



# PRODUCTION, FINANCE, AND IMPROVED TECHNOLOGY PLUS (PROFIT+)

**TASK ORDER NO. AID-611-TO-12-00002**

**QUARTERLY PERFORMANCE REPORT #4  
APRIL 1 2013 – JUNE 30 2013**



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### **DISCLAIMER**

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

## ACRONYMS

AFE	ACTION FOR ENTERPRISE
ASNAPP	AGRIBUSINESS IN SUSTAINABLE NATURAL AFRICAN PLANT PRODUCTS
BEO	BLOCK EXTENSION OFFICERS
CASH	COMMERCIAL AGRIBUSINESS FOR SUSTAINABLE HORTICULTURE
CB	COPPERBELT PROVINCE
CEO	CAMP EXTENSION OFFICER
CFU	CONSERVATION FARMING UNIT
COMACO	COMMON MARKETS FOR CONSERVATION
COR	CONTRACT OFFICE'S REPRESENTATIVE
CRS	CATHOLIC RELIEF SERVICES
DACO	DISTRICT AGRICULTURAL COORDINATOR
DFA	DISTRICT FARMERS' ASSOCIATION
DWA	DISTRICT WOMEN'S DEVELOPMENT ASSOCIATION
EP	EASTERN PROVINCE
EPFC	EASTERN PROVINCE FARMERS' COOPERATIVE
FRA	FOOD RESERVE AGENCY
FSRP	FOOD SECURITY RESEARCH PROJECT III
FTF	FEED THE FUTURE
FTFMS	FEED THE FUTURE MONITORING SYSTEM
GMO	GENETICALLY MODIFIED ORGANISMS
ICRISAT	INTERNATIONAL CROPS RESEARCH INSTITUTE FOR THE SEMI-ARID TROPICS
MAL	MINISTRY OF AGRICULTURE AND LIVESTOCK
MFI	MICRO FINANCE INSTITUTION
MGCD	MINISTRY OF GENDER AND CHILD DEVELOPMENT
MOE	MINISTRY OF EDUCATION
MOH	MINISTRY OF HEALTH
PMEP	PERFORMANCE MONITORING AND EVALUATION PLAN
QDS	QUALITY DECLARED SEED
SATH	SOUTH AFRICAN TRADE HUB
SCCI	SEED CONTROL AND CERTIFICATION INSTITUTE
SMFM	SELL MORE FOR MORE
USG	UNITED STATES GOVERNMENT
VC	VALUE CHAIN
WFP	WORLD FOOD PROGRAMME
ZAMACE	ZAMBIA AGRICULTURAL COMMODITY EXCHANGE
ZANACO	ZAMBIA NATIONAL COMMERCIAL BANK
ZARI	ZAMBIA AGRICULTURE RESEARCH INSTITUTE
ZNFU	ZAMBIA NATIONAL FARMERS UNION

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## INTRODUCTION

The Production, Finance, and Improved Technology Plus (PROFIT+) is a United States Agency for International Development (USAID)/Zambia-funded project under Contract No. AID-623-I-10-00001 and Task Order No. AID-611-TO-12-00002. The Project will run for four years from June 25, 2012 through June 24, 2016.

The program will improve smallholder productivity, expand markets and trade, and increase private sector investment in agriculture-related activities.

This quarterly report covers the period April 1, 2013, through June 30, 2013. It focuses on the progress made on key activities undertaken in the quarter.

## QUARTERLY REPORT AT A GLANCE

### 1. IMPROVED SMALLHOLDER PRODUCTIVITY

- 12 improved technologies were introduced at 70 demonstration sites.
- 690 Demo Host Farmers (DHF's) were identified for the 2013/14 planting season from Petauke, Chipata, Lundazi and Katete.
- 924 participants (390 women and 534 men) attended 3 field days hosted by the Project at the Kalichero Farmer Training Center (FTC), Pwata (demo plot) and Kalunga FTC.
- Horticulture community awareness was conducted for 596 farmers in EP.
- Horticulture production field assessment was conducted to look into the introduction of improved inputs, small scale irrigation, training needs and sustainable delivery of technology and inputs to smallholder farmers in the Project's Zone of Influence.
- 596 participants (117 women and 479 men) attended Horticulture Strategy Awareness meetings in Eastern Province.
- 100 CEOs trained in Horticulture seedling production TOT and commenced roll-out trainings to onion and tomato farmers.
- Reviewed the capacity of extension services and embarked on capacity building and enhancement of services with CEOs and BEOs.
- Establishment of new fertilizer delivery mechanism with Afro-agric Consultancy
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### 2. EXPANDED MARKETS AND TRADE

