**One Acre Fund 2023 report to CAFI, preparatory grant**

**Period of January 1 to December 31, 2023**

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| --- | --- |
| **Title of the project::** | One Acre Fund CAFI preparatory project, DRC |
| **MPTFO number for preparatory grant:2** | 00131426 |
| **Implementating organization:** | One Acre Fund |
| **Report submitted by:**  Name :  Title :  Organisation :  E-mail address : | Ross Miranti  Business Development Senior Manager  One Acre Fund  ross.miranti@oneacrefund.org |
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Please indicate whether this report was approved by the project steering committee:

Yes x

Reviewed by pilot leadership and partnerships team March 28, 2024

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**ACRONYMS**

BVA: Budget versus actuals

FGD: Focus Group Discussion

GAP: Good Agricultural Practices

INERA: National Institute for Agronomic Study and Research

INGO: International Non-governmental Organization

MoU: Memorandum of Understanding

PES: Payment for Environmental Services

PRA: Participatory Rural Appraisal

ProDoc: Program Document

SENASEM: Service National de Semences / National Seed Service

SHF: Smallholder Farmers

TOC: Theory of Change

# Key project data

|  |  |
| --- | --- |
| Project title | One Acre Fund CAFI preparatory project, DRC |
| Preparatory grant number | 00131426 |
| Project document hyperlink | <https://mptf.undp.org/project/00131426> |
| Project intervention area(s) | DRC |
| Major participating partner organizations*[[1]](#footnote-1)* | n/a |
| Total project budget (USD) | $1,491,461 |
| Total project duration (months) | 26 months |
| Date of approval of the preparatory grant by the CAFI Board of Directors | -1st grant: 24 November 2021  -2nd grant: 05 May 2023 |
| Date of receipt of first MPTF funds | -1st grant: 18 April 2022  -2nd grant: 12 September 2023 |
| Approval date for first Annual Budgeted Work Plan by the project COPIL | Internal leadership approved the budget for the initial grant in late 2021. |
| Initial closing date | 19 February 2023 |
| Closing date revised if applicable | 30 June 2024  (i.e. roughly 10 months after receipt of funds, as per project document, though we have received nothing in writing about what the official end-date is). |
| Expenditures from 01/01 to 31/12 of the reporting year (2023) | $454,996 |
| Cumulative overall expenses (USD) as of 12/31 of the reporting year | $​​860,026 (for both grants) |
| Consumption rate on all tranches received | 57.6% |
| Contact (Name, title, participating organization and email address: | Jasmien Bronckaers  Business development Sr. Manager  One Acre Fund  jasmien.bronckaers@oneacrefund.org |

