



**[BUILDING COMMODITY VALUE CHAINS AND MARKET LINKAGES FOR FARMERS' ORGANIZATIONS]
FINAL PROGRAMME¹ NARRATIVE REPORT**

Programme Title & Project Number
<ul style="list-style-type: none"> Programme Title: Building Commodity Value Chains and Market Linkages for Farmers' Associations Programme Number (if applicable): MPTF Office Project Reference Number:

Country, Locality(s), Thematic Area(s) ²
<i>(if applicable)</i> Country/Region: Mozambique – Nampula, Zambezia, Sofala, Manica and Tete
<i>Thematic/Priority Economic Pillar</i>

Participating Organization(s)
<ul style="list-style-type: none"> World Food Programme (WFP) Food and Agriculture Organisation (FAO) International Fund for Agricultural Development (IFAD)

Implementing Partners
<ul style="list-style-type: none"> Ministério da Agricultura (MINAG), Direcção Nacional de Extensão Agrária (DNEA), Ministério de Industria e Comercio (MIC), Direcção Nacional de Comercio (DNC), Ministério de Plano e Desenvolvimento (MPD), Direcção Nacional de Promoção do Desenvolvimento Rural (DNPDR), Instituto Nacional de Normalização e Qualidade (INNOQ) (National, Provincial and District level). CLUSA (Cooperative League of the United States of America); World Vision International (WVI); Farmer Business Organisations, (IKURU); Rural Finance Institutions-GAPI, and ADRA – Adventist Development; and Relief Agency.

Programme/Project Cost (US\$)	
MPTF/JP Fund Contribution:	1,453,199.00 (WFP)
<ul style="list-style-type: none"> by Agency <i>(if applicable)</i> 	625,460.00 (IFAD)
	928,391 (FAO)
Agency Contribution	500,000.00 (WFP)
<ul style="list-style-type: none"> by Agency <i>(if applicable)</i> 	
Government Contribution <i>(if applicable)</i>	
Other Contributions (donors) <i>(if applicable)</i>	1,637,750.00
TOTAL:	

Programme Duration (months)	
Overall Duration <i>(months)</i>	48 months
Start Date ³ <i>(dd.mm.yyyy)</i>	01.01.2008
End Date (or Revised End Date) ⁴	31.12.2011
Operational Closure Date ⁵	30.06.2012
Expected Financial Closure Date	31.08.2012

¹ The term “programme” is used for programmes, joint programmes and projects.

² Priority Area for the Peacebuilding Fund; Sector for the UNDG ITF.

³ The start date is the date of the first transfer of the funds from the MPTF Office as Administrative Agent. Transfer date is available on the [MPTF Office GATEWAY](#).

⁴ As per approval by the relevant decision-making body/Steering Committee.

⁵ All activities for which a Participating Organization is responsible under an approved MPTF programme have been completed. Agencies to advise the MPTF Office.

Final Programme/ Project Evaluation	
Evaluation Completed	
<input type="checkbox"/> Yes	<input type="checkbox"/> Date: _____
Evaluation Report - Attached	
<input type="checkbox"/> Yes	<input type="checkbox"/>

