

# A business model developed by women for women

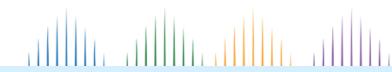
Rikolto **Burkina Faso** 







### A business model developed by women for women



### **ABSTRACT**

The franchising business model developed by Rikolto in collaboration with the National Union of Parboiling Women (UNERIZ) in Burkina Faso was initiated in 2017.

It empowers women parboilers by providing a holistic support system, ranging from technical training to access to credit and market opportunities.

### **TAPipedia Tags**

women empowerment, rice, food security, commercialization, agricultural innovation

### Other keywords

SustainableRice, Benin, Women, ParboiledRice, Parboiling, Empowerment, Business, Inclusive

### Context

ver the past two decades, rice consumption has nearly tripled in Burkina Faso, making rice a staple food for its people. However, with only 36% of the demand met by domestic production, Burkina Faso is heavily reliant on rice imports. The result? Rice stands as the nation's most imported cereal (OEC, 2020), casting a shadow on Burkina Faso's

aspirations for selfsufficiency and food security. In addition, huge foreign is needed to exchange import rice, contributing to depreciation of the local currency. These figures show that the rice sector represents a major strategic and economic challenge for country. Amidst this complex situation, opportunities emerge from vast underexploited lowlands, covering 500,000 hectares, but there political structural and barriers that need to be navigated. Burkina Faso's latest Rice Development

Strategy NRDS II (2021/2030) set an ambitious goal: a steady crescendo of production culminating in 3 million tonnes of rice production by 2030. This commitment was underscored in 2017 with a pledge to prioritise local products for public provision. The fertile fields of Burkina Faso present both challenges and opportunities for the rice sector. They offer the possibility of a future where rice is not merely a crop but a symbol of resilience and self-reliance.

Nearly half of the country's rice production undergoes the age-old practice of parboiling. This meticulous process elevates ordinary rice to a treasure trove of nutrients. The journey begins with a careful selection of paddy grains, which are then soaked in water so that they swell and absorb moisture. Subsequently, women steam the paddy, gently heating and parboiling it.

This process imparts the rice with a pale golden colour and firmness. while preserving essential vitamins and minerals typically lost during traditional milling. Known for its distinctive aroma, nonclumping nature and flavourabsorbing capabilities, rice is also rich in fibre and boasts a lower glycaemic index, making it suitable for people with diabetes. In the past, prior to the structural adjustment plans implemented by most African countries in 1990s, the rice commercialisation and distribution were managed by government entities.

people with diabetes. In the past, prior to the structural adjustment plans implemented by most African countries in the 1990s, rice commercialisation and distribution were managed by government entities.

However, the liberalisation of the rice trade flooded the market with cheap imported rice, leaving farmers without buyers and placing the

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local rice sector in jeopardy.

## Key Problems

### Weak market for local rice

Rice, once a luxury, is now a staple in Burkina Faso, but the country relies heavily on imports. To reduce this dependence, a project aims to revitalize the local rice industry by promoting fresh, nutritious, locally sourced parboiled rice. UNERIZ offers rice that is fresher and more nutrient-rich than imported varieties, giving it a competitive edge. The project also collaborates with the Union of Rice Producers of Burkina Faso (UNPRB) to adopt the Sustainable Rice Platform (SRP) standard, rewarding farmers meeting sustainability criteria facilitating access to high-value markets. The introduction of new rice varieties like TS2 and Orylux, favored by consumers, has boosted local rice production, benefiting the domestic market.

### Weak and non-inclusive trading relationships within the value chain

Lack of finance is a major barrier for farmers and women parboilers in scaling up their businesses, particularly in rice processing, where home-parboiled rice is of lower quality due to limited access to equipment. The UNERIZ franchising model addresses this by providing women with essential services like credit access and training in parboiling techniques. Rikolto supports the women by mobilizing financial resources and connecting them with local banks. With help in business planning and accounting skills, women have become more reliable clients, enabling them to secure individual loans from banks.