- Short-term crop marketing strategy assessment conducted to facilitate enhanced farmer/trader relationships and increase access to market information for farmers.
- Facilitated commodity aggregation and provided market information to producers and traders for soybeans, groundnuts and sunflower.
- Solicited bids for a study to formulate a strategic plan to expand aggregation networks; 4 proposals were shortlisted.
- Key traders in each value chain were identified and market linkages established for smallholder farmers.
- Production volumes of soybeans, sunflower and groundnuts in Eastern Province were estimated in order to facilitate relationships with larger buyers/aggregators.
- Total sales of \$502,327 for sunflower, soybeans and groundnuts were facilitated between 1,409 farmers and project partners such as Jungle Beats, CARGILL, Dunavant, EPFC, MUCHA Enterprises and the DWAs.
- Established baseline gross margins for smallholder production of sunflower, soybeans and groundnuts.
- Built capacity of Chipata DWDA, Katete DWDA and Petauke DFA to establish independent management units for their processing plants in order to ensure dedicated management of the processing unit from the enterprises' other operations.
- Supported two EPFC staff to become certified in seed inspection in order to increase the availability of certified seed on the market.

### 3. INCREASED PRIVATE SECTOR INVESTMENT

- MOU drafted with ADRA for collaboration on market linkage development, community based storage and hermetically sealed storage bags.

- Commenced discussions with WFP, MAL and Dunavant for collaboration to support and facilitate establishment and rehabilitation of community-based storage facilities.
- Facilitated the participation of the Project's Horticulture VC Advisor and Agricultural Finance Specialist, Jungle Beat, ZNFU, Focus Financial Services and Grain Traders' Association in the NAMPO Expo in South Africa.
- Commenced discussions with MAL in Lundazi to provide Business Development Skills (BDS) capacity building for CEOs, BEOs and the DACO.

### **IIP FUND**

- Supported the roll-out of aflatoxin trainings for through 72 local partners with grants amounting to \$87,435 to benefit 16,212 farmers.
- As part of an ongoing partnership with a local input provider engaged with smallholders, signed 7 grants for horticulture trainings in the amount of \$59,268, which will reach 12,000 farmers next quarter.
- Evaluated 32 concept notes from the first two rounds of the APS announcement and requested full applications for 4 approved concept notes.

## **4. ACCESS TO FINANCE**

- Established linkages between the World Bank, ZANACO and FREPEGA for accessing DCA credits for the establishment of a fresh produce packhouse in Lusaka.
- Collaborative discussions were held with Vision Fund for facilitating access to finance for small-scale horticulture producers.
- Linkages established with ECLOF for small-scale farmer lending

## **5. GENDER MAINSTREAMING**

- Completed a PROFIT+ gender review of the Project's gender strategy, Barrier Analysis findings, the Gender-specific TOT program, gender training for staff and the Gender Year 1 Work Plan.
- Gender mainstreaming implemented in DHFs identification and selection, horticulture and other Project activities
- Structured agreements with 4 DWDAs to implement gender TOTs and roll-out trainings for 36,000 farmers.

## **6. ENVIRONMENTAL COMPLIANCE**

- Completed and submitted the PERSUAP for USAID approval.
- Conducted training in USAID environmental procedures for project staff.
- Environmental awareness initiatives implemented for partners/beneficiaries.
- Environmental compliance strategy further developed for all Project activities.

## **7. MONITORING & EVALUATION**

- Conducted baseline village sample verification exercise.
- Preliminary gross margin and incremental sales baseline results established
- Completed and tested an indicator tracking table and M&E data quality tools .
- BCC activities commenced and priority behaviors identified

## 8. OPERATIONS AND MANAGEMENT

- Deputy Chief of Party and Finance/Accounting Manager recruited
- Participated in the Eastern Province Agriculture Show and won 1<sup>st</sup> prize in the unclassified category for best exhibition.