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FINAL PROGRAMME REPORT

I. PURPOSE

- a) The overall objective of the programme was to increase the income of smallholders in rural areas and enhance their livelihoods, in line with the Government objectives for rural and economic development (PARPA 2006-2009, PROAGRI II, the ECA) and the UNDAF 2007-2009. The focus is to offer a viable market opportunity through WFP's local procurement activities – and to add value to smallholders' production through the provision of infrastructure; enhancing access to credit; and providing technical assistance to improve post-harvest handling and the quality of the final product. All this would improve the capacity of smallholders to access other markets and obtain higher prices in the long-term, as well as enhance farmers' organizational capacity.
- b) The Joint Programme outcome was to increase the amount of maize (cereals) and beans/peas (pulses) purchased by WFP directly⁶ from smallholders' organisations and small and medium traders in Mozambique as part of the Purchase for Progress (P4P) Programme. The following were the main outputs of the Joint Programme:
 - a. **Output 1:** Improved storage facilities at producer level managed and owned directly by producers or through their organisations;
 - b. **Output 2:** Improvement in post-harvest handling: reduction of post harvest losses, product quality upgrading and implementation of quality monitoring procedures put in place by targeted producers;
 - c. **Output 3:** Alignment of National Standards with WFP and regional standards to improve access to market of national producers in the long run;
 - d. **Output 4:** Reduction of commercial risk attached to the WFP purchase and improved capacity of smallholders in planning production of maize and beans;
 - e. **Output 5:** Improved access to credit for targeted producers' organisations.
- c) In line with "Delivering as One: Operational Plan of the UN system in Mozambique 2007-2009" to complement the UNDAF 2007-2009, and in support of the national development agenda, this Joint Programme was coordinated by WFP while FAO and IFAD were the other Participating UN Organisations. It was implemented by the three Agencies in coordination with the indicated Government Institutions (Ministry of Industry and Trade, Ministry of Agriculture, Ministry of Planning and Development and INNOQ) through the establishment of a Steering Committee and in partnership with Civil Society Organisations. Where available, the programme was financed by each participating UN organisations through its existing programme and project resources, using a parallel funding modality. The funding gaps will then be covered by the One Fund for Mozambique, using a pass-through modality for which the Government of Mozambique and the above mentioned participating UN organisations agreed that the United Nations Development Programme (UNDP) be the Administrative Agent (AA).
- d) The implementing partners were the Ministério da Agricultura (MINAG), Direcção Nacional de Extensão Agrária (DNEA), Ministério de Industria e Comercio (MIC), Direcção Nacional de Comercio (DNC), Ministério de Plano e Desenvolvimento (MPD), Direcção Nacional de Promoção do Desenvolvimento Rural (DNPDR), Instituto Nacional de Normalização e Qualidade (INNOQ) (National, Provincial and District level) in collaboration with NGOs, National and Provincial Farmers' Organisations and Rural Finance Institutions. The target group are Farmers Organizations.

⁶ Three purchase modalities were used in the P4P programme: direct purchases which involved buying contracts with small and medium traders and farmers' organizations, forward delivery contracts and soft tenders.

II. ASSESSMENT OF PROGRAMME/ PROJECT RESULTS

- a. All 5 provinces initially planned were covered in a total of 11 districts. Resources used during the 3 years implementation were JP funds, as well as funds from other donors. Resources from USAID, Saudi government as well as FICA were used for actual purchases from the Farmer Organisations under the programme. In 3 years a total of **USD 2,978,137.39** was spent on JP food procurement translating into the same value going directly to smallholder farmers supported under the Joint Programme. A total of 5,253 farmers were trained in Post harvest handling techniques, and post harvest losses reduced.
- b. A \$200,000 Guarantee Fund was supposed to have been established under GAPI to stimulate credit for smallholder commercialisation but only came into effect towards the end of the project (April 19, 2011). Credit of approximately USD 160,000 was nevertheless provided by GAPI during the first season but early coordination problems led to losses by borrowing farmer organizations (FOs) resulting in their inability to repay about half the loan amount during the remaining project period. Credit about USD 50,000 was provided by Banco Oportunidade de Moçambique (BOM) during the third year to FOs in Tete and Manica with 100% repayment, leading to an expansion of loans to Zambezia for the 2011/12 season (projected at USD 180,000) .

Main Activities and Achievements

Output 1: Improved storage facilities at producer level managed and owned directly by producers or through their organisations.

The project trained 104 promoters of Gorongosa silos in 5 provinces and 10 promoters of metallic silos in 2 provinces. A total of 370 metallic silos and 569 Gorongosa silos were constructed. These represent a total additional storage capacity of around 875.68 metric tonnes, which considerably contributes to improve the food security situation in the targeted areas.

The promoters were selected members of farmers associations, and one of their tasks was to construct demonstration silos under this project as a way of promoting the technology. The assumption is that, later they will be able to use their knowledge and tool kit to develop this activity as a profitable business by targeting groups of farmers who did not receive demonstration silos.

In order to assure continuity of this work, additional construction material was delivered to the District Services for Economic Activities in targeted districts of Nampula (3 districts), Zambézia (2 districts) and Tete (1 district) Provinces. This was a phasing out of the project taking advantage of the fact that: (i) promoters for the construction of the silos were already trained and building; (ii) the agricultural local authorities were supervising the field activities; and (iii) NGOs were supporting the farmers.

