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ZIMBABWE AGRICULTURAL COMPETITIVENESS PROGRAM

THIRD QUARTERLY PROGRESS REPORT, YEAR FOUR
(APR-JUN 2014)

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ZIMBABWE AGRICULTURAL COMPETITIVENESS PROGRAM

**THIRD QUARTERLY PROGRESS REPORT, YEAR FOUR
(APR-JUN 2014)**

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ACRONYMS

ACE	Agricultural Commodity Exchange
AMA	Agricultural Marketing Authority of Zimbabwe
AU-IBAR	African Union Inter-African Bureau for Animal Resources
CAADP	Comprehensive Africa Agricultural Development Program
CALR	Centre for Applied Legal Research
CFU	Commercial Farmers Union
CIBER	Competitiveness Impacts of Business Environment Reform
CIG	Commodity Industry Group
COP	Chief of Party
COTR	Contracting Officer's Technical Representative
DAI	Development Alternatives Inc.
DCOP	Deputy Chief of Party
DLVS	Department of Livestock and Veterinary Services
DOHOPA	Domboshawa Horticulture Producers Association
DR&SS	Department of Research & Specialist Services
DVS	Department of Veterinary Services
EMA	Environmental Management Agency
EU	European Union
FaaFB	Farming as a Family Business
FACHIG	Farmers' Association for Community Self-Help Investment Groups
FFFR	Fertilizers and Farm Feeds Remedies
FMD	Foot and Mouth Disease
FPMAZ	Fresh Produce Marketers Association of Zimbabwe
FTFMS	Feed the Future Monitoring System
FY	Financial Year
GlobalGAP	Global Good Agricultural Practices
GMO	Genetically Modified Foods
HCA	Horticulture Commodity Association
HPC	Horticulture Promotion Council
ISO	International Standards Organization
ITC	International Trade Centre
LCS	Livestock Competitiveness Strategy
LITS	Livestock Identification and Traceability Systems
LMAC	Livestock & Meat Advisory Council
LTTA	Long Term Technical Assistance
MABC	Matabeleland Agri-Business Chamber
MABF	Manicaland Agriculture Business Forum
MAPA	Murehwa Agricultural Producers Association
MAMID	Ministry of Agriculture, Mechanization & Irrigation Development
MDM	Mechanically Deboned Meat
M&E	Monitoring and Evaluation
MMATA	Mbare Musika Apple Traders Association

MPPA	Manicaland Poultry Producers Association
MoL	Ministry of Labour
MoF	Ministry of Finance
MoU	Memorandum of Understanding
MWAGCD	Ministry of Women Affairs, Gender & Community Development
NCFE	National Contract Farming Framework
NGO	Non-Governmental Organization
OIE	World Organization on Animal Health
PIB	Pig Industry Board
PMP	Project Monitoring Plan
PPAZ	Pig Producers Association
RIA	Regulatory Impact Analysis
RDC	Rural District Councils
SADC	Southern Africa Development Community
SAZ	Standards Association of Zimbabwe
SI	Statutory Instrument
SIRDC	Scientific and Industrial Research and Development Centre
SMA	Stockfeed Manufacturers Association
SNV	Stichting Nederlandse Vrijwilligers (Foundation of Netherlands Volunteers)
STTA	Short Term Technical Assistance
TAMIS	Technical and Administrative Management Information System
USAID	United States Agency for International Development
USG	United States Government
VETGOV	Veterinary Governance
WABAZ	Women's Alliance for Business Associations in Zimbabwe
WRS	Warehouse Receipt System
ZAA	Zimbabwe Abattoirs Association
ZADF	Zimbabwe Agricultural Development Fund
ZAWA	Zimbabwe Alliance for Women in Agriculture
ZCFU	Zimbabwe Commercial Farmers Union
ZEPARU	Zimbabwe Economic Policy Analysis and Research Unit
ZFU	Zimbabwe Farmers Union
ZNFU	Zimbabwe National Farmers' Union
Zim-ACP	Zimbabwe Agricultural Competitiveness Program
Zim-AIED	Zimbabwe Agricultural Income and Employment Development Program
Zim-ASSET	Zimbabwe Agenda for Sustainable Socio-Economic Transformation
ZPA	Zimbabwe Poultry Association
ZWPFT	Zimbabwe Women Poultry & Small Stock Farmers Trust

CHAPTER I: HIGHLIGHTS AND OPERATING ENVIRONMENT

1.1 ZIM-ACP IN BRIEF

Zim-ACP provides support to Zimbabwe's agribusiness sector, by strengthening representative farmer organizations and commodity associations on how they can improve the agricultural sector's business environment. It does so via three interlocked components:

Component 1- supporting and strengthening representative farmers unions, commodity associations and agribusiness associations and assisting them to develop their analytical and advocacy capacity,

Component 2 - increasing the efficiencies in agricultural markets, developing and applying improved technologies and enhancing the capacity of market institutions; and

Component 3 - enhancing the capacity of business service providers to deliver quality, demand-driven trainings and technical assistance at a firm and farmer level.

1.2 QUARTERLY HIGHLIGHTS

- ZCFU offers members new banking services at low cost through a partnership with CABS Building Society and the Climate Smart Trust (CST) program. CST reaches out to rural area farmers to help the environment by re-planting trees used for household fire wood and tobacco curing. With a nursery of 10,000 Eucalyptus trees, CST members are given saplings to replant at sign up. As an added incentive, participating farmers are also offered a CAB Textacash bank account for deposits, savings, transfers and sending money without minimum deposit requirements and for a discounted fee. ZCFU sells the cards for \$10 each at a commission of US \$0.80 for each card activated; making it CABS' Textacash agent and selling 96 cards in a week. In addition, the "Climate Smart" branded cards act as association membership cards and a database registry.
- Zim-ACP partnered with LMAC to hold a national symposium entitled Enhancing Competitiveness of the Livestock Sector. The symposium was hosted by the Livestock Policy Hub and was attended by over 90 participants from the private sector, various farmer representative bodies and 4 government ministries which regulate agricultural activities. Participants expressed gratitude for the open dialogue. According to Dr. Mario Beffa, LMAC's Administrator said, "This symposium was ten years in the making and could not have happened without USAID/Zim-ACP. For the first time it seems that the farmer organizations capabilities and the government's willingness to listen have aligned."
- FACHIG, in a partnership with FACHIG-affiliated Muzarabani Farmers' Association, the Muzarabani Rural District Council (RDC) and a private sector auctioneer, Cattle Sales (CCS), held the first cattle auction at the Muzarabani Sales Pens. The Farmers' Association rehabilitated the sales pens owned by the RDC and Fifty-seven (57) heads of cattle were sold at an average price of \$400. A total of 32 farmers (2 female, 30 male) sold their cattle. The prices ranged from \$310 to \$800.
- FACHIG entered into agreement with TN Livestock Trust to provide mobilization of cattle deposits for improved access to credit for the financing to rural farmers in Mashonaland Central Province

- HPC and LMAC were accepted as the respective industry focal points for the ZimTrade's Trade Information Centre (TIC) part of the EU-Zimbabwe Business Information Centre (EBIC) being supported to enhance Zimbabwe's trade and participation in regional and foreign markets.
- Zimbabwe Farmers Union National Horticulture Chairman formerly with DOHOPA. Mr. Marimo, presented a paper on challenges facing smallholder farmers in water and irrigation in Zimbabwe at a workshop on climate change held in Nairobi, Kenya, on May 7-8, 2014. Zim-ACP and HPC assisted the drafting of the paper.
- The Horticulture Task Force (HTF) endorsed the transformation of the Task Force into a multi-stakeholder platform. The platform is to be constituted as an independent legal entity with specific Terms of Reference (TORs) for its objectives, operations, activities, governance and management. The platform will be hosted with the Standards Association of Zimbabwe (SAZ) under the support of SNV.
- Zim-ACP's DCOP addressed the Multi-stakeholder Team set-up by MAMID to update the Zimbabwe Agricultural Investment Plan (ZAIP) on what and how insights from Zim-ACP's work could be incorporated into the ZAIP document to incorporate climate change, gender mainstreaming, nutrition and linkage to ZIM ASSET.
- The Competition and Tariff Commission (CTC) requested Zim-ACP's commissioned studies as resource materials for cases before the Commission.
- The Horticulture stakeholders adopted the LocalGap as the entry point for all horticulture producers in the country for supporting the integration of smallholder producers and improve standards and competitiveness of Zimbabwean produce.
- Ninety-nine (66 male, 33 female) attended the 2nd Public-Private Sector Dialogue on the Operationalization of the WRS and ACE on April 9, 2014. The meeting agreed to incorporation of the private sector in the Steering Committee for the finalization of the WRS business and regulatory frameworks, to include the review of the Grain Marketing Board Act and Agricultural Marketing Acts.