### DASHBOARD: PROJECT PROGRESS AGAINST TARGETS AND SELECTED INDICATORS

No	Indicator Source	Indicator Name	Year 1 Targets	Quarter 3 April –June 2013	Cumulative to Date
1	FtF 4-16	Percentage of people living on less than \$1.25/day	79.75%	NA	NA
3	PROFIT	Value of household assets (including savings, stored crops, etc.)	NA	NA	NA
4	PROFIT	Average number of months of adequate household food provisioning	8	NA	NA
5	FtF 4-5	Women's Empowerment in Agriculture Index Score	0.81	NA	NA
6	FTF 4.5.2-14	Number of vulnerable households benefiting directly from USG assistance	24,278	3,992	19,038
7	FTF 4.5.2-13	Number of rural households benefiting directly from USG interventions (\$)	27,000	4,990	20,036
8	FtF 4.5-4	Gross margin per unit of land of selected crops (maize, oilseeds, legumes & horticulture)			
9	FtF4.5.2-7	Number of individuals who have received USG supported short-term agricultural sector productivity or food security training	20,000	4,990 <sup>1</sup>	20,349
10	FtF4.4.5.2-5	Number of farmers and others who have applied new technologies or management practices as a result of USG assistance <sup>2</sup>	0	924	4,273
11	PROFIT	Number of demonstration plots established	883	0	280
12	FtF 4.5.2-2	Number of hectares under improved technologies or management practices as a	10,000	157.5	0

<sup>1</sup> This is a consists of smallholder who received training in aflatoxin, agro dealer, horticulture and market information

<sup>2</sup> The reported figures reflect the number of people who have been exposed to technologies promoted by the project through field days and follows on application of the

No	Indicator Source	Indicator Name	Year 1 Targets	Quarter 3 April –June 2013	Cumulative to Date
		result of USG assistance			
13	FtF 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	80	0	59
14		Value of new private sector investment in the agriculture sector or food chain leveraged by FTF implementation	\$12,500,000	\$6,720 <sup>3</sup>	\$1,815,568
15	4.5(2)	Number of jobs attributed to FTF implementation	150	0	10

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<sup>3</sup> During the training of Ministry of Agriculture officials from the target districts and camps with horticulture production potential Hygrotech contributed a total of \$6,720

## PROJECT IMPLEMENTATION

### IR1: IMPROVED SMALLHOLDER PRODUCTIVITY

#### 1. Improved Productivity Enhancing Technologies

The Project currently works with seventy (70) Demo Host Farmers (DHF) who are managing 280 demonstration plots on 70 demonstration sites. The main purpose of the demo plots is to increase the productivity and profitability of smallholder production. The Project is specifically using the demonstration plot model for:

- Technology transfer
- Information transfer – including market information
- Increased access to inputs (seeds and agro chemicals)
- Access to training
- Data collection and analysis
- Farmer and participant feedback and
- Reporting

##### a. Afro-agric Consultancy: Fertilizer Delivery Mechanism

In its continued efforts to introduce new and improved technologies to increase productivity, the Project met with Afro-agric Consultancy which is a company that works closely with Greenbelt Fertilizers to discuss the following:

1. Introduction of a new fertilizer specifically packaged in small briquettes. The technology significantly reduces losses through vaporization and leaching translating into increased yields and reduced input costs for farmers. This technology is being developed with IFDC in Tanzania.
2. Possibility of co-sponsoring demo sites.
3. Attracting CHC as a targeted buyer for the groundnut, soybeans and sunflower commodities that will come from all farmers linked to DHFs.

The agreed action points from the meeting were:

1. PROFIT+ to confirm with IFDC whether the Project has its authorization to use this technology in Zambia.
2. Determine sites where all parties would be willing to collaborate for demonstration, input marketing and commodity purchasing purposes.
3. Assess whether briquette manufacturing plants could be established with PROFIT+ intervention.

#### Increased productivity in Katete

Groups of farmers have been participating in a crop harvest weighing exercise to observe the benefits of improved agricultural practices in comparison to traditional practices as showcased on the PROFIT+ demo plots.

The Project carried out the crop weighing exercise with 8 demo host farmers in Katete and the general observation was that the produce/yield from commercial demo plots far outweighed the produce from the traditional demo plots. One example is Sakala of Kawala Agriculture Camp who harvested 75kgs of soybeans from the commercial plot and only 45kgs from the traditional plot.

#### Technology Transfer

To date the Project has introduced the following **twelve (12) technologies** at the demonstration plots: soil sampling, minimum tillage, liming, early planting, Integrated Pest Management (IPM), targeted fertilizer, aflatoxin mitigation, improved methods of harvesting groundnuts, minimal clearing of virgin land, crop rotation, agroforestry and use of certified seed.