Table 1: Promoters trained by province by type of silo

Province	Gorongosa Silos		Metallic silos	
	Training location	# Promoters	Training location	# Promoters
Tete	Angónia	30		
Nampula	Monapo	18	Malema/Ribaue	4
Zambézia	Gurue	30	Gurue/Alto Molocue	6
Sofala	Búzi	17		
Manica	Manica	09		
TOTAL		104		10

Table 2: Gorongosa and Metallic Silos Constructed

Province	District	Gorongosa Silos			Metallic Silos
		Planned	Constructed	Balance under construction	
Zambézia		323	220	103	218
	Gurue	163	111	52	102
	Alto-Molócuè	160	109	51	116
Nampula		561	98	463	100
	Malema	90	2	18	35
	Mecuburi	180	10	70	0
	Monapo	115	43	42	0
	Ribáuè	176	43	42	65
Sofala		186	41	145	0
	Buzi	186	41	0	0
Manica		141	21	0	0
	Manica (Mavonde)	141	21	0	0
Tete		538	189	349	52
	Angónia	538	189	69	52
Totals		1749	569	1180	370

In addition to the household silos, under WFP-JP activities, a total of 10 community warehouses/storage sheds whose ownership and management would be transferred to targeted farmers organizations were planned to be constructed. During the period under review only two (3) of the planned ten (10) were constructed in Zambezia and Nampula provinces (Gurué and Alto Molócué districts and Nampula city). The performance of the constructor delayed the rest of the planned warehouses. However, the process for the construction of the remaining 3 warehouses for Tete has started under FICA funding.

Output 2: Improvement in post-harvest handling: reduction of post harvest losses, product quality upgrading and implementation of quality monitoring procedures put in place by targeted producers

During the reporting period, five (5) training modules on post-harvest handling, oriented for extension agents and farmers organizations were prepared and finalised. The following modules were prepared: Harvest; Post-harvest; Storage; Warehouse management; and Quality Control Chain. Jointly with these modules, two (2) banners were produced with illustrations of the steps and processes to be followed by producers seeking quality. These banners will greatly help part of illiterate producers and improve understanding in all of them. A total of 2,500 copies were printed and distributed to the programme areas. In the same period, validation training sessions were conducted by FAO targeting farmers organizations members and artisans for the construction of metallic and Gorongosa silos. The trainings for the farmer's organization members were conducted by partners organization (Care, World Vision and IKURU) under specific agreements with FAO.

Table 3: Associations trained in post-harvest handling

Province	# of Planned Associations	# of Trained Associations	# Members trained		
			Men	Women	Total

Nampula	80	75	972	698	1670
Zambézia	111	112	1,830	1169	2,999
Tete	40	43	223	181	404
Sofala	6	6	76	44	120
Manica	3	3	45	15	60
Total	240	239	3,146	2,107	5,253

A National Seminar held in Nampula with the participation of 32 government officials from MIC and MINAG at central, provincial and district levels, from the 3 targeted provinces (Nampula, Zambézia and Tete) was an opportunity to train and refresh the government counterparts on post-harvest techniques; to disseminate standards for maize and beans and also to discuss sustainability aspects. This was also a good opportunity to promote a better dialogue between DPICs and DPAs in terms of coordination of technical support and supervision of farmers' activities, particularly on market issues.

An FAO technical evaluation mission undertaken in November and December 2011 verified that the associations that benefited from training on post-harvest handling during 2010 presented high quality grain which allows producers to access good markets and better prices, particularly, out of the agricultural season. Although a baseline study was not undertaken, through interviews and field visits, it is clear that the use of improved storage facilities combined with the better handling techniques resulted in a significant reduction of post-harvest losses among the beneficiaries.

There is also an important positive impact on the nutrition of the families due to the improved quality of the cereal stored.

Output 3: Alignment of National Standards with WFP and regional standards to improve access to market for national producers in the long run.

