

Project	Grain Marketing Expansion Programme (GMEP)
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Organization's Contact Person:	Brian Tembo
P F Tracking Number:	ZAM-STA-010-016
Title of Activities:	<ul style="list-style-type: none"> • District Public Warehouse Operator inspection and certification • Translation of the ZAMACE FAQ into Local Languages • Community Storage Facilities readiness as first level aggregation points. • Stakeholder consultation and collaboration • Marketing Information Dissemination through SMS. • Typical ZAMACE Field Experience in Pictures.
Start Date of Reporting Period:	1 st July 2010
End Date of Report:	30 th September 2010
Date Report Submitted:	14 th October 2010

Report Compiled by:	Newton Samangwe (Operations Manager)
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Progress Report		Report No. ZAMACE02	
Tasks, Milestones, Outcomes delivered this quarter		Completion dates	
Tasks, Milestones, Outcomes	Comments	Plan	Actual
District Warehouse operator Inspection and Certification.	The ZAMACE standards committee approved and certified 10 storage facilities with a total of 19,570 metric tonnes of storage capacity which was ratified by the board. Annex 1	30 th July	14 th August
Translation of the ZAMACE FAQ into Local Languages	The ZAMACE FAQ booklet has been translated in 4 major languages spoken in the 3 regions where ZAMACE is currently operating.	20 th August	30 th September
Community Storage Facilities – Preparations	A total of 21 cleaning Sieves were fabricated and Distributed to the communities. The sieves helped small scale farmers to clean the maize and achieve ZAMACE Grade A quality of maize. Annex 2 and 3	30 th July	30 th July
Community Storage Facilities – Maize aggregation	A total of 100 metric tonnes of ZAMACE grade A maize was aggregated at community level and deposited in the District Warehouses. Annex 4,5,6 and 7	30 th July	On Going
Marketing Information Dissemination through SMS	ZAMACE has started disseminating the market information through the SMS system which is being shared at community aggregation points using the black boards. Annex 8	30 th July	30 th September
Maize Sheller procurement and Distribution to communities	WFP made available funds for procuring 27 maize shellers which were Distributed to the communities in the 3 regions. Annex 9	30 th July	31 st August
ZAMACE working with other collaborating partners	Three monitoring and evaluation meetings were held with the stake holders during the period. Stakeholders includes WFP, Celim and World Vision. Annex 10	1 st July	On Going
Recruitment of Regional Coordinator – Eastern Region	A regional Coordinator was recruited for the Eastern region. Trained and relocated.	14 th July	

