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ZIMBABWE AGRICULTURAL COMPETITIVENESS PROGRAM

SECOND QUARTERLY PROGRESS REPORT, YEAR FOUR
(JAN-MAR 2014)

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ZIMBABWE AGRICULTURAL COMPETITIVENESS PROGRAM

**SECOND QUARTERLY PROGRESS REPORT, YEAR FOUR
(JAN-MAR 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	<i>Stichting Nederlandse Vrijwilligers</i> (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

- Five MOU's between Zim-ACP's partners (ZCFU Mashonaland Central, ZCFU Manicaland, ZFU Mashonaland West, and FACHIG) and, agribusiness development service providers were signed. The agreements included provision of discounted services to members.
- Livestock Auction services returned to Muzarabani, thanks to collaboration between Zim-ACP supported FACHIG and the Muzarabani RDC.
- ZFU Provincial Horticulture Associations established the ZFU National Horticulture Commodity Association (HCA). Mr. Marimo of DOHOPA was elected the first national Chairperson of the HCA. This was in recognition of his leadership skills developed through Zim-ACP's capacity development since 2012. Prior to his election, Mr Marimo was the DOHOPA Marketing Secretary and was instrumental in the formation of the ZFU HCA.
- Horticulture stakeholders validated the Horticulture Competitiveness Strategy incorporating the adoption of LocalGAP and supportive of a private sector-led coordination, instead of government parastatal, MAMID The Deputy Minister for Crops and Irrigation (MAMID) accepted the draft as a working document to guide the Ministry's horticulture development strategy.
- ZCFU incorporated a member-owned investment Company in which members will be depositing between \$1,500 to \$3,000 into an investment account with a commercial bank (AGRIBANK). The accumulated funds will be used as a guarantee for members applying

for loans. This was based on support received from Zim-ACP on capacity building and service provision training.

- Through Zim-ACP support, the dairy industry established a panel to oversee data collection from representative dairy farms for inclusion in the International Farm Comparison Network for benchmarking the competitiveness of Zimbabwe's dairy industry.
- GLOBALGAP Farm Assurer training hosted by HPC in collaboration with SAZ from 4-6 March, 2014 was provided to 25 participants (16 females and 9 males).
- ZFU stakeholders endorsed the Zimbabwe Farmers Union (ZFU) 2014 – 2018 Strategic Plan. The strategic plan incorporates the four thematic areas from Zim-ACP capacity building for organizational credibility and effectiveness, namely (i) effective service delivery, (ii) sustainable financial resources mobilization and management; (iii) Information Management, Communication and Technology; and (iv) evidence-based advocacy and lobbying.
- Zim-ACP presented its Cotton CIBER study results to stakeholders who endorsed the findings and recommendation of the assessment. It was seen by many as the foundation for addressing perennial problems facing the CIG and was lauded by private sector firms, who requested copies of the study for their own reference and use.
- LMAC, Stockfeed Manufacturers Association (SMA) and the Grain Millers Association of Zimbabwe (GMAZ) advocacy efforts on the implications of cost escalation caused, MAMID to ease its directive to limit the maximum tonnage of maize imports by private importers to 150 metric tonnes per import permit.
- The Livestock Policy Hub adopted LMAC's position paper on competitiveness and productivity issues to be addressed in the livestock policy under development.
- ZFU established the Ngatishandei Microfinance Credit and Savings club as a service provision for members. The club's design incorporates the lessons learned through Zim-ACP's capacity development.
- Eight draft policy briefs drawn from Zim-ACP's commissioned studies were submitted to ZFU, ZCFU, MABC, and MABF as guidelines for their advocacy and lobbying work.
- MABC signed 12 MOUs establishing a working umbrella advocacy and lobbying platform for agribusiness representative bodies in Matabeleland

1.3 OPERATING ENVIRONMENT

The Zimbabwean operating environment is challenging and did have influence on Zim-ACP activities during the Quarter. Parliament and the private sector accepted the ZANU (PF) drafted Zim-ASSET as an economic development strategy of government. ZimASSET implementation is premised on effective private-public sector consultation, dialogue and collaboration on the design, review and implementation of economic development policies and strategies.

The Food Security and Nutrition Cluster of ZimASSET seeks to build a prosperous, diverse and competitive food security and nutrition sector. It contributes significantly to national development through the provision of an enabling environment for sustainable economic empowerment and social transformation. ZimASSET recognizes the need to institute policy alignment and institutional reforms to create a profitable and viable environment for farming and

agribusiness operations and investment. All these aspects are consistent with Zim-ACP goals and objectives, increase productivity and improve the agribusiness environment for increased competitiveness in local and regional markets. As a result, there was heightened recognition by MAMID of the value of Zim-ACP during the Quarter.

However, a number of pronouncements by MAMID officials and Deputy Ministers alluded to the need to sharpen the capacity of farmers' and agribusiness representative bodies for effective dialogue with the public sector in the development, interpretation and implementation of agriculture sector wide and commodity specific policies, including regulatory reviews. Farmers' unions (ZFU, ZCFU) and MABC responded by seeking Zim-ACP's research studies and policy briefs to develop position papers.

During the Quarter, Zimbabwe's economic analysts characterised the economy as in a de-inflationary state with the year-on-year inflation rate at -0.49% in February and -0.91% in March. This attributed to (i) low production and productivity in the manufacturing and agriculture sectors, (ii) a negative trade balance; (iii) lack of or low FDI (foreign direct investment); and (iv) reduced remittances from the diaspora. General economic activities remained depressed due to continued shortage of liquidity in the financial markets. The market-wide liquidity crunch negatively impacted on borrower's ability to service their loans and access new loans for capital expenditure and working capital needs. Due to depressed disposable incomes demand for basic consumer goods declined. CZI reported an increase in closure of firms, reduced working hours for industrial workers and outright retrenchment of employees by some firms.

The difficulties faced by the manufacturing sector and the rise in imports of processed food products (i.e. sugar, cooking oil, flour, maize meal, milk) and horticulture produce (fruits, tomatoes, potatoes) led CZI and ZNCC to call for government interventions to protect the local manufacturing sector. Measures adopted by Government, through MAMID and Ministry of Industry and Commerce, to contain the increase in the import bill include cancelling some import permits and restricting maize to be imported to 150 metric tonnes and increase costs of inspections of the consignments. These measures were pro-protectionist. Farmers' unions and agribusiness representative bodies such as GMA tended to support these measures arguing that their members would benefit from the protection against the imports. Zim-ACP's thrust on open trade to enhance local competitiveness was compromised, though we continue to advise against protectionist measures.

Industry and economic analysts attributed the lack of competitiveness of locally produced and processed agricultural products and basic food products to, among other factors, high local costs and unfavourable regulatory environment. The Minister of Industry and Commerce led calls for review of regulations, particularly the Labour Act, to improve the business environment for investment and for greater viability by local industry. This made the Zim-ACP commissioned study on Cost of Regulatory Compliance receive attention outside the agriculture sector. CZI requested LMAC to share the methodology used and adopted the approach for a similar study in the manufacturing sector.

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 2		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		2		2		Good achievement for the quarter. Expect to meet the set annual target.
ACP 1 Value of resources leveraged through partnerships with agribusinesses, agribusiness service providers, NGOs etc	\$200,000		\$300,000		\$300,000		Target has been surpassed by FACHIG which received funding after presenting funding proposals to the donor community and private sector as a way of sustaining themselves.
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, 4 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, 4 regulations were analyzed and have moved to stage 3. Annual target expected to be met in coming quarters.
	Stage 3	8	Stage 3	4	Stage 3	14	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 14 regulations presented for legislation during this quarter.
	Stage 5	3	Stage 5	1	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	19	36			The set annual target is expected to be met. Work has been planned 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	2,768	8,538			Achievement very small for the quarter. Producer associations expect members to renew their subscriptions in numbers after harvest and sale of the dryland crop in Q3.
4.5.2-37 Number of micro, small and medium enterprises receiving business development services from USG assisted sources	4,000	612	2,810			Achievement small in the quarter. Expect to meet the set annual target.
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	8	8			Remarkable achievement for the quarter. Expect to meet the set target. Zim-ACP partners with 11 organizations, of these 8 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			Unfavorable result skewed towards males. One commodity association had elections this quarter and more males were elected than before. Three of the 8 elected ZFU National Horticulture Association executives are women. Generally, women have not received adequate leadership training and therefore are perceived to lack the expertise to be leaders.