# Executive summary

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| In 2023, One Acre Fund made key progress on scouting activities in DRC to develop the basis for a zero-deforestation smallholder program. This included both concluding key activities related to the initial CAFI preparatory grant of $500,000 (funds fully utilized between 18 April 2022 to 19 February 2023) and the continuation of a second, 10-month preparatory grant of $991,461 (12 September 2023 through 30 June 2024). To keep the feasibility project open, and facilitate a second preparatory grant, CAFI provided a no-cost extension during the period between grants when there was no CAFI funding. This meant there was a period of 20 February to 11 September 2023 when the project was still active but there were no CAFI-funded activities, as funds had been fully utilized on the first grant and not yet disbursed on the second. During this period, One Acre Fund utilized internal funds to maintain progress.  **Key activities in 2023:**  **Farmer trials**:   * **2023A smallholder farmer trial (maize and cassava):** We conducted our first farmer trial, which commenced in Songololo, Kongo Central, in the second half of 2022, working with 140+ smallholder farmers across four different sectors, to better understand yield potentials in savannah fields, using improved seeds, fertiliser in micro-dosage and Good Agricultural Practices (GAP). This work validated our hypothesis that farmers could generate meaningful yield improvements in savannah land when applying the appropriate inputs and GAPs, when it came to Maize. For cassava, which takes 10-15 months to mature, harvest is just now underway as of March 2023, and data is still being analysed. We have included some results below. * **2024A smallholder farmer trials**:   + **Agricultural trial:** We launched an agricultural trial at the beginning of the 2024A season in September 2023 across five villages and 305 farmers toconfirm impact potential under GAP (including the use of seed and fertiliser) on savannah land compared to forest agriculture.   + **Shop trial:** We ran this trial across three villages, engaging 107 participants (89 of them purchased in credit and using voucher, and 17 purchased in cash). The purpose was to assess the purchasing power and willingness of smallholder farmers through a market stall in one village. This trial focused on maize, groundnuts, and cassava cuttings. Performance data were collected in January/February 2024, and a report analysis is forthcoming.   **Research and program development:**   * **Maize commercialisation preparation:** We conducted research and assessments to effectively prepare maize for commercialisation to smallholder farmers, which was trialed as part of the 2024A season, including identifying vendors and printers who could prepare 1kg to 2kg polypropylene bags to ensure the longevity of the seeds, and work with cooperatives to have seeds treated using actellic dust. * **Field research and understanding of key drivers:** We conducted field research to better understand key behaviours as well as understand the drivers of specific decisions smallholder farmers make. This includes a Participatory Research Appraisal (PRA) seeking to understand crop and planting preferences of smallholder farmers. This research was conducted across three villages in Kongo Central, with a total of 32 participants (report included with this document submission).   **Partnership engagement:** We liaised with both knowledge partners as well as governmental and other systems-level actors who will be instrumental in the pilot scale-up.   * **MINAGRI MoU and Workshop :** We initiated efforts to sign an MoU with the Ministry of Agriculture, which resulted in one workshop taking place with all technical services, as well as the Secretary General, on the 26th of May 2023. Subsequent individual meetings were organised with relevant technical services to establish clear synergies and collaboration opportunities. * **Secretary General field visit:** We hosted the Secretary General, as well as his team, in Songololo, for a two-day field visit, on the 21st and 22nd of October 2023. The Secretary General had the opportunity to visit the shop trial, as well as some cassava fields. * **INERA Workshop:** A similar workshop was set up with INERA on the 28th of September 2023, to introduce the project to the various technical services, and start assessing synergies and collaboration opportunities.   **Administrative and operational development:** In 2023, we pursued a number of critical administrative and operational steps as part of our move towards a multi-year pilot, including:   * Launching the registration of our INGO (pending arrêté ministeriel) * Establishing an office in Kinshasa * Hiring of mid-senior staffers and field staffers * Set up a field office, as well as a field guesthouse for staff * Set up of a staff guesthouse in Kinshasa * Establishing systems and structures to effectively communicate with field staff   **Program document development:** From our program learnings, and in consultation with CAFI and FONAREDD, we developed and iterated an initial strategy for a program that we first articulated in the pre-feasiblity study. Through this process we developed and refined a Program Document that has been reviewed multiple times by key stakeholders such as CAFI, FONAREDD, and One Acre Fund internal leadership. A key outcome is that this work has helped us refine a proposed program with the potential for major impact over the coming 3-5 years.  **Key learning: trials confirmed potential for savannah productivity using GAP:** The trial findings include significant yield increases for maize with high GAP adoption rates, high overall satisfaction with maize and cassava cultivation using the new methods, and a positive correlation between GAP adoption and yield performance. The also affirmed farmer willingness to adopt new practices, suggesting a focus on refining agricultural models, improving crop mixes, and addressing input accessibility for long-term impact.  **Key deliverables:** Trial report, PRA report |

