ssnup

Smallholder SustaiNability Upscaling Programme

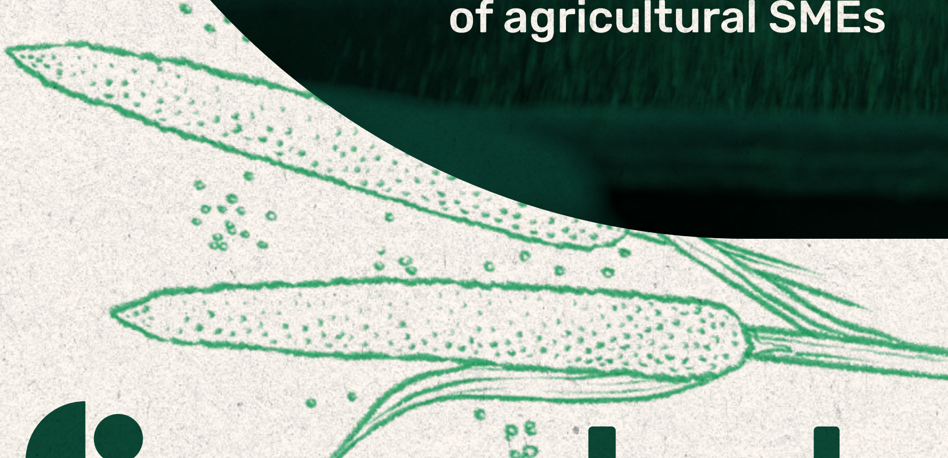
Kumba

(Free Work Services)

in the millet value chain

SENEGAL

The key role of diversified services to smallholder farmers in the economic models of agricultural SMEs



Snapshot

... seeds of agri-SMEs

July 2026

Snapshot

Kumba in the millet value chain

in Senegal

Kumba - Free Work Services

Since 1994
Keur Ndiaye Lô (Dakar), Senegal

IMPACT INVESTOR

balim INVESTMENTS

SCALE & REACH

40

employees (in 2025)

1,000

smallholder farmers suppliers (in 2025)

GROWTH HIGHLIGHTS

Reached break-even point in 2018

PRODUCTION CROP

Millet
(cereals and grains)

ROLE IN THE VALUE CHAIN

Processing

TARGET MARKET

International and local markets
(Europe and Senegal)

PROJECT RESULTS

Context

Millet is among the most important staple crops in Senegal, extensively cultivated and consumed, particularly in rural communities where it forms a crucial part of both diet and livelihood. Despite its significance, the millet value chain in Senegal remains largely informal and poorly structured, with production levels generally low, often below one tonne per hectare.

Smallholder farmers frequently face challenges in organising themselves into effective groups, as trust, coordination, and governance are often insufficient to support formal, long-term commercial partnerships. In many cases, millet production is treated as a form of financial security, with farmers preferring to sell their harvest quickly for immediate cash when needs arise, rather than committing to advance sales agreements. Additionally, operational weaknesses within producer groups, such as poor planning, lack of storage, or last-minute delivery failures, often result in disrupted transactions, undermining the overall reliability and stability of millet supply across local and regional markets.

The position of Kumba in the millet value chain

Free Work Services (Kumba) is primarily a millet and grain processor, transforming raw cereals into a range of ready-to-cook and ready-to-use products, including arraw, thiacry, sankhal, and couscous, for both local and export markets. As one of the few formal processors in Senegal's largely informal millet sector, Kumba occupies a structuring role in the chain, acting as an anchor buyer between dispersed smallholder producers and end consumers. Downstream, it reaches both local Senegalese consumers and diaspora markets through ethnic food distributors in Europe. Upstream, it has progressively sought to source directly from smallholder farmers and their cooperatives, though it continues to rely partly on intermediary traders to meet its volume requirements.