## Identification of Demo Host Farmers for 2013/2014 Planting Season

During the period under review, the Project embarked on a Demo Host Farmer (DHF) identification and selection exercise for the next crop season. The team refined the selection criteria of demo host farmers and established a monitoring system of demo plots to verify technology transfers and other new techniques being adapted by the smallholder farmers. The refined set of criteria requires a farmer to meet the following minimum requirements to qualify as a DHF:

- É A farmer should have a minimum of one lima of land
- É Should be willing to participate in the demonstration plot model and,
- É Should be able to support other farmers through management of the demo plots

The exercise was conducted in 23 blocks covering 178 camps and 1,381 zones in Petauke, Katete, Chipata, Lundazi in collaboration with Camp Extension Officers (CEOs) and community leaders in the targeted blocks. The roles and responsibilities for each stakeholder in the selection, establishment and implementation of the demo plots are as follows:

### **PROFIT+**

- É Verifies qualifications of proposed DHFs as per PROFIT+ selection criteria;
- É Collects soil samples for analysis;
- É Delivers required inputs (including protective clothing) for each demo plot and farmer;
- É Supervises/ensures demo plots are laid out and planted as per specifications;
- É In collaboration with CEOs, helps DHFs to plan for Farmer Field Schools;
- É Schedules dates for field days and other beneficiary visits to the demo plots ;
- É Provides on-going support and monitoring to DHFs and provides data collection tools; and,
- É Collects data and information from DHFs on numbers of farmers, community members benefiting from PROFIT+ interventions.

### **Camp Extension Officers**

- É Identifies DHFs in each Zone;
- É Supports identification of Lead Farmers (LF);
- É Marks out trial plots on a 1 lima land area;
- É Assists DHFs plan for and hold Farmer Field Schools and Field Days; and,
- É Provides on-going monitoring and support for DHFs.

### **Demo Host Farmers**

- É Recruits 5 Lead Farmers each;
- É Lays out demo plots and plants target field crops as per PROFIT+ specifications;
- É Conducts Farmer Field Days and Field Schools at the demo plots; and,
- É Using the PROFIT+ data collection forms, provides data and information on numbers of farmers visiting the demo plots and gaining new skills in crop production.

The Project aims to work with a total of **690 DHFs**, who have since been selected & identified in the four districts with the following distribution:

- Petauke -180
- Katete -150
- Chipata -180
- Lundazi -180

To date, tentative contact and personal details of the DHFs have been gathered including demo plot site location details. In the next stage of selection the Project will use the DHF lists and undertake capacity building of the targeted DHFs, including training in demonstration plot management.

The capacity building scheduled to commence in July 2013, will culminate in the compilation of a data base of the DHFs including contact and personal details and will be gender disaggregated. The DHFs will be trained and required to use the PROFIT+ M&E data collection forms, which will be uploaded into the project database periodically.

## Farmer Field Days

During the quarter, the Project continued to refine and implement Farmer Field Days as a tool to transfer knowledge to smallholder farmers at the community level. The Project held 3 field days during the period under review:

**Table 1: Number of Participants at Farmer Field Days**

Demo Host Farm/Venue	Total Female Participants	Total Male Participants	Total Participants
Kalichero FTC	149	265	<b>414</b>
Pwata (Naomi Phiri – DHF)	59	52	<b>111</b>
Kalunga FTC	182	217	<b>399</b>
<b>TOTAL PARTICIPANTS</b>			<b>924</b>

The Project also participated in field days with local partners such as Pioneer Dupont, which demonstrated its hybrid sunflower and soybeans seed, as well as Msekera Research Station, which showcased its expertise in basic crop nutrition, new crop and variety improvement, and improved crop husbandry techniques. These field days are helping to educate and farmers on how the Project determines crop recommendations for higher yields in Eastern Province.

## 2. Horticulture Production Field Assessment

The Project carried out a horticulture production field assessment for the main purpose of determining the production trends, constraints and opportunities in an effort to identify factors limiting their cultivation and develop strategies to overcome these challenges: Specifically, the team addressed the following issues:

- Introduction of improved inputs such as seeds, fertilizers, Crop Protection Products (CPPs), and small scale irrigation that can improve both crop quality and productivity;

- Identification of training needs to ensure the safe and effective utilization of inputs; and,
- Recommendations on how technical knowledge and inputs can be sustainably delivered to smallholder farmers.