# Status of implementation of preparatory grant activities

Please note that for this preparatory grant, the final proposal submitted 2021 contained the workplan in the format below (not the revamped template in this 2023 report template). Because the preparatory grant is soon coming to an end, and we are developing a detailed work plan as part of our pilot project ProDoc that will be submitted in the coming months, below we retain the original workplan. We have thus made the executive summary a bit longer above to capture key developments more clearly.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Outcome** | **Outputs** | **Activities** | **Progress**  (including goals achieved and discrepancies) | **Activities planned for next reporting period** (through mid-2024) |
| **1. Desk research** | 1.1 Analyses: Landscape analysis and farmer barrier analysis | * Data and literature review * Stakeholder consultations | Main activities completed | Supplemental research as part of ProDoc |
|
| 1.2 Business model hypotheses | * Consolidate landscape and farmer barrier analysis * Develop theories of change (TOCs) for potential business models * Develop financial models for potential business models * Rank and select 3 business models for further refinement through scouting | Main activities completed, incl. Multiple iterations | First phase complete (ongoing through follow-up iterations: see 2.2 below) |
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| **2. In-country scouting** | 2.1 Landscape analysis - Version 2 and Farmer barrier analysis - Version 2 | * Expert interviews * Farmer FGDs (part 1) * Farmer survey * Other data collection (as necessary) | Main activities completed | -Expert interviews ongoing  -We might be conducting one more PRA in 2024, to gather additional farmer insights on tree and zoning. |
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|
| 2.2 Business model hypotheses Version 2 (including TOC and financial model for selected business models) | * Consolidate refined landscape and farmer barrier analyses * Refine theories of change for potential business models * Refine financial models for potential business models * Rank business models and select business model for field trial(s) * Farmer FGDs (part 2) | Many iterations completed as part of pre-feasiblity study and ProDoc | Continued via ProDoc refinement |
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|
| **3. Field Trials** | **Shop trial** | | | |
| 3.1 Shop established | * Location scouted * Operators identified, vetted * Shop equipped with inputs and management systems * frontline staff hired * input ordered and distributed | Main activities completed | Analysis of survey data, including harvest and planting data, and customer behaviour data. |
| 3.2 Trial and report | * Shop sells local inputs * Data collected on sales and farmer behavior * Trial data compiled into report | Ongoing activities | See point 3.1 |
| 3.3 Financial, business model | * Financial and business model and other learnings integrated into theory of change / ProDoc | Many iterations completed as part of pre-feasiblity study and ProDoc | Continued via ProDoc refinement |
| **Agricultural trial** | | | |
| 3.4 Trial preparation | * Village and participants selected * Inputs ordered | Complete | n/a |
| 3.5 Ag service administered | * Agricultural recommendation defined and training material prepared * Farmers receive training and weekly support * Input distributed | Complete | n/a |
| 3. 6 Trial report | * Trainings provided by frontline staff * Data collected on sales and farmer behavior * Trial data compiled into report | Ongoing activities | Analysis of survey data, including harvest and planting data, and customer behaviour data. |
| 3.7 Financial, business model | * Financial and business model and other learnings integrated into theory of change / ProDoc | Many iterations completed as part of pre-feasiblity study and ProDoc | Continued via ProDoc refinement |
| **Satellite monitoring trial** | | | |
| 3.8 Partnership established with satellite monitoring imagery analysis company | * Company vetted * Contract signed | Not started yet | Activities to take place in coming months |
| 3.9 Maps of tree cover | * Initial map of target areas prepared * Subsequent maps prepared to show change in tree cover | Not started yet | Activities to take place in coming months |
| **4. Administrative and operational development** | 4.1 Business registration | * Finalizing business entity registration for One Acre Fund in DRC, in compliance with CAFI requirements | INGO Registration started, received certificate of registration, awaiting “arrêté ministeriel” | Finalised INGO registration and kick-off NNGO registration |
| 4.2 Partnership MoUs | * Map partnerships (assess potential partners) * Align with partners on potential collaboration * Sign MoUs | In progress - Draft MoU completed | Finalise alignment with technical services and signature. |
| 4.3 Preparation complete to support pilot activities | * Hire new staff * Identify 2 PES villages * Identify location for Hub shop * Select cooperative for first production trial * Negotiate partnership with fertilizer importer * Staffing resources developed (ex: office space, trainings, etc.) * Adapt systems for performance management | Ongoing | Ongoing |