SSNUP project with Kumba

From October 2024 to August 2025, ***Kumba benefitted from a technical assistance project co-financed by the SSNUP programme,*** *through its partnership with HEKS-EPER – manager of the technical assistance at Balim Investments – aiming to improve smallholder millet producers agroecological practices (technical support for capacity building), develop its market linkages with millet suppliers (facilitation of transactions for market access), and strengthen its internal processes (financial management for management systems improvement).*

The project trained 279 smallholder farmers across 8 cooperatives in agroecological practices, storage techniques, and commercial contracting, *with knowledge subsequently disseminated to an estimated 1,395 additional farmers.*

+4 new cooperatives added to Kumba's supply base

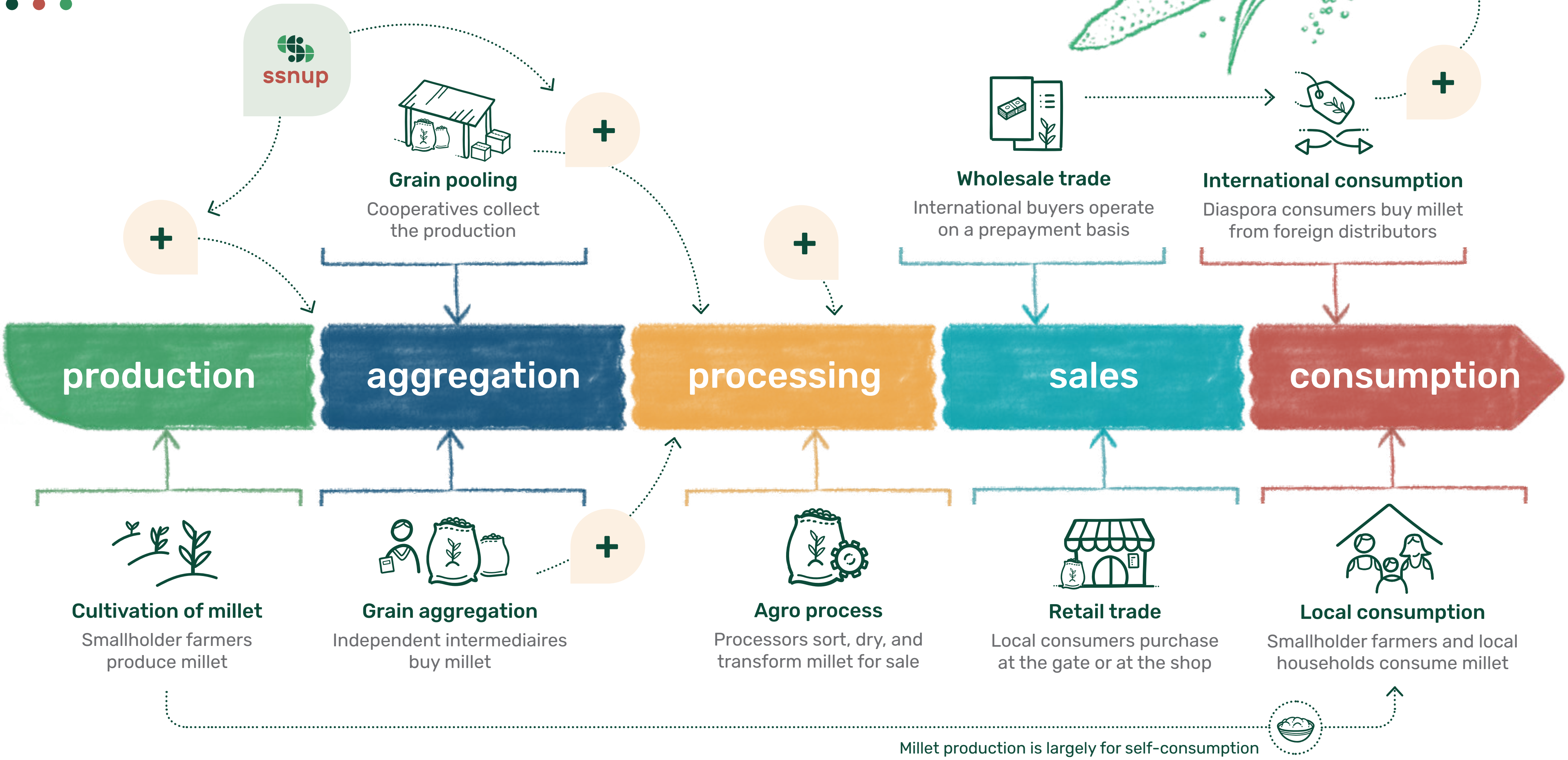
expanding direct sourcing to...