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 opportunities	45%	70%	70%	Remarkable achievement for the quarter from work women in leadership empowerment.			
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	111	120	Target surpassed following capacity building efforts geared towards mentorship of partner organizations. Only training relevant to the indicator is reported here. Finer details have been put under the C1 section.			
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. Tables 2.1 to 2.5 summarise activities undertaken, Zim-ACP technical inputs and observed outcomes.

a) Zimbabwe Farmers Union (ZFU)

Table 2.1.1 Summaries activities undertaken, Zim-ACP technical inputs and observed outcomes (ZFU)

Activity and Zim-ACP technical Inputs	Date	Outcome Observed or Achieved
Consultative meetings with ZFU on progress on implementation of action plans following capacity building workshops and on Zim-ACP exit strategy activities	January 8	Obtained buy-in and commitment to institutionalize and sustaining activities from Zim-ACP's technical support and capacity building ZFU committed to institutionalize and sustain Action Plan for service provision, capacity building to strengthen leadership and organizational development, gender mainstreaming and advocacy and lobbying
Facilitated ZFU and XDS meeting to	January 24	ZFU collaborated with XDS to pilot test 45 farmers to assess their credit worthiness. 91% were credit

map-out credit rating services for ZFU members		worthy
ZIM-ACP supported the holding of a follow-up mentorship workshop for the design and implementation of improved micro-finance services	February 5 to 6	A steering committee established to implement the smooth functioning of the ZFU Ngatishandei Microfinance Institution and implement action plans on rebuilding the board and governance structure Provisions of subscribed members with loans for harvesting and marketing tobacco
Attended ZFU presentation of 2014-2018 Strategic Plan to stakeholders	February 20	ZFU strategic plan now finalized with major components from the strategic planning and thinking workshop document derived from Zim-ACP support, These include efficient and effective service delivery; financial resources mobilization and management; information management, communication and technology; effective lobbying and advocacy to advance or represent members' interests or position on national issues.
Zim -ACP supported the holding of a women empowerment workshop for ZFU women leadership	February 26	28 females capacity built on a women leadership empowerment Participants agreed on strategies to address gender inequality in their organizations which manifests in membership, leadership, information and services provision. ZFU president made undertaking to adhere to ZFU Gender Policy on a woman Vice-President and encouraged women to aim for the Presidential post
Zim-ACP supported consultative meetings for the review of horticulture competitiveness strategy and strategic planning for enhancing ZFU members participation in the development of the horticulture CIG	March 7, March 18, March 19, March 25 April 1	ZFU Provincial Horticulture Commodity Associations revamped or resuscitated in Mashonaland Central, Masvingo, Midlands and Bulawayo; Representative of ZFU Provincial Horticulture Associations establish the ZFU National Horticulture Commodity Association (NHCA) established. 1female and 7 males elected into the National Executive Committee.
Zim-ACP provided ZFU Economics Department with guidelines for advocacy and lobbying using policy briefs from Zim-ACP commissioned studies (attached as Annex 1)	Ongoing since FY2012	ZFU used these to sensitise the National Executive Committee on issues for lobbying and advocacy.

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

- The ZFU President is committed to adhere to and implement the ZFU Gender Policy requirement that one of the two Vice-President positions must be held by a woman.
- Establishment of provincial horticulture commodity associations culminating in the formation of the ZFU National Horticulture Commodity Association is a significant development that will facilitate coordination of smallholder horticulture growers in LocalGAP implementation envisaged in the HPC Horticulture Competitiveness Strategy.
- The establishment of the Ngatishandei Micro-finance service for a loan guarantee scheme for its members is a concrete step in ZFU service provision that addresses the most pressing constraint faced by members.
- The ZFU, 2014 – 2018 strategic plan presented to stakeholders on February 20, 2014, incorporates four thematic areas that Zim-ACP capacity building helped them capture. These are efficient and effective service delivery; financial resources mobilization and management; information management, communication and technology; effective lobbying and advocacy to advance or represent members' interests or position on national issues.
- Mr. Cladius Marimo, elected the Chairperson of the ZFU National Horticulture Commodity Association, is product of Zim-ACP leadership capacity building program rolled out over the three years. He was the marketing secretary for DOHOPA.
- MAPA chairperson, Mr. Nervous Murombo, acknowledges that the training received from Zim-ACP on service provision and farming as business guided the establishment of group finance scheme to enable MAPA members with confirmed market contracts.

Zim-ACP assisted Ngatirimei Agri Experts (NAE), an agribusiness service provider with market linkages, via signed MOUs through ZFU with sweet potato producer groups in Chikomba and Mudzi districts in Mashonaland East. NAE sold \$1,500 worth of sweet potato vines (seed cuttings) to more than 80 producers and trained them in improved sweet potato production methods. Ngatirimei Agri-Experts linked the growers to a market arrangement for sweet potatoes with Selby enterprises that sells its produce to high end and export markets thereby creating an opportunity for high premium prices by marketing quality produce. Since the beginning of the marketing season, Ngatirimei has purchased 6 tons of sweet potato tubers from farmers in Murewa with a market value of USD \$3,600 at USD \$0.60 per kg. Further, NAE participated in the GLOBALGAP Farm Assurer training.

b) Zimbabwe Commercial Farmers Union (ZCFU)

Table 2.1.2 Summaries activities undertaken, Zim-ACP technical inputs and observed outcomes (ZCFU)

Activity and Zim-ACP technical Inputs	Date	Outcome Observed or Achieved
Capacity building workshops on environmental management	Ongoing since FY2013	ZCFU Manicaland initiated a provincial Climate Smart Program to network ZCFU farmers in the province and aligns their farming practices to environmentally safe standards; Registered a Trust to handle the Climate Smart Program and have successfully attracted European funding for the training and certification of the farmers
Zim-ACP provided ZCFU with guidelines for advocacy and lobbying using policy briefs from Zim-ACP commissioned studies (attached as Annex 2)	Ongoing since FY2012	ZCFU, the current Chairperson of the Joint Presidents Council identified the following issues for advocacy: <ul style="list-style-type: none"> • MAMID plans for financing purchase of 2014 maize crop; • Resolution on RDC levy; • Need for attending to regulatory constraints; • The issues concerning use of levies collected by regulatory agencies
ACP facilitated ZCFU Manicaland to collaborate with XDS on credit referencing farmers	March 5	ZCFU agreed to provide XDS with its membership database for credit rating of its members participating in the Climate Smart Program.
Implementation of the services provision training and technical advice action plans	March 27	ZCFU created a ZCFU owned investment company to provide working capital for its members
		ZCFU Mashonaland Central signed MOU with Nyiombo Pvt for a credit scheme for Compound D and top dressing fertilizers for up to 10,000 hectares of maize during 2014-15 summer cropping season.

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

- Mr. Chabikwa, President of ZCFU, credited Zim-ACP's services provision training and technical advice with ZCFU's ability to create an investment company to provide working capital for its members. Between \$1,500 and \$3,000 of members' funds will be deposited into an AGRIBANK investment account to guarantee member's loans.
- Leadership of ZCFU Mashonaland Central initial pilot program on service provision through which Nyiombo a private company provided fertilizers worth of \$37,000 for 300ha in the 2013-14 seasons was successful. This led Nyiombo to extend the scheme offering Compound D and top dressing for 10,000 hectares of maize for the 2014-15 season. The confidence gained and success attracted other service providers, i.e. seed

houses, pesticides and herbicide suppliers to complement the project and make it a full package.

- ZCFU service provision program in Manicaland and Mashonaland Central provide an opportunity to utilize the ZCFU membership database for XDS credit score rating services.

Zim-ACP hopes to use the success of the sub-union group as an example to other provinces of ZCFU on how they can practically apply lessons learnt through Zim-ACP and develop sustainability strategies.

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

Table 2.1.3 summaries activities undertaken, Zim-ACP technical inputs and observed outcomes (FACHIG)

Activity and Zim-ACP Technical Inputs	Date	Outcome Observed or Achieved
Zim-ACP facilitated XDS and FACHIG discussions on using the membership database system for credit rating	February 27	FACHIG agrees to collaborate with XDS in using membership database for credit score card development.
Implementation of the services provision capacity building and technical advice.	Ongoing since FY2013	FACHIG and its affiliated cattle producers in Muzarabani invested \$6,000 to refurbish the Muringazuva cattle sales pens. FACHIG entered into agreements with (i) livestock auction firm, CCS (ii) police stock clearance unit and (iii) DLVS to support the auction services at Muringazuva sales pens. First auction is scheduled for 10 April 2014, in Q3.

