*(WFP)*

**programme NARRATIVE progress report**

**“Building commodity Value Chains and Market Linkages for Farmers’ Associations”**

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| Programme Title: “Building Commodity Value Chains and Market Linkages for Farmers’ Associations: UNJP/ |  | Report Number: 3 |
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| Participating UN Organization(s): World Food Programme (WFP), Food and Agriculture Organization (FAO) International Fund for Agricultural Development (IFAD) |  | Cluster / Theme / Priority Area: Economic Pillar |
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| Reporting Period: Jan 2010-Dec 2010 |  | Programme Budget: US $3,135,000 |
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| List Implementing Partners: |  | Programme Coverage/Scope: |
| * *FAO, WFP, IFAD*
* *CARE, WVI, CLUSA, ACDI/VOCA, ADRA, ADIPSA*
* *IKURU*
 |  | *Nampula, Sofala, Zambezia, Tete and Manica.* |

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| Abbreviations and acronyms: |  | Programme Duration/Closed Programme: |
| *CARE: Care International**CLUSA: Cooperative League of the United States of America**FAO: Food and Agriculture Organization of the United Nations* *UNDAF: United Nations Development Assistance Framework**MINAG: Ministry of Agriculture* *MPD: Ministry of Planning and Development**INNOQ: Instituto Nacional de Normas e Controle de Qualidade**NGO: Non-governmental Organization**PARPA: Poverty Reduction Strategy Plan**P4P: Purchase for Progress**UN: United Nations**AGRA: Alliance for a Green Revolution in Africa**ADIPSA:Apoio As Iniciativas Privadas No Sector Agrario**ADRA:Agencia Adventista de Desenvolvimento e Recursos Assistenciais**UNVs: United Nations Volunteers* *WFP: World Food Programme**WVI: World Vision International* |  | * *Duration: 3 years*
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# Background and Purpose

Since the devastating civil war ended in 1992 Mozambique has enjoyed remarkable recovery, achieving an average annual economic growth rate of 8% between 1996 and 2007. As a result, the poverty headcount index fell by 15% between 1997 and 2003, lifting almost 3 million people above the poverty line. However, the country faces a number of challenges, including rising income inequality, limited access to social services, food insecurity, high incidence of HIV and AIDS, high unemployment rates and high food prices. 64% of the population live in the rural areas and are dependent on subsistence farming for their livelihood. A significant proportion of the rural population generally produces only enough food to last 3-6 months. Food storage facilities for most of these households are either non-existent or inappropriate, which leads to considerable post-harvest losses. This is a significantly greater problem for rural households in areas with traditionally low production.These households are made more vulnerable by additional losses of up to 30% of the total production, which often leads to over-selling during the harvest period at mostly very low prices.

In order to deal with the long-term challenges of poverty and unemployment the government introduced the Mozambique Poverty Reduction Strategy Papers (PRSP) *Plano de Acção para a Redução da Pobreza Absolouta* (PARPA). First implemented in 2001 the PARPA articulates the Government’s strategic vision for poverty reduction by promoting increased productivity and by improving capacities and opportunities for all Mozambicans. The strategy incorporates policies and reforms to stimulate growth by emphasizing the link between sustained growth and poverty reduction, and identifying physical and human capital and rising productivity as fundamental macroeconomic determinants of growth. Subsequent policy documents and plans have focussed on the following key economic aspects:

1. Increasing the per capita income from economic activities, with a special emphasis on rural areas, to improve the well-being of poor people;
2. Increasing productivity and inter-sectoral connections through improved integration between rural and urban areas;
3. Creation and improvement in the quality of employment and self-employment;
4. Development of scientific and technological infrastructures and skills;
5. Expansion of a strong, dynamic, competitive and innovative private sector;
6. Pursuit of a gradual and mutually advantageous integration of the economy into regional and international markets to increase national production and the supply of quality products and services.