1,000 smallholder farmers

Despite these advances, securing a consistent raw millet supply remains a challenge, partly due to producer reluctance to formalise contracts.

Kumba in the millet value chain

The role of Kumba in the millet value chain



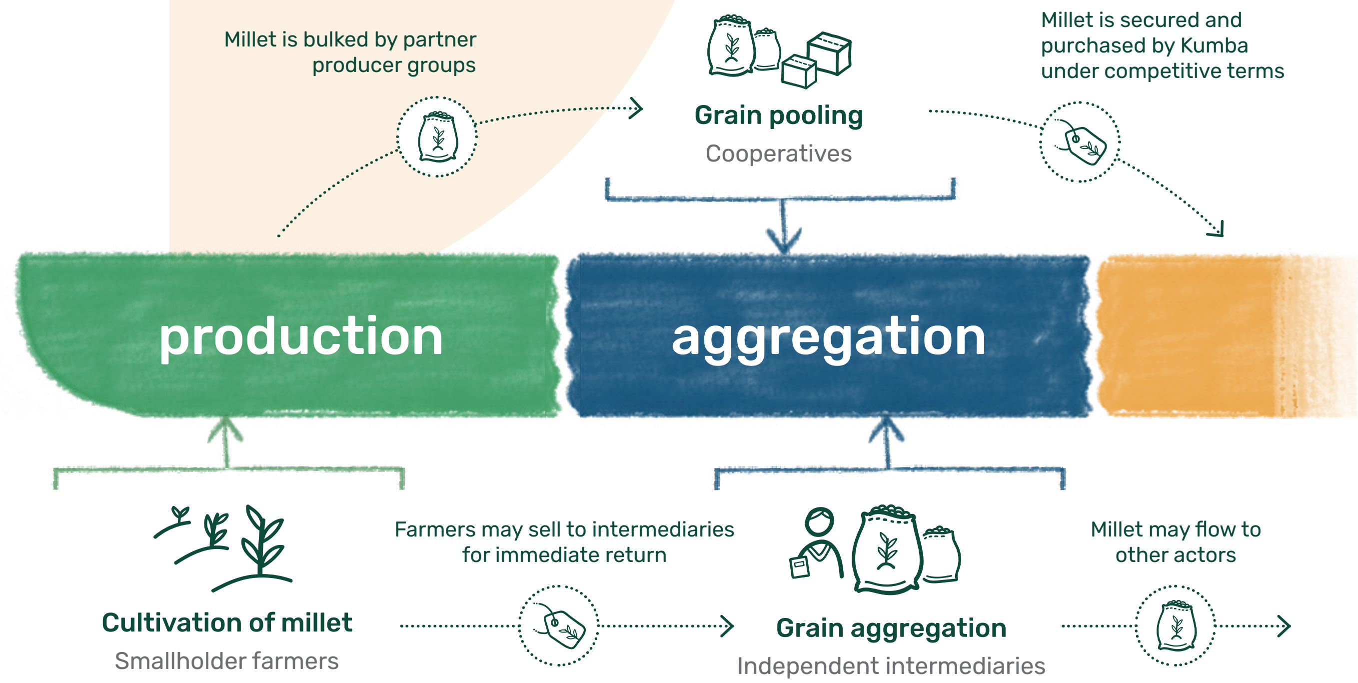
__Kumba's business model is built around three pillars:__ a supply model based on sourcing from smallholder millet producers via their cooperatives; an operational model built around semi-industrial grain processing; and a sales model relying on two commercial channels, local and international. Each pillar contributes directly to the company's ability __to scale and respond to market demand. Click on the buttons + to get a closer look at each model.__

Supply model

Operational model

Sales model

Kumba Supply model



Kumba's role

To differentiate itself from traditional intermediaries and secure its supply of raw materials, Kumba built its **model on direct sourcing from producers, with a focus on fair value distribution and quality,** offering a premium price of 245 FCFA/kg (bonuses for grain quality and transport) – which is about 8% above the market price – as well as a staggered payment structure (50% delivery, 50% within 20 days).