During the period, the National Standards for maize and beans were elaborated and approved by INNOQ. This activity was supported through a Letter of Agreement signed between FAO and INNOQ. In order to improve technical specifications the JP's team was involved in providing comments and suggesting parameters of analysis for inclusion in the standards. As a result of the consultations and field work INNOQ elaborated 3 new standards for beans (cowpea, pigeon pea and butter bean). These standards were included in the training modules and are in line with the WFP quality standards.

Output 4: Reduction of commercial risk attached to the WFP purchase and improved capacity of smallholders in planning production of maize and beans.

WFP has been purchasing Mozambican commodities for nearly a decade, and prior to 2008 all these purchases were from big traders. The Joint Programme provided an opportunity to contribute to the local economy by buying directly from farmer associations and small and medium traders (SMT). The programme also provided an opportunity for the smallholders to have direct access to WFP. Over the past three years of Joint programme implementation, a total of 7,553.89 metric tons of commodities were purchased. The table below shows the summary by provinces.

Table 4: Quantity (MT) of food procured under the Joint Programme (2009-2011)

Province	2009		2010 ⁷		2011	
	Maize	Pulses	Maize	CSB	Maize	Pulses
Nampula	292.80	200.00			480.00	60.00
Zambezia	736.30	49.50			681.80	
Sofala	1,297.85		425.00	362.00	608.00	342.14
Tete	1,029.00		344.50		495.00	
Manica					150.00	
Total	3,355.95	249.50	769.50	362.00	2,414.80	402.14

Table 4.1: Quantity (MT) of food procured through FOs under the Joint Programme (2009-2011)

Province	2009		2010		2011	
	Maize	Pulses	Maize	CSB	Maize	Pulses
Nampula	292.80	200.00			480.00	60.00
Zambezia	736.30	49.50			237.80	
Tete			344.50		495.00	
Manica					150.00	
Total	1,029.10	249.50	344.50	0.00	1,362.80	60.00

Table 4.2: Quantity (MT) of food procured through SMTs under the Joint Programme (2009-2011)

Province	2009		2010		2011	
	Maize	Pulses	Maize	CSB	Maize	Pulses
Zambezia					444.00	
Sofala	1,297.85		425.00	362.00	608.00	342.14
Tete	1,029.00					
Total	2,326.85		425.00	362.00	1,052.00	342.14

Output 5: Improved access to credit for targeted producers' organisations.

Agricultural marketing credit is important because it allows FOs to purchase from their member associations, paying up on delivery (few farmers are willing to wait for second or third tier payments). FO credits are only viable if margins are high enough to cover interest and other costs – principally transport, storage, handling and losses. During the trial first season (2008/09), teething problems on the part of all stakeholders led to unexpectedly high costs for the FOs. As a result, the two FOs (FEDAMOZA and FEPROG) with loans from GAPI, incurred collective losses of about USD 30,000 and were unable to repay their loans (of the original USD 160,000 loan value, about half was still outstanding as at the end of the project).

Factors that led to these losses in 2008/0910 include:

- The delivery of sub-quality maize, partly due to the late implementation of quality training, leading to considerable cleaning costs and reduction of volume (since the the 2008/09 season, the quality of maize delivered by associations and forums has not been a problem)
- Application of a grain classification system that differentiated grain by size, further leading to reduced volumes (the system was subsequently changed to assess quality according to cleanliness, grain shape and colour)
- Late delivery of project bags (3 weeks after grain deliveries to FOs started) resulting in re-bagging and re-fumigation costs (in following years, bags have arrived well before harvesting)
- Delays in quality control analysis (problem continued during all three season)
- Late payments resulting in higher interest costs on loans (the problem continued during all three seasons⁸ and is the main source of contention of FOs)

⁷ The quantities were low in 2010 due to a number of reasons, the first being the lack of credit for the farmer organisations to commercialise and the other being the high commodity asked by the farmer organizations, being higher than the prevailing market prices.

⁸ According to FEDAMOZA, during the 2010/11 season, the payment for the 1st lot was 52 days late and for the 2nd lot 47 days..

Delays in the implementation of the Guarantee Fund due to unanticipated legal issues (signed during the final year), resulted in the full risk being borne by GAPI and the condition that FO borrowers had to repay the full loan amount before being eligible for further loans. Too late to allow for another marketing loan, the Guarantee Fund at least enabled the rescheduling of the outstanding debt of the first loan (signed in August 2011)⁹.