Sustainable economic development is one of the necessary conditions leading to a reduction in absolute poverty. Improved production and value addition are critical interventions for addressing absolute poverty and ensuring sustainable livelihoods for the poor. In this regard smallholder producers can play a pivotal role by:-

1. improving agricultural production,
2. (ii) accessing domestic, regional and international markets both for inputs and outputs through enhanced entrepreneurship and competitiveness, and
3. (iii) effecting a more integrated and cost-effective production, processing, storage and marketing regime. The economic linkages entailed in this “supply/value chain” can widen markets and reduce production and transaction costs, thereby creating employment and increasing the incomes of the poor.

With 70% of the population living in rural areas where agriculture remains the main income generating activity and contributes approximately 73% of total income, it is evident that agricultural growth is vital in alleviating poverty and food insecurity. Maize and beans are amongst the most important food and cash crops produced by smallholder farmers in Mozambique. Maize is grown by 80% of smallholders and covers 35% of cultivated land. Despite the fact that it is the main food crop, it is more often than not traded for cash and hence serves a dual purpose for the small-scale holder. However, despite the potential that exists, smallholders’ income still remains low and their exposure to food insecurity high.

Under this Joint Programme WFP’s local procurement of maize and beans represents an alternative to the current market structure, as well as at the same time offering to small farmers an opportunity to increase their stake in the commercial market and improve their livelihoods and alleviate poverty. By offering a more profitable and reliable market outlet directly to smallholder farmers through their organisations, WFP under the Joint Programme will encourage producers to increase production areas and invest in improved techniques.

**Programme Objectives**

Maize and beans are amongst the most important food and cash crops produced by smallholder farmers in Mozambique, with maize grown by 80% of smallholders and covering 35% of cultivated land. Maize is the main food crop, although it is frequently used as a source of cash. Approximately 22% of the maize produced is commercialized.

The overall objective of the UN Joint Programme is to increase the income of smallholders in rural areas and to enhance their livelihoods, which is in line with the Government objectives for rural and economic development. The Joint Programme’s main outcome is to increase the amount of maize (cereals) and beans/peas (pulses) purchased directly from smallholders’ organisations in Mozambique. The focus is to offer a viable market opportunity through WFP's local procurement activities – and to add value to production of smallholders through:

* The provision of infrastructure;
* Enhancing access to credit; and
* Capacity building of smallholders to improve post-harvest handling and the quality of the final product.

All this will improve smallholder linkages to existing markets, one of which is WFP, and obtain better prices in the long-term based on premium quality. It will also enhance the organizational capacity of farmers to be efficient and sustainable market players and provide the required competition. Beneficiaries under this programme are smallholder farmers cultivating less than 2 hectares and organised in associations (first tier), forums or federations (second tier) or “third tier” groups of forums.

The main activities implemented under this programme in the year under review include:

1. Construction of demonstration storage household silos;
2. Construction of community storage facilities;
3. Training on post-harvest handling and quality upgrading, and warehouse management;
4. Provision of relevant equipment for cleaning and grading;
5. Dissemination of developed national standards for maize and beans to smallholders in the programme areas;
6. Development of a framework for the implementation of a credit facility for smallholders under the programme; and
7. Procurement of maize and beans directly from smallholder farmers using different procurement modalities.

During the period under review, the programme was implemented in Sofala, Zambezia, Tete and Nampula. The programme locations also include Manica. The selection of these locations was based on the relative capacity of the smallholders to produce surplus maize and beans.

1. **Programme Results**
* Better storage options made available for smallholder farmers as well as their federations;
* Additional assets (used for cleaning) made available at farmer organisation level;
* Improvement in post-harvest handling;
* Reduction of post harvest losses and improvements in commodity quality;
* Implementation of quality enhancing and monitoring procedures at producer association level;
* Alignment of National Standards with WFP and regional standards to improve access to market for national producers in the long term;
* Improved WFP purchase directly from smallholder farmers and improved capacity of these smallholders to plan production of maize and beans/peas;
* Improved access to credit for targeted producers’ organisations.
1. **Resources**

The initial estimated programme/project budget was **USD 1,350,000. It was** allocated as follows with an unfunded gap of USD950, 000:

* FAO (450,000 USD);
* IFAD: (00,000 USD);
* WFP (500,000 USD).