### 3. Horticulture Community Awareness

The Project embarked on a community awareness raising campaign aimed at informing communities in the PROFIT+ zones of influence of the goals and objectives of the PROFIT+ horticulture strategy, in Eastern Province. The activity involved meeting with community members, including CEOs, in their respective locations. The campaign emphasized the following:

1. Overview of PROFIT+ and partnership opportunities
2. Detailed explanation of the Horticulture Strategy
3. How the FBA and lead farmer Business Model will be implemented at community level...
4. Selection criteria for FBAs, lead farmers(Group Leaders), Participating farmers

The Project is aiming to select FBAs who are members/residents of a community or cooperative, DWA, agro-dealer or partner organization and who own land measuring at least 2 limas. The FBA should preferably be a farmer with an income generating activity and should also be respected in the community. In addition, the Project is looking for FBAs with a demonstrated ability to manage a crop stand, who are literate, trustworthy and preferably women. In addition they should be able to network well with other farmers, NGOs, and private sector.

The land allocated for the demonstration plot should be easily accessible, near a reliable all-year round water source and preferable located along a major road or farming community.

**Table 2: Number of attendees during the Horticulture Strategy Awareness Meetings:**

District	Male	Female	Total
Lundazi	110	24	134
Chipata	69	10	79
Katete	195	55	250
Petauke	105	28	133
<b>Total</b>	<b>479</b>	<b>117</b>	<b>596</b>

The horticulture strategy aims to benefit 12,000 farmers in Easter Province and Peri-urban Lusaka through knowledge transfers from the community seedling plots and various trainings incorporating BDS, gender sensitization and environmental compliance.

### 4. Horticulture Seedling Production Training

The Project embarked on a horticulture seedling production training in all the target districts in the EP as well as in Peri-urban Lusaka. In line with the Project's goal of increasing private sector in-

vestment in agriculture, PROFIT+ continues to collaborate with Hygrotech, one of the leading suppliers of horticulture seedling equipment and seeds, adjuvants, and foliar fertilizers in Zambia. Hygrotech seeks to expand its current market share and investment in smallholder horticulture in Eastern Province. Given its experience and investments in this area, it was identified as the most capable and well positioned local partner to facilitate the Project's TOT. This partnership culminated in the Project training 100 MAL trainers who commenced the roll-out trainings aimed at reaching 12,000 farmers in EP and Peri-urban Lusaka, this season.

Hygrotech built the capacity of the MAL staff in an evolutionary system of germinating seed into a seedling in a controlled environment. The MAL staff subsequently rolled-out the technology to the identified FBAs and Lead Farmers. The FBAs will provide a seedling service to the participating farmers to enhance seedling accessibility and availability at community level. This production technology will:

- i. Maximise germination relative to the cost of seed;
- ii. Maximise subsequent seedling growth;
- iii. Produce a seedling that will ensure quick take off, strong root system and best growth in the field, ultimately leading to an earlier and stronger crop that better withstands stress.

TOTs were conducted in each of the four districts in Eastern Province (Chipata, Lundazi, Katete and Petauke) and one TOT was held in Peri-urban Lusaka for beneficiaries from Chongwe, Kafue and Chibombo districts. The TOT trained representatives from the MAL, including Camp Extension Officers, Block Supervisors and the district administrative office staff (more details are provided in the training section).

### Horticulture Training Update

The roll-out trainings commenced after the TOTs, and by the end of the quarter **2,919** farmer producers were trained.

## 5. Enhanced Agricultural Extension Services

The Project reviewed the capacity of extension services and has embarked on a capacity building and enhancement of these services through increased support to MAL CEOs, Block Extension Officers (BEOs), and District Agricultural Committees in Lundazi, Petauke, Chipata and Katete.

PROFIT+ will work to:

- Enhance the extension service's capacity to transfer quality and relevant information to DHFs;
- Support greater information transfer to farmers in order to increase farmer adoption of and invest in key technologies;
- Ensure that community leaders and CEOs participate in selection of DHFs;
- Explore the use of demo host farmer model for other interventions such as gender sensitization, environmental compliance and HIV/AIDS in addition to demonstrating technology; and,
- Encourage farmer to farmer extension services and positive competition between farmers.