1.3 OPERATING ENVIRONMENT

The macroeconomic environment remained subdued throughout the Quarter characterized by negative year-on-year inflation of -0.3% in April and May. This is attributed to weak domestic demand, tight liquidity conditions and appreciation of the South African Rand against the US\$, the currency in use in Zimbabwe. The Ministry of Finance revised the economic growth projections downward from the 6.1 to 3.1 sighting reduced revenue flow into treasury, lack of local investment due to scarce liquidity, and low global price for mineral, cotton and tobacco exports. World Bank forecasts reduced growth rates to 2% in 2014 and 1% in 2015 due to minimal FDI inflow, continued liquidity constraints and a weak and inconsistent policy environment.

In response to the depressed economic activities in the manufacturing and processing sector and increase in imports, the government introduced measures to reduce and or ban imports of processed consumer goods, mainly food and horticulture produce. The ban of selected horticulture (apples, tomatoes, onions, mushrooms) was inconsistent with Zim-ACP message to the industry and the project advised partner organizations not to advocate for import restrictions. The underlying factors for the increase in local consumers demand for imported produce include quality, standards, competitive prices and consistent supply relative to locally produce. The circumstances reinforced Zim-ACP's advice to local producers' representative bodies to working on improving these aspects to meet local consumers' demand.

The crop forecast indicated that the country had produced 1.8m tonne of maize. MAMID announced \$390 as the maize floor price for GMB. This was above the regional and import parity maize prices ranging from \$220 to \$260 in South Africa and Zambia. The grain milling and Stockfeed industries raised concern with MAMID setting the GMB buying price higher than the import parity. As it was said to be a floor price, it meant farmers would be expecting or negotiating for prices higher than the set floor price. At \$390 prices of maize meal and animal feed would have to rise yet the economy was experiencing reduced consumer. It was reported that MAMID was planning banning imports of maize meal and maize grain as a measure to force the local processors to purchase grain from the farmers and GMB.

During the Quarter, government focused on ZimASSET implementation, the economic blueprint for 2013-2014. Government put in place institutional arrangements for the implementation and monitoring of ZimASSET. Implementation is anchored on four clusters, (i) Food Security and Nutrition, (ii) Social Services and Poverty Eradication, (iii) Infrastructure and Utilities and (iv) Value Addition and Beneficiation. Ministries are to submit monthly progress reports to the Office of President and Cabinet (OPC). Government is working with the private sector, Civic Society, donor and NGO. In this context, MAMID, which chairs the Food Security and Nutrition Cluster, requested Zim-ACP to provide monthly progress reports on its activities aligned to Zim-ASSET. For Zim-ACP this is a welcome development in a number of ways. The regulatory reviews submitted to MAMID by our partners, for the legislative process stalled in the Ministry, i.e. Animal Health Acts and Fertilizer, Farm Feeds and Animal Remedies Acts. The monthly progress reports could stir MAMID to implement. MAMID's attention to our work provides an opportunity to accelerate adoption and implementation of advocacy positions by our partners.

1.4 PROGRESS TOWARDS INDICATORS

Zim-ACP continues to make progress on most of its indicator targets. As illustrated in table 1.4.1 below, out of 13 indicators the project performed well against most of its indicator targets. Zim-ACP expects to meet the annual targets set.

Table 1.4.1 Indicator Achievement Table Summary

Indicator Summary	Year 4 Target		Actual for Quarter 3		Cumulative to date		Comment on Indicator Achievement to date
4.5.2-43 Number of firms (excluding farms) or Civil Society Organizations (CSOs) engaged in agricultural and food security-related manufacturing and services now operating more profitably (at or above cost) because of USG assistance	4		0		2		No achievement for the quarter.
ACP 1 Value of resources leveraged through partnerships with agribusinesses, agribusiness service providers, NGOs etc	\$200,000		\$0		\$300,000		No achievement for the quarter but target has been surpassed.
4. 5.1-24 Number of Policies/Regulations/ Administrative Procedures in each of the following stages of development as a result of USG assistance in each case: Stage 1: Analyzed Stage 2: Drafted and presented for public/stakeholder consultation Stage 3: Presented for legislation/decreed Stage 4: Passed/approved Stage 5: Passed for which implementation has begun	Stage 1	5	Stage 1	0	Stage 1	0	During the quarter, 6 regulations were analyzed and have moved to stage 3. Annual target expected to be met in coming quarters.
	Stage 2	12	Stage 2	0	Stage 2	0	During the quarter, 6 regulations were analyzed and have moved to stage 3. Annual target expected to be met in coming quarters.
	Stage 3	8	Stage 3	6	Stage 3	20	Significant achievement for the quarter. Annual target already surpassed.
	Stage 4	3	Stage 4	0	Stage 4	0	Expect to meet the annual target of 3 from the 20 regulations presented for legislation during this quarter.
	Stage 5	3	Stage 5	0	Stage 5	1	Significant achievement for the quarter. Expect to meet the annual target of 3 from the regulations

						presented for legislation during the two quarters.
ACP 5 Representative bodies of farmers and agribusinesses and commodity associations effectively advocating in public forums and Parliamentary committee meetings	105	21	57			Low achievement for the quarter. Zim-ACP continue to capacity build partner organizations to compile position papers using findings of studies done.
ACP 2 Improvement in services to members by representative bodies of farmers, commodity associations and agribusiness organizations (as measured by increase in new members and retention of current members)	50,000	20,032	28,570			Remarkable achievement for the quarter.
4.5.2-37 Number of micro, small and medium enterprises receiving business development services from USG assisted sources	4,000	9,480	12,290			Annual target already surpassed.
4.5.2-28 Number of private enterprises, producer organizations, water users' associations, women's groups, trade and business associations and community-based organizations that applied new technologies or management practices as a result of USG assistance	12	10	10			Zim-ACP partners with 11 organizations, of these 10 reported to have applied a new management practices that they adopted from Zim-ACP capacity building.
USAIDZIM 2 Number of project beneficiaries in relevant leadership positions	512 300 male 212 female	512 333 male 179 female	512 333 male 179 female			No achievement for the quarter. Elections in partner organizations to take place in quarter 4.
GNDR-4 Proportion of target population reporting increased agreement with the concept that males and females should have equal access to social, economic and political	45%	Nil	70%			No achievement for the quarter.

opportunities							
ACP 3 Number of Clients reached by market facilitation institutions/systems supported by USG assistance	780	574	574			Remarkable achievement for the quarter from work in the livestock and horticulture sectors.	
4.5.2-11 Number of food security private enterprises (for profit), producers organizations, water users' associations, women's groups, trade and business associations, and community-based organizations (CBOs) receiving USG assistance	12	8	8			Expect to surpass the set annual target. During the quarter direct support went to 8 of the 11 Zim-ACP partner organizations. DOHOPA and MAPA are now reported under ZFU unlike what was initially planned when the target was set.	
4.5.2-7 Number of individuals who have received USG supported short-term agricultural sector productivity or food security training	60	36	122			Target surpassed.	
ACP 4 Number of market facilitation services that, as a result of USG assistance are in each of the following stages: Stage 1: Undergoing capacity/competency assessment; Stage 2: Undertaking capacity/ competency strengthening; Stage 3: Functional	Stage 1	2	Stage 1	0	Stage 1	0	Work on other market facilitation services has been planned for coming quarters
	Stage 2	3	Stage 2	1	Stage 2	1	Achievement on standards. During the quarter, work was done to build on the standard for horticulture sector. Process of strengthening this market facilitation service is ongoing.
	Stage 3	3	Stage 3	0	Stage 3	0	Work on standards has been planned for coming quarters

CHAPTER 2: PROJECT ACTIVITIES

2.1 COMPONENT ONE: ORGANIZATIONAL STRENGTHENING AND ADVOCACY CAPACITY DEVELOPMENT

2.1.1 STRENGTHENING ORGANIZATIONAL CAPACITY OF FARMERS' ORGANIZATIONS

Background

Zim-ACP's efforts continue to support and strengthen representative farmers unions, commodity associations and agribusiness associations and assist them in developing their analytical and advocacy capacity. Technical assistance was offered in building the capacity of their leadership in lobbying and advocacy, services provision, leadership and governance skills, presentation and facilitation skills and gender mainstreaming.

During the quarter, Zim-ACP conducted follow-up and mentorship meetings with partner organizations to check on progress made in the implementation of their action plans on the capacity building done in FY 2013. Partner organizations, notably ZFU, ZCFU, MABC, MABF, LMAC and HPC sought Zim-ACP's technical advice and guidance on their planned projects for service provision. Zim-ACP provided requested support to ZFU provincial horticulture associations, by helping them refine their strategies for the development of their respective associations or advocacy forums in the case of MABF and MABC. We continue to implement all of the activities with an eye on sustainability and exit plans, while simultaneously managing beneficiary expectations.

a) Zimbabwe Farmers Union (ZFU)

Tables 2.1.1 summarize activities undertaken, Zim-ACP technical inputs and observed outcomes.