Major Risks and Issues

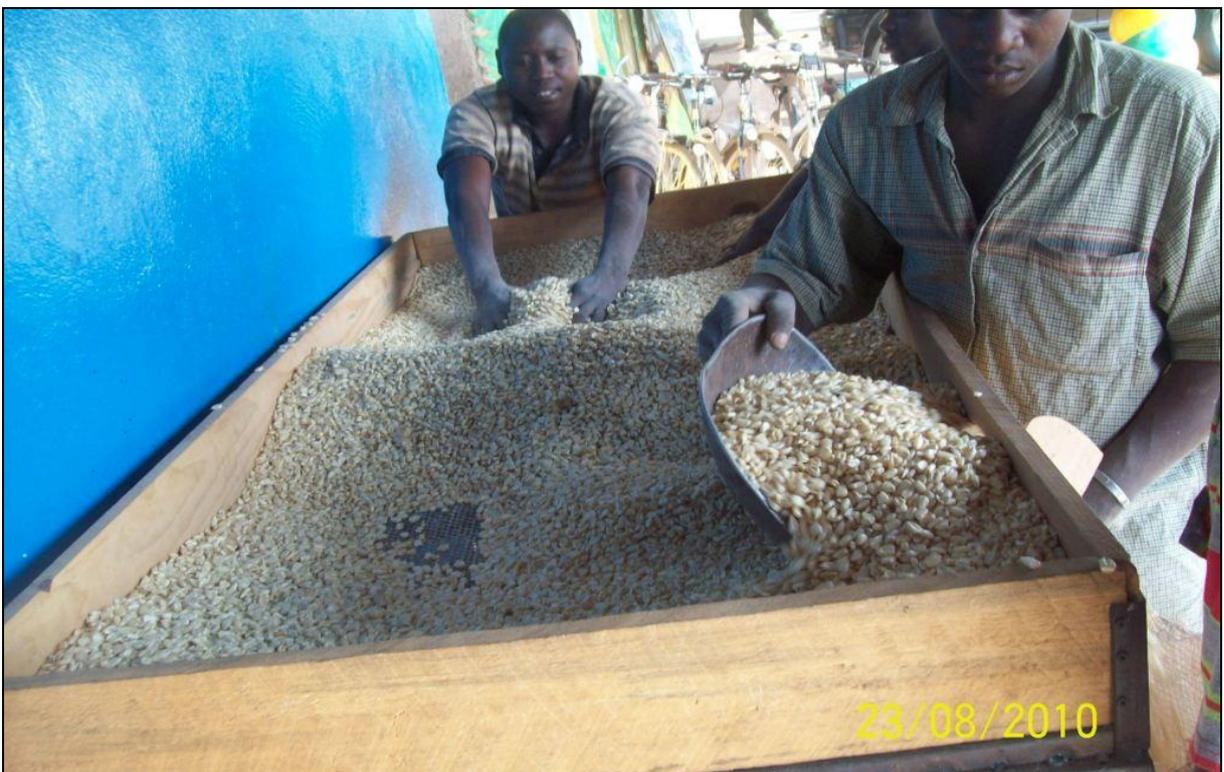
Small scale farmer's response and preparedness to maize aggregation at community level was very encouraging. However, due to FRA presence in the market and buying maize at fixed price of ZK65,000.00 a bag. Most of the farmers opted to divert their maize to FRA who were buying apparently in all the districts. Normally FRA buys limited quantity of maize in few selected places but for this year they are buying unlimited quantity of maize in all regions and communities. In some cases ended up taking community sheds which were identified for community aggregation. Annex 11

Tasks, Milestones, Outcomes scheduled for next Quarter		Completion dates	
Tasks, Milestones, Outcomes	Comments	Plan	Forecast
Print of the translated ZAMACE FAQ into 4 Local Languages	Master copies are ready awaiting print.	30 th October	
Stake Holder Consultative Meetings	On Going. Held fortnightly	2 nd November	
Documentaries	Video Documentation of GMEP activities	30 th November	
Oversight District and Community Visits	Monitoring Quality and Quantity of maize in storage at Community level and District Warehouses	On Going	
Identification and Certification of District Warehouse Operators	Three new applicants have expressed interest to run as District Warehouse Operators.	30 th November	
Warehouse Operator Rules and Requirements review.	To seek legal opinion on current ZAMACE Warehouse Operator Rules and Requirements	31 st October	
Warehouse Operator Rules Training.	To conduct training for the new warehouse operators.	31 st November	

Regions	Warehouse operators & Operation Sites	Certified Capacity	ZAMACE Board Approval
Southern Province	Moomba - Monze & Kalomo Districts	300	√
	AFGRI - Choma District	5,000	√
Central Province	AFGRI -Mkushi	3,000	√
	AFGRI Kabwe	5,000	√
	AFGRI Lusaka	5,000	√
	Citron Mkushi	270	√
Eastern Province	COMACO - Nyimba, Lundazi & Mfuwe	1,000	√



Farmers in Mkushi receiving the Cleaning sieves that has helped them to achieve ZAMACE Grade A maize. Below: The sieve in use.





Above: Basanje community aggregation point was the first to deposit maize in a District Warehouse Operator. Below is the ZAMACE warehouse receipt issued to the community as proof of maize that deposited the Moomba District Warehouse .