## 6. Increased Availability of Certified Seed

### a. Establishment of a Seed Alliance

The Project team travelled to Malawi for a meeting with ICRISAT to learn more about the Malawi Seed Alliance, in an effort to explore the possibilities of establishing a similar seed alliance in Zambia. The alliance would operate as a revolving fund that facilitates the multiplication of groundnut basic seed for sale to companies or entities such as the EPFC, Katete DWA and COMACO that would further multiply the seed into certified seed. The Project will continue discussions with ZARI, ICRISAT and other stakeholders to determine the best way forward and next steps.

### b. Purchase of Seed

Twenty metric tons of basic groundnut seed, which was originally contracted to be purchased by MSEKERA from seed producers, has not been purchased and is still currently with seed growers. The challenge is that neither MSEKERA nor the Project's local partner, ZARI, has the ability to purchase this crop. If the situation is left unattended, the basic seed will be sold to traders as grain, reducing the availability of certified seed for smallholder farmers. The long term goal is to establish a revolving seed fund, and in the interim, PROFIT+ and ZARI are exploring the possibility of PROFIT+ financing the seed and determining the ownership of the seed once purchased.

## IR2: EXPANDED MARKETS AND TRADE

### 2013/2014 CROP MARKETING STRATEGY

The Project has identified that one of the key constraints to access to markets is that buyers do not know the quantities of commodities available from individual producers, cooperatives and farmer groups. The Project also found that farmers do not have the means to access accurate market information on best prices for their commodity, and lack information on potential buyers. Farmers also do not calculate gross margins and base their pricing on best offers from traders or past price history.

Extension Officers are the main source of crop production estimates and market prices in each value chain, since they are located closest to the producers. The challenge currently is that production estimates and trends at the village level are not known to buyers; while the data at block and district levels is consolidated and, in some instances, averaged across different agricultural camps, making it unusable for marketing.

To facilitate building the farmer/trader relationships and equip farmers with accurate market information, the Project has focused mainly on:

- “ Establishing accurate estimation of crop production by value chain (soybeans, groundnuts and sunflower) in designated geographical areas;

#### Facilitating market linkages between farmers and traders in Katete

As a result of new relationships with buyers, farmers in two camps in Katete sold 10.5 tons of unshelled groundnuts this quarter. Farmers aggregated their crops at a shed in Chimtende camp and at Chiundamira Village in Mwanamphangwe camp. The selling price was K2.20n/kg for unshelled groundnuts. In addition; DWAs have increased their role as aggregators, e.g. the Katete DWA sold 25 tons of unshelled groundnuts from its members at K2.6n/kg.

- “ Identification and understanding of aggregating practices and factors that influence them; and,
- “ Identification of traders, and tracking market prices per value chain.

### **Facilitating Enhanced Aggregation**

During the assessments, farmers indicated that they would be willing to aggregate for purposes of marketing commodities provided that the date for marketing is publicized and potential traders are identified before aggregation. To this effect, the Project is making use of the existing structures of the CAC, District Women Associations (DWA) and cooperatives to communicate timely and accurately about potential linkages to traders and their respective buying prices. The Project, using radio announcements, is encouraging traders to come and meet producers through CACs, DWAs or through the cooperatives. Bringing traders to speak to the producer groups mentioned above will enable them to agree on the prices for each of the commodity types, marketing day as well as payment modality, facilitating greater aggregation and sales. Such arrangements will increase confidence of the producers with each other and also with the trader.



### **Aggregation Study**

The Project put out an open solicitation for consultants to conduct an aggregation study that will be the basis of a strategic plan to expand of the currently aggregation networks, enable sourcing of more commodities and increase smallholder access to competitive markets. The study will provide specific recommendations for increasing efficiencies of the systems and costs of aggregation.

TORs were sent to seven firms and four proposals were received. The team established an evaluation committee and is now scoring of the four proposals. The study is expected to commence in the middle of the next quarter.

### **Identification of Traders and Establishment of Buying Price**

To better inform producers and increase their aggregation capabilities, the Project embarked on an exercise to identify traders in each of the value chains and to streamline trader-farmer engagements. This information was collected from the CAC in the districts. To ensure that there were equitable agreements between the two parties, the Project shared with traders some of the estimated production data that was collected in the blocks. The team also assessed the traders and the prevailing buying models in each district.

The team engaged large traders and enterprises such as Dunavant, COMACO and the EPFC. It also identified cross-border traders from Malawi, Congo and Tanzania who purchase commodity at community level directly from farmers.