# Monitoring table for the implementation of the preparatory grant

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Outcome 1: Desk research** | | | | | | | | | | | | | | | | | | | | | | | |
| **Outputs** | **Activities** | **Timetable for implementation of activities during the reference period** | | | | | | | | | | | | | | | | | | | | | |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** | **11** | **Pause** | **12** | **13** | **14** | **15** | **16** | **17** | **18** | **19** | **20** | **21** |
| **Apr**  **22** | **May 22** | **Jun 22** | **Jul 22** | **Aug 22** | **Sep 22** | **Oct 22** | **Nov 22** | **Dec 22** | **Jan 23** | **Feb 23** |  | **Sep 23** | **Oct 23** | **Nov 23** | **Dec 23** | **Jan 24** | **Feb 24** | **Mar 24** | **Apr**  **24** | **May 24** | **Jun 24** |
| 1.1 Analyses: Landscape analysis and farmer barrier analysis | * Data and literature review * Stakeholder consultations | **x** | **x** | **x** | **x** | **x** | **x** | **x** | **x** | **x** | **x** | **x** | Not CAFI  Funded |  |  |  |  |  |  |  |  |  |  |
| 1.2 Business model hypotheses | * Consolidate landscape and farmer barrier analysis * Develop theories of change (TOCs) for potential business models * Develop financial models for potential business models * Rank and select 3 business models for further refinement through scouting | **x** | **x** | **x** | **x** | **x** | **x** | **x** | **x** | **x** | **x** | **x** | Mar - Aug 2023 |  |  |  |  |  |  |  |  |  |  |