Notable developments in the Quarter with respect to FACHIG are:

- FACHIG arrangements with Local Development committee, Rural District Council, ZRP, DLVS and CCS Cattle sales firm brings private sector, NGO and government to collaborate on service provision to smallholder farmers. In this particular case FACHIG identified a need for reliable cattle marketing services that are easily accessible to local farmers. The arrangement to have DLVS and ZRP cattle clearance unit at sales pens reduces transaction costs for the cattle sellers as they will not need to travel long distance for the services.
- In a bid to improve members' access to credit, FACHIG implemented a scheme to appraise and classify members on basis of their success in farming as a business. The farmers are ranked into classes giving them stars ranging from 1 to 3. A 1-star farmer is one who is working towards mastering the art of taking farming as a business, a 2-star farmer is an average and a 3-star farmer is a vibrant business-oriented farmer. Of the

FACHIG members 56 percent are one star, 27 percent two star and 17 percent are three star. FACHIG designed targeted training for each class of farmer.

- FACHIG leverage \$300,000 from Dan Church Aid for a 3 year project on cassava production. The program will be rolled out in two phases: the first phase will multiply cassava seedlings which are in short supply in Zimbabwe and the second phase will concentrate on production. Farmers in three irrigation schemes in Muzarabani District of Mashonaland Central will benefit from the project.
- FACHIG is slowly moving away from providing inputs on credit to more viable projects. Agriculture information centers in all 6 districts which FACHIG is operating will be converted to warehouses. FACHIG will repair the structures so they can be used for bulk storage of strategic commodities for food security. Markets offering better prices for farmers will be identified and transport costs will be shared among the farmers. FACHIG will use this business model to buy the maize from areas like Guruve, Bindura, Mazowe and sell it to farmers in Muzarabani who usually run short of the commodity.

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.

MABC and MABF are private sector initiatives to facilitate and coordinate collaboration, networking and business linkages among farmers’ organizations, agribusiness firms and representatives to address common challenges in the respective provinces, i.e. Matabeleland, and Manicaland. They encourage and promote a value chain approach to issues which differ from specific interest approach by farmers’ unions. Zim-ACP sees prospects in these initiatives evolving into policy dialogue platforms for engaging public sector at provincial as well as national levels on issues of common interest to agribusiness in their province or region. They would be effective platforms for coordinating private sector engagements with the Provincial Councils

Zim-ACP Inputs/Support in the Quarter

Table 2.1.4 summaries activities undertaken, Zim-ACP technical inputs and observed outcomes (MABC and MABF)

	Activity and Zim-ACP technical Inputs	Date	Outcome Observed or Achieved
MABC	Meeting with MABC on implementation of action plans in the leadership, governance structure and	January 14	12 MOUs signed with different member associations which include ZAA, ZCFU, and CZI

	service provision. Zim-ACP Advised MABC to sign MOUs with its member association and reminded MABC that its core business does not lie with livestock only		
MABF	Strengthening of the MABF for policy dialogue and advocacy. Zim-ACP supported the holding of a follow-up mentorship workshop	January 22-23	During the workshop, MABF produced action plans for implementation by the different member organizations who constitute the forum.

Notable outcomes with respect to MABF and MABC for the Quarter are:

Manicaland Agri-Business Forum (MABF)

Following the capacity building workshop on January 21-23, 2014, the MABF forum successfully held a meeting on March 20, 2014 attended by eight commodity association leaders or their representatives from the Honde Valley Banana Growers' Association, Honde Valley Tea Growers' Association, Coffee Commodity Association, Macadamia Growers' Association, Manicaland Poultry Producers' Association, ZCFU, ZFU.

- The leaders agreed on the concept of MABF offering a platform for facilitating and coordinating collaboration, networking and business linkages among farmers' organizations, various commodity associations, agribusiness firms and business representative bodies to address common challenges facing the agriculture sector in Manicaland.
- The leaders agreed to the formalization of MABF as a registered Trust. A meeting to launch the Trust was scheduled for April 10, 2014. The Manicaland Presidential Minister and Provincial Administrator was the guest of honor.
- The Zimbabwe Coffee Commodity Association (ZCCA) is an active member of MABF. The ZCCA chairperson, Mr. Muganyura is the interim vice-president of MABF. Mr. Muganyura played a leading role in the drafting of the coffee industry strategic plan and a business plan to revitalize the coffee sector and the proposal for the formation of National Coffee Council to spearhead and coordinate implementation of the strategic plan.
- As a result, the MAMID accepted and circulated the ZCCA draft Coffee Strategy and proposed a Coffee Council for consideration and further input from the coffee industry stakeholder's consideration. A stakeholder consultative meeting for validation is planned for Q3.

Matabeleland Agricultural Business Chamber (MABC)

- During the Quarter, MABC signed 12 MoUs with organizations representing abattoirs, butcheries, auctioneers, agro-dealers, stock feed manufacturers, retailers, vaccine manufacturers, local authorities, NGOs, private sector, universities and farmers. The MOUs are for formalizing relations with member organizations across the board of stakeholders. In the past, MABC has been partnering with member organizations without formal agreements.

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

LIVESTOCK CIG

Work in the livestock CIG has been spearheaded by the Livestock and Meat Advisory Council through a LTTA seconded by Zim-ACP. During the reporting period work, explained in greater detail below, was done on resource mobilization, information dissemination, lobbying for regulatory review and collaborating with other value chain players.

Resource Mobilization

EU-Technoserve Initiative

In the last quarter of 2013, LMAC engaged the EU Zimbabwe Office for assistance to build on the work initiated under the Zim-ACP program. Technoserve (TNS) has been tasked by the EU to work with LMAC, among other stakeholders, to provide technical assistance through research to support strategies to enhance food security and economic opportunities in Zimbabwe.

Upon consultation by TNS with LMAC and Zim-ACP, it was noted that;

- There is a rich policy information base that has been generated through collaboration with Zim-ACP;
- Recommendations from various studies need to be simplified;
- There are gaps in the knowledge base, particularly with regards to supply and demand of small holder production ; and
- There is a need to flesh out solutions to achieve competitiveness in the livestock industry such as branding, development of standards and certification and the formation of professional associations to enhance feed standards.

The above will form the collaboration between LMAC and Technoserve with assistance from the EU.

EU Support to Zimbabwe's Trade and Private Sector Development Program

LMAC will benefit from the EU-Support to Zimbabwe's Trade and Private Sector Development Program launched on February 14, 2014, and to be coordinated by the International Trade Centre (ITC). Under the program the LMAC's website developed with the assistance of the USAID/Zim-ACP will be linked to the ZIMTRADE national trade portal that will be restructured with ITC assistance. LMAC will be assisted in carrying out benchmarking studies on the beef, poultry, pork and dairy sectors to identify key areas that can enhance competitiveness of livestock products. The ITC experts also agreed to provide resources to enable access to proprietary international livestock market intelligence studies to guide local exporters to better target markets.

Information Dissemination

During the quarter, LMAC circulated to 374 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.

To improve on the quality of its information, LMAC explored collaboration opportunities with DFID-supported ZIMBISA to support an effective communication strategy that ensures that the information disseminated is adequately packaged for the intended clients and effectively communicates the message. Further consultation will be made with the organisation to clarify areas of collaboration after which a concept note to outline assistance will be drafted. LMAC through the ZPA and SMA continues to circulate a quarterly newsletter on the poultry industry and monthly returns on the raw materials supply situation for stock feed manufacturers.

Collaboration for Bench-marking Competitiveness of the local Dairy Industry

At the Eastern & Southern African Dairy Association (ESADA) conference held on September 24-25, 2013, a representative from the International Farm Comparison Network invited Zimbabwe to participate in a forum to enable local dairy farmers to benchmark their production and management practices in comparison to other farmers in the major milk producing countries of the world. This exercise helps identify aspects of production that hinder competitiveness and guide dairy improvement efforts.

A panel comprising of representatives from Dairy Services, Dendairy, ZADF, Dairibord Zimbabwe Limited, LMAC and a dairy veterinary consultant convened on March 7, 2014. The panel selected Midlands province as the focus region and set criteria for selecting typical representative farms (both median and large scale) for the detailed assessments. The panel accepted the data-capture template and agreed on piloting the survey in Midlands Province. On March 20, 2014 the panel endorsed the farm level data as being representative of typical dairy farms in Zimbabwe. The final assessment report was submitted to the International Farm Comparison Network on March 26, 2014.