Activity and Zim-ACP technical Inputs	Date	Outcome Observed or Achieved
Zim-ACP supports ZFU to establish a National Horticulture Commodity Association and provides capacity building on leadership, organizational development and services provision spanning over four quarters	April 2, 2014	ZFU establishes a National Horticulture Commodity Association. Mr. Marimo of DOHOPA elected as the first National Chairperson of the National Association. This was in recognition of his leadership skills developed through his association with Zim-ACP since 2012.
Zim-ACP supported the ZFU National Horticulture Commodity Association with the development of 2015-2020 Strategic Plan	May 14-15, 2014	<ul style="list-style-type: none"> • 2015-2020 Strategic Plan developed. • Plan is tailored to the Horticulture Industry Competitiveness Strategy and focuses on facilitating the adoption of LocalGAP and a Code of Practice to access the expanding local and regional markets • Committee will meet the MAMID Deputy Minister for Crop and Irrigation to attain MAMID's endorsement and adoption of the Horticulture Competitiveness Industry Strategy to make it a binding document guiding public sector investment in support of the Industry.

Notable outcomes from technical support and advice to ZFU during the Quarter are:

- ZFU Mashonaland Central signed an MOU with Shamva Agriculture College capacity building on good crop and animal husbandry practices for their farmers. The province is in the process of implementing the MOU so that farmer members pay reasonable fees for the trainings.
- ZFU Midlands has successfully conducted elections for district committees' for seven of its eight districts as ZFU is in the process of holding grassroots elections at district level in preparation for the coming presidential elections to be conducted this year at a congress in September 2014. After each election ZFU through its provincial manager successfully cascades a First Leadership and Governance training for the newly formed committee comprising the Chairperson, Vice chairperson, Treasurer, Secretary, Vice Secretary, Youth Leader and Women Leader. Committee leaders received training on their roles, issues and challenges that surround success of governance structures of committees. These trainings were welcomed by the trained participants, who promised to make use of them during the tenure in office.
- Following the capacity building workshops by Zim-ACP on service provision, ZFU Matabeleland North and Masvingo provinces leveraged new partners to increase membership recruitment,

realizing that a large member base lends credibility to an organization. The provinces managed to forge partnerships with 'We Effect' (formerly Swedish Cooperative Center) and GIZ on of study group programs and widespread field days in their provinces. These activities have seen farmers paying for production modules at a subsidized cost of US\$1 for fully subscribed ZFU members. These studies have seen farmers meeting weekly to discuss production and increasing farmers business skills. The membership for these provinces has increased by more than 50% between April to June.

b) Zimbabwe Commercial Farmers Union (ZCFU)

ZCFU Manicaland Climate Smart Program

Through Zim-ACP's capacity building program, representative bodies (farmers' unions and commodity associations) learned that to be credible and effective organizations for advocacy and lobbying, they needed offer demand driven services in order to retain and attract members. Without members their advocacy and lobbying roles were undermined.

The organizational provincial leaders were exposed to the services and taught how to engage and conduct business with the service providers to meet members' needs back in their home provinces. The leaders were given a "Leadership Challenge" to negotiate business deals as well as come up with other services for their members. They were required to negotiate and agree on MOU for the service provision. ZCFU Manicaland came up with initiative with the Climate Smart Program in its quest to recruit more members and partnered with CABS for their Textacash debit card so its members will access new banking services at low cost.

The Climate Smart Trust Program was initially conceived to reach out to rural area farmers to help the environment by re-planting trees used for household fire wood and tobacco curing. ZCFU Manicaland through the CST and an MOU with Nyaradzo Funeral Services to supply Eucalyptus seedlings from a supply of 10,000 Eucalyptus trees to ZCFU members when they sign up for the program. Nyaradzo will then get the timber for manufacturing coffins after the trees mature. As an added incentive, participating farmers are also offered a CABS Textacash bank account for deposits, savings, transfers and sending money without minimum deposit requirements and for a discounted fee. ZCFU sells the cards for \$10 each at a commission of US \$0.80 for each card activated; and already 96 cards had been in a week.

Climate Smart is offering this as a membership card at a cost of \$10.00 annully. This is part of their funding raising. The Textacash Card is a debit card and the card number becomes the Climate Smart membership number. A member with the card will automatically have an account with CABS and can deposit, transfer, withdraw and use the card to pay for goods and services using CABS ATMs or any point of sale (pos) that is linked to ZimSwitch. Deposit and withdrawals can be made at CABS Branches or through Textacash Agencies. CABS is also identifying agro-dealers to serve as Agencies. Farmers selling produce can have money deposited into the card account instead of handling large sums of cash. The card is activated at the point of registering which is done by the CABS agent through mobile technology. Transactions only start when one has deposited some money as little as a \$1. The Climate Smart card could also be used for distributing or accessing social welfare funds and the card is also linked to the membership database.

The difference between Textacash and Eco-cash is that one has a physical card for swapping although they both allow mobile phone transactions using any of the networks. The added advantage of the card is that it serves as an ID and proof of residency normally required when opening a normal bank account. The service charge is fixed at \$0.25 per transaction plus a nominal % of the value of the transaction. As

the Climate Smart idea is still in its infancy Zim-ACP has advised ZCFU to offer the service to members or farmers who have adopted Climate Smart practices, negotiation for more services, such as discounts, that can be offered to members so that these become benefits for adopting climate smart practices and linking the Program to potential funding sources to support services that can be offered to members.

ZCFU Service Provision Pilot Success Attracts other Investors

ZCFU Mashonaland Central signed a MOU with Nyiombo Agribusiness Investment Pvt for a service provision pilot project on provision of credit, of Compound D and Ammonium Nitrate fertilizers to 161 selected members for maize production. On May 9, 2014 ZCFU hosted a field day to showcase the pilot program's success. The farmer expected a maize yield of 8-9 tonnes per ha and net gross margin is \$30,250 from 15 ha through this program; normally the average yield is 4-5 ton/ha and net gross for 15 ha is \$16,540. Given the success of the program, Nyiombo will extend the credit scheme to cover production of 30,000 ha of maize in the Province. The success of the pilot project saw other companies such as SeedCo, Zimbabwe Fertilizer and New Holland negotiating to offer similar loan schemes to ZCFU members

ZCFU Matabeleland North utilizes the Farming as a Family Business Manual

As a service to its members, ZCFU Matabeleland engaged a Zim-ACP capacitated trainer, Gerald Bhebhe as a consultant. With the assistance of the trainer, they have combined technical topics on potato, broiler and mushroom production with the business concepts in the Farming as a Family Business (FaaFB) Manual developed by Zim-ACP as demanded by their members. The trainings have reached out to 221 farmers (92 female, 129 male) this quarter and all the trained farmers are fully subscribed to ZCFU.

As a result of Zim-ACP support for ZCFU Matabeleland North in capacity building on Lobbying and Advocacy as well as service provision. ZCFU Matabeleland North has also reached new levels of recognition such that it has been incorporated into committees at provincial level. The committees are Climate Smart Agriculture and Trade and Commerce committees. ZCFU's presence on these committees will certainly advance the issues of farmers as decisions are made.

Database Installation and updates for ZFU and ZCFU

Zim-ACP provided training to ZCFU and ZFU on database management best practices in order to maintain up-to-date farmer profiles following the successful installation of their member ship database systems. ZCFU Mashonaland Central used its information to provide 160 farmers beneficiaries with an agricultural credit scheme provided by Nyiombo Investment Private Limited. ZFU is discussing an implementation strategy with 20 provincial district coordinators and their head office secretariat who all received new database training. On June 2, 2014 ZFU started capturing member data in all provinces and is formally using the database to better serve their members. Zim-ACP also followed up with ZFU to discuss the progress regarding data capture on its newly installed database systems and challenges of updating the websites. Zim-ACP emphasized the need to have the ZFU database server up constantly to allow the provincial coordinator access to upload member lists in their districts to quickly get data into the database, ZFU were advised to make use of soft copy excel sheet from the provinces to send directly to the national head office. This is short term measure until they become accustomed to updating content from provincial offices. Zim-ACP shared with ZFU a report on external hits on their website Annex 1 and content being viewed in order to encourage them to upload fresh and new content to enhance organization's internet presence. ZFU agreed to work on upgrading their server, and updating both their websites and databases.

Partner Organizations embrace the benefits of a Data analysis with Microsoft excel capacity building.