### Unsustainable practices and climate change

Rice production in Burkina Faso faces threats from climate change, leading to unstable harvests. To address this, women parboilers have adopted sustainable practices like using rice-hull briquettes instead of wood, efficient water management, recycling ash for fertilizer, and planting trees. Through the National Union of Parboiling Women (UNERIZ), franchisees source paddy produced sustainably, with 40% supplied by farmers from the Union of Rice Producers of Burkina Faso (UNPRB). Supported by Rikolto, the farmers promote the Sustainable Rice Platform (SRP) standard, aiming to protect the environment and ensure food safety.

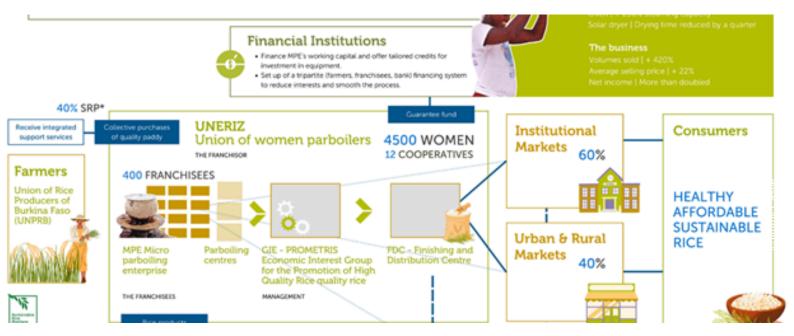
### Gender inequalities

Gender disparities limit women's access to essential services like technical training and market information in the rice sector, with many women parboilers lacking entrepreneurial skills such as knowledge of the rice market, pricing, and bookkeeping. The franchise model addresses these challenges by offering training and capacity-building programs. Parboiling centers are transformed into learning hubs, where women improve their rice processing skills and experiment with business management, enhancing both their technical abilities and entrepreneurial knowledge.

### Gender inequalities

A major barrier for both farmers and women parboilers in scaling their businesses is the lack of finance, particularly the capital needed to purchase equipment for better rice processing. As a result, home-parboiled rice tends to be of lower quality. The UNERIZ franchising model addresses this by providing women with essential services, including access to credit and training in parboiling techniques. Rikolto supports these women by helping them secure financial resources and liaise with local banks. By developing business plans and improving accounting skills, women have become more reliable borrowers, enabling them to access individual loans due to their proven professionalism and trustworthiness.

### Innovative solutions



#### Women empowerment

When a woman enters a franchisee contract with UNERIZ, she undergoes significant personal and professional growth. This includes training, creating a business plan, and investing financially in her parboiling business. The parboiling center evolves into a learning hub where she improves her processes and business management skills. Despite UNERIZ's support in collective purchases, she negotiates individually with rice producers and service providers to secure quality paddy and favorable contract terms.

#### Sustainable rice

UNFRI7 franchisees commit to sourcing sustainably produced paddy, with about 40% coming from the Union of Rice Producers of Burkina Faso (UNPRB). Supported by Rikolto, the UNPRB promotes the Sustainable Rice Platform (SRP) standard, rewarding farmers who meet its sustainability criteria by providing access to highvalue markets. UNERIZ also offers rice producers benefits like credit for sustainable investments. Women parboilers contribute by adopting ecofriendly practices such as using rice-hull briquettes, managing water efficiently, recycling ash for organic fertilizer, and planting trees.

#### Inclusive business

Rikolto facilitates exchanges between various stakeholders to ensure that commercial relationships consider producers' needs. UNERIZ collaborates with organizations like the UNPRB and ANaCoR-BF to create contracts and agreements based on transparent market information and mutual consideration, leading to win-win scenarios.

Women parboilers pay above-market prices for high-quality paddy, rewarding farmers for sustainable production. In return, farmers prefer to partner with these parboilers and gain access to essential inputs like fertilizer and credit.