 ZAMACE ZAMBIA AGRICULTURAL COMMODITIES EXCHANGE		ORIGINAL WAREHOUSE RECEIPT No. 006	
RECEIVED FROM (FULL NAMES): <u>BANSANJE CO-OPERATIVE</u>		STORAGE AND HANDLING CHARGES	
CONTACT DETAILS: <u>CHIKUNI</u>		MONTHLY STORAGE FEE: K <small>a. Handling charges in and out of the warehouse b. Weighing and grading on intake c. Insurance charges d. First fumigation on intake NB: Storage fee does not include re-bagging and fumigation fees</small>	
ISSUED BY: <u>MOOMBA AUDIENCE</u>		Other Outstanding Fees Re-bagging Fee: K <u>1,644,000.00</u> Fumigation Fee: K <u>60,000.00</u> > K <u>1,704,000.00</u>	
IN RESPECT OF: <u>MOOMBA INVESTMENT DB</u> <small>(WAREHOUSE NAME) (WAREHOUSE PLOT NUMBER)</small>		Storage, handling and other charges have been paid on the commodity covered by receipt up to and including the last date endorsed below by the warehouse operator.	
<ol style="list-style-type: none"> This warehouse receipt is issued subject to the terms and conditions below. For storage in the above named warehouse of the commodity and grade indicated below for which this receipt is issued, the weight and grade are according to ZAMACE Standards. In case of a dispute, rules and regulations of the ZAMACE dispute resolution mechanism apply. The undersigned warehouse operator is not the owner of the said commodity either solely, jointly or in common with others unless otherwise stated herein. Upon return of this receipt and after payment of storage and handling charges to the warehouse operator, the warehouse operator is obliged to release the said commodity from the above named warehouse. The warehouse operator undertakes to deliver the commodity of the same quantity and quality as stated on the receipt. The commodity in storage is insured against risks as per ZAMACE warehouse operator requirements. In case of damage or loss in storage, the warehouse operator shall either deliver the commodity of a similar or better quality to the receipt or pay cash amount calculated at the insured value of the lost / damaged commodity. 		STORAGE, HANDLING AND OTHER CHARGES PAID UP TO AND INCLUDING (DATE) <u>01/10/10</u> <small>(WAREHOUSE OPERATOR'S AUTHORISED SIGNATURE)</small> 	
PRODUCT DESCRIPTION TYPE OF COMMODITY GRADE		DATE OF ISSUE QUANTITY (DIGITS)	
WHITE MAIZE <input checked="" type="checkbox"/>		DAY MONTH YEAR 600 bags withdrawn	
SUNFLOWER		QUANTITY (IN WORDS)	
WHEAT		Depositor's Signature Date	
SOYA BEANS		Shed / Warehouse Quality Manager's Signature Date	



A happy Mr. Matongo with son who also took advantage of the District Warehouse Operator to deposit maize in the warehouse for onward trading on the exchange. Below is his warehouse receipt.

 ZAMACE ZAMBIA AGRICULTURAL COMMODITIES EXCHANGE		ORIGINAL WAREHOUSE RECEIPT																			
		No. 004																			
RECEIVED FROM (FULL NAMES): <u>MR MATONGO MUNASINKALULA</u>		STORAGE AND HANDLING CHARGES																			
CONTACT DETAILS: <u>HUFWA COMMUNITY SCHOOL</u> <u>Box 95 MONZE</u>		MONTHLY STORAGE FEE: K <u>473,200.00</u> <small>Storage Fee includes: a. Handling charges in and out of the warehouse b. Weighing and grading on intake c. Insurance charges d. First fumigation on intake NB: Storage fee does not include re-bagging and fumigation fees</small>																			
ISSUED BY: <u>MOOMBA AJIENICE</u> <small>(WAREHOUSE NAME) (WAREHOUSE PLOT NUMBER)</small>		Other Outstanding Fees Re-bagging Fee: K <u>546,000.00</u> Fumigation Fee: K <u>210,000.00</u>																			
IN RESPECT OF: <u>MOOMBA INVESTMENTS</u>		Storage, handling and other charges have been paid on the commodity covered by receipt up to and including the last date endorsed below by the warehouse operator.																			
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		Shed / Warehouse Quality Manager's Signature Date <u>01/09/10</u>																			



Through the ZAMACE SMS System Marketing information is being shared with the communities. Each community has a contact person who updates black boards located at the community aggregation point.