After a review following the first year of implementation, it was realised that the current budget was not sufficient to cover for important aspects of the programme, such as resources to be used to procure commodities from the farmer organisations under the programme, as well as an underestimation of capacity development resources. Hence the final budget was revised to **USD 3,135,000,** allocated as follows:

* FAO (635,000 USD);
* IFAD: (500,000 USD);
* WFP (1,800,000 USD).
* UNIFEM: 200,000 USD (for gender related activities)

Other resources from the EC (USD 200,000) and theFlemish International Cooperation Agency FICA (1,400,000) have also been made available for programme implementation. FAO and WFP have also contributed own agency resources to the programme.

1. **Implementation and Monitoring Arrangements**

The coordinating/convening agency for this Joint Programme is the United Nations World Food Programme (WFP). The programme is supervised by a *Steering Committee* (SC) jointly chaired by the WFP Representative and by a Representative of the Mozambican Government, who is the Director of Trade in the Ministry of Industry and Trade (MIC), appointed by the participating Government institutions. The SC is composed of the participating UN Agencies (IFAD, FAO and WFP) and by Government authorities at national level. These are the *Direcção Nacional de Comercio* (MIC), *Direcção Nacional de Extensão Agrária* (MINAG), the *Direcção Nacional de Promoção do Desenvolvimento Rural* (MPD) and INNOQ. To ensure the strengthening of synergies, other institutions as well as programmes have been incorporated into the Steering Committee. These are PROMER and World Vision. AGRTOFUTURO has also been invited to be part of the SC, but have not attended any meetings so far. The SC meets every quarter to monitor progress and to approve the Annual work plan, as well as on any other occasion after receiving a specific request from any member of the SC.

The Steering Committee (SC) has the following core functions:

* Ensure achievement of results and coherence of strategies;
* Supervise the overall implementation of the whole programme;
* Make recommendations regarding possible changes of a more strategic nature;
* Review and approve the Annual Work plan and budget;
* Delegate operational tasks to the Operations Manager.

Procurement of goods and services has followed the standard procedure applied in each participating Agency. This has allowed for straightforward integration of JP funds as well as own agency funds for implementation of the different activities undertaken by the participating Agencies.

To ensure proper follow-up on progress, a P4P monitoring framework is being used. A baseline was conducted and data is now is being analysed. Monitoring indicators that will be monitored periodically are also being developed. A fully-fledged M&E system is expected to be completed and fully operational by the end of 2011 with support from WFP-P4P Coordinating Unit at headquarters.

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);
* Care International (CARE);
* Farmer Business Organisations, (IKURU);
* Rural Finance Institutions-GAPI.
* AGRIFUTURO
* PROMER
* ADRA

The following institutions play a coordinating role at both the 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);
* Direcção Nacional de Promoção do Desenvolvimento Rural (DNPDR),;

All these partners have an important role to play under this programme. The government directorates at national level, through the programme National Steering Committee, 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 under this programme through supply side interventions such as training in business skills, extension services, etc.

1. **Results**

General Assessment

The period under review saw the consolidation of the gains made in 2009 and the strategic extension of the programme to new locations such as Tete. During the period under review, resources were efficiently disbursed and this allowed for proper planning and scheduling of activities in a timely manner. Additional resources were also made available by FICA as well as Purchase for Progress (P4P), and this provided for much needed flexibility in planning and executing programme activities. Resources for the procurement of maize and beans were sourced from the Joint Programme, FICA, USAID, and Saudi Government. In 2010 a total of approximately **USD 1,623,485** was spent on JP/P4P food procurement, which translated into the same value going directly to smallholder farmers supported under the Joint Programme.