| **Outcome 2: In-country scouting** | | | | | | | | | | | | | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Outputs** | **Activities** | **Timetable for implementation of activities during the reference period** | | | | | | | | | | | | | | | | | | | | | |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** | **11** | **Pause** | **12** | **13** | **14** | **15** | **16** | **17** | **18** | **19** | **20** | **21** |
| **Apr**  **22** | **May 22** | **Jun 22** | **Jul 22** | **Aug 22** | **Sep 22** | **Oct 22** | **Nov 22** | **Dec 22** | **Jan 23** | **Feb 23** |  | **Sep 23** | **Oct 23** | **Nov 23** | **Dec 23** | **Jan 24** | **Feb 24** | **Mar 24** | **Apr**  **24** | **May 24** | **Jun 24** |
| 2.1 Landscape analysis - Version 2 and Farmer barrier analysis - Version 2 | * Expert interviews * Farmer FGDs (part 1) * Farmer survey * Other data collection (as necessary) |  |  |  |  |  |  |  |  |  |  |  | Not CAFI  Funded  Mar - Aug 2023 | **x** | **x** | **x** | **x** | **x** | **x** | **x** | **x** | **x** | **x** |
| 2.2 Business model hypotheses Version 2 (including TOC and financial model for selected business models) | * Consolidate refined landscape and farmer barrier analyses * Refine theories of change for potential business models * Refine financial models for potential business models * Rank business models and select business model for field trial(s) * Farmer FGDs (part 2) |  |  |  |  | **x** | **x** | **x** | **x** | **x** | **x** | **x** |  |  |  |  |  |  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Outcome 3: Field Trials** | | | | | | | | | | | | | | | | | | | | | | | |
| **Outputs** | **Activities** | **Timetable for implementation of activities during the reference period** | | | | | | | | | | | | | | | | | | | | | |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** | **11** | **Pause** | **12** | **13** | **14** | **15** | **16** | **17** | **18** | **19** | **20** | **21** |
| **Apr**  **22** | **May 22** | **Jun 22** | **Jul 22** | **Aug 22** | **Sep 22** | **Oct 22** | **Nov 22** | **Dec 22** | **Jan 23** | **Feb 23** |  | **Sep 23** | **Oct 23** | **Nov 23** | **Dec 23** | **Jan 24** | **Feb 24** | **Mar 24** | **Apr**  **24** | **May 24** | **Jun 24** |
| 3.1 Shop established | * Location scouted * Operators identified, vetted * Shop equipped with inputs and management systems * frontline staff hired * input ordered and distributed |  |  |  |  |  |  |  |  |  |  |  | Not CAFI  Funded  Mar - Aug 202 | **x** |  |  |  |  |  |  |  |  |  |
| 3.2 Shop trial and report | * Shop sells local inputs * Data collected on sales and farmer behavior * Trial data compiled into report |  |  |  |  |  |  |  |  |  |  |  |  |  | **x** | **x** | **x** | **x** | **x** | **x** | **x** |  |  |
| 3.3 Shop financial, business model | * Financial and business model and other learnings integrated into theory of change / ProDoc |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | **x** | **x** |  |
| 3.4 Ag Trial preparation | * Village and participants selected * Inputs ordered |  |  |  |  |  |  |  |  |  |  |  |  | **x** |  |  |  |  |  |  |  |  |  |
| 3.5 Ag service administered | * Agricultural recommendation defined and training material prepared * Farmers receive training and weekly support * Input distributed * Trainings provided by frontline staff |  |  |  |  |  |  |  |  |  |  |  |  |  | **x** | **x** | **x** | **x** |  |  |  |  |  |
| 3. 6 Ag Trial report | * Data collected on sales and farmer behavior * Trial data compiled into report |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | **x** | **x** | **x** | **x** |  |  |
| 3.7 Ag Financial, business model | * Financial and business model and other learnings integrated into theory of change / ProDoc |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | **x** | **x** |  |
| 3.8 Partnership established with satellite monitoring imagery analysis company | * Company vetted * Contract signed |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | **x** |
| 3.9 Maps of tree cover | * Initial map of target areas prepared * Subsequent maps prepared to show change in tree cover |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | **x** |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Outcome 4: Administrative and operational development** | | | | | | | | | | | | | | | | | | | | | | | |
| **Outputs** | **Activities** | **Timetable for implementation of activities during the reference period** | | | | | | | | | | | | | | | | | | | | | |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** | **11** | **Pause** | **12** | **13** | **14** | **15** | **16** | **17** | **18** | **19** | **20** | **21** |
| **Apr**  **22** | **May 22** | **Jun 22** | **Jul 22** | **Aug 22** | **Sep 22** | **Oct 22** | **Nov 22** | **Dec 22** | **Jan 23** | **Feb 23** |  | **Sep 23** | **Oct 23** | **Nov 23** | **Dec 23** | **Jan 24** | **Feb 24** | **Mar 24** | **Apr**  **24** | **May 24** | **Jun 24** |
| 4.1 Business registration | * Finalizing business entity registration for One Acre Fund in DRC, in compliance with CAFI requirements |  |  |  |  |  |  |  |  |  |  |  | Not CAFI  Funded  Mar - Aug 202 | **x** | **x** | **x** | **x** | **x** | **x** | **x** | **x** | **x** | **x** |
| 4.2 Partnership MoUs | * Map partnerships (assess potential partners) * Align with partners on potential collaboration * Sign MoUs |  |  |  |  |  |  |  |  |  |  |  |  | **x** | **x** | **x** | **x** | **x** | **x** | **x** | **x** | **x** |  |
| 4.3 Preparation complete to support pilot activities | * Hire new staff * Identify 2 PES villages * Identify location for Hub shop * Select cooperative for first production trial * Negotiate partnership with fertilizer importer * Staffing resources developed (ex: office space, trainings, etc.) * Adapt systems for performance management |  |  |  |  |  |  |  |  |  |  |  |  | **x** | **x** | **x** | **x** | **x** | **x** | **x** | **x** | **x** | **x** |

# Implementation challenges

## 5.1 Challenges related to the country context

* No major challenges related to the country context other than the bureaucratic and administrative complexities of aligning all stakeholders and getting approvals.

## 5.2 Challenges inherent to the project

* **Trial challenges**
  + **Climate change** - change in weather patterns makes it particularly difficult for farmers to know when to plant their input, and post-planting challenges due to drought and floodings. This made it difficult to assess when to distribute input and other planting material. This emphasised the need to have flexible modalities for SHFs to pick up goods.
  + **Staff bandwidth** - limited harvest timeframe before the beginning of the B season meant that some surveying activities had to take place over a particularly short period of time. Limited field staff bandwidth and long distances to field made it difficult to meet some of these short timelines.
* **Hiring**
  + **Senior talent** - finding senior talent took longer than anticipated to support the program, necessitating more temporary support from internal global teams and ad hoc consultants, until full-time employees could be found. The hiring process took 6 months+ for two associate-level staffers.