Representatives for ZFU, FACHIG and HPC received Data analysis with Microsoft excel training on June 11- 12, 2014 following the successful installation of the membership database systems. Partner organizations need to analyze data generated from the databases developed for them by Zim-ACP to evaluate areas of impact, particularly on the information they are collecting from the provinces. They will now be able to analyze service provisions through advance excel data analysis. The training will improve the partners reporting ability and has given them the tools to evaluate their work at any given stage of operations.

Farmers Association for Community Self-Help Investment Groups (FACHIG)

During the quarter as a service to its members, FACHIG held its first cattle auction on April 10, 2014. Fifty-seven (57) heads of cattle were sold at an average price of \$400. A total of 32 farmers (2 female, 30 male) sold their cattle. The prices ranged from \$310 to \$800. The auction service is a partnership between FACHIG Muzarabani Farmers' Association, the Muzarabani Rural District Council (RDC) and Cattle Sales (CS), a private sector firm based in Harare. The Farmers' Association invested in the rehabilitation of the sales pens owned by the RDC and CS was contracted to be the auctioneer. The three Harare-based cattle buying firms and local buyers paid the RDC stipulated percentage per animal sold to cover costs. The Muzarabani Farmers' are negotiating with RDC on sharing the net proceeds from the services offered. The breakdown of the payment scheme at the auction was distributed as follows: 11.5% of the value of animal sold: 6% Auctioneer, 1.5% ZimRA; 2% Department of veterinary Services and 2% RDC.

During the quarter FACHIG signed an MOU with TN Livestock Trust. The purpose of the MOU is to provide mobilization of cattle deposits for improved access to credit for the financing to rural farmers in Mashonaland Central Province. The main project objective is to support farmer productivity by making agricultural inputs, crop markets, irrigation equipment, insurance and financial services easily accessible to small-holder farmers. Interested members will deposit their cattle to TN Livestock TRUST who will give them a Certificate of Cattle Deposit which can be used as collateral to get loan from targeted banks. Farmers will access back their cattle or the equivalent value after 2 years.

FACHIG is also offering various services which include:

- i. Training on gender and value chain development. During the quarter 253 farmers (57 male, 196 female) benefitted.
- ii. Development of local markets and linking farmers to markets. Facilitating policy reform to create a conducive livestock industry at local level (Muzarabani in particular)
- iii. Facilitate linkages of farmers with public and private actors to improve production and marketing of commodities. A total of 556 (151 male, 405 female) have been registered on the Ecofarmer platform
- iv. Sending marketing information to 300 members, 77 percent female.

2.1.2 STRENGTHENING REGIONAL POLICY GROUPS/FORUMS

Zim-ACP's work in the past three years stimulated the formation and establishment of regional policy advocacy groups or forums such as Matabeleland Agribusiness Chamber (MABC) and the Manicaland Agricultural Business Forum (MABF). MABF is an advocacy platform which comprises different commodity associations including tea, coffee, macadamia nuts, bananas, ZFU and ZCFU provincial chairs.

Zim-ACP urged the MABF to meet with all relevant stakeholders to promote itself as an advocacy tool. As a result six steering committee members from the Manicaland Agricultural Business Forum (MABF) met the Provincial Administrator of the Manicaland Province on April 9, 2014. They briefed the Administrator on their organization and how they represent farmers' organizations, agribusiness representative bodies including district producers' associations. The Provincial Administrator welcomed the initiative indicating that the province needed private sector platforms not only for dialogue on policy issues but for consolidated private sector inputs in local economic development planning and monitoring implementation of public sector investment projects. The Provincial Administrator requested MABF develop a private sector agribusiness development plan for the province and submit it for discussion.

2.1.3 STRENGTHENING CIG AGRIBUSINESS REPRESENTATIVE BODIES FOR ADVOCACY, LOBBYING AND SERVICE PROVISION

LMAC and Technoserve to collaborate in commissioning of 9 study areas

In collaboration with the European Union (EU) and LMAC, Technoserve (TNS) was tasked to work with LMAC, among other stakeholders, provide technical assistance through research to support strategies that enhance food security and economic opportunities in Zimbabwe. TNS has identified nine areas where studies will be carried and will be working closely with LMAC to ensure that research is in line with industry requirements. On June 25, 2014 representatives from TNS met with LMAC to discuss the roll-out of the project and to appraise them on progress made on the ongoing dairy sector study. Gaps in the industry have been identified and TNS will make recommendations on appropriate measures needed to resolve constraints and challenges.

LMAC to collaborate with ZIMBISA

LMAC met with ZIMBISA, a DFID project that assists Business Membership Organizations with strategic and technical advice on how to support and influence policies, facilitate communication skills, media relations, and disseminate research findings and becoming more relevant in the market place. ZIMBISA wants to assist LMAC in developing a communication strategy and organizational vision and mission statement to engage stakeholders more constructively. LMAC explained their role and discussed synergies between Zimbisa's work and Zim-ACP's. Future collaboration will include a communication strategy, the Livestock Development Initiative, the Red Meat Producers Forum.

Cost of compliance dairy model developed for dairy small holder farmers

The Zimbabwe Association of Dairy Farmers (ZADF) presented a dairy enterprise model they developed to help track changes in cost drivers and sector viability at a meeting on June 23, 2014. Part of LMAC's cost of compliance study was used in the Dairy study for models of various enterprises. A meeting was convened by ZADF to present the model as well as to reconfigure it to better serve the needs of small scale dairy farmers. The model is easy to use and ZADF resolved to survey their membership to provide information on key parameters to fine tune it.

Zimbabwe Fish Producers Association to become an LMAC member

Representatives of the aquaculture and fisheries sector, World Vision International (WVI) and the Department of Research and Specialist Services, met with LMAC to discuss synergies and participation in LMAC activities and discuss the WVI small scale aquaculture program in Zimbabwe on April 4, 2014. The industry is experiencing policy issues similar to the livestock sector and so the Zimbabwe Fish Producers Association (ZFPA) wishes to coordinate its lobbying and advocacy efforts with LMAC. LMAC suggested participation in the National Livestock Policy Hub initiative as a platform to table its policy issues and input into the Livestock Policy. LMAC will also incorporate input from on fisheries and aquaculture in its Livestock Competitiveness Strategy.

LMAC markets regulatory studies to Federation of Young Farmers Club Zimbabwe

The Federation of Young Farmers Club Zimbabwe (FYFCZ) president met with LMAC on April 3, 2014 to discuss areas of collaboration. FYFCZ was formed to coordinate young farmer groups at district levels, strengthen food security, drive youth empowerment and promote agriculture as a business and career option for improved livelihoods. FYFCZ revitalizes young farmer clubs in schools, partners with agricultural corporations, and works with agricultural academic institutions and relevant government departments including MAMID. FYFCZ requested advisory services and information from LMAC on livestock and meat production and value chain issues. LMAC outlined its role and noted the multiple studies developed with Zim-ACP's assistance available for them to use as background information; and invited participation of FYFCZ at the next LMAC meeting.

On June 25, 2014 the FYFCZ was officially launched by the Minister of Youth, Indigenization and Empowerment. FYFCZ is partnering with various stakeholders and organizations to offer good quality services to its members including trainings and inputs at discounted prices. The organization plans to collaborate with LMAC to expand the beef school and start a horticulture school for young women. The club plans to complete its national database by 2015, to capture the young farmers who will be starting their agriculture careers in the coming farming season.

Livestock Development Committee Reviews Non-competitiveness Concerns

The Division of Livestock Production and Development held a meeting of the Livestock Development Committee (LDC) with value chain representatives including LMAC to express concern over non-competitiveness issues in the livestock sector. The LDC platform objectives are to drive and streamline livestock development activities and contribute to the livestock sector by:

1. Providing a Livestock Information System through the DLPD using newsletters and updates and on field days;
2. Answer ad hoc queries on sector activities;
3. Unify advocacy efforts via co-coordinating extension activities among stakeholders;
4. Contribute to the development of the livestock policy, still at draft level; and
5. Review critical livestock production, productivity and marketing issues.

Collaboration of Piloting of Livestock Traceability with FAO to begin

LMAC attended a meeting convened by the FAO to review progress under the EU funded project (GCP/ZIM/022/EC). LMAC presented a draft concept note on resuscitating the livestock and traceability system (LITS) in Zimbabwe to be funded under the Project. The participants agreed with the project concept but suggested that the proposal be revised to include piloting of the LITS in the two districts where the project is focusing – Lupane and Nkayi. Two NGOs - LEAD Trust and HELP Zimbabwe - are already working on livestock development activities in the two districts. LMAC revised and submitted a full proposal by the first week of June 2014.