Challenges

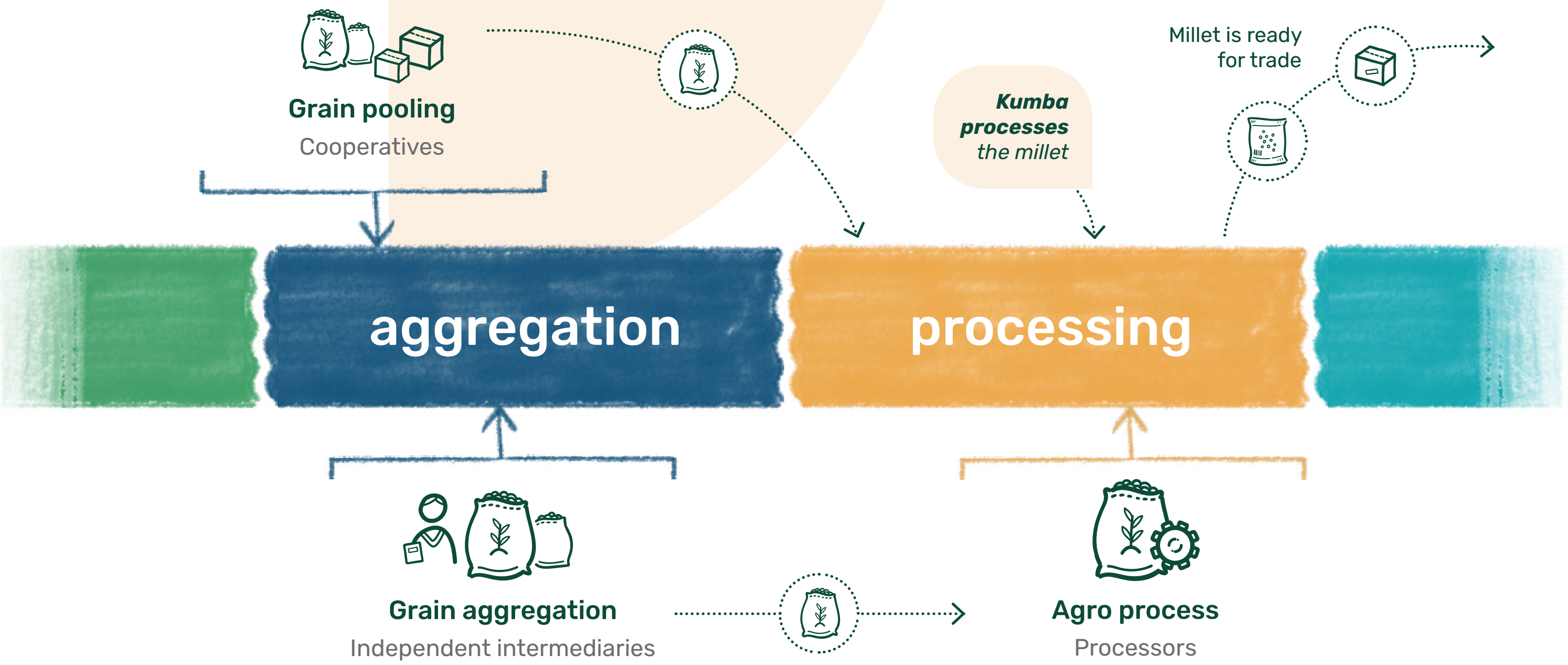
Many smallholder farmers prefer selling to traders who offer immediate cash payments, even at lower prices, reflecting both **immediate cash flow needs** and scepticism toward formal contracts and delayed payments. In addition, **climate-related risks** - such as erratic rainfall or prolonged dry spells - undermine yields and reduce the portion of harvests that farmers can reliably sell. This added uncertainty makes **supply volumes unpredictable, further complicating efforts to secure consistent sourcing** from smallholder producers.

