

Government of The Gambia 

**REPUBLIC OF THE GAMBIA**

**MINISTRY OF AGRICULTURE**

***SMALL RUMINANT PRODUCTION ENHANCEMENT PROJECT (SRPEP)***

**VISACA Apex Building**

**Brusubi Institutional Area**

**Brusubi**

[**njiemamud@gmail.com**](mailto:njiemamud@gmail.com)

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**Project Background and Objectives**

The livestock sub-sector in the Gambia is critical and vital for the overall economic growth of the country and for meeting its food security goals. It provides employment, especially in rural areas. Most of the livestock producers live in rural areas raising mainly cattle, sheep, and goats under rain-fed mixed farming and traditional extensive production systems.

Due to low resource availability, it is difficult to get to the optimum number of livestock. Investing in livestock production has the advantage of offering better returns and frequently at shorter periods of realization.

The project aims to improve the livelihoods of the pastoral and peri-urban communities in the Gambia by strengthening the productivity and resilience of rural communities and stimulating business entrepreneurship in the livestock sector.

Specifically, the project activities focus on enhancing small ruminant (sheep and goats) development through herd health supports mechanism, disease control increasing productivity through genetics improvement and improved feed systems, production and marketing management, innovation of product processing techniques, and access to Islamic financing.

Overall, by the end of the project, the aim is to reduce the poverty rate in Gambia from 60% to 55%

**Islamic Microfinance credit facility**

Aims to facilitate access to Islamic financing for small ruminant value chain actors. Funding is provided on participatory and Sharia-compatible financing for actors operating or interested in small ruminant enterprise.

Islamic products being are **Murabaha (Cost+Mardk-up**) and **Salam also known as forward sales.**

**Eligibility criteria**

* purchase of animals,
* feeding operations,
* animal health related operations,
* downstream meat processing and sales operators,
* small ruminants’ traders holding an agreement as a trader duly registered by GLMA to trade in livestock,
* boreholes and wells,
* small ruminant feed production,
* Ram fattening and breeding
* means of transport.
* Attestations is done by GLMA for processing and marketing, while DLS is for on production

**Islamic Microfinance credit facility (started January 2022)**

* implemented through 2 MFIs (Supersonicz Financial Limited and Gambia Teachers’ Union Islamic Cooperative Credit Union)
* Selection criteria was based on knowledge on Islamic financing

**Successes registered**

* Disbursed **GMD 132,720,000.00 equivalent to $2,400,000**.
* So far 357 have benefited from the credit facility.
* Trained and build the capacity of **2,330 value chain actors**
* **163 accessed** Islamic credit from the MFIs during 2022 “Tobaski/Eid-ul-Adha” 2022
* Islamic Microfinance facility beneficiaries were able to source **7,692** animals (rams).
* Provided source of income to Gambians and employment during the period
* Intend to disburse US$ 600,000 before the coming Eid to increase more access to finance targeting small fatteners.

**Challenges**

* Overwhelming numbers of applications making rapid feedback to applicants on the status of their applications difficult
* Low knowledge on Islamic banking (e.g., most eligible beneficiaries cannot differentiate between mark-up and interest)
* Collateral for securing loans since it is not free money especially women folk who do not inherit land for example.
* US$ 3.0 million is small considering the price of animals and feed nowadays

Mr. Mamud Njie

Project Director - SRPEP