A maize Sheller in use by Twikatane Community. This initiative has helped small scale farmers reduce on time they spend shelling maize. Shelling is mainly done by women and children. The above machine can shell around 200 bags per day.

Minutes of 6th GMEP Steering Committee Southern Region held on 3rd September 2010

Participants

Newton Samangwe-Zamace Lusaka
 Mathew Chisakuta – Zamace Lusaka
 Lyness Kayumba – Zamace Monze/Choma
 Chisanza Chilangwe – Profit
 Marco Ferrarimi-Celim
 Lucia Di Troia-Celim
 Daniela Scordi-Celim
 Camos Mukonka – Celim
 Maiko Uchida – WFP

(1) Update on the follow up actions from the 6th Committee Meeting

Action	Update
(1) Chisanza and Lyness to ensure paper work is done for cooperatives that received scales before 6 th October 2010	<ul style="list-style-type: none"> ▪ 4 communities (Mulonga, Mujika, Chikuni-Bansanje, Nkaba) would like to buy the scales. ▪ Contracts are not signed with those 4 communities. ▪ It was pointed out that the contract should have been signed when communities first received the scale whether the communities put deposit or not. Immediate signing of the contract was recommended. ▪ 4 other scales are in stock while 2 other scales were returned to Zamace by communities.
(2) Price information(ZAMACE)	<ul style="list-style-type: none"> ▪ Zamace started collecting reference price on Mon/Wed/Friday. ▪ Dissemination of the information to communities are key. ▪ It was agreed that Zamace coordinators ensure price dissemination to the communities through SMS and through blackboards.
(3) Chisanza to make a follow up with Bansaje shed over commodity deposited in the	<ul style="list-style-type: none"> ▪ Bansanje maize was transferred from the Moomba warehouse to FRA. The deposit was made under Mr. Amin's name.

<p>district warehouse by 10th September 2010</p>	<ul style="list-style-type: none"> ▪ When FRA payment is made, Moomba will subtract ZMK 6,000/bag for transport, fumigation, and warehousing. ▪ Celim made loan arrangement currently with 9 farmers (178bags) – 4 month loan ZMK 37,000 per bag with monthly interest of 3%
<p>(4) Chisanza and Lyness to get price on fertilizer by Monday, 6th September, 2010 and share with farmers before 10th September 2010</p>	<ul style="list-style-type: none"> ▪ Price of fertilizer in Monze: Urea ZMK 178,000 and Comp D ZMK 169,000. ▪ Communities were informed of the ETC deal and the prevailing price in Monze town. ▪ Communities are interested in the deal, but waiting for the FRA payment. ▪ Zamace to discuss with ETC if the deal can be extended.

AOB

- It is important to encourage community groups to aggregate other crops, such as soy beans.
- Zamace was informed that the hanging scales which were distributed to community groups this year are not suitable for trading purposes.
- Next meeting date will be informed later.

Action Points

1. **Chisanza and Lyness:** Prepare and sign scale contract with 4 communities. (immediately)
2. **Chisanza and Lyness:** Provide contact information of contact persons at community sheds for price dissemination SMS. (immediately) Identify more contact persons as cooperatives are being formed. (by end October)
3. **Chisanza and Lyness:** Ensure the price information disseminated via SMS is written on blackboard.
4. **Celim:** Write description on its activities in collaboration with Zamace.
5. **ZAMACE:** Discuss with ETC if the fertilizer deal can be extended for Monze farmers. (immediately)
6. **Zamace:** Discuss with ETC on the deal on maize purchase and the fertilizer sales for Kanchele shed. (immediately)
7. **WFP:** Send a project document of the Tractor Revolving Fund to Celim.

8. **Celim, Cfaarm, Zamace:** to submit the list of participants, including representatives of community groups, representative from Celim and Cfaarm, to WFP. (October 13, Wed). One male and one female should represent each community shed.
9. **Chisanza:** Check the venue. (immediately)
10. **WFP:** Send topics of the presentation to be made by community groups. (Oct 12, Tuesday)

Annex 11



The above cooperative shed in Kalomo was earmarked for community aggregation point under GMEP. However, in unprecedented move FRA took over and used it as a satellite buying depot.