To address financial challenges, a revolving loan system funded by JAFOWA helps women parboilers purchase equipment. UNERIZ also works with local banks to provide easier access to credit, offering services that make women more reliable borrowers.

UNERIZ's sustainably produced, high-quality rice is competitively priced, with prices increasing by 22% between 2017 and 2022. This incentivizes women parboilers to remain committed and continue rewarding farmers. Traders and buyers find UNERIZ's rice appealing for its quality and profitability.



- Although UNERIZ's parboiled rice production has grown significantly, strategic steps are needed to unlock Burkina Faso's full market potential. More than half of UNERIZ's market is public. Strengthening urban and local markets is more challenging. UNERIZ has established its product under the "Mielleux" label, which is synonymous with quality. Plans are underway for a National Certification Mark (NBF) and BIO certification through the Participatory Guarantee Systems (PGS).
- The success of upgrading rice quality prior to market distribution lies in the operation of the Finishing and Distribution Centre (FDC). Mobilising economic resources for investment in technologies such as optical sorters, which significantly improve both quality and quantity, remains a key challenge. UNERIZ has applied for and is likely to receive an investment from Kampani (social investment fund).
- Beyond rice and parboiled production, targeting new markets and enhancing farmers' and parboilers' resilience is essential. Collaborative partnerships with research institutes, such as IRSAT, have enabled women to develop and commercialize rice products like flour and couscous. This diversification strategy opens up new market opportunities.

- The recent COVID-19 pandemic caused rice stock shortages due to disruptions in the logistics chain and limited access to cities. Surprisingly, the pandemic strengthened the franchise business model. Only franchised women were able to continue their home-based parboiling businesses unhindered by quarantine measures and grouping restrictions. The crisis also underlined the importance of professionalisation, as only women with a business registration number could access government COVID-19 funding.
- The year-round availability of high quality sustainably produced paddy is not guaranteed. As a result, women parboilers prefer to supply individually to ensure the best product for themselves, rather than opting for collective purchasing. Strengthening the link between paddy producers and other actors in the value chain, such as parboilers and financial institutions, is crucial for long-term collaboration that improves farmers' access to pre-financing and agricultural services.

### **Factors for Success**

- The active participation of the private sector and the development of inclusive business relationships have been instrumental. Collaborating with private companies such as TechnicPropuls and GrainPro, which contribute technological innovations like solar dryers and stainless-steel ovens, has significantly increased efficiency and capacity.
- Adopting a long-term outlook in business operations has been crucial in fulfilling the needs of farmers and buyers alike; formal contracts with paddy producers and buyers have provided a structured framework for transactions, enhancing transparency and accountability.
- Access to reliable market information through initiatives like SIMAgri has facilitated trade and built trust among stakeholders, contributing to the model's success.
- The engagement of the National Union of Parboiling Women (UNERIZ) was key. It united women parboilers into a cohesive entity, providing them with a platform for collaboration and a shared vision.

- Advocacy endeavors undertaken in partnership with numerous organisations, have garnered increased public support (enabling environment).
- The implementation of a revolving loan system during the pilot phase and the development of long-term collaborations with local banks such as CorisBank, credit unions and the Agricultural Bank, which facilitated access to credit for working capital and investment needs, addressed the financial challenges faced by both farmers and women parboilers, enabling them to invest in their businesses.
- Rikolto's facilitation of multistakeholder dialogues, workshops, and field visits has fostered a holistic and inclusive approach to implementing the business model.
- · Existing market demand

# CRITICAL CAPACITIES

- Technical proficiency in parboiling techniques proved to be a cornerstone in ensuring that women parboilers consistently produce could high quality parboiled rice that met market standards and consumer expectations. This proficiency was further enhanced through collaboration with organisations such UNERIZ and Rikolto, which provided training and capacity-building programmes aimed at refining parboiling skills and introducing sustainable production practices.
- Entrepreneurial and business skills also emerged as essential for women transitioning into business ownership.
   Training programmes provided women with critical skills in business model development, financial management, negotiation and market dynamics.
- Financial management skills proved indispensable in managing funds effectively, ensuring prudent budgeting, repayment planning, and comprehension of financial products.
- Collaborative skills for collective action were also cultivated, fostering effective communication, cooperation, and coordination among women parboilers and other stakeholders. This collaborative spirit enabled women to leverage collective strengths, pool resources, and advocate for their interests within the rice value chain.