Kumba's actions with SSNUP

*Kumba recognises the need to strengthen its approach by **developing a social model of engagement with smallholder farmers.** While existing incentives have helped attract producers, ensuring a stable and loyal supply base has proven to require additional, farm-level support.*

*In this context, **training farmers in agroecological practices** has been identified as a key lever to increase yields, improve soil health, and enhance climate resilience. These practices have the potential to enable farmers to produce more sustainably and reliably, thereby increasing the proportion of their harvest available for sale to Kumba. In parallel, the **formalisation of supply contracts with representatives of producer groups** is seen as a means of providing **greater security and predictability in the delivery of raw millet** to the company. Over time, these forms of support are expected to foster stronger, trust-based relationships, encouraging farmers to view Kumba as a preferred buyer and reducing the company's reliance on intermediaries.*

Kumba Operational model



Kumba's role

Kumba's operational model is structured around **semi-industrial grain processing,** transforming raw millet into a range of finished cereal products — including arraw, thiacry, sankhal, and couscous — using dedicated machinery at its Dakar facility. The company employs workers across the full production chain – from **sorting, drying, and processing to packaging** – under a mix of contract types. It has recently invested in modernising its production lines through the **acquisition of new processing machineries** from abroad, progressively replacing manual grain sieving operations previously performed by hand.

Challenges

Persistent challenges have been observed in the management of accounting, tax, and Human Resources functions, which were outsourced without adequate internal coordination. This has resulted in recurring **administrative errors, delays,** and a lack of efficiency. Additionally, **limited energy capacity** poses a major operational challenge, as the local grid cannot support running all machinery simultaneously at medium or high power without **triggering outages in the area.** This limits the use of recently imported equipment, essential to meet demand and improve efficiency.

Kumba's actions with SSNUP

*The establishment of clearer internal procedures and the strengthening of internal capacities is under implementation, including the training of staff in management practices, and the deployment of the Odoo 18 management system. These measures are expected to lead to **improved financial reliability, better compliance** with regulatory requirements, and more effective collaboration with external service providers - **ultimately supporting the professionalisation and stability of operations.***