LMAC capacity built on Trade Intelligence

On April 9, 2014, LMAC met with the International Trade Centre (ITC) Trade Officer to discuss strategic intelligence input's LMAC could provide to the ZimTrade information portal. The portal is currently being upgraded and will be linked to trade information providers and user websites. LMAC will work with the EU-Zimbabwe Business Information Centre (EBIC) to enhance Zimbabwe's trade and participation in regional and foreign markets and focus on upgrading ZimTrade's Trade Information Centre (TIC).

Information Dissemination

During the quarter, LMAC circulated to 324 clients the Monthly Livestock Market Update giving a summary of market information and situation for the beef, dairy, poultry, stock feed and pig sectors. LMAC also circulated Weekly Industry Updates on their activities, an activities calendar, relevant attachments, and industry statistics and fees schedules. Both periodicals are drafted by the LMAC LTTA with the assistance of LMAC staff.

HORTICULTURE CIG

Work in the horticulture CIG has been mainly focused on collaboration of Farmer Unions and HPC, validation of the competitiveness strategy, and transformation of the Horticulture Task Force (HTF) into a multi-stakeholder platform for advocacy.

Farmer Unions recognize HPC as a credible horticulture information source

Zimbabwe Farmers Union National Horticulture Chairman, Mr. Marimo, sought assistance from HPC on May 5, 2014, to draft a report on challenges facing smallholder farmers in water and irrigation in Zimbabwe. The report was presented at a workshop on climate change that held in Nairobi, Kenya, on May 7-8, 2014. Water is a major input in horticulture, and smallholder horticulture farmers are particularly vulnerable to the adverse effects of climate change, as they rely mostly on rainfall. HPC assisted the union in drafting the report.

Stakeholders validate horticulture competitiveness strategy

HPC held a Horticulture Validation Workshop on April 2, 2014 which was attended by 80 participants (25 female, 55 male). The workshop was officially opened by the Deputy Minister for Crops and Mechanization of MAMID Hon. D. Marapira. Participants represented all members of the value chain from government, private companies, producer organizations, agribusiness organizations, commodity associations, consultancy firms, independent consultants, donors and NGOs. Presentations were made on the horticulture strategy, the LocalGAP standard, as well as on the code of practice for the horticulture industry.

The Horticulture Task Force (HTF) held a strategy discussion meeting with support from Zim-ACP on May 15, 2014. The meeting endorsed the transformation of the Task Force into a multi-stakeholder platform. The platform is to be constituted as an independent legal entity with specific Terms of Reference (TORs) for its objectives, operations, activities, governance and management. The platform will be hosted with the Standards Association of Zimbabwe (SAZ) under the support of SNV. This will be done as a tripartite arrangement which includes the platform, SAZ and SNV, through an MOU with

clearly defined functions. To ensure implementation of the LocalGAP standard, SAZ was chosen to host the platform. The platform will discuss and guide the implementation of the competitiveness strategy, with a secretariat which does the actual implementation.

The Horticulture Multi-Stakeholder Platform held its first meeting on July 10, 2014, and met with USAID to discuss the current challenges, gaps and opportunities in the sector. Proposed activities of the Multi-Stakeholder Platform were presented, while the Regulatory officer presented the code of conduct. Representatives of Horticulture Research Centre (HRC) Marondera, SAZ, Ariston, HPC and its Associations, Knowledge Transfer Africa, Zimtrade, some former HPC members, ZFU, ZCFU, National Horticulture Commodity Association, MAPA, and DOHOPA attended. The various value chain representatives were able to discuss with the USAID the issues affecting them. HPC also extended to the Platform an invitation from the Dutch Embassy to attend entrepreneurship training in Zambia.

Coffee Commodity Association Zimbabwe Impressed as Coffee Strategy Stakeholder Discussions continue

The coffee sector held the second consultative meeting on developing a sector strategy to drive competitiveness on June 26, 2014. The Coffee Commodity Association Zimbabwe (CCAZ) added the strategy as part of its action plan following the Leadership, Service and Advocacy training facilitated by Zim-ACP in 2013. The Zimbabwe Coffee Strategy has successfully entered its second round of stakeholder consultations. The strategy was drafted with the Government, World Bank and Zimbabwe Multi Donor Trust Fund assistance. They held a workshop for stakeholders to deliberate and verify the strategy. The strategy needs to be reviewed for approval and there are plans to establish a fund to sustain the coffee council in which the CCAZ is a member. Participants also recognized an aggressive marketing campaign for Zimbabwean coffee is needed to increase demand for coffee.

Government accommodates need for market driven forces for grain

In this quarter, the Grain Millers Association of Zimbabwe with Zim-ACP support, held a public-private sector discussion on the negative effects of price controls on grains, especially the untenable price of \$390/tonne that had recently been gazetted. All value chain representatives participated including government representatives from MAMID, the Office of President and Cabinet, and Ministry of Industry and Commerce. The government responded positively to the resounding response from the participants and did not dispute the minimum price reduction from \$390 to \$310 advocated by millers. The Minister of Agriculture confirmed the price reduction through his statement that government would “not control prices” and that the gazetted price would only apply to maize sold to GMB and not the whole commercial sector according to an article in The Herald Business newspaper on May 27, 2014.

Zim-ACP advocacy for Small holder Farmers

MAMID set-up a Multi-stakeholder Team to update the Zimbabwe Agricultural Investment Plan (ZAIP) and help them incorporate climate change, gender mainstreaming, nutrition and linkage to Zim-ASSET. Zim-ACP’s DCOP addressed the Team on what and how insights from Zim-ACP’s work could be incorporated into the document. Emphasis was made on identifying key value chains to achieve economic structural transformation of smallholder production systems that enhance household income, nutrition and food security, such as horticulture and livestock (beef, dairy) were value chains. It was recommend that ZAIP focus on improving productivity and competitiveness of smallholder producers in these value chains specifically toward investment in climate smart production systems and addressing policies and regulations inhibiting competitiveness.

2.1.4 CAPACITY BUILDING FOR EVIDENCE-BASED ADVOCACY AND LOBBYING

During the reporting period, Zim-ACP facilitated 2 capacity building sessions. These were aimed at mentoring the organizations on analytical and advocacy capacity. Table 2.1.7 summarizes participants to the workshops.

Regulatory Impact Assessment Capacity Building welcomed by private sector

Zim-ACP partner organizations (LMAC, ZCFU, ZWPFT, HPC) and Oilseed expressers participated in the Regulatory Impact Assessment (RIA) training workshop hosted and facilitated by the Zim-ACP April 4, 2014. The workshop objective was to provide participants with information on how RIA can be used to develop effective and transparent regulations which in turn contribute to improved public consultation and transparency in the law making process. The participants will continue to employ the RIA process and to apply the knowledge and skills to prime their organizations to review proposed regulations. They also plan to lobby MAMID to apply RIA for regulations under consideration. Zim-ACP plans to facilitate similar workshops with various stakeholders in the agriculture sector on a bi-weekly basis as part of their sustainability plan.

Table 2.1.2 Participants to capacity building workshops facilitated by Zim-ACP in the Quarter

Date	Workshop/ Meeting Title	Organizations	Attendance		
			Male	Female	Total
April 4	HPC Regulatory Impact Assessment (RIA) training workshop	LMAC, ZCFU, ZWPFT, HPC	14	5	19
June 24	Unpacking ZimASSET for Women Leaders	ZWPFT, ZAWA	4	13	17

In the quarter Zim-ACP's s commissioned studies were shared with adjudicating bodies that develop law and policy such as the Competition and Tariff Commission (CTC) upon their request. After accessing Poultry CIBER studies on the internet, Dennis Chinoda, an economist at the CTC, an organization which investigates and adjudicates unfair competition in all sectors of the Zimbabwean economy, contacted Zim-ACP for the Cotton CIBER study to investigate and adjudicate the dispute between cotton farmers and ginners on cotton prices. The Commission also requested copies of other CIBER studies in order to develop policy in the grain industry and upon Zim-ACP's suggestion will also receive and act upon position papers from partner farmer organizations on competition issues affecting them.

2.1.5 REGULATORY REVIEW REFORM

During this quarter, Zim-ACP received requests for technical assistance to generate evidence for advocacy for regulatory review. Annex 2 lists the regulations reviewed, recommendations and outcomes.

Self-Regulation Encouraged in the Horticulture CIG

Following successful consultation meetings held in Gweru and Bulawayo, efforts of USAID/Zim-ACP capacitated HPC to initiate self-regulation in the Zimbabwe horticulture industry, through the revival of the Horticulture Code of Practice were continued to a wide stakeholder meeting at the Validation Workshop of the Horticulture Competitiveness Strategy on April 2, 2014. As one of the main strategies to achieve competitiveness especially in exports, HPC presented the need to revive the Code of Practice

according to GLOBAL GAP standards which have already been adopted at LocalGAP level through Zim-ACP enabled collaboration with SAZ. The presentation aroused much interest among the participants with many requesting a province by province stakeholder consultation on what would make the contents of the Code. The consultation process and drafting of the Code was immediately identified as one of the first tasks of the Horticulture Taskforce in implementing the Strategy.