# Financial execution

## 6.1 Disbursements

1. Table 8.1 - Project disbursement rate.

Below we show expenditures across budget categories, in line with our quarterly and annual financial reporting to MTFO, as spending by outcome was not part of our original program document for this preparatory project.

***A.1 First preparatory grant*** *(completed February 2023, this BVA shared in semi-annual report)*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **CATEGORIES of UNDG BUDGET** | **Project budget**  (19 April 2022- 19 February 2023) | **Actuals spent 2022** (19 April 2022 - 31 December 2022) | **Actuals spent 2023** (1 January 2023 - 19 February 2023) | **Total** | **variance $** | **variance %** |
|
| 1. Staff and other personnel | $339,685 | $276,014 | $67,505 | $343,520 | $3,835.00 | 1% |
| 2. Supplies, Commodities, Materials | $4,000 | $5,526 | $190 | $5,716 | $1,716.00 | 43% |
| 3. Equipment, Vehicles, and Furniture (including Depreciation) | $1,500 | $2,759 | $0 | $2,759 | $1,259.00 | 84% |
| 4. Contractual services | $55,600 | $19,788 | $10,345 | $30,133 | -$25,467.00 | -46% |
| 5.Travel | $73,125 | $70,846 | $20,126 | $90,972 | $17,847.00 | 24% |
| 6. Transfers and Grants to Counterparts | $0 | $0 | $0 | $0 | $0.00 | 0% |
| 7. General Operating and other Direct Costs | $4,990 | $3,599 | $593 | $4,192 | -$798.00 | -16% |
| **Sub-Total Project Costs** | $478,900 | $378,532 | $98,759 | $477,292 | -$1,608 | 0% |
| 8. Indirect Support Costs\* | $21,099 | $26,497 | $6,913 | $33,410 | $12,311.00 | 58% |
| **TOTAL** | $499,999 | $405,029 | $105,672 | $510,702 | $10,703 | 2% |

***A.2 Second preparatory grant*** (current grant)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **A) Budget categories** | **B) Budget**  (12 Sep 2023 - 31 June 2024) | **C) Budget planned for the reporting period**  (12 Sep - of 31 Dec 2023) | **D) Expenses**  (12 Sep - of 31 Dec 2023) | **E) Balance**  (as of 31 Dec 2023) | **F) Disbursement rate** (over reporting period) | **G) Cumulative disbursement rate**  (since the start of the grant) | **H) Amounts committed but not spent** |
| 1. Staff and other personnel | $542,189 | $189,766 | $220,826 | $321,364 | 100% | 100% | $321,364 |
| 2. Supplies, Commodities, Materials | $11,111 | $3,889 | $8,694 | $2,417 | 100% | 100% | $2,417 |
| 3. Equipment, Vehicles, and Furniture (incl Depreciation) | $31,698 | $11,094 | $0 | $31,698 | 100% | 100% | $31,698 |
| 4. Contractual services | $64,560 | $22,596 | $14,077 | $50,483 | 100% | 100% | $50,483 |
| 5.Travel | $141,390 | $49,487 | $39,223 | $102,167 | 100% | 100% | $102,167 |
| 6. Transfers and Grants to Counterparts | $0 | $0 | $0 | $0 | 100% | 100% | $0 |
| 7. General Operating and other Direct Costs | $135,650 | $47,478 | $43,651 | $91,999 | **100%** | **100%** | $91,999 |
| **Sub-Total Project Costs** | **$926,599** | **$324,310** | **$326,471** | **$600,128** | **100%** | **100%** | **$600,128** |
| 8. Indirect Support Costs\* | $64,862 | $22,702 | $22,853 | $42,009 | 100% | 100% | $42,009 |
| **TOTAL** | **$991,46**1 | **$347,011** | **$349,324** | **$642,137** | **100%** | **100%** | **$642,137** |

1. **Table 8.2**

Please see the attached document

1. **Table 9 – Cost effectiveness: Table of progress and disbursements by outputs and by products**

**N/A** Note that this is a preparatory grant (not a full CAFI project) and the project document approved did not contain the workplan format of disbursements by outputs and products.

