climate impact **1**

## Problem

- **Limited Access to Credit and Limited Market Access:** Smallholder farmers struggle to access credit and secure storage facilities, affecting their ability to get fair prices for their crops.
- **Price Volatility and Seasonal Cash Flow:** Fluctuating market prices and seasonal income variations make it challenging for farmers to manage expenses and plan for the future.

## Solution

- **Credit Access:** Warrantage lets farmers use stored crops as collateral, providing credit and overcoming collateral barriers.
- **Price Stability & Market Access:** Warrantage allows storing crops during surplus for sale during favorable prices, reducing volatility impact and ensuring better market access.

## Key points to design your project

The warrantage system offers a solution for Sub-Saharan African smallholder farmers lacking access to bank loans. Implementing it involves steps like:

- **Identify a group of interested farmers.**
- **Train them** on the system and crop storage.
- **Secure a warehouse** for crop storage.
- **Store the harvested crops** and record their details.
- **Obtain a loan** using the stored crops as collateral.
- **Invest the loan** in farming or other needs.
- **Sell the crops** when prices are favorable.
- **Repay the loan** with the sales proceeds. Share any remaining profit.

Cost: \$\$\$ **0.25—0.5 USD**

Woven polypropylene 90-kg bags:

**1—2 USD**

90-kg hermetic bags

ROI: \$\$\$ **52—34 %**

income increase



Open source / open access

Technology originally documented by

ProPAS

Commodities

Sorghum/Millet

Sustainable Development Goals



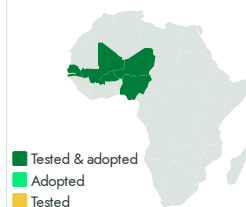
Categories

Prevention & storage, Market, Practices, Post-harvest management

Best used with

- [Millet and Sorghum Varieties for Better Nutrition and Stress Resistance >](#)
- [Fertilizer Micro-Dosing to Enhance Yield and Use Efficiency >](#)

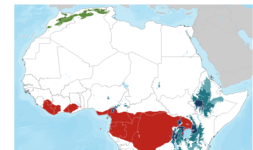
Tested/adopted in



■ Tested & adopted  
■ Adopted  
■ Tested

Where it can be used

This technology can be used in the colored agro-ecological zones.



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https://e-catalogs.taatafrica.org/gov/technologies/warrantage-inventory-and-credit-system

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