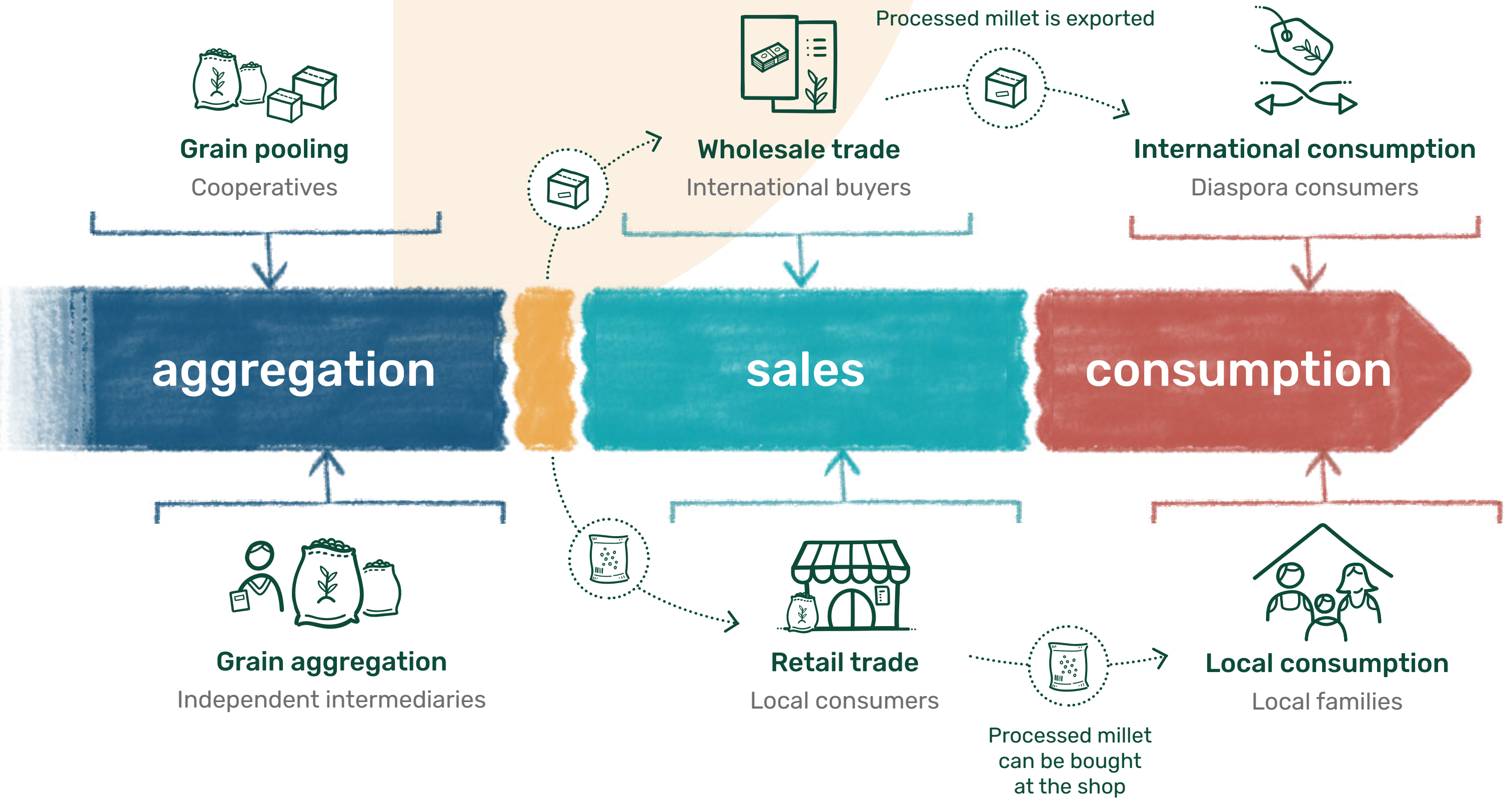
Kumba's self-initiated actions

*A generator is expected to be installed to overcome the power constraint, which currently prevents the company from achieving the **productivity levels required to make full use of its machinery.** In the interim, to keep production running, some key steps in the grain processing chain continue to be performed manually.*

Global view
Supply model
Sales model

Snapshot

Kumba Sales model



Kumba's role

Kumba's products are recognised as of higher quality compared to other millet products available locally, with some consumers purchasing packaged products directly from the factory outlet. This reputation supports a loyal customer base and consistent retail sales with frequent stock turnover. According to the company's leadership, **even doubling or tripling current supply would not be enough to meet market demand** – both on the local Senegalese market and internationally, where Kumba supplies the European diaspora market through a dedicated ethnic food distributor. The company also operates a local retail shop where products are sold directly to consumers.

Challenges

Due to inconsistent supply and limited production capacity, Kumba **often cannot meet current demand.** International orders are generally secured through advance payments, with customers waiting **up to three months for delivery.** Beyond immediate fulfilment gaps, these constraints collectively hinder Kumba's ability to grow its client base, respond to new market opportunities, and consolidate its positioning in export markets. Working systematically under advanced payment conditions also ties up customer capital and may discourage repeat orders, limiting the revenue predictability needed to invest further in production capacity.