**Main Activities and Achievements**

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

The project has so far trained 104 promoters of Gorongosa silos in 5 provinces, including Tete which was the new province added in 2010, and constructed 7 silos during the training sessions. The table below shows the distribution:

**Table 1: Number of trainees and silos constructed**

|  |  |  |  |
| --- | --- | --- | --- |
| **Provínce** | **Training venue** | **Nº of beneficiaries** | **Silos constructed during the training** |
| **Tete** | **Angónia** | **30** | **14** |
| **Nampula** | **Monapo** | **18** | **2** |
| **Zambézia** | **Gurue** | **30** | **3** |
| **Sofala** | **Búzi** | **17** | **1** |
| **Manica** | **Manica** | **09** | **1** |
| **TOTAL** | **5** | **104** | **28** |

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 at a later stage they will be able to use their knowledge and tool kits to develop this activity as a profitable business by targeting groups of farmers who did not receive demonstration silos. Full implementation of this component was, however, stalled due to rains that affected the construction in January and February.

Metallic silos have also been introduced as part of the JP activities together with the Gorongoza silos. The aim of this was to provide households with an alternative form of storage. The strategy is also intended to provide a separate type of storage for seed. The metallic silos are basically made out of galvanized iron and are slightly more expensive. The availability and cost of materials will also play an important part in ensuring the sustainability of this technology. The introduction of the metallic silos was initiated in Nampula province (Malema and Ribaue districts) and Zambezia province (Alto-Molócuè and Gurue districts). A total of 103 metallic silos were manufactured and distributed to participating associations as demonstration units. The table below shows the total number of metallic silos distributed:

**Table 2: Number of Metallic Silos distributed and filled with grain**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Province** | **District** | **Target** | **Silos distributed** | **Silos filled with grain** |
| **Nampula** | **Malema** | **15** | **15** | **14** |
|  | **Ribaué** | **15** | **13** | **11** |
| **Zambézia** | **Gurué** | **36** | **32** | **22** |
|  | **A Molócué** | **37** | **36** | **13** |
| **Total** |  | **103** | **96** | **60** |

In addition to the household silos provided through WFP-JP activities, a total of 4 community warehouses/storage sheds were scheduled to be constructed. The plan is to transfer ownership and management of these sheds to targeted farmers organizations once construction is completed. During the period under review only two (2) of the planned four (4) were constructed in Zambezia province (Gurué and Alto Molócué districts). Internal procurement procedures as well as the performance of the constructor delayed the process. However, the procurement process for the construction of the remaining 2 warehouses has started in Tete province (under FICA funding) and one in Nampula province (under EC 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.***

***2.2 Organize post harvest handling training modules***

During the reporting period various training modules were conducted for the construction of metallic and Gorongosa silos, targeting farmer’s organization members and artisans. The trainings for the farmer’s organization members were conducted by participating partner organizations (Care, World Vision and IKURU) under specific agreements with FAO. The table below shows the results of the training on post harvest handling.

|  |  |  |
| --- | --- | --- |
| **Province** | **Associations Trained** | **Association Members Trained** |
| **Target** | **Reached** | **Men** | **Woman** | **Total** |
| **Nampula** | **80** | **66** | **377** | **332** | **709** |
| **Zambézia** | **111** | **94** | **1116** | **846** | **1962** |
| **Tete** | **40** | **49** | **223** | **181** | **404** |
| **Total** | **231** | **209** | **1716** | **1359** | **3075** |

The training in post harvest handling was conducted using the training modules prepared in 2009 under the Joint Programme. Approximately 2,500 copies of these training modules were distributed to the implementing partners. The five (5) modules used for the training are:

* Harvest;
* Post-harvest;
* Storage;
* Warehouse Management; and
* Quality Control Chain.

Jointly with these modules two (2) banners were produced with illustrations showing the steps and processes to be followed by producers seeking improved quality.