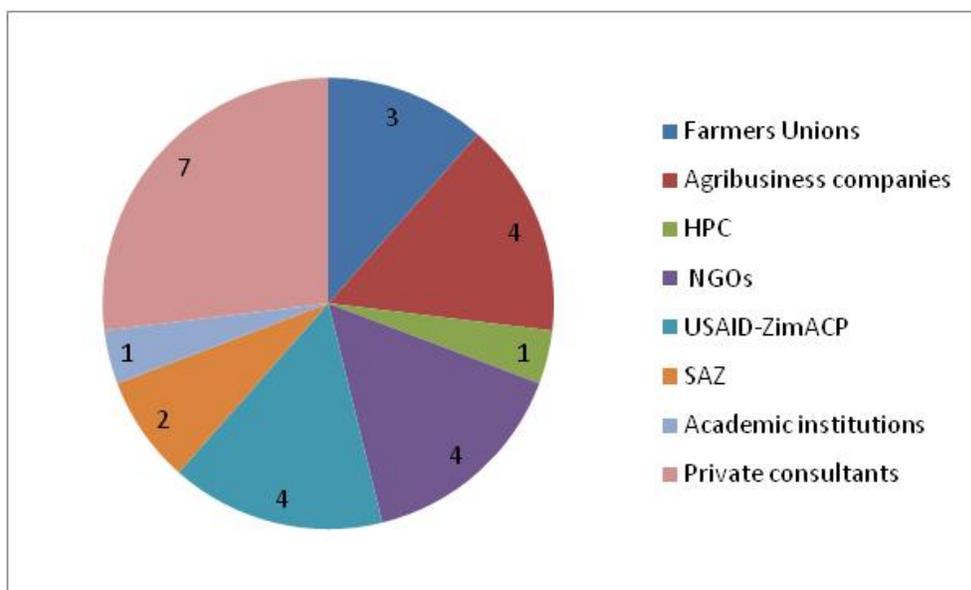
HORTICULTURE CIG

Work in the horticulture CIG has been spearheaded by the Horticulture Promotion Council through a LTТА seconded by Zim-ACP. During the reporting period work was done on capacity building of stakeholders, creating market linkages, being the industry voice, networking and collaborating with other value chain players, lobbying for regulatory review, consulting on Code of Practice and Competitiveness Strategy as well as planning on sustaining the organization beyond Zim-ACP. While the LTТА’s contract ended this quarter, Zim-ACP is planning to hire him on an STТА basis to continue his work with HPC in a limited capacity in the next quarter.

Capacity building

During the reporting period, HPC in collaboration with SAZ facilitated GlobalGAP Farm Assurer training from March 4-6, 2014. Twenty five participants (16 females and 9 males) participated in the three day training. Fig 2.1.1 shows the various institutions represented by the participants.

Figure 2.1.1 Organizations affiliation of Farmer Assurance Trainees



Farm Assurers will assist smallholders to implement LocalGAP and build their capacity until they reach the stage where they can seek certification. This is part of the plan for implementing GLOBALGAP’s LocalGAP standard in order to integrate smallholders into high value local and external markets.

As part of the sustainability plan that Zim-ACP is working on, the project reached out to SNV and IRC for support for four trainees to participate in the LocalGAP Farm Assurer Capacity Building. IRC works with AGRITEX extensionists on giving farmers access to high value markets. SNV adopts a market-led approach in agriculture, working with development partners and private companies.

HPC Participation in and Consultation on Horticulture Development

Table 2.1.5 summarizes the scenarios where HPC was consulted by various stakeholders as an industry body during the reporting period.

Consultant	HPC Contribution
Lupane State University	The University intends to introduce a BSc (Honors) Horticulture degree this year. HPC reviewed the proposed subjects and course outline for each subject, HPC input was that the degree curriculum content should be based on identified local industry needs.
MAMID	<p>MAMID plans to have a publication putting together data on agricultural statistics, to help government and private sector make informed decision. The ministry presented a draft bulletin for discussion at a meeting where HPC was invited together with GMB, ZCFU, TIMB, DR&SS, AGRITEX, and FAO. The bulletin captures trends of horticulture production and exports over years, rainfall patterns etc.</p> <p>HPC provided MAMID with data that they have on past horticultural exports and agreed to assist MAMID to get current export data from the Reserve Bank of Zimbabwe.</p>
MAMID	<p>On February 19, 2014, HPC participated in the Contract Farming Framework Validation workshop organized by MAMID. The presentation outlined contract farming principles and the issues affecting the smooth performance of contract farming arrangements. Among these issues was the failure by contracted farmers to meet the quality specifications of the buyer.</p> <p>Those in attendance agreed that the adoption of LocalGAP and Code of Practice would need to be incorporated into the National Contract Farming Framework applicable to the horticulture industry.</p>

HPC gave a presentation on ‘Restoring the Competitiveness of the Horticulture Sector’ at the FAO coordinated Agriculture Coordination Information Forum meeting held on February 27, 2014. The presentation outlined some of the strategies to achieve competitiveness in the sector, such as adoption of quality standards and integration of smallholders into high value local, regional and international markets. As a result there was marked interest in attending the Validation Meeting.

HPC presented the horticulture competitiveness strategy at a ‘Foresighting the Horticulture Industry for Sustainability and Profitability’ workshop hosted by Simfresh, a horticulture company that contracts out-growers. The company has established horticulture markets for sweet potatoes, peas and fine beans in South Africa, France, UK, and Asia. The workshop was officially opened by the MAMID Deputy Minister for Crops and Irrigation. Participants appreciated the HPC presentation, which they said captured the competitiveness issues well. Buy Zimbabwe, which co- sponsored the workshop, sent two delegates to attend the HPC strategy validation workshop as did Simfresh.

a) Consultation on Code of Practice and Horticulture Competitiveness Strategy

HPC consulted stakeholders in four provinces on their self-regulation initiatives in the Zimbabwe horticulture industry, through the revival of the Horticulture Code of Practice. ZFU and HPC agreed to collaborate on promoting and building the capacity of smallholder farmers to implement LocalGAP. This followed the realization that produce from smallholder farmers sometimes fails to meet the quality requirements of the market. The two agreed that there is huge potential for smallholder farmers to access local and external markets if they meet quality standards. The Horticulture Code of Practice comprises local GAP standards customized to suit Zimbabwean law.

Since HPC has adopted the LocalGAP standards of GlobalGAP, HPC garnered stakeholder buy-in during ZFU provincial horticulture commodity associations meetings in Mashonaland Central, Matabeleland, Masvingo and Midlands where various stakeholders were represented.

Table 2.1.6: participants to HPC Consultation at ZFU planned meetings

Activity	Date and Venue	Participants		
		Male	Female	Total
ZFU Mashonaland Central Horticulture Provincial Association meeting	March 7, Bindura	26	7	33
ZFU Midlands Horticulture Provincial Association Meeting	March 18, Gweru	15	10	25
ZFU Matabeleland Horticulture Provincial Association meeting	March 19, Bulawayo	11	15	26
ZFU Masvingo Horticulture Commodity Association	March 25, Masvingo	17	11	28

Participants representing farmer unions, various government departments (Mechanization, Irrigation, AMA, Women Affairs, and District Administrators offices), horticulture consultants and private sector contributed to the horticulture competitiveness strategy. HPC, with the assistance of Zim-ACP's LTTA Mr. Dominic Mubvuta, sought inputs from participants on the localgap Code of Practice. The participants generally accepted the proposed content of the Code of Practice.

Participants endorsed LocalGAP standards as a way of integrating them into high value horticulture markets. While agreeing that LocalGAP standards should be incorporated in the Code of Practice, some participants had reservations on aspects of workers welfare, such as insurance, contribution to the National Social Security Authority (NSSA), sick leave, and maternity leave. Although farmers agreed with these provisions, they needed more time to get used to them, since they were not being widely practiced by smallholder farmers.

b) Sustainability

On January 9, 2014, HPC and Zim-ACP agreed on HPC activities in support of Zim-ACP exit strategy. HPC agreed to assume or support the following:

- Provide training of producers in quality standards based on Local GAP standards the pool of GlobalGAP trained Farm Assurers will be used for capacity building;
- Linking producers to markets and service providers;
- Developing an alternative market outlet to Mbare and encouraging buyers to buy from producers undergoing local gap training;
- Increased membership drives and fees collection by HPC;
- Collection of export levies as LocalGap trained producers begin exporting;
- Collect revenue from advertisements on HPC website and charge for information provided and name of HPC;
- Source funding from other donors;

HPC explored possibilities of receiving EU support for the horticulture sector. Through the EU Economic Partnership Agreement (EPA) Zimbabwe enjoys duty free and quota free access to the EU markets. Part of the EU plan is to support ZimTrade with market information, help SAZ revamp some of its laboratories and provide technical assistance for certification. Capitalizing on this plan, HPC met on 'Consultations for the Future' at the EU offices where the EU explained their "new communication" on private sector development, and how to support it. EU noted how economic growth needs an enabling local environment and a competitive private sector. Under their private sector support program, the EU will support business associations such as HPC. As a result HPC prepared a project proposal for funding from the European Union, as part of the sustainability strategy which includes the involvement of smallholder producers.