# Outcomes and Measurable Impacts

### Improved rice quality and competitiveness

Women parboilers have significantly improved their skills and invested in modern equipment, enhancing the quality and efficiency of their parboiling processes. This has reduced labor and production costs, and increased their market competitiveness.

The Orylux 6 variety rice they produce is now 100% long grain, naturally aromatic, and free from impurities. The percentage of broken rice has decreased from 40% to 15%, and impurities have dropped from 20% to 7%.

As a result, local Orylux rice has become more competitive, with prices ranging from FCFA 600 to FCFA 650/kg, compared to imported rice costing between FCFA 700 and FCFA 800/kg locally, and FCFA 1,500 to FCFA 2,000/kg in supermarkets. The average price per kg sold by women parboilers has increased by 22% from 325 FCFA/kg in 2017 to 395 FCFA/kg in 2022.

### Increased production capacity and market presence

Women parboilers and UNERIZ experienced significant growth in production capacity and market presence. Annual production capacity increased from 5–10 tonnes to 25–50 tonnes, and UNERIZ sold 20% more rice in 2022 compared to 2019. This expansion met the rising demand for rice and bolstered the local rice industry's market position.

Paddy suppliers also benefited, securing their sales through contracts with franchised parboilers, ensuring a guaranteed market for their produce.

#### Financial empowerment and economic growth

The model greatly empowered women parboilers and paddy suppliers financially. Franchisees saw significant growth, expanding their customer base and sales from 5 tonnes/year in 2017 to 26 tonnes/year in 2022. Their net income more than doubled between 2018 and 2022, increasing by 20% to 155%, allowing them to cover personal expenses, invest in education, and improve living conditions. Franchising also provided access to financing and created job opportunities

employing 2-3 women full-time and 3-5 part-time. Paddy suppliers benefited from a 36% increase in paddy prices, from 125,000 FCFA/tonne in 2015 to 170,000 FCFA/tonne in 2022, encouraging further investment in sustainable rice production and boosting economic growth in the rice value chain.

### Entrepreneurial development and resilience

The model empowered women parboilers by enhancing their leadership and management skills, which boosted their selfesteem and made them role models for younger Thev took on more community responsibilities, supported internally displaced people, coached newcomers, organized events, and promoted healthy rice consumption. UNERIZ has now focused on implementing this business model and supporting female entrepreneurship, solidifying its role in positively transforming the rice value chain.

### Sustainable practices and environmental impact

Adoption of sustainable rice production practices (SRP) by both women parboilers and paddy suppliers contributed to more environmentally friendly farming methods. This not only benefited the environment but also ensured the production of a safe product, preserving both the health of producers and consumers alike. Additionally, the reduction in broken rice and impurities from parboiled rice production resulted in less wastage and improved resource efficiency.

#### An enabling environment

Rikolto and UNERIZ shared insights from their pilot project with stakeholders, gaining recognition and participating in key discussions on rice strategies. Their advocacy efforts helped integrate sustainability into the national rice strategy. As a result, the government allocated FCFA 22 billion (\$36 million) for the 2023/2024 agricultural plan, with substantial support for the rice sector. Additionally, the National Rice Observatory (ONAR-BF) was established to improve policy coordination, financing, and research, boosting local rice competitiveness.