## Assessment of Production Estimates

The Project is estimating production volumes for soybeans, sunflower and groundnuts in each of the four Project districts in EP. The Team organized meetings with BEOs in each district to obtain accurate production information as well as to determine the potential aggregation/bulking centers in each agricultural camp.

The Project used the data to inform potential traders of available quantities of produce by crop. Breaking down the information to Agricultural camp level was important for the traders to make informed decisions about whether or not to send buyers to a particular area or village. Camp level information also made it possible for traders to make appointments with the Camp Agricultural Committee (CAC)<sup>4</sup> and effectively negotiate for price.

**Table 3: Production figures for sunflower, soybeans and groundnuts in P+ zone of influence**

District	Sunflower (50kg by volume)	Soybeans (50kg)	Groundnuts (50kg by volume)
Chipata	71,030	23,125	209,917
Lundazi	115,954	163,595	257,784
Katete	31,886	8,375	76,240
Petauke	137,550	2,536	145,420
<b>TOTALS</b>	<b>285,390</b>	<b>174,506</b>	<b>479,444</b>

**Table 4: Sales Figures for Farmers who received P+ Market Information, as at 30 June 2013**

District	Sunflower		Groundnuts		Soybeans	
	(Kg)	ZMW	(Kg)	ZMW	(Kg)	ZMW
Lundazi	37,800	30,240	105,325	246,650	43,750	96,250
Chipata	6,990	8,388	49,300	128,180	7,527	18,818
Katete	269,030	322,836	359,021	766,222	489,100	1,044,750
Petauke	Data not available by reporting time (will be reported in next quarter with updated data for Lundazi, Chipata and Katete)					
<b>TOTALS</b>	<b>313,820</b>	<b>K361,464</b>	<b>513,646</b>	<b>K1,141,052</b>	<b>540,377</b>	<b>K1,159,818</b>

By reporting time, **7,044** farmers were reached who received market information, out of which **1,409** achieved total sales equaling **ZMW 2.7 million** (approximately **\$502,327 USD**).

## Gross Margin Calculations for Each Value Chain

<sup>4</sup> Camp Agricultural Committee (CAC) membership is comprised of representatives from Agricultural Zones (a village or a collection of two or three villages). Each zone sends a representative to the CAC during the regular monthly meetings. The Agriculture Extension Officer is a defacto member and serves as Secretary of the CAC.

The project calculated Gross Margins (GM) for each of the value chains. As the Project works with producers, the GM calculations help them to understand the costs of producing a particular value chain and therefore to determine break-even prices for their commodities. Understanding the GM will also empower producers to negotiate profitable prices and make more informed decision about how to invest scarce household resources.

The team held meetings with farmers to inform them on the need to calculate gross margins and break even prices before selling their crops. A total of **333 CAC leaders, 63 women and 270 men**, from 173 CACS in **23 blocks**, attended the sensitization meetings.



The CACs were tasked to educate their members on the importance producing quality commodities through sorting and grading. The CACs were tasked with monitoring product quality at purchasing time through various aggregation centers.

From the above activities, the Project was able to establish average prices for soybeans, sunflower and groundnut crops as follows:

**Table 5: Average sales prices for soybeans, sunflower and groundnuts**

Crop/Value Chain	Price per KG (ZMW)
Sunflower	1.15
Groundnuts	2.22
Soybeans	2.15

All the prices are the gross margins except for soybeans. In soybeans, the Project noted that some producers sold before the Project’s aggregation awareness activity or received lower prices after some major buyers suspended their purchasing due to financial constraints.

## Southern African Trade Hub

The Project met with the SATHUB to discuss PROFIT+ stakeholder participation in grain management trainings and courses on strategic planning on ware house management for farmer groups/individuals, who will be affiliated with PROFIT+. These trainings/courses will be implemented in conjunction with ZAMACE, FRA and WFP once warehousing initiatives take off. Follow-up meetings are planned to further structure this initiative.

## A. Rural Enterprises and Cooperative Development

The Project Team continued to establish links with enterprises that are involved in processing of sunflower and groundnuts. The project is working with the following organizations to build their capacity and encourage increased processing of sunflower, soybeans and groundnuts:

## 1. Katete and Chipata DWDAs

The Team found that although Katete and Chipata DWDA have started processing cooking oil from groundnuts, it was determined that they do not have sound business strategies that clearly stipulate how the marketing activities will be conducted and they also have challenges with product branding.