Kumba's actions with SSNUP

Capacity-building activities targeting supplying cooperatives – covering agroecological practices, storage techniques, and commercial contracting – aim to address supply constraints at their root. By improving farmer productivity and grain quality upstream, and simultaneously formalising contractual relationships with cooperatives, Kumba expects to ***secure more reliable and sufficient millet volumes.*** *Together, these two levers are expected* ***to progressively close the gap between current production output and unmet market demand.***

Global view
Operational model
Perspectives

Perspectives

from millet value chain actors

Smallholder farmer

I farm about 3 hectares of my own land, growing millet and groundnut in rotation - a traditional practice that helps protect the soil and limit diseases. I keep acacia trees in the field for natural fertilisation. My younger brothers, some of my children, and seasonal workers help with the labour. I plant once a year, cultivating both crops at the same time in different zones. Most of the millet is for household consumption; groundnut is partly sold locally, either in the village market or to passing traders. I'm part of a cooperative, which sometimes distributes fertiliser and allows for informal exchanges of produce among members. I used to work as a mason in town but returned to farming after retirement.

Exchange with a millet farmer, member of a supported cooperative through the technical assistance project co-funded by SSNUP, 10/07/2025

Even if I don't usually sell millet, I know I can rely on my harvest as a form of security if I ever need immediate cash.

Processor

We run a family-owned company that was one of the first to process local cereals. Each of us -siblings - was trained to meet the business's needs, guided by our mother, the founder. Since 2024, we've regained our pre-COVID production levels. The business is still fully family-owned, though we're starting to consider opening the capital to grow further. We rely on a network of processors to share transport and reduce costs. Our main constraint has been securing consistent raw millet supply. Yield remains low, and although agroecological training aims to improve this, we'll only see real results after the rainy season. Some of the promoted practices, like crop rotation, already exist in traditional farming.

Interview with Elhadji Maguette Diack, COO of Kumba, headquarters in Keur Ndiaye Lô, 12/07/2025

The real challenge lies in market structure and supply chain coordination. For now, we've taken short-term loans to support operations, but to break the glass ceiling, formalising the business and scaling up supply remain key.

Retailer

Most of our customers here at the shop are people who already know Kumba, often family members of the diaspora who discovered the brand abroad and passed the word around within their community. They know what they are buying and trust the quality. Beyond our cereal products, we also carry a range of other locally produced goods, including cosmetics, which helps attract a broader clientele.

Exchange with the sales associate at Kumba's shop in Dakar, 12/07/2025

Local customers are a different story. Most of them buy their millet at the neighbourhood market and do not necessarily know we exist. We are not the first place people think of when they need millet - that is still the local market. But when they do find us and try the products, they come back.

Investor

We invested in Kumba to finance three core needs: new production machinery, an extension of the processing facility, and working capital. The company showed real potential, but implementation came with unexpected hurdles: logistics delays in importing machinery, and the challenge of installing equipment without readily available technical know-how on the ground. On top of that, access to electricity remains a significant constraint, preventing both production lines from running simultaneously and acting as a real brake on growth.

Interview with investment officer, Balim Investments, 02/07/2025

Looking ahead, the second production line is not just about volume; it is also tied to a new product range targeting local food security, including baby food powder. That ambition is very much aligned with our impact strategy, and it is what makes Kumba a compelling long-term partner.

Global view

about
the SSNUP Snapshot series

The SSNUP Snapshot series is a collection of knowledge products designed to examine the role of SSNUP-supported organisations, namely small and medium-sized enterprises (SMEs), financial intermediaries, and cooperatives, across the value chains in which they operate. It focuses on the challenges and opportunities embedded within these value chains, analysing how organisations position themselves and tailor their business and engagement models across different segments. By examining how these organisations engage with and support smallholder farmers, the series seeks to inform actors supporting agri-food systems by shedding light on the range of possible levers for action within diverse value chain contexts.

about
the SSNUP programme

The Smallholder SustaiNability Upscaling Programme (SSNUP) is a 10-year programme launched in 2020 that aims to improve the resilience of smallholder households through technical assistance and investment in agricultural value chains, ultimately enhancing the well-being of low-income populations. Funded by the Swiss Agency for Development and Cooperation, the Liechtenstein Development Service, and the Luxembourg Directorate for Development Cooperation and Humanitarian Affairs, SSNUP works as a facility to co-finance technical assistance projects led by impact investors active in the field. ADA is responsible for coordinating the programme and managing its knowledge management component.

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