2.1.4 CAPACITY BUILDING FOR EVIDENCE-BASED ADVOCACY AND LOBBYING

During the reporting period, Zim-ACP facilitated 4 capacity building sessions. These were aimed at mentoring the organizations on analytical and advocacy capacity. Table 2.1.7 summarizes participants to the workshops.

Table 2.1.7: Participants to capacity building workshops facilitated by Zim-ACP in the Quarter

Date	Workshop/ Meeting Title	Organizations	Attendance		
			Male	Female	Total
January 21 - 23	MABF Services Provision Follow-up and Mentorship	MPPA,ZFU, ZCFU, Associations for Banana, Coffee, Macademia, Tea	15	8	23
February 5 - 6	Enhancing ZFU Service Delivery	ZFU	17	12	29
February 25	Cotton CIBER Capacity Building	ZFU, ZCFU, ZWPFT, FACHIG, LMAC, HPC, MPPA, MABC and MABF	12	1	13
March 4 - 6	GlobalGAP Farm Assurers'	ZFU, HPC, SAZ, Independent consultants, Academic Institutions	9	16	25

In the quarter, a total of eight policy briefs from the Zim-ACP studies were developed and have been sent to partner organizations. Policy briefs provide summarized information from Zim-ACP's commissioned studies with emphasis on the results of the studies as well as recommended policy action regulatory issues. The next steps will include the development of position papers by partner organizations for lobbying and advocacy through technical assistance by Zim-ACP during bi-weekly capacity building meetings. Zim-ACP provides technical support in the development of position papers and the partner organizations present them before government individually and also through Zim-ACP supported meetings where government is present such as the Cost of Compliance symposium.

During the quarter, Zim-ACP analyzed and developed some papers commenting on arising policy issues including the Land Unit Tax and National Contract Farming Framework (attached as Annexes 3, 4 and 5). Annex 3 on Perspectives on Proposed Land Tax was submitted as a recommendation for regulatory review by the Joint President's Council to the Ministry of Local Government. Annex 5 on Comments on National Contract Farming Framework was submitted to MAMID for consideration in finalization of the framework. In the reporting period, partner organizations have been participating in advocacy meetings as shown in Annex 6.

Following request by Mr. Prince Kuipa, the ZFU Chief Economist, who is responsible for policy analysis and advocacy, Zim-ACP provided guidelines on the use of Zim-ACP commissioned studies for advocacy and lobbying on highlighting gaps and suggested possible solutions on

policies, Acts and regulations in the following areas.

- Water (dams, reservoirs, lakes, ground water) - Access, utilization by farming communities
- Land
- Environmental Affairs
- Energy
- Infrastructure Development
- Information and Communication

The position papers are intended to redirect ZFU leadership to focus on policy issues and articulate the farmers' voices to urge and pressure policy makers to address the issues.

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 7 lists the regulations reviewed, recommendations and outcomes.

CIBER for Cotton GIG

Upon completion of the Cotton CIBER study, a validation workshop was held on February 26, 2014. The workshop was well attended by stakeholders from the ZFU, ZCFU, Competition and Tariff Commission, COTTCO, Cargill, MAMID, AMA among others. The stakeholders expressed appreciation for the study commissioned by Zim-ACP and indicated that they looked forward to the final study as they believe it will improve industry competitiveness which is at the brink of collapse. The workshops also created a platform for interaction between ginners, farmers and the government which facilitated an important and productive public-private dialogue. The CGA Chairperson committed CGA to use the findings and recommendations to resolve perennial problems in the sector.

2.1.5.1 Presentation of Regulatory Issues Affecting the Cotton Industry at the Cotton CIBER Validation Workshop

At the Cotton CIBER validation workshop, government was heavily represented by officials from AMA, MAMID, Research and Extension Services and government company Cottco. Regulations which have been affecting the cotton sector were highlighted and in the discussion that ensued the regulators showed a very positive attitude towards working on improving the environment for cotton farming. The issues included: -

- Inconsistencies in industrial and trade, pricing and grading policies
- Lack of liberalization of seed sales (monopoly)
- Lack of adherence to existing legislation leading to ineffective enforcement of the contract by both ginners and farmers

- Defective grower registration system
- Side marketing of contracted cotton
- Deliberate defaulting of repayment by farmers
- Failure of ginners to disseminate grading results to farmer
- Ineffective enforcement of the contract
- Lack of a pricing formula in the contract making price negotiations time consuming
- Lack of acknowledgement of AMA's role to facilitate markets and monitor pricing
- lack of legislative recognition of cotton as a nationally strategic crop

As a result, Government responded by accepting the recommendations of the study that:-

- Adherence to SI 142 that grading results must be given back to farmers by September should be encouraged (by AMA representative Mr. Chikanda);
- Existing buyers may be subject to closer supervision to ensure that they meet their obligations under SI 142 of 2009 as amended by SI 63 OF 2011 and SI 148 of 2012 (by AMA representative Mr Chikanda); and
- State should support research and extension to improve competitiveness and prices (by Research and Extension representative).

The validation workshop was a good platform for dialogue between stakeholders in the industry in order to come up with a way forward in preventing the collapse of the industry. Zim-ACP is assisting partner organizations to come up with policy briefs and position papers which can be submitted to the relevant authorities. Zim-ACP could also continue to facilitate public- private dialogue as well as foster partnerships between players in the industry in order for them to come up with the code of conduct or practice in order to restore order and sanity to the sector.

2.1.5.2 Stakeholder Consultations on the Horticulture Code of Practice

As part of the ongoing efforts to lobby and advocate for an enabling regulatory environment, HPC with the assistance of Zim-ACP developed a Competitiveness Strategy for the Horticulture sector. One of the emerging ways to achieve an enabling environment as highlighted in the strategy is self regulation through a Code of Practice. HPC used to have a Code of Practice for the Horticulture sector but this has since become obsolete and was drafted before any major international standards were set for horticulture. Since the successful adoption of LocalGAP standards for Zimbabwe through HPC, it became obvious that there was need to develop another Code of Practice to regulate Horticulture, educate people on the standards and provide a ready handbook for reference by all farmers under the local GAP standards. A Code of Practice is essentially an agreement by the industry which can be given force of law by government but a shorter way of achieving the results that government's law making process would bring. With the technical assistance of Zim-ACP, HPC LTTA drafted an initial Code of Practice along the LocalGAP standards as a guide to the industry consultation discussions. Consultations began in

Gweru and Bulawayo, followed by a presentation at the Horticulture Competitiveness Strategy Validation Workshop.

Stakeholders lauded the idea of self regulation in the Gweru and Bulawayo meetings. Participants representing farmer unions, government officials and horticulture consultants avidly contributed to the proposed content of the Code of Practice, highlighting their appreciation of LocalGAP standards' impact on domestic and international competitiveness. ZFU Midlands Crops Executive further acknowledged Zim-ACP support of ZFU provincial levels to increase competitiveness through the adoption of standards. Participants lobbied the Zim-ACP/ HPC partnership to extent the consultations to other provinces and concluded that LocalGAP standards be incorporated in the Code of Practice. It also emerged from stakeholders at the Horticulture Competitiveness Validation Workshop that ongoing consultations are essential for broader understanding of self regulation and useful input by the Horticulture industry.

2.1.5.3 Maize Importation

In early January 2014, the flow of maize imports was hampered by restrictions imposed in mid-December 2013. This in turn affected maize supply to the local milling and stock feed manufacturing industries as well as impeded grain trader operations. Restrictions included a reduction in the maximum tonnage per import permit to 150mt; an increase in the MAMID import permit fees from \$10 to \$70; costs of pre-shipment inspection in South Africa by the National Bio-safety Authority (NBA); the Plant Protection Institute permit payable by the importers and the cost of accompanying shipment and supervising the processing of GMO-positive grain by the NBA. Representatives from LMAC and SMA met with Grain Traders and Millers in January 2014 to discuss the regulations governing imports of grain from South Africa.

LMAC and SMA, through Zim-ACP support, was involved in the deliberations to discuss the matter and come up with a strategy to approach the authorities to discuss easing the requirements for obtaining a maize import permit. A report and spreadsheet of costs to the MAMID was drafted and tabled with the Secretary for consideration. It highlighted how this costs and process was negatively affecting viability and competitiveness of the said industries. The stock feed manufacturers have been fighting to keep feed prices down and as an increase in price translates to higher costs of productions for poultry and pig producers who have reported significantly reduced margins and operational viability as well as low pig carcass weights due to high feed prices.