Warehouse Receipt System Validation Workshop

Following up on the 2011 GRAIN Indaba, private sector and government met in April 2014 for a final deliberation a validation of a warehouse receipt model for adoption by the government as it puts into operation the Warehouse Receipt Act. The discussions between government and private sector resulted in the following agreed outcomes:-

- MAMID needs to harmonize overlapping legislation such as AMA and GMB Act as they conflict the WRS Act.
- The need for partnership between public and private sector to fund the warehouse facilities as in Ethiopia where government and partners put \$29million towards such a facility.
- The need for a multisectoral Board that includes private players in the system and have an oversight role.

Some of the challenges the multi sectoral board is expected to tackle are the limited government funds; linking smaller rural WRS operators to banks; bringing affordable CMA services to smaller WRS licensed rural warehouses; and encouraging private agro-merchant companies to profitably run rural WRS depots.

Opportunities exist to ensure that the needs of smallholders are met so as to allow or their participation. One way is in developing a network of WRS operations in the smallholder farming communities. This can be done through the following:

- ZFU warehouses that are already in existence in many Growth Points throughout the country.
- Most need refurbishment and ZFU cannot afford so the role of the development partners is in partnering and assisting in this area.
- Indigenous retailers at Growth Points have certifiable buildings not being utilized. These could also be potential warehouses once they are refurbished.
- There is scope for the NGO and donor funding to utilize existing storage capacity in most surplus producing areas so as to reach as many smallholder farmers as possible.

Livestock Symposium on the Cost of Compliance

On June 5, 2014 Zim-ACP partnered with LMAC to hold a national symposium entitled Enhancing Competitiveness of the Livestock Sector. The symposium was hosted by the Livestock Policy Hub and was attended by over 90 participants from the private sector, various farmer representative bodies and 4 government ministries which regulate agricultural activities. The USAID Mission Director, Melissa Williams encouraged stakeholders to hold fruitful discussions and come up with implementable solutions that build a lively livestock sector. The ministries represented at the Symposium included MAMID- AMA and all departments, Ministry of Finance, Ministry of Justice- Attorney General's office, and Ministry of Environment- EMA. The Deputy Minister for MAMID representing the livestock section, Mr. Paddy Zhanda officially opened the event acknowledging the need to urgently review regulations and encouraging wider stakeholder consultations as to what the other cost drivers inhibiting the competitiveness of the livestock sector. Of note and encouraging was that the Deputy Minister stayed on and participated in the discussions and positively responded to queries by farmers including directly

requesting the Attorney-General, who was represented by his deputy, to review the AMA Act inconsistencies as well as supporting farmer views on the need to streamline Ministry of Local Government's livestock fees.

The findings from the Zim-ACP Cost of Compliance Study which span four value chains in the livestock sector were presented to the audience. Breakout sessions by value chain, examined the findings and made recommendations based on their discussions that can promote competitiveness in the sector. Some of the most interesting outcomes include: 1) the request for a one stop shop for payment and administration of all registration and permits requirements; 2) wider stakeholder consultations on the overall cost drivers in the livestock sector; and 3) more transparency on the use of registration and permit fees. Participants expressed gratitude for the open dialogue. According to Dr. Mario Beffa, LMAC's Administrator said, "This symposium was ten years in the making and could not have happened without USAID/Zim-ACP. For the first time it seems that the farmer organizations capabilities and the government's willingness to listen have aligned.

Dr. Njagu, the focal person for the Livestock Policy Hub, promised that all issues discussed and recommendations would form the basis of the Livestock Policy Draft which will be circulated among participants for review. Overall, the workshop was a good example of public-private sector dialogue on policy issues as it created opportunities to network and move forward with regulatory review in the livestock sector.

Cost of Compliance Symposium Increase private sector lobbying and advocacy efforts

The cost of compliance symposium has led LMAC to request Zim-ACP's technical assistance in challenging a newly gazetted Statutory Instrument. The SI, entitled, Muzabarani District Council (Control of Livestock) By-Laws, 2014, was circulated at the Symposium held on June 5, 2014. The by-law imposes a levy of 10.5% of the value of District cattle sold thereby increasing marketing costs and reducing competitiveness for smallholder farmers. Following the technical advice given by the Deputy Attorney General, LMAC, with Zim-ACP technical assistance, drafted a submission to the Parliamentary Legal Committee for the review of the by-law on the grounds that the levy was excessive and not much consultation had been done with stakeholders.

In the same vein, FACHIG Director, who missed the Symposium, wrote to Zim-ACP requesting the full report on the Symposium proceedings to use as a reference tool in representing views of small holder farmers in stakeholder consultations with the Rural District Councils. This demonstrates the widespread demand for Zim-ACP's studies to provide evidence to advocate for policy change.

At a meeting on June 23, 2014 The Zimbabwe Association of Dairy Farmers (ZADF) presented a dairy enterprise model they developed to help track changes in cost drivers and their implications on viability. Part of the study was used in the Dairy study for models of various enterprises. A meeting was convened by ZADF to present the model as well as to reconfigure it to better serve the needs of small scale dairy farmers. The model is easy to use and ZADF resolved to survey their membership to provide information on key parameters to fine tune it.

Zimbabwe Abattoirs Association also held their annual general and open meetings in Bulawayo on June 23, 2014. Members expressed concern about a number issues including: stakeholder consensus on marketing hides; the Muzarabani Rural District Council statutory instrument for 10.5% levy on cattle sales; the 100% increase in meat grading fees; and delays in obtaining police clearance for livestock movements. At the general meeting, a new seven member Executive Committee was elected. The new executive members will follow up on lobbying efforts with relevant authorities on these issues with Zim-ACP supported LMAC's assistance.

2.2 COMPONENT TWO: IMPROVING MARKET FACILITATION INSTITUTIONS

2.2.1 QUALITY STANDARDS

Demand for Farm Assurers has begun with GSK Fresh Produce a private company that produces lettuce, broccoli, spinach and carrots intentions to expand from production into exporting and processing. The company approached HPC seeking information on production, market trends, export opportunities and certification process. The company is interested in community projects; HPC suggested the possibility of involving the community as out growers, in order for the company to ensure consistency of supply. The company also showed interest in working with Farm Assurers to assist them in implementing the LocalGAP standard until they eventually get GLOBALGAP certified. HPC provided contacts that could assist them with specialized services such as soil testing, micro irrigation set up, and setting up an agro processing facility, which will need HACCP certification

Standards Association of Zimbabwe lauds Zim-ACP's role in promoting self-regulation standards within the Agriculture sector

A certification ceremony for GlobalGAP Farmer Assurers was held at the Standards Association of Zimbabwe (SAZ) on July 2, 2014. The training program was facilitated by Zim-ACP in support of HPC and collaboration with SAZ. Eve Gadzikwa, SAZ Director General, lauded the excellent relationship SAZ enjoys with Zim-ACP under their MOU and the successful courses for farmer associations have carried out to improve standards and competitiveness of Zimbabwean producers under this relationship. She further acknowledged the role of HPC in promoting standards in Zimbabwe's horticulture through facilitating the first ever Global GAP farmer assurer training in Zimbabwe, which previously could only be accessed abroad. SAZ is eager for future collaborations with Zim-ACP and its partners, and invites more participates to join their Technical Committees.

2.2.2 ICT-BASED MARKET INFORMATION SYSTEMS

During the quarter the Livestock Information Management System (LIMS) national committee met to discuss the system's roll out. They acknowledged the need to improve the Livestock Identification and Traceability System (LITS) for integration into LIMS. The three main requiring attention are: (1) the geographical description of dip-tanks whose codes are used mostly in communal branding; (2) harmonization of the dip-tank codes and on-farm (owners) brands; and (3) review and revision of the supporting legislation. Feedback was given on the development of the LIMS project proposal for possible EU funding which will be in line with the SADC template. Design of the data collection forms is ongoing and training of district veterinary officers will commence as soon.

At an EcoFarmer Product Review Workshop, LMAC was part of a stakeholder consultation meeting hosted by EcoFarmer, a mobile technology agricultural information system, on April 3, 2014 to assess the strengths and the shortcomings of its platform for the agricultural sector. EcoFarmer has not been instrumental in spreading livestock information, so a recommendation was made for them to forge partnerships with commodity associations like LMAC to development content and provide relevant and useful information to farmers. EcoFarmer will consult agricultural organizations to do this and in order to create a platform that is sustainable, efficient and relevant to the sector needs.