## 6.2 Contracts

Table 10 - Contract monitoring

**N/A** We did not engage contractors

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Contract No.** | **Title and theme** | **Type**  **(international NGO, national NGO, public entity, private sector, other)** | **Sub type (see list below)** | **Contract amount** | **Contract signature date** | **Start date of activities** | **Contract end date** | **Expected Execution Time** | **Comments** |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |

## 

## 6.3 Financial management, procurement and human resources

All CAFI funds have been disbursed for both grants of the preparatory grant. Expenditures are roughly in line with the budget for the second grant.

## 6.4 Resource mobilization

While One Acre Fund did not mobilize new grant funds specifically for the project, we have drawn on internal funds (unrestricted global funds from grants and program revenue) to cover both the slight overspend during the first grant period and then the no-grant period between February 20 2023 and September 11, 2024.

## 6.5 Budget revisions

None

# Project follow up

## Programmatic revisions (if applicable)

None

# Cross-cutting themes

## Gender

Gender is an important dimension of One Acre Fund’s work. Across the 1.5 million smallholder farmers served by One Acre Fund core programs in 2023, around half were women. Our programs are designed to overcome the key structural barriers rural women in agriculture face: isolation, poor information, and lack of capital. For example, to ensure equal access to information, our trainings account for rural women’s lower literacy rates by utilizing verbal, interactive, and pictorial methods, and we conduct trainings via farmer groups because it is often more culturally acceptable for our female clients to participate in group activities.

Gender has been a key consideration in our preparatory grant, even as the engagement with smallholders at this stage is very limited to small trials and focus groups. Firstly, data collected was gender-disaggregated in order to better understand gender-related challenges when it comes to agriculture and farmer livelihoods. As we develop programs in DRC, we will continue to tailor programs that are accessible and impactful for women, informed by our evolving global gender strategy. This will include integrating gender training for field-facing staff to help women overcome the gender employment divide. Our M&E team will also design impact assessments to thoroughly understand the impact our program is having on female-farmer-specific outcomes and gender-dynamics; like with all M&E data, we will use this to both prove and improve our programming and its impact on female farmers.

Table 12 - Monitoring of Gender aspects

N/A at the scouting / preparatory phase.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Criteria** | **Actions taken to integrate the gender aspect** | **Results** | **Cost in USD** | **Challenges faced** |
| Implementation / Activities |  |  |  |  |
| Monitoring and evaluation |  |  |  |  |

# Risk management

## 9.1 Update your risk management matrix based on the analysis carried out.

Table 15 - Risk management

We are currently developing risk management systems for the proposed CAFI implementation project in the ProDoc, including via the ongoing UNDP SESP process. Below we have included the risk table we shared in our proposal for the current (second) preparatory grant, though this is very much in flux and—again—the current preparatory grant is a pre-feasibility project.