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

***3.1. Elaboration, approval and dissemination of Mozambican standards for beans (grades A, B, C and D) and maize (grade B) and revision of maize grade A (2a edition) – under Letter of Agreement with INNOQ***

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). The codes given are NM4, NM113, NM114 and NM156 for maize, cowpea, pigeon pea and butter bean respectively. These standards were included in the training modules and are in line with the WFP quality standards. The current standards are now being disseminated through SDAEs and partners.

***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 made from big traders. The Joint Programme has therefore provided an opportunity to contribute to the local economy by buying directly from farmer associations. The programme has also provided an opportunity for the smallholders to have direct access to WFP as a ready market. During 2009, under the UN Joint Programme, WFP procured a total of 4,029 metric tonnes of maize and beans. In 2010, a total of 937 metric tonnes were procured. The quantities were low in 2010 compared to 2009, however, due to a number of factors. The first factorwas the lack of credit for farmer organisations to commercialise, and the second factor was the high commodity prices offered by the farmer organisations, which were above the prevailing market prices.

**Table 4: Quantity of food procured under the Joint Programme**

|  |  |  |
| --- | --- | --- |
| **Province** |  **2009** |  **2010** |
| **Maize (MT)** | **Pulses (MT)** | **Maize (MT)** | **Pulses (MT)** | **CSB (MT)** |
| **Nampula** | **292.80** | **200.00** |  |  |  |
| **Zambézia** | **736.30** | **49.50** |  |  |  |
| **Sofala****Tete** | **1705.00****1029.00** |  | **425****350** | **200** | **362** |
| **Total** | **3763.10** | **249.50** | **775** | **200** | **362** |

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

Credit availability is critical for ensuring the implementation of the Joint Programme, as smallholders’ associations need working capital to procure commodities from their members. Although the funds have been made available under the JP to operationalise the GuaranteeFund, actual implementation of this component has not been achieved as a result of the legal aspects associated with the complexity of implementing such a scheme. However, a lot of headway has been made and the process is scheduled to be completed by January 2011 and this will be in time for the farmers to access commercialization credit in 2011.

1. **Other Programme aspects**
* **Normative and Technical Support**

The joint working group with INNOQ on the setting of Grade B standards for maize and a national standard for beans, in line with regional and WFP standards, was concluded in the last quarter of 2009 and dissemination was undertaken during the period under review.

A baseline study with support from the WFP P4P Unit was conducted and will form the basis for a JP monitoring and evaluation system. The data is currently being evaluated in order to develop a compendium of indicators that will be monitored during the period of the programme.

Technical support is also being provided by the following agencies:

* FAO Rome on storage solutions and post-harvesting training and capacity building;
* IFAD Rome for the refinement of the guarantee fund mechanism; and
* WFP-Rome for the establishment of the monitoring and evaluation system.

The emphasis of the Joint Programme is to ensure that there are synergies with other partners who are working with the FO’s to provide the required technical support. To this effect, the Joint Programme has been extensively supported by partners such as ADRA, CLUSA and World Vision through extension services and other training conducted to raise the performance level of the smallholders.

* **Assessment of Constraints and Challenges**

The following are some of the main constraints faced in 2010, as well as the key lessons learned:

* The prices offered by the farmer organisations were higher than the market prices and therefore WFP was not able to procure the commodities as planned. The planned purchase amount during the period under review was 10,000 metric tonnes;
* Training in post-harvest handling needs to be restructured to focus on the primary processors, who are the farmers. This will ensure that the commodities that eventually go to the federation/forum level for procurement by WFP are of good quality, with better quality control also minimising the amount of cleaning required at higher levels;
* Non-adherence to norms and standards remains a constraint. The dissemination of norms and standards for maize and beans as elaborated by INNOQ need to be increased and enforcement mechanisms put in place. Whilst this may not fall directly under the JP, it will have an impact on the Joint Programme as it will ensure that a market for quality is established. This would ensure that the FOs are not merely price takers and that they would be in a better position to negotiate for better prices as a result of improved quality with other buyers;
* Limited or non-existant storage availability at all levels (producer, association / forum / federation / 3rd tier) was also a major constraint. This compromised the quality of the commodities, and also necessitated several cleaning operations. With the planned JP interventions later in the year, however, it is expected that the problem will not be that extensive during 2011;
* 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;
* Credit availability still remained a major challenge during 2010. With limited access to credit, only two (2) farmer organisations in Tete Province were able to participate in commercialisation with WFP. Other organisations had to cancel their contracts due to lack of funds for commercialisation. With the expected operationalisation of the GF in 2011, is expected that this will not be a major constraint.

In terms of lessons learned, a few important issues were identified during the year:

* Implementation of the JP activities involves close collaboration with NGO partners and government at all levels. Government has been strongly involved at all levels and has been committed to the Joint Programme. At the central level a JP Steering Committee has provided the required guidance;
* The involvement of agriculture extension workers from District Services for Economic Activities (SDAEs) is vital and needs to be strengthened. This will assure sustainability of the programme and better monitoring from the District Government;
* Full integration of the technical team of government dealing with Technologies Transfer is essential. They will be responsible for the follow up of activities at the end of the project;
* LoAs with Provincial Directorates of Agriculture (DPAs) are necessary in order to ensure effective monitoring of activities and greater commitment to the project outputs and programme sustainability through SPERs and SDAEs;
* Credit still seems to be the missing link and it is important to ensure that MFI as well as other financial institutions are more effectively linked with the programme;
* The use of inputs such as hybrid seeds as well as fertiliser are also a missing link in enhancing productivity and thereby ensuring that there is a more marketable surplus for the FOs. There is also a need to link with the FAO/IFDCs fertiliser programme in the areas where the JP is being implemented.

Key partnerships and inter-agency collaboration

The implementation of the JP activities involves close collaboration with NGO partners and government at all levels. Government has been strongly involved at all levels and committed to the Joint Programme. At the central level, a JP Steering Committee has continued to provide the required guidance to JP implementation. The Steering Committee meets every quarter. NGOs participating in the programme include, among others, WVI, CLUSA, and CARE. The inter-agency collaboration between IFAD, FAO and WFP needs to be consolidated, although the collaboration has thusfar proved to be productive in the sense that each agency has been providing inputs within its technical area in a coordinated and complementary way. The physical presence of FAO and WFP has made it easier for the proper planning of activities and interventions, given that these interventions need to be sequenced for maximum benefits. Specific synergies have been established with all the supply-side partners who are providing the required support to the farmer organisations.

Cross cutting issues

Gender considerations are vital in a programme such as this one, especially considering the role that women play in rural households. Deliberate efforts have been made to ensure that there is an equitable representation of women in the farmer organisations that are participating in the programme. Deliberate efforts are being made to ensure that the farmer organisations identified and supported play an enabling role in supporting women’s empowerment. There is also a need to create sustainable synergies with other joint programmes that have specific activities supporting women’s empowerment. Based on preliminary results from the baseline survey about 40% of the total members currently engaged in the programme are women. However, the number of women in leadership positions remains very low. Efforts will be made, in partnership with the NGOs and partners working with the farmer organisations, to reverse this trend.

### 2011 WORK PLAN

Approximately 10,000 metric tonnes of maize and beans are planned to be procured in 2011 from the farmer organisations being supported through the programme. Resources for these purchases will be sourced from WFP Agency resources as well as from other donors. The resources from these sources will notbe totally adequate, however, given the many other programmes that are being supported. There will, therefore, be a need for additional resources from the One UN Fund for actual procurement to supplement the current resources and to meet the expectations of the smallholders being supported through the programme. In 2011 the programme will consolidate the gains already made, especially in Tete Province where the activities were initiated in 2010. Capacity building in post-harvest handling and quality management will be concentrated at Association level to ensure that the lessons learned permeate to the very lowest link in the chain. This implies that more resources will be required for the reproduction of training materials, more training activities and the promotion of warehouse solutions. With these interventions, together with government’s fertiliser programme being implemented in these farmer organisations, production is expected to increase and as a result the demand for warehousing solutions will increase.