### **Lessons Learned**

- Inclusive business relationships: The success of the franchise model highlights the importance of fostering inclusive long-term business relationships between stakeholders. This includes encouraging partnerships with the private sector, such as developers of technological innovations, and developing formal contracts that meet the needs of different actors, including farmers, women parboilers, public and private buyers, traders and financial institutions. Facilitating access to reliable market information is also critical for informed decision-making, transparency, and market competitiveness.
- Capacity building and skills development: Investing in capacity building programmes to enhance the entrepreneurial, technical and managerial skills of women parboilers and other stakeholders is essential.
- Gender equity and social inclusion: empowering women entrepreneurs and marginalised groups in the rice value chain not only promotes economic growth, but also contributes to social cohesion and poverty reduction.
- Access to finance is a critical constraint to the growth and development of rice value chains. Initiatives to improve financial inclusion and access to credit for women and youth entrepreneurs should be prioritised. Collaboration with financial institutions can facilitate the provision of financial products and services tailored to the specific needs of rice value chain actors, thereby facilitating investment and scaling up opportunities.

- Expanding the consumer base for locally produced rice through strategic partnerships with consumer associations and institutions, such as school canteens, public institutions and military barracks, is critical to promoting consumption and shifting diets towards locally produced rice. Leveraging alliances with consumer associations and educational institutions can increase awareness and appreciation of locally produced rice, thereby stimulating demand and market growth, while supporting local producers and the economy.
- Climate resilience and sustainability: Developing strategies to mitigate the impact of climate change on rice production and promoting sustainable practices are key considerations. Implementing climate-smart agricultural practices and adopting resourceefficient technologies can enhance the resilience and ensure the long-term viability of rice production systems, thereby safeguarding food security and livelihoods.
- Creating an enabling environment: Working with government agencies and policy makers to create an enabling environment for agricultural innovation and entrepreneurship essential. Advocacy efforts and is collaboration with relevant stakeholders can facilitate policy reforms and resource fostering allocation. an environment conducive to sustainable development and economic growth within the rice value chain.



# Acknowledgements

### UNERIZ, National Organisation of Parboiling Women in Burkina Faso

#### Financial institutions

UNERIZ collaborates with Coris Bank, Caisse Populaire, and the Agricultural Bank to provide financing options for franchisees.

#### **Buyers**

*Institutional Buyers:* They account for 60% of UNERIZ's annual rice production.

National Association of Rice Traders of Burkina Faso (ANaCoR-BF): This partnership supplies rural and urban vendors, shops, and markets.

### Government and public institutions

The Government of Burkina Faso has launched the Rice Development Strategy NRDS II 2021–2030 to achieve self-sufficiency and reduce rice imports.

### **Paddy suppliers**

Individual rice growers are the backbone of paddy rice production. The Union of Rice Producers of Burkina Faso (UNPRB) is a partner of UNERIZ.

#### Rikolto

Rikolto has supported women parboilers since 2011, focusing on professionalizing their activities. In 2014, they partnered with UNERIZ to improve processing technologies, and in 2017, they developed a franchise business model together. Rikolto helps build inclusive business relationships and fosters stakeholder dialogues. Currently, they support scaling up the franchise model by setting up a finishing and distribution center. mobilizing financial resources. constructing infrastructure, implementing quality processes, facilitating market access, providing capacity building programs, organizing stakeholder consultations, promoting and sustainable production.

### THE TROPICAL AGRICULTURE PLATFORM

The Tropical Agriculture Platform (TAP) is a G-20 initiative launched in 2012 to promote agricultural innovation in the tropics. TAP has formed a coalition of more than 50 partners, led by the Food and Agriculture Organization of the United Nations (FAO) and generously supported by the European Union (EU). The main goal of TAP is to strengthen agricultural innovation systems (AIS) in developing countries through coordinated multistakeholder interventions.



### CONTACTS

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### MORE INFORMATION

- www.fao.org/in-action/tropical-agriculture-platform
- www.fao.org/in-action/tap-ais
- TropicalAgriculturePlatform

### Global Call for Agrifood System Innovations and Stories of Capacity Development for Innovation

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