The horticulture market update for May and June were developed and completed. The market updates and were sent out to 250 members. See Annex 3 for the market updates

2.2.3 CREDIT RATING AND REFERENCING

Zim-ACP facilitated partner organization Expert Decision Services (XDS) a Credit Reference Bureau to attend and discuss financial Inclusion for the smallholder farmers on June 23, 2014 at the Agriculture Coordination and Information Forum. Agrilife Credit Reference Bureau was also present. XDS and Agrilife expressed how they are interested in providing credit referencing services for Zimbabwean farmers following their invitation and participation in Zim-ACP supported Finance Symposium and made presentations. Their presentations explained that smallholder farmers can be given credit rating scores which can be used by financial institutions to lend to farmers. Credit rating scores can be used to indicate high or low performing farmers and should not be considered unbankable. The organizations also proposed that NGO's can make use of these services to rank the performance of their beneficiaries.

2.2.4 WRS

Private Sector Incorporated in Steering Committee for the Operationalization of the Warehouse Receipt Systems (WRS) and Agricultural Commodity Exchange (ACE)

The 2nd Public-Private Sector Dialogue on the Operationalization of the WRS and ACE was held on April 9, 2014. There were 99 participants (66 male, 33 female), representing both the public and private sector. The MAMID Secretary- Mr. Ringson Chitsungo opened the session; encouraged participants to review and provide feedback on the WRS Model to ensure fair, efficient and transparent transactions. Participants emphasized the need to harmonize legislation by different government departments, especially the Grain Marketing Board Act and Agricultural Marketing Acts. The private sector made clear that the role of government was to set a regulatory framework to facilitate private sector investment, but not run the WRS. A steering committee was established to work with the Inter-ministerial Committee to finalize the WRS and address concerns raised in the meeting. The private sector representatives were decidedly vocal at the 2nd private- public stakeholder consultative meeting on the operationalization of the Warehouse Receipt Systems (WRS) and agricultural commodity exchange for Zimbabwe on April 9, 2014.

Participants noted that while the operationalization of the WRS is the mandate of the MAMID under the ZIMASSET economic blueprint, the role of government was not to run the WRS but to set the regulatory framework that facilitates private sector investment. MAMID was criticized for being slow in its planning and for not consulting the private sector. It was emphasized that there is need to harmonize the WRS Act, the GMB Act as well as the AMA Act in order to circumvent overlapping roles. Farmer organizations expressed concern over the assumption that credit will be available for farmers once this system is operational, given that the economy at the present moment is characterized by a serious liquidity crisis. Farmers also lamented that the pricing mechanism by warehouse operators should be transparent and other credit providers besides banks should be engaged since most farmers are already in a debt trap. It was also indicated that farmer representative organizations and associations should have a role to play in dispute resolution, as a means of protecting their members. A steering committee was formed with representative persons from farmers unions, regulators, traders, millers, insurance, bankers, NGOs, securities and warehouse operators. The committee was mandated to incorporate all the concerns raised in the meeting in developing a concrete system that is beneficial to all stakeholders. The final document will be circulated to all the relevant stakeholders.

CHAPTER 3: MONITORING & EVALUATIONS ACTIVITIES

3.1 ACTIVITIES UNDER M&E

Monitoring and Evaluation (M&E) efforts on Zim-ACP ensure that program activities and results are tracked and reported to management and USAID/Zimbabwe in a timely, verifiable manner for their input and guidance. Zim-ACP M&E data is entered in TAMIS, a user-friendly, automated information management system that provides structure for organizing, planning and sharing. TAMIS houses all program performance data and facilitates reporting on program indicators.

3.1.1 MONITORING PROGRAM EVENTS

All program events organized by Zim-ACP during the reporting period were monitored. These events included stakeholder consultation forums, meetings, workshops and training sessions. Monitoring ensures that an attendance register is completed by all event participants and an evaluation questionnaire is applied as needed. An attendance register captures details of participants such as name, sex, organization and contact details. This record allows for tracking of the number and type of stakeholders participating. Analysis of this record allows program management to take corrective action when some key groups or sectors (women, small scale producers, industry representatives etc.) are underrepresented from events.

Table 3.1.1 show the workshops and meetings organized by Zim-ACP during the reporting period.

Date	Workshop/ Meeting Title	Organizations	Attendance		
			Male	Female	Total
April 2	Horticulture Strategy Validation Workshop	HPC, ZFU,ZCFU, MAMID, NGOs	55	25	80
April 4	HPC Regulatory Impact Assessment (RIA) training workshop	LMAC, ZCFU, ZWPFT, HPC	14	5	19
April 9	2nd Public-Private Sector Dialogue on the Operationalization of the WRS and ACE	MAMID, ZFU,ZCFU, MABC, LMAC, FACHIG, Private Sector	66	33	99
June 5	National Livestock Symposium	LMAC, ZFU, ZCFU, MAMID	69	33	102
June 24	Unpacking Zim-ASSET for Women Leaders	ZWPFT, ZAWA	4	13	17

An evaluation questionnaire was administered to get feedback from participants on the content, organisation and facilitation of the event. Data from the evaluation questionnaires was collated and used to produce an evaluation report for management feedback on the success or otherwise, of the event as well as for planning future events. Annex 4 is the evaluation reports of workshops facilitated by Zim-ACP.

3.1.2 EVALUATION STUDIES

Adoption of learned management practices

An assessment was conducted to establish the number of supported producer organizations applying learned management practices during the reporting period. All our eleven partner organizations (farmer unions; commodity and agribusiness associations) trained in lobbying and advocacy, leadership and governance, services provision, gender mainstreaming and market analysis and voluntary standards, were assessed. Five farmers unions and commodity associations (ZFU, ZCFU, FACHIG, MPPA and ZWPFT), and four agribusiness associations (LMAC, HPC, MABF and MABC) applied at least one of the learned management practices as explained in the Component 1 section.

Impact studies

The impact of the program is assessed in terms of long-term changes at the producer organizations as well as at the business enterprise level. The logic is that when producer organizations and business enterprises benefit from improved and relevant services provision as well as an improved regulatory environment and market systems, long-term positive changes will occur in terms of:

- Increased profitability of business enterprises and improved financial performance of producer organizations (ability to cover their operating costs); and
- Ability of producer organizations and business enterprises to leverage resources through partnerships.

Profitability

Zim-ACP has a FY 2014 target of 4 supported producer organizations operating more profitably (at or above cost) because of USG assistance. For the reporting period, profitability was assessed on the 11 producer organizations (ZFU, ZCFU, FACHIG, ZWPFT, LMAC, HPC, DOHOPA, MAPA, MABC, MABF and MPPA) that received capacity strengthening from Zim-ACP. Assessment of profitability of producer organizations is conducted as part of a broad organizational capacity assessment covering issues of leadership and governance, service delivery, lobbying and advocacy, gender and environment integration.

During the quarter interviews with key informants of the partner organizations were done to assess any change in the profitability of organizations compared to the previous quarter. All the assessed organizations indicated that they benefitted immensely from capacity building by Zim-ACP in areas of website development, linkage with service providers, training on leadership and governance, lobbying and advocacy, gender and environmental mainstreaming. These activities will help to ensure organizations can raise funds and contribute to the organizations' sustainability plans.

As elaborated under Component 1 section, the organizations are providing services to their members as a way of mobilizing funds to cover their operating costs.

Value of Resources Leveraged Through Partnerships

During the reporting period Zim-ACP tracked the resources leveraged by partner organizations and supported business enterprises through relationships with agribusinesses, agribusiness service providers, and NGOs. This is a project impact indicator looking at the ability of a producer organizations to attract

resources (credit or grant) as a result of working with Zim-ACP. The data for this indicator was collected from the 11 producer organizations that Zim-ACP is working with, (ZFU, ZCFU, FACHIG, ZWPFT, LMAC, HPC, DOHOPA, MAPA, MABC, MABF and MPPA). During the reporting period, the organizations managed to partner with some NGOs for technical assistance as reported under Component 1 but could not be valued into monetary terms.

Services Provision by Partner Organizations

The table below is highlighting the services provided by partner organizations to their members. In this quarter, FACHIG and ZFU offered services as outlined below.