As a result, MAMID took heed of the concerns raised in the report submitted and the limit on the tonnage of grain import was eased. This translates to a reduction in transactions costs and the time taken to visit various offices to acquire a permit to bring in one consignment. However, the importer will require a letter of support from either the Grain Millers Association or SMA to submit to GMB for their consideration.

2.1.5.4 Pig Industry Development Policy

The Pig Industry Board (PIB) was established under the provisions of the Pig Industry Act [Chapter 18:15] which defines its functions, duties and powers and provides for the imposition and collection of levies on pigs produced in Zimbabwe for the development of the pig industry.

No levies were collected from 2003 partly due to the rapid erosion of the value of the Zimbabwe dollar. In 2008, Statutory Instrument 159 of 2008, Pig Industry (Levy and Returns) Regulations, 2008, was promulgated without prior stakeholder consultations, effectively changing the quantum of the levy to 'one *per cent* of value of pigs slaughtered' based on the price of 'ration meat'. Other stakeholders in the pig industry felt that the PIB had shifted from its mandate and was operating in direct competition with other producers whom they were supposed to help develop.

On March 20, 2014, the Honorable Deputy Minister, Livestock, requested to meet with the members of the pig industry and the Pig Industry Board (PIB), and asked stakeholders to come up with policy directions on how the PIB can provide an enabling environment to support the development of the pig industry. Stakeholders then met on March 25, 2014 where they discussed pig industry development.

The Zim-ACP CIBER study on the pig industry highlighted the constraints being faced by pig industry and giving guidance on the required policy interventions to address these. LMAC, with the support of Zim-ACP, drafted a Joint Proposal to Develop the Pig Industry outlining the envisaged role of the PIB and proposed policy interventions. Zim-ACP provided technical support to LMAC who provided the information to their PPAZ

As a result, the draft joint proposal was endorsed by the PIB and Pig Producers Association of Zimbabwe which is affiliated to LMAC; and was tabled with the Honorable Deputy Minister, Livestock, for consideration in policy crafting. The proposal suggests how the PPAZ and industry will support and contribute to the PIB development activities including supply of international pig genetics consequently leading to improved competitiveness. There was also an acknowledgement of the need to review the Pig Industry Act and this project will be looked into in the coming months. PIB and PPAZ agreed on the need to have the PPAZ represented on the board of PIB to ensure farmer voice is reflected in the policy making of PIB. The two organizations agreed to ask for a reduction in the PIB Levy from the current 1% of the wholesale price of pork (equivalent to \$1.82 per 65 kg carcass) to \$0.75 per carcass. If the proposal gets the blessing of MAMID, pig producers will save about \$150,000 per year.

2.1.5.5 Suspension of Soya Beans and Product Importation

Zimbabwe is a net importer of soya beans and meal as the country's production does not meet local demand. The low quantities of soya beans produced are mostly taken up by local oil expressers and the by-products, soya meal and cake is absorbed by the stock feed manufacturing industry. Local manufacturers are keen on supporting development of the local industry but issues have been raised on the inconsistent supply of the product, high price and its quality. In January 2014, AMA suspended importation of soya beans, meal and cake following an outcry from oil expressers that importation of soya meal was ongoing when the product is locally available. AMA then called for a meeting with the Oil Expressers Association and SMA an affiliate to LMAC on January 30, 2014 to discuss the industry and supply situation to ascertain total industry requirement until the next season and amounts produced locally. On March 13,

2014, the SMA met with representatives of the Oil Expressers Association to discuss soya beans and product supply and come up with a strategy where both value chains stand to benefit.

Zim-ACP compiled the stock feed returns which formed the basis from which evidence and figures used in discussion and negotiations with oil expressers were drawn and submitted to the AMA as well as presented to the Oil Expressers Association. As a result, both the oil expressors and stockfeed manufacturers were in agreement that the industry will be in a deficit status until production improves and recommended imports. They also agreed that the industry will only import 25% of value added beans, use 25% imported beans locally value added and 50% local beans locally value added. Applications will go through and be supported by the Oil Seed Expressors Association and the Stockfeed Manufacturers Association. The proposal to be tabled with the AMA and MAMID is in the process of being drafted with Zim-ACP's assistance. This is a key outcome in demonstrating how evidence-based policy advocacy is key in strengthening the association to dialogue with other industry players and influence the improvement of its business operating environment.

2.1.5.6 Withholding of Tax from Chicken Producers

In line with Section 80 of the Income Tax Act [Chapter23:06], the Zimbabwe Revenue Authority (ZIMRA), issued a public notice effective January 1, 2010 which stated that all registered business operators were required to withhold 10% on amounts paid to them totaling \$250.00 or more to payees without a valid tax clearance certificate (ITF 263). The payer will be liable for the amount they fail to withhold and will pay a penalty equal to amount not withheld plus interest. The notice states that payments for supply of farm produce and livestock are exempt from the withholding tax. However, there has been a case where one abattoir operator (Sable Foods) running an outgrower scheme was approached by ZIMRA officials and was requested to remit the withholding tax to the authority. Margins in the chicken industry are currently tight and the information gathered on broiler slaughters from abattoirs and day-old chick (DOC) production between January 2009 and November 2012, shows evidence that the small to medium scale broiler producers are the dominant broiler meat producing sectors. The 10% withholding tax negatively impacts on farmers' viability which will in turn have a negative ripple effect on economic empowerment, nutrition security and employment creation.

Lobbying efforts were carried out by Sable Foods and the Zimbabwe Poultry Association (ZPA) through LMAC with the assistance of Zim-ACP, led to a retraction of the request for withholding tax penalty by the ZIMRA officials to the abattoir operator. It was clarified that agriculture produce and livestock including poultry are exempt from having 10% tax withheld and this also gives clarity for the future of contract farming schemes where farmers will not shy away from contract arrangements or engage in side marketing to avoid the 10% deduction from their income. Part of the information used in lobbying was drawn from the Small Scale Rural, Peri-Urban and Urban Broiler Production study compiled by Zim-ACP, which highlights the importance and significance of the sector to national broiler production, nutrition security and economic growth.

2.1.5.7 Livestock Policy Development

On December 16, 2013 a meeting of livestock value chains stakeholders sponsored by the Veterinary Governance program launched the Livestock Policy Hub. The Hub facilitates the development of a livestock policy, taking guidance from the issues arising from industry as highlighted in a number of studies carried out in the past years, to come up with national livestock development strategy. The LMAC Position Paper on Livestock Policy and Strategies, completed in late December 2013, was submitted in final draft to the National Livestock Policy Hub for consideration. The draft document was shared with the ZFU and CFU and follow-up meetings were held with the ZFU on industry policy issues. The farmers unions have since submitted a joint issues paper that was submitted through the Zimbabwe Farmers Alliance Trust (ZFAT). The Hub's drafting committee met on January 28, 2014 to discuss the submissions and combine the issues raised by the two documents. The committee also noted the documents raised policy issues such as on land tenure security, poor energy supply and infrastructure which indirectly affect livestock and agreed to package these into an advocacy document for presentation to relevant ministries. Also suggested by the committee was the incorporation of background information on trends in the livestock value chains as well as clear links between suggested policies to the ZIM ASSET development blueprint.

Zim-ACP has been instrumental in developing the draft policy documents that have become the core of the LMAC issues paper. A meeting of the national policy hub committee had been stalled due to resources constraints and will be held in May where discussions would identify key issues on livestock development. Taskforces will then be formed to deliberate and come up with concrete recommendations. Results of the taskforces would be presented for adoption as the recommendations of the Hub. The drafting committee will draft the issues into a livestock policy and a livestock development plan for recommendation to the Ministry.

As a result, the Honorable Deputy Minister, Livestock awaits finalization of the draft livestock policy for review and possible implementation. LMAC is the deputy chair of the Livestock Policy Hub and with inputs and support from Zim-ACP's Dr. Chrispen Sakume drafted the policy document, this will ensure inclusion of private sector recommendations on creation on of an enabling business environment and a of strengthening public-private partnerships.