|  |  |  |  |
| --- | --- | --- | --- |
| **Risks to the achievement of the outcome** | **Likelihood of occurrence (high, medium, low)** | **Severity of risk impact (high, medium, low)** | **Mitigating Strategy (and Person/Unit responsible)** |
| Lack of local knowledge | Low | High | While we have strong links to smallholder communities and governments across East Africa, the DRC is a new context for us, carrying a host of uncertainties and unique operating risks. Our scouting process is designed to quickly develop knowledge and expertise within the country. We have been building a Congolese team and making key connections with research institutions and leaders in the country. We have invested heavily in on-the-ground assessments. Importantly, we work at the smallholder-community level, with extensive farmer surveys, interviews, and focus groups. |
| Inability to halt land degradation | Medium | Medium | It is possible for a smallholder-focused agricultural intervention to boost farmer productivity while failing to mitigate land degradation and the destructive pattern of rotational farming. To mitigate, we will continue our focus on environmental sustainability, and are committed to supporting “zero-deforestation agriculture” in the DRC. Our pre-feasibility research has targeted products and practices that boost farm productivity and long-term land management at the household as well as wider community level. Behavior change will likely play a large role, as well as monitoring and conditional incentives; this is an area we invest heavily in across our programs, whether helping farmers build their soil organic matter, adopt trees on their farms, or diversify their crop varieties. |
| Lack of equitable gender impact | Low | High | There is a risk that our program might not have positive outcomes for women in terms of their economic benefits and position within the household. In response, our scouting activities will examine gender dynamics in local farming households to form the basis to tailor our program to have a pro-gender lens. |
| Corruption and fraud | Medium | High | There are distinct fraud and corruption risks for each geography we enter, which can jeopardize the operability and sustainability of our program. To mitigate, we will investigate this closely in our on-the-ground scouting to assess the risk level. The modalities we are selecting include controls to manage the inherent risk and minimize the opportunity for fraud. Ultimately, we could decide not to operate in an area if the risk were too high. |
| Challenges enforcing contracts | Medium | Medium | We have been advised that it can be challenging to enforce contracts with farmers and other service providers in some parts of the DRC due to weak rule of law. This poses a financial risk. We are factoring in financial risk into our model; for example, performance-based payments for some of the micro-entrepreneurs we seek to work with |
| Repayment risk | medium | high | The initial pilot model does not offer products on credit, though we are exploring other flexible payment modalities to enable financial inclusion while also mitigating the risk of lending. |
| Land rights risk | low | medium | Liaise with the CAFI-funded land tenure reform sectoral project. Also, leverage organisations with expertise in land rights. Work with AMAR to set up CLDs that include both alochtones and autochtones to define zoning plans, with a specific focus on identifying agricultural zones, can help identify and assess possible solutions to land rights issues and challenges that might impact farmers’ ability to make longer-term investment on their land, such as planting trees.  For all our other services, like shops and access to extension services, farmers would be able to work with their existing land access. e.g. if someone rents a land, they can still rent it and take improved seeds/cuttings to improve their agriculture. |
| Fire risk | Low | medium | We will integrate fire management and safety trainings into core agricultural trainings to help farmers reduce the risk of fires in their savannah fields. In the PES program, we will integrate firebreaks as a general risk reduction measure for agroforestry fields - properly establishing and maintaining them in fields will be a condition for SHF to claim subsequent PES packages. We will also carefully consider the mix of trees used in the agroforestry fields, considering also the species' resistance to fire. |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Risk identification** | | |  | **Risk treatment** | | |
| Description of risk | Identification period | Risk category | Evolution of risk (stable, increased, reduced) compared to the last report | Action(s) | Responsibility | Deadline |
|  |  |  |  |  |  |  |
|  |  |  |
|  |  |  |

## 9.2 Assessment of transparency and integrity

There have been no cases or allegations of fraud, exploitation, or any of the categories listed below for 2023 or the entirety of the preparatory phase of the project. Obviously, the risk of incidents will increase with the launch of an eventual implementation pilot.

Table 16

**Case incidents in DRC project**

|  |  |  |
| --- | --- | --- |
| **Cases of Fraud, misuse of funds and corruption** | Yes (how many for the reporting period and a brief description of each) | No |
| Allegations |  | x |
| Investigations |  | x |
| Sanctions (including recoveries made and their amounts) |  | x |
| **Cases of sexual exploitation, abuse and harassment** |  |  |
| Allegations |  | x |
| Investigations |  | x |
| Sanctions |  | x |

# Summary of deliverables

We have included the following deliverables from 2023:

* Intermediary trial report (May 2023)
* PRA Report: Ideal intercropping Fieldm Kongo Central - Songololo (June 2023)

1. These are organizations that received direct funding from the MPTF Office as part of the project. [↑](#footnote-ref-1)