During the third season (2010/11), after a period of investigation, monitoring and negotiating, conditions were considered attractive enough (without Guarantee Fund) for BOM to start lending to FOs in Tete (2) and in Manica (3) resulting in 100% repayment and intentions to expand lending activities to other FOs in Zambezia for the 2011/12 season for an estimated value of USD 180,000 (5 original FOs have received new loans and 4 new FOs were in the process of negotiation in May). BOM is happy with the JP structure although feeling that the bureaucracy and delays makes these loans very “labour intensive”.

Other Programme aspects

- Technical Support

Establishment of strong synergies has been the cornerstone of the Joint programme. To this effect, the Joint programme has been extensively supported by partners such as NGOs as well as the SDAE's and the government extension services. The following institutions are the main implementation partners of this Joint Programme: Instituto Nacional de Normalização e Qualidade (INNOQ); CLUSA (Cooperative League of the United States of America); World Vision International (WVI); Farmer Business Organisations, (IKURU); Rural Finance Institutions-GAPI and ADRA – Adventist Development; and Relief Agency, while the following play a coordination role at both national and local levels: Ministério da Agricultura (MINAG); Direcção Nacional de Extensão Agrária (DNEA); Ministério de Industria e Comercio (MIC); Direcção Nacional de Comercio (DNC), Ministério de Plano e Desenvolvimento (MPD); and Direcção Nacional de Promoção do Desenvolvimento Rural (DNPDR).

All the above partners have an important role to play under this programme. The government directorates at national level, through the programme National Steering Committee met every quarter, and have provided the overall guidance for programme implementation. Local authorities have also provided much needed support and guidance. Partner NGOs have provided support to the farmer organizations through supply side interventions such as training in business skills; extension services, etc.

The inter-agency collaboration among IFAD, FAO and WFP proved to be productive as each agency has been providing inputs within its technical area in coordinated and complementary ways.

⁹ This would allow GAPI to recover .45% of the bad debt (the Guarantee Fund reimburses 90% of the risk covered .i.e. 50% in the case of maize).

Below is the list of Farmer Organisations who participated under the programme

Province	District	Farmer Organization	N° of farmers' associations/ clubs
Zambézia	Alto Molócue	FEDAMOZA (Farmers Federation of Alto Molocue, Zambézia)	54
	Gurué	FEPROG (Farmers Federation of Gurue)	57
	Mocuba	OIMPEVI	1
		Wandama Wa Analima	1
Nova Esperança		1	
Nampula	Monapo	IKURU	25
	Mecuburi		25
	Ribáue		15
	Malema		15
Manica	Barue	Culima Cuacanaca	1
		Samora Machel	1
		Bathani Phaza	1
Tete	Angónia	Tilimbique Association	18
		Chiguirizano Association	25
Sofala	Buzi	Bandua Forum	12

The farmers organizations received capacity development, warehouse/quality equipment and some of them infrastructure; and all of them were very well engaged and participative in the activities in order to reduce the post-harvest losses, aggregate high quantities and achieve the quality standards, secure lands and obtain licenses for construction; cost-sharing to complete the community warehouses by doing the floor and buying pallets.

Credit was provided to 2 FOs by GAPI (FEPROG and FEDAMOZA) and 5 FOs by BOM (Batani Phaza, Samora Machel and Culima Cuacanaca in Manica and Tilimbique and Chiguirizano in Tete) with mixed results (see above) largely due to the timing of the loans.

This programme was very attractive to get funding from other local donors such as European Commission (USD 200,000) and Flemish Government (USD 1,437,750) who contributed funds for capacity development, infrastructure and equipment and commodity purchases.

III. EVALUATION & LESSONS LEARNED

During the period under review, technical evaluations were provided by FAO –Rome on storage solutions and post-harvesting training and capacity building; from IFAD Rome for the refinement of the guarantee fund mechanism and from WFP-Rome for the establishment of the monitoring and evaluation system.

A baseline study with support from the WFP P4P Unit was conducted and has formed the basis for a JP monitoring and evaluation system. Other tools such as the farmer records surveys are conducted periodically to add to the body of knowledge collected under the programme. Indicators have been developed and a follow-up survey is scheduled early 2012.