Table 3.1.2: Business development services offered by partner organizations

Organization	Service offered	Male	Female	Total
		ZCFU Mat North	Business skills training using FAAFB Manual	129
FACHIG	Value Chain development training	57	196	253
Total		186	288	474

CHAPTER 4: ENVIRONMENTAL ISSUES

The Zim-ACP Environmental Mitigation and Monitoring Plan identified activities on policy and regulatory review as requiring mitigation measures to minimize adverse impacts on the environment. Environmental mitigation measures agreed for Zim-ACP include:

- Creating awareness on environmental issues among producer organization leadership and management including environmental management obligations under Zimbabwean law
- Ensuring that consultants engaged to conduct research and analysis of proposed regulatory reforms include an analysis of the possible environmental effects and recommendations to mitigate these impacts

Environmental work in partner organizations

Zim-ACP Partners to go Climate Smart

Zim-ACP attended the Market Linkages workshop on Conservation Agriculture (CA) and its promotion among Zimbabwean small holder farmers. Long term benefits of CA over conventional farming methods were emphasized as climate Smart programs are featured in all Zimbabwean agricultural policy documents. Zim-ACP encourages its partner organizations to utilize environmentally friendly agricultural techniques that improve both productivity and competitiveness. Maize farmers have experienced a high success rate with CA methods, but there is still resistance towards wide-spread adoption. Labor intensive first year of CA farming, dismal results with certain crops, deficient weed management systems and heavy donor input dependence makes it a less appealing in the short term. Zim-ACP will continue to look for collaborative opportunities to further CA dialogue through ZIMCAN.

ZCFU Manicaland launches a re-forestation project in partnership with Tetrad Bank

Through Climate Smart Trust, ZCFU Manicaland launched a tree planting project. They have partnered with Tetrad Bank and Empire Seedlings in the re-forestation project in which they planted 2,500 Kenyan Croton Trees (a fast growing species). To reach out to a wider stakeholder group they have signed MOUs with the Apostolic Christian Council of Zimbabwe (ACCZ) comprising 33% of Zimbabwe's population and have 60 sects in Manicaland. ACCZ sects hold church gatherings under trees have signed to plant trees which resemble their church buildings. Another MOU has been signed with a prominent Manicaland musician Hosiah Chipanga to compose a song to raise awareness on environmental management.

MPPA partners with Irvines and EMA

MPPA partnered with Irvines (a poultry private company) and EMA to collaborate in the supervision of the chicken run/ structures to ensure that they are environmentally friendly and therefore reduce/ limit the fines that farmers have to pay if there is non-compliance to EMA regulations.

ZFU participates in Veld Fire Campaigns

ZFU leadership is participating in the various veld fire awareness programs organized by Environmental Management Agency (EMA). Fire Indabas were held nationwide ahead of the National Fire Season which runs from July 31 to October 31 each year and the leaders participated. The ZFU structures are being used to disseminate information to ensure farmers do not start controlled fires, prepare fire guards, are trained in fire fighting to curb veldt fires and are aware of the causes of veldt fires that are destroying the environment.

CHAPTER 5: GENDER ISSUES

Zim-ACP mainstreams gender awareness through ensuring that both males and females participate in program activities, their voices are heard, and their concerns are taken on board in the regulatory reform processes, in assessment and development of needed market institutions/systems, and in training and capacity building activities. Zim-ACP's objective is to build the capacity of partner organizations to strive towards gender equality and female empowerment as they work towards building a competitive agriculture private sector. Zim-ACP recognizes gender equality as a fundamental human right and key to effective and sustainable economic development.

ZFU embraces Gender Mainstreaming Concepts

ZFU has begun elections from grassroots at district level as they build their leadership structures in preparation for the ZFU Congress to be held in September 2014. Gender mainstreaming concepts emphasized by Zim-ACP through technical capacity building are being embraced in the areas that the elections were done. The leaders are proving to have grasped the concepts as shown by the election results. Districts in Midlands Province have approximately 50% female leaders. Matabeleland North Province followed the provision of their constitution and appointed a female Chairperson who was previously the vice chairperson following the stepping down of the chairperson.

Capacity building of female leaders

Zim-ACP conducted a capacity building session for female leaders to raise awareness of the Zim-ASSET economic blueprint of government. Seventeen (17) participated. The purpose was to make the leaders more knowledgeable and better informed of the much touted program. With improved understanding the leaders would be in better placed to discuss with other leaders as well as share information with members. The leaders were therefore equipped and empowered for their advocacy and lobbying roles on issues related to design, implementation and monitoring of ZimASSET.

Gender mainstreaming in program activities

Zim-ACP aims to contribute towards gender equality by encouraging the involvement of both men and women in the program at various levels, as participants in training courses, meetings, workshops and discussion forums; and as presenters, facilitators or researchers. Table 2.1.7 shows that on average, 40 percent of participants in workshops and meetings organized during the Quarter were women. Zim-ACP will continue making an effort to encourage the constitutional 50:50 representation of men and women in decision making.

During the reporting period, Zim-ACP ensured that policy or regulatory review included mainstreaming gender in the analysis of proposed policies or regulations. At stakeholder consultative meeting on the pig industry policy, horticulture code of practice and horticulture competitiveness strategy, female participation was encouraged through the facilitator so that their views could be heard and be taken note of.

In inviting men and women to participate in events, Zim-ACP worked closely with associations to ensure that they invited not only a balance of men and women to events, but knowledgeable and confident men and women who were able to articulate their constituencies' issues and were able to report back on matters discussed.

CHAPTER 6: LESSONS LEARNED AND CHALLENGES

6.1 LESSONS

MAMID Appreciates Zim-ACP's Efforts

During the quarter Zim-ACP had the chance to meet with MAMID to discuss ZimASSET policy implementation following the recent maize price announcement. MAMID acknowledged some in the Ministry, particularly the Economics and Markets Department, do not have enough understanding on Zim-ASSET. The officials felt that maize price decision may not be ZimASSET compliant and that the policy document maybe operating outside normal government business and might require separate funding. The officials felt that while MAMID has economists, they feel that their hands are tied by political forces beyond their control. There is great appreciation within MAMID for Zim-ACP's role in informing them on how regulatory non-enforcement, and delayed regulatory updates and reviews create high compliance costs and contribute to a poor enabling environment. While the private sector received training on evidence based research, the public sector did not. Since most people employed within MAMID are new graduate students who lack economic analysis, regulatory review, policy development and implementation expertise a gap exists. One suggested method to improve technical skills is through tertiary institutions which bolster econometric analysis and regulatory impact analysis to ensure the regulation making process is not compromised.

6.2 CHALLENGES

Livestock and Horticulture CIG Value Chain Actors feel shortchanged by Donors on Agriculture Competitiveness

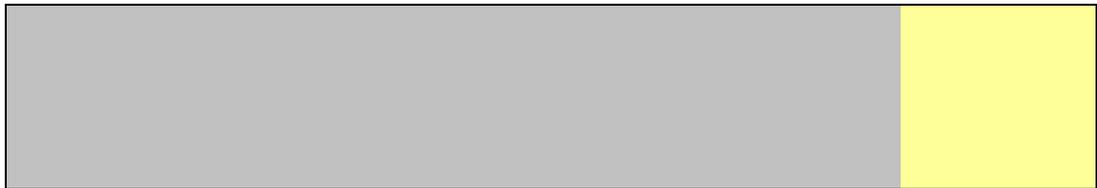
Partner organizations lamented that double standards are being expressed by donor organizations. Partners felt that while a lot of resources have been poured through projects like Zim-AEID to improve market linkages and provide loans for agribusinesses; these resources have instead reached the hands of a few smallholder farmers. For example loans were given to big well established companies like Montana, Carswell, and Paprika Hyveld who seemed to have formed monopoly syndicates to buy cattle using middlemen in the rural areas at the expense of smaller companies who do not have access to cheap money. Their argument was 'how do we achieve competitiveness when there is no level playing field.' The value chain actors felt that there should be a way of assessing who exactly is benefitting from the resources offered by donors as it is well known that the formal financial institutions are not offering finance to farmers or if it is being offered by microfinance institutions the interest rates go as high as 48%.

CHAPTER 7: NETWORKING & COLLABORATION

ZimAEID and Zim-ACP collaborate on LocalGAP

Zim-ACP met with ZimAEID to discuss collaboration on the LocalGAP awareness. ZimAEID agreed to raise awareness on LocalGAP standards and to participate in all follow up meetings concerning LocalGAP standards.

CHAPTER 8: BUDGETARY



CHAPTER 9: ANNEXES

(Annexes are provided as separate attachments to this report)

Annex 1: ZFU Website Visits

Annex 2: Summary of Regulations Reviewed in the Quarter

Annex 3a: HPC_ Horticulture May 2014 Market Update (4)

Annex 3b: HPC_ Horticulture June 2014 Market Update (4)

Annex 4a: Horticulture Competitiveness Strategy Finalization Workshop, Evaluation Report

Annex 4b: National Livestock Symposium Evaluation Report

Annex 4c: WRS Workshop, Evaluation Report

Annex 5: Zim ACP FTFMS