Additional resources will be required to increase the capacity of community warehousing, and increase household level storage capacity for commodities as well as seed. Through the JP’s efforts to create synergies with on-going partner and government programmes, serious efforts will be made to ensure that there is effective coordination in the provinces where the JP is being implemented with, for instance, PROMER, AGRIFUTURO and MCA activities. This in some cases may include the addition of new districts and will therefore require the up-scaling of the interventions to meet the requirements of the new entrants. Proper evaluations, however, will be conducted before any new district is added. The construction of warehouses and silos will still be prioritised in 2011, but more emphasis will be placed on ‘grassroots’ training at appropriate intervals as well as follow-up, especially during the commercialisation period. A compendium of monitoring indicators is being put together, based on the P4P-led monitoring and evaluation programme. This will form the basis for periodic monitoring of the JP. Additional resources through the programme will therefore be required to ensure that this activity is undertaken.

The table below outlines the proposed 2011 Work Plan.

**ANNEX 1: 2011 Work Plan and Estimated Budget**

 **UN Joint Programme: Building Commodity Value Chains and Market Linkages for Farmer’s Associations.**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **EXPECTED RESULTS** | **KEY ACTIVITIES** | **INDICATORS** | **TIMEFRAME (Quarter)** | **PLANNED BUDGET 2011** |
| Q1 | Q2 | Q3 | Q4 | **Details** | **Total Budget** |
| 1. Improved storage facilities at producer level managed and owned directly by producers or through their organisations. | *1.1. Recruitment of Technical staff* |  | X |  |  |  | Post-harvest expert; Local Purchase/Quality Control Officer; | FAO- 47,000WFP- 45,000 |
| *1.2 Hiring of support staff and procurement of equipment* |  | X | X |  |  | Drivers and related computer equipment | WFP- 15,000 |
| *1.3 Identification of possible partners and conducting of pre-feasibility assessment* | *10 new districts visited in 5 Provinces (Sofala, Manica, Tete, Nampula and Zambézia).* |  | X |  |  | Field missions involving all Agencies, In-field Partners, Local/National Authorities, Programme Management; Programme Specialists, UNIFEMSC field mission to Programme Areas | WFP- 12,000 |
|  |  |  |  |  |  |  |  |
| *1.4 Identification of storage needs at forum or association levels (approval by SC)* |  | X |  |  |  | Programme specialists, and Programme Management, Local authorities and local partners | Costs included in 1.3 |
| *1.3 Training of Trainers in the construction of Gorongoza silos in the new districts and associations identified in 1.2 above* | *15 trainers trained in Tete; 30 trained in Zambezia and Nampula.*  | X | X | X |  | Programme specialists (PHE) including procurement of training materials  |  |
| *1.4.1 On-site construction of 5 warehouses in Gurue, Tete, Alto Molocue, Mecuburi, and cribs delivered* *1.4.2 Construction of Gorongoza silos in Alto Molocue and Gurue at producer level**1.4.3. Construction of Gorongoza silos at producer level**1.4.4 Construction of Metallic Silos* | 3 community warehouses constructed and ownership transferred to targeted farmers’ organisations. 250 cribs constructed at producer level. 300 cribs constructed at producer level in Programme areas.100 metallic silos constructed in Programme areas. | X | XXXX | XXXX | X | Programme Management and Specialists (PHE) | FAO- 10,000 |