No formal external evaluations were conducted, however, one is currently being organised.

The programme faced several constraints such as:

- (i) Non-adherence to norms and standards: Dissemination of norms and standards for maize and beans as elaborated by INNOQ needed to be increased and enforcement mechanisms put in place. This was to ensure that the FO's were not merely price takers but be in a better position to negotiate for better prices as a result of their good quality;
- (ii) Limited or non-existing storage availability at all levels (producer, association / forum / federation / 3rd tier) was also a major constraint. This compromised the quality of the commodities, and this necessitated several cleaning operations. The replication that was envisaged under the JP has been slow and very few farmers per association have constructed any silos beyond what was supported by the JP;
- (iii) Rapid changes in market prices for commodities affected the supply of the commodities. As a result some farmer organisations were not able to meet their supply contracts with WFP. As a mitigating measure, forward delivery contracts were used by WFP in the third year. This allowed the farmers to be more certain about the available market. This also allowed the farmers to plan well in advance the commercialization process and improved their access to credit from institutions to support their commercialisation activities.

In terms of credit, several important lessons were learned:

- (i) Without the Guarantee Fund in place at the outset of the project, the credit "guinea pigs" GAPI and the two producer federations FEPROG and FEDAMOZ suffered the consequences of the unexpected losses that were due to the yet unconsolidated implementation arrangements while new entrants such as BOM and other borrowing FOs have benefited from subsequent improvements. Joint Programmes are prone to trial period glitches which have knock-on effects for all stakeholders. Because the FO losses were in large part due to coordination issues, there would have been justification for the first year (trial period) loans to have a much greater risk coverage, reduced in subsequent years as modalities improve. It is also imperative that the Guarantee Fund comes into effect before before loan agreements are signed. Furthermore the Guarantee Fund, respecting best practice principles, should not be managed by the lending institution. Although an external audit found no conflictual issues with the GAPI experience, such an arrangement should be avoided in future.
- (ii) BOM's approach to lending through prudent monitoring, accompanied by the presence of a full-time agronomist, resulted in a late start but excellent portfolio quality (100% repayment to date) and steady expansion with acquired experience and broadening FO assessments. In BOM's case, the Guarantee Fund was irrelevant (and never fully investigated). It was the underlying fundamentals of the JP arrangements, whereby the WFP became the BOM's "offtaker" through its purchase contracts, that made these loans a "sweet deal" for BOM, leading the way to potential future production loans for participating FOs.
- (iii) FOs should not be given excessively large loans as occurred during the first year with two lot arrangements. The BOM experience suggests that more and smaller lots (at least 3) as well as smaller initial total loans are less prone to risk and abuse. During the first credit, the NGO technical partner should be given greater involvement in credit management and should have one of its officers as a cheque signatory. To avoid theft of funds, some FOs now require more signatories (3) at a non-executive level.
- (iv) Given the institutional framework of the JP approach, there will be a tendency for bureaucratic delays to cause late payments which has led to friction among the stakeholders as well as higher interest costs on loans. A promise made by WFP officials in late 2011 to provide FOs with a 30% advance payment on lots

should help alleviate the situation in future. In addition, clear indications of the payment date after delivery, with clear penalty clauses in the contracts, would provide FOs with further security.

Other lessons learned included the need for close collaboration with partners and government institutions during implementation. Support from the NGO partners was very important and provided a day-to-day monitoring of the activities under the JP. In this programme, Government has been strongly involved at all levels and committed. The involvement of agriculture extension workers from District Services for Economic Activities (SDAEs) provided government buy-in, however, in some districts, this commitment was rather weak. Full integration of the technical team of government dealing with technologies transfer was essential.

Letters of Agreements with Provincial Directorates of Agriculture (DPAs) were necessary in order to ensure effective monitoring of activities and greater commitment to the project outputs and programme sustainability through SPERs and SDAEs.

Forward contracts provided the certainty of an available market for the farmers and facilitated the acquisition of the much needed credit from the financial institutions.