2.1.5.8 Cost of Compliance with Regulations in the Livestock and Poultry Sectors

Zim-ACP did a cost of regulatory compliance in mid-2013, examining the beef, dairy, poultry and pig value chains which revealed duplication of legislation, the need for policy harmonization and made recommendations for increased competitiveness. The draft report was concluded beginning of 2014 and the exercise to disaggregate the report by sector is almost complete. The final report will be tabled with the Honorable Deputy Minister, Livestock, the Permanent Secretary and the Honorable Minister of MAMID. The report will require constant updating as there are new costs and regulatory requirements coming up from time to time such as the new requirements for maize importation; and the institution of SI 614 of 2014 concerning import licenses on pork and poultry products and sugar.

Zim-ACP provided the technical support in carrying out the study whose preliminary results have been shared countrywide with stakeholders. Zim-ACP is working together with LMAC staff to disaggregate the studies by sector for presentation to the authorities. The results of the

cost of compliance study motivated the need to develop a “Red Meat Forum” which is an advocacy group beef cattle, goats and sheep producers. Progress has been made on this initiative with a steering committee having been formed, a constitution drafted and farmer union’s awareness of the forum.

Upon receipt of the draft document, the Confederation of Zimbabwe Industries (CZI) felt it was important to duplicate this study in other industry sectors and have commissioned a cost of compliance and general cost of doing business study on other sectors to be carried out and it will commence in April 2014.

2.2 COMPONENT TWO: IMPROVING MARKET FACILITATION INSTITUTIONS

2.2.1 QUALITY STANDARDS

With Zim-ACP support, HPC was accepted as a GlobalGAP member for 2013 and 2014. Membership commits HPC's members to respond to consumer concerns on food safety, animal welfare, environmental protection and worker safety. HPC adopted the LocalGAP standards for Fruits and Vegetables, a subset of the GlobalGAP. The LocalGAP is a capacity building program, in which enrolled producers will be assisted through regular and guided assessment by Farm Assurers to comply with GlobalGAP standards and eventually achieve certification. Horticulture producers on the program increase their chances for being contracted to supply buyers demanding compliance with standards related to food safety, animal welfare and legal issues. Thus the adoption of LocalGAP serves to integrate smallholder horticulture producers into the high value markets, both locally and in the SADC region.

During the reporting period, HPC accessed GlobalGAP technical resources to train 25 Farm Assurers who will be responsible for working with and assessing farmers implementing the LocalGAP.

HPC will collaborate with growers' associations, SAZ, key industry firms sourcing produce from smallholder growers, buyers (wholesalers and retailers) and consumers as the demand for quality standards is a key success factor.

2.2.2 ICT-BASED MARKET INFORMATION SYSTEMS

In the quarter, Zim-ACP hosted three meetings on knowledge sharing with a team from the ICRISAT on February 19 and 20, 2014. ICRISAT, is a non-profit organization that conducts agricultural research for development based in India who are interested in Zim-ACP work on ICT mobile technology and how it can benefit Zimbabwean farmers. ICRISAT developed a mobile technology-based platform for disseminating and sharing agronomic and market information among farmers in India. The platform facilitates market linkages between smallholder farmers, agribusiness service providers and markets. The financial viability and sustainability of the platform is underpinned by mobile services providers offering the service as value addition to their mobile services. Zim-ACP facilitated meetings with MABC, ZCFU, eMkambo and Econet Services who agreed to collaborate with ICRISAT on piloting the technology in Zimbabwe beginning in August 2014.

Econet Services expressed interest in piloting the platform as added services to its Eco-farmer platform. The Econet Services General Manager accepted invitation to send a team to ICRISAT India on fact findings mission to observe the application of the technology.

2.2.3 CREDIT RATING AND REFERENCING

Through collaboration with Zim-ACP partner organizations XDS a credit referencing company reached agreements with ZCFU and has managed to work with ZCFU on their service provision programs in Manicaland and Mashonaland Central. The programs will utilize the ZCFU membership database that was developed with assistance from Zim-ACP for XDS credit score rating services. XDS also discussed a similar plan with FACHIG on using their membership database system for credit rating. FACHIG agreed to collaborate with XDS in using membership database for credit score card development. ZFU and XDS also meeting to map-out credit rating services for ZFU members and ZFU agreed to collaborate with XDS to pilot test 45 farmers to assess their credit worthiness of whom 91% of the smallholder farmers were found to be credit worthy

2.2.4 WRS

Zim-ACP supported the holding of the 2011 Grain Indaba, attended by private sector grain industry stakeholders (farmers, commercial traders/brokers and millers) identified the need for an improved and efficient marketing system to work along with the Grain Marketing Board (GMB). Stakeholders called for the re-establishment of the Agricultural Commodity Exchange, similar to ZIMACE (Zimbabwe Agricultural Commodity Exchange that existed prior to 2000, and the establishment and operation of formal and licensed Warehouse Receipt Systems in Zimbabwe. The Warehouse Receipt Systems Act was established in 2003, but was never operational. In August 2013, the first WRS Consultative Workshop was held and the purpose of the dialogue was to garner views of both the public and private stakeholders on the designing of and implementation of WRS in Zimbabwe. Following the Workshop the Ministry of Agriculture, Mechanization and Irrigation Development (MAMID) finalized a proposed WRS model for Zimbabwe. On April 9, 2014, the 2nd Public-Private Sector Dialogue on the Operationalization of the WRS and ACE was held. There were 105 participants (71 male, 34 female), representing both the public and private sector. The MAMID Secretary opened the session and 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.

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.

Tables 2.1.7 and 5.1.1 show the workshops and meetings organized by Zim-ACP during the reporting period.

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.

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. Seven farmers unions and commodity associations (ZFU, ZCFU, DOHOPA, MAPA, 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.

FACHIG and LMAC are in a position to meet their operating costs. FACHIG managed to leverage resources from a donor (Dan Church Aid) as reported in the Component 1 section. LMAC has revised their levying system and members are contributing more to ensure the Council sustains itself.

The rest are still operating below the level of operational self-sufficiency. (Operational self-sufficiency is defined as the margin, positive or negative, of recurring revenues above/below operating expenses (salaries, rent, utilities, supplies, and all consumables).

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, NGOs etc. This is a project impact indicator looking at the ability of a producer organization 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).

Table 3.1.1 below shows what our partner organizations managed to leverage this quarter.

Receiving Organization	Source	Value (\$)
FACHIG	Dan Church Aid	\$300,000

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	Beneficiaries			
		Male-owned	Female-owned	Co-owned	Total
ZFU	Business skills training for young farmers	320	145	47	512
FACHIG	Cassava Cuttings Production Training	0	40	60	100
Total		320	185	107	612

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

Due to awareness raised during Zim-ACP capacity building workshops on environmental management, ZCFU Manicaland has managed to become environmentally cognizant and compliant in their activities by forming a provincial Climate Smart Program. The program networks all farmers in the province and aligns their farming activities to environmentally safe standards. The union sub-group has registered a Trust to handle the climate smart program and have successfully attracted European funding to start training and also through Zim-ACP, collaborated with XDS to get credit referenced. Zim-ACP hopes to use the success of the sub-union group as an example to other partner organizations on how they can practically apply lessons learnt through Zim-ACP and develop sustainability strategies.

The horticulture sector through HPC is on course towards adoption of LocalGAP quality standards for the commodity industry group. The standards will, among other components, promote best environmental management practices to be adopted by farmers in production of the crops.

Zim-ACP will continue to encourage partner organizations to adopt best practices in environmental management.

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.

Capacity building of female leaders

During the reporting period, Zim-ACP facilitated two capacity building workshops on women empowerment. This was as a result of the realization that women had a challenge of low self-esteem and lack of confidence in themselves and in fellow women as leaders. The manual, entitled ‘Unleashing the Power Within: A Manual for Women Empowerment’, developed by Zim-ACP Gender Specialist was used as the resource material in the workshops. This manual was designed to groom women in all producer organizations for leadership both at home and outside. The aims of this manual are to:

1. Guide participants in determining their own personal strengths and weaknesses as (potential) leaders;
2. Encourage participants to acknowledge and harness their knowledge, attitudes and skills and to move towards the actualization of their leadership potential;
3. Introduce participants to the concept of the Road towards Self Transformation which stresses the importance of self-awareness, self-acceptance, self-responsibility, and assertiveness; and
4. Expose women to various barriers to their empowerment and to recognize the steps to becoming empowered women. For empowerment to take place, five major dimensions need to be emphasized: confidence, voice/assertion, decision making, organization/planning and vision, and ability to motivate others.

Table 5.1.1: Participants to women empowerment workshops

Date	Workshop/ Meeting Title	Attendance		
		Male	Female	Total
February 26	ZFU Women Leaders Capacity building	3	28	31
February 27	ZCFU, FACHIG, MPPA, MAPA, DOHOPA Women Leaders Capacity building	0	16	16

Participants came up with solutions to address gender inequality in their organizations which manifests in membership, leadership, information and services provision.