| 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.  | *2.1 Delivery of training course to Partners (training of trainers) and monitoring of quality maintenance**2.2 Delivery of training course materials to farmers’ organizations* *2.3 Training in market participation (tendering, etc) and warehouse management**2.5. Conducting of gender audit/needs assessment and gender awareness training.*  | 5 training sessions (1 training session in each province) delivered and 90 trainers, including SDAE and NGO technicians, trained in post-harvest handling.100 selected associations and at least one functional trainer in each association trained on post-harvesting and warehouse management. Developed modules and banners delivered and disseminated to beneficiaries. 1 member per association from a total of 150 selected associations trained. 10 small and medium traders trained.Conducting of programme Gender Audit and training of 150 selected associations in gender awareness in liaison with UN Women and related JPs dealing with women’s empowerment. | XXX | XXXX | XX | X | Programme specialists (PHE, and LP and Quality Control; WFP Procurement Officer and UNIFEM Gender specialists) conduct training.Training of associations in the districts of Sofala, Manica, Tete, Nampula and Zambézia to be conducted. Post-harvest handling materials already prepared under the programme to be used in the training. | FAO- 148,000WFP-30,000 |
| *2.6 Purchase and delivery of equipment kit (ex. cleaners, dryers, scales, etc), to Nampula, Zambezia and Tete.**2.7 Purchase and delivery of equipment kit (ex. cleaners, dryers, scales, etc), to Nampula, Zambezia and Tete.* | Delivery of 10 Equipment Kits to the constructed warehouses for proper post-harvest handling and warehouse management. Delivery of 6 motorised threshing and cleaning machines to farmer associations in Tete, Manica and Zambezia.  |  | XX | X |  | Programme Management and Specialists: to include training of beneficiaries in proper use and handling of equipment. | FAO- 121,600WFP- 180,000 |
| 3. Alignment of National Standards with WFP and regional standards to improve access to market for national producers in the long run | *3.1 Dissemination of current standards for beans and maize*  | New standards disseminated in local papers and brochure developed. |  | X | X |  | Through INNOQ under LoA | FAO- 15,000 |
| 4. Reduction of commercial risk attached to the WFP purchase and improved capacity of smallholders in planning production | *4.1 Purchase of limited production from farmers’ associations and small and medium traders in Tete, Nampula, Zambezia, Manica and Sofala.*  | A total of 3.000 MT purchased from all the programme areas.Contracts signed with FOs and small and medium traders. | X | X | X | X | Purchased through modified WFP procurement protocols/modalities | WFP- 800,000 |
| 5. Improved access to credit for targeted producers’ organisations | *5.1. Develop a Guarantee Fund with pre-selected financial institution.**5.2. Negotiate for a credit line for FOs and small and medium traders.* | MOU signed.Fund created and functioning.FOs access credit. |  | X | X | X | IFAD (Micro-finance consultant) with Programme management | No funding required |
| 5. Monitoring and Evaluation | *5.1 Monitoring of Silo (Gorongoza and metallic) construction activities* *5.2. Programme Monitoring and Evaluation*  | 5 LOAs signed between FAO and DPAs.Field Missions undertaken.Technical Mission undertaken.Mid Term Evaluation. 3 case studies undertaken - one in each province (Nampula, Zambezia, Tete).Implementation of M&E system. | XXX | XX | XXX | X | Through LOA between FAO and Local authorities (DPA in Sofala, Manica, Zambezia and Tete). Field Visit missions undertaken to monitor compliance. FAO Technical mission undertaken.To be outsourced. | FAO- 52,500WFP- 35,000 |
|  |  | TOTAL Funding Requirement.  |  |  |  |  |  | FAO: 394,100WFP:1,117,000IFAD: 0 |
|  |  | Sub-Total |  | **1,511,100** |
|  |  | Indirect support costs (7%) |  | FAO: 27,587WFP: 78,190IFAD: 0 |
|  |  | TOTAL Cost (by Agency) |  | FAO: 421,687WFP:1,195,190IFAD: 0 |
|  |  | **TOTAL Cost** |  | **1,616,877** |