IV. INDICATOR BASED PERFORMANCE ASSESSMENT

	Performance Indicators	Indicator Baselines	Planned Indicator Targets	Achieved Indicator Targets	Reasons for Variance (if any)	Source of Verification	Comments (if any)
Outcome 1							
Output 1.1 Improved storage facilities at producer level managed and owned directly by producers or through their organisations	Indicator 1.1.1	Number of community warehouse built/restructured per targeted organisation and ownership transferred to targeted farmers' organisations. (Baseline: N/a)	Target: Three warehouses built through Joint Programme funds; 7 remaining built through financing from partners.	Three warehouses built and three under construction through financing from partners, four warehouses awarded but waiting to be built.	Low performance of the construction companies (delays on starting and complete the warehouses)	Annual reports and SC meetings	
	Indicator 1.1.2	Number of cribs constructed at producer level (Baseline: n/a).	Target 1000 cribs delivered by end 2009.	569 cribs delivered, 1180 under construction	Delays on funds disbursement from the ONE UN fund; delays on procurement process; delays on the deliveries of the construction materials by the suppliers; and delays to start the construction by the FO due to rains, and other organizational factors.	Annual reports and SC meetings	
Output 1.2 Improvement in post-harvest handling: reduction	Indicator 1.2.1	Number of training courses delivered and number of trainers capacitated	Target: One course delivered to each selected	12 Farmers Organizations selected and trained in an overall of 239		Annual reports and SC meetings	

of post harvest losses, product quality upgrading and implementation of quality monitoring procedures put in place by targeted producers.		in each organisation. (Baseline: n/a)	organisation and at least one functional trainer in each organisation on post-harvesting and warehouse management; One course delivered to each selected organisation on market participation.	clubs/associations; during first year, late training resulted in problems relating to quality of grain delivered to FOs			
	Indicator 1.2.2	Reduction in current levels of post-harvest losses. (Baseline estimated: 30 percent)	Target: 15 percent	Not available	Funds not enough to conduct the study	Annual reports and SC meetings	
	Indicator 1.2.3	Availability of relevant equipment for correct post-harvest handling. (Baseline: n/a)	Target: equipment for fumigation, cleaning, drying and bagging operations handed over after the delivery of the training course	10 kits of basic warehouse equipment and 10 threshing/cleaning machines delivered		Annual reports and SC meetings	
Output 1.3 Alignment of National Standards with WFP and regional standards to improve access to market of national producers in the long run.	Indicator 1.3.1	Delivery of draft proposal for standard on beans and peas.	Target: proposal ready by the end of the project and eventually approved by local authorities	Cow Peas, Pigeon Peas and vulgar beans standards approved.		Annual reports and SC meetings	
	Indicator 1.3.2	Delivery of draft proposal on grade-B standard for maize.	Target: proposal ready by the end of the project and eventually	Revised maize grade A and new grade B standard approved.		Annual reports and SC meetings	

			approved by national authorities				
		Quantities of Maize and beans directly procured from smallholder farmers	Target:	7,553 metric tons of commodities procured from smallholders through FOs or small traders	Lack of adequate funds for commodity procurement affected performance.	Quarterly reports	
Output 1.4 Reduction of commercial risk attached to the WFP purchase and improved capacity of smallholders in planning production of maize and beans.	Indicator 1.4.1	Specific WFP procurement protocol adapted to the special needs of smallholders' organisations.	Target: Protocol drafted and approved by HQ in the first six months of the programme	Guidance notes for direct and forward delivery contracts approved by HQ		Annual reports and SC meetings	
Output 1.5 Improved access to credit for targeted producers' organisations.	Indicator 1.5.1	Mobilization of available funds through financial partners	Target: at least 80 percent of requested funds made available to targeted organisations	200,000USD guarantee fund implemented only after end of project and used against rescheduled loans; first year loans remain not fully repaid; BOM provided credit in 3 rd year in Tete and Manica with 100% repayment	FO losses arose due to implementation problems	Annual reports and SC meetings	
	Indicator 1.5.2	Interest rate	Target: interest rate practiced by financial partners lower than prevailing market rate	19 % per year interest rate applied by GAPI (lower than other sectors) and 3% per month by BOM (lower than other sector loans).		Annual reports and SC meetings	