Partner organizations mainstreaming gender

Some of the outcomes of Zim-ACP gender mainstreaming work are beginning to be realized. ZFU has committed to fulfilling provisions of its gender policy. Mr. Silas Hungwe, ZFU's President, committed to the organization's gender policy at the Zim-ACP facilitated, ZFU Women in Leadership training workshop on February 26, 2013. In his remarks he quoted the policy which states that "ZFU Presidium should be gender balanced. The President can be either male or female but at least one of the Deputy Presidents; should be a woman." With the organization due to hold its elections in September 2014, Zim-ACP anticipates an increased number of elected women leaders instead of the current male dominated leadership structure.

At the ZCFU strategic planning workshop facilitated by Zim-ACP in FY 2013, the leadership identified a gender mainstreaming gap and agreed to form a "Women in Agriculture" arm led by Mrs. Zelda James who is based in Matabeleland. This arm is intended to cater to the needs and address challenges faced by women and the youth who were reportedly not fully serviced in the main arm of ZCFU. Currently, they have started to roll-out targeted services in the form of affordable small-scale projects that include sack potato production. They hope that this will boost the women's and youth's livelihoods, who in turn will pay subscriptions to the Union after realizing profits.

This ZCFU "Women in Agriculture" arm is now active in MABC. MABC realized the gap within their forum of not having women in their Board. To solve this, they signed a separate MoU with the arm of ZCFU so that they could be represented at MABC Board level. Zim-ACP anticipates that the representation will bring forward issues affecting women and youth from grassroots level in Matabeleland Region to be solved at the advocacy platform.

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

Two throned approach applied by unions in advocacy

The farmers' unions and agribusiness bodies have responded positively to capacity building on the importance of having credible organizations backed by effective service provision to members. However, the union leaders still feel that they need to be politically connected as a tool for advocacy. The leaders still find themselves reverting to supporting or justifying interventions or government actions to obtain benefits or "policy goods" derived from government support. This is the case were the unions leaders feel that they can get political mileage from politicians and policy makers by sometimes buying into the opinions of the policy makers. This has resulted in some of the unions even aligning their technical analysis of subject matters based on what the policy makers want. Our observation is that ordinary farmers or leaders at local and provincial levels have a different approach to advocacy and lobbying. They want the problems they face addressed and are generally, unlike their national leaders, are not inclined to acquiescent with policy makers.

Farmer unions are urged to provide technical guidance to their representative bodies on, lobbying the government. Farmer union leaders however may not actively do so, hoping instead to benefit from decisions made through their acquiescence at the senior level consultative meetings with the Minister or President's Office. The disadvantage usually comes to the institution because when the politically connected individual leaves the organization there is no continuity and sustainability

It is important to equip ordinary farmers with objective information on how government decisions affect them at grassroots level. Occasionally, local Government officials visit their constituents during weekends and it is important for the farmers to be well versed in the issues affecting them when they have an opportunity to speak with lawmakers. If they are able to articulate their most pressing issues such as food security, income, and profits, clearly and concisely, the officials may listen to and be persuaded to respond or react to their requests.

This can be done in the context of overall economic empowerment for enhancing food and nutrition of local communities using the Zim-ASSET principles. As the importance of regulatory analysis/reforms to enhance investment and local participation through dialogue and consultative process at local levels are all part of Zim-ASSET, to get attention of key policy decision makers

there would be need to constantly allude to how policy decisions either promote or prohibit achieving ZimASSET goals.

ACP work is directed to supporting farmer unions, commodity associations, and agri-representatives bodies and the USAID policy restricts Zim-ACP from working directly with government.

6.2 CHALLENGES

Capacity of technical experts within MAMID hamper implementation of sound policy generated from evidence-based advocacy

Farmer unions, commodity associations, and agri-representatives bodies have been capacity built on lobbying and advocacy, regulatory impact analysis (RIA) and service provision. They have fully subscribed to the usefulness and need for evidence based advocacy. MAMID has for a while now been drained in terms of institutional capacity and aspects of RIA and service provision are evidently lacking. But is it because indeed these economists lack the ability or they take policy directives from the Minister irrespective of the outcome.

Standstill in MAMID Approach to Regulations and Policy Formulation

Despite the public expression that MAMID is working on the operationalization of the WRS and ACE, it seems the Ministry is having some difficulties in letting go market controls. This is deduced from recent actions to control imports of maize by the private sector in favour of the GMB. MAMID also announced the suspension of import and export licenses for agriculture produce without consideration of repercussions on the industry. This may be to prop parastatals and its departments for relevance within Zimbabwe. The impromptu release of a press statement banning the use of import and export permits without prior notice as well as drafting and releasing statutory instruments following limited or partisan consultations has happened several times in the last quarter. Through these actions MAMID is sending wrong signals to market players regarding whether WRS and ACE will be allowed to operate without interference. Instead of preparing to operate in an environment with minimum controls, the farmers' organizations appear to relish and even support continued controls. Hence any discussion to appreciate the operations of WRS and ACE may not have received the appropriate attention. Zim-ACP will be mounting more capacity building and information dissemination on the benefits of WRS and ACE to all farmers.

Provision of allowances by other funding agencies hamper the implementation of Zim-ACP supported action plans

Zim-ACP held the Agriculture Competitiveness Conference which led to the Joint Agriculture Forum. Zim-ACP also supported the Extension indaba which led to the formation of the horticulture taskforce and the Grains indaba which in turn lead to the Warehouse Receipt Operationalization workshop and the formation of its public private sector steering committee. Zim-ACP has seen both the private sector (farmer unions, commodity associations, and agri-representatives bodies) and public sector requests for allowances when taskforces have been formed saying this gives them incentives to run around and implement the action plans of

taskforces. Unfortunately since Zim-ACP is in the process of creating sustainability plans, the request for allowances is going unmet. This has stalled action plans derived from enthusiastic participants and hindered expected progress implementation after the completion of workshops.

LMAC sustainability drive checked by Economic Performance of member firms

The economic situation characterized by high operating costs and severe liquidity crunch, and reduced consumer expenditure, severely curtailed any meaningful economic activities. Firms are downsizing and retrenching. This has affected the ability of firms to increase payment of membership dues.

6.3 ZIM-ACP EXIT AND SUSTANABILITY STRATEGY

On March 12, 2014, Zim-ACP consulted representatives from LMAC, SMA, ZAA, ZWPFT, FACHIG, ZCFU, MABC, MABF, Women in Agriculture, ZFU, and HPC on the exit and sustainability meeting with. The objective was to discuss how partner organizations plan to sustain the work started by Zim-ACP within their organizations and as an industry.

The meetings with key technical staff and leadership of partner organizations obtained buy-in and commitment to institutionalize and sustaining activities from Zim-ACP's technical support and capacity building over the past three years.

The organizations agreed to meet regularly in keeping with the skills they attained through the capacity building and lobbying and advocacy workshops. A priority list of activities for the remaining lifespan of Zim-ACP is being worked on. The hope is that this is the first step towards forming a Joint Agricultural Forum which would be an all-inclusive platform for agricultural players in the public and private sector to engage each other on pertinent issues.

CHAPTER 7: NETWORKING & COLLABORATION

Zim-ACP and Zim-AIED collaborated on a Paprika Work Shop, on February 5, 2014. HPC presented on quality standards, explaining and simplifying quality and standards issues to the producers at the workshop organized by Zim-AIED. Six buyers (KAITE, Zero One Africa, Pure Seasons, Four Seasons, Hyveld, and Spaprika) and seven lead farmers attended. One of the buyers, Hyveld, demonstrated the different grades of paprika. Five buyers and five lead farmers representatives signed an agreement to adopt and adhere to the proposed grading standards. Farmers will encourage the wider adoption of the grading standards. Zim-ACP through HPC will work with Zim-AIED to determine if the standards should be registered with the Standard Association of Zimbabwe (SAZ). Zim-ACP will also advise Zim-AIED on compliance with National Contracting Farming Framework.

CHAPTER 9: ANNEXES

(Annexes are provided as separate attachments to this report)

Annex 1: Guidelines for Regulatory Advocacy and Lobbying for Improved Competitiveness of Agriculture Sector Value Chains

Annex 2: Advocacy and Lobbying Action Points from Zim-ACP Studies

Annex 3: Land Unit Tax Notes for Partner organizations

Annex 4: Letter to Partners

Annex 5: Comments on National Contract Framework for Partner Organizations

Annex 6: Advocacy Meetings attended by Partner organizations during the quarter

Annex 7: FTFMS