Based on recommendations from PROFIT+, Petauke DFA has established a separate management unit for its processing enterprises. Katete DWDA has employed a field facilitator, two operators and is still recruiting the business manager, while Chipata DWDA only has two operators and a field officer. All the enterprises have opened separate accounts.

**Left: Bottle of cooking oil processed by Katete DWDA**

## 2. Petauke DFA

The DFA has started processing cooking oil and peanut butter. The DFA has also employed an independent management team and have a separate account but like the other enterprises, they do not have a clear business strategy. The Project developed will engage a consultant to help them develop viable business strategies.

PROFIT+ is also facilitating linkages to markets for these enterprises, for the groundnut cake which is a by-product of oil extraction.

## 3. Eastern Province Farmers' Cooperative (EPFC)

The project supported EPFC by partially funding the training of 50 buying agents in effective commodity purchasing principles and procedures. Additionally, the project supported the company through provision of a motor bike to be used in their field monitoring and marketing activities.

The Project also supported EPFC by funding the seed inspection training for two EPFC staff. The training culminated into the two staff members being certified as seed inspectors by the SCCI.

## **IR3: INCREASE PRIVATE SECTOR INVESTMENT IN AGRICULTURE RELATED ACTIVITIES**

PROFIT+'s goal is to contribute towards increasing competitiveness of smallholder Zambian farmers, associations and firms to achieve trade-based rural economic growth and poverty reduction. To this end, the Project has developed strategies of collaborating with private sector entities and stakeholders to increase investment in smallholder farming at all levels of the value chains. Notable partnerships and discussions during the period under review were as follows:

## **1. Adventist Development and Relief Agency Zambia (ADRA)**

The Team met with ADRA to discuss a prospective partnership in developing community-based storage facilities.

### **a. Market Linkage Development**

Market development is part of ADRA's poverty eradication mandate and they are supporting communities in dried food processing and marketing of various commodities including, but not restricted to, tomatoes, bananas, cow pea leaves and cassava. The Project is pursuing the establishment of a production base and processing facility for its beneficiary tomatoes producers. PROFIT+ hopes to take the lead on the production end, assisting with farmer identification and production technology such as certified seed and irrigation mechanisms. ADRA will take lead on processing and market development. The two will also explore the viability of facilitating the setting up of irrigation/greenhouse production units, including increased value addition for horticulture products and increased marketing opportunities.

### **b. Community Based Storage**

ADRA and PROFIT + will explore the option of co-financing the establishment of these community based storage centers for horticulture produce which are also linked to production facilities and interventions. The Project will explore utilizing an input for work, rather than food for work initiative, to pay for the community's labor contribution towards the construction/rehabilitation of storage and processing facilities. This work might also extend to other productive activities such as feeder road rehabilitation.

### **c. Hermetically Sealed Storage Bags**

ADRA is also keen to partner with PROFIT+ on the introduction of the triple-lined hermetically sealed bags which retain humidity integrity and reduce loss of commodity value through moisture damage or development of fungi such as aflatoxin.

### **Way forward**

The Project has drafted an MOU with ADRA to reinforce interest and collaboration in the areas of cooperation outlined above. Once finalized, the MOU will outline detailed activities and timelines for implementing the activities, including identifying specific beneficiaries for each intervention.

## **2. World Food Programme (WFP), MAL and DUNAVANT – COMMUNITY-BASED STORAGE FACILITIES**

WFP facilitated a meeting with MAL, Dunavant and PROFIT+ to discuss a joint initiative on construction of community-based storage facilities. The meeting addressed several points with the following outcomes:

1. WFP is leading an initiative to develop community based storage facilities. This initiative is driven by their mandate to source and store commodity close to their “school feeding program” beneficiary base. The strategic reserves are to be co-managed by Food Reserve Agency (FRA), Ministry of Health (MoH), MAL and Ministry of Education (MoE).
2. For cost reasons, these storage facilities are planned to be modeled on the minimum ZAMACE specifications with Katete being earmarked as the pilot district.
3. For these investments to be financed and operationally sustainable, private companies will need either to take partial ownership or commit to utilization of these facilities once structure, layout, location and cost have been determined.
4. The mechanics of facility management and how ownership will be handed over to the community is still under discussion but introduction of user fees are being considered as a way to ensure sustainability.

The meeting concluded with all parties planning to have internal consultative meetings to determine policy concerns and possible resources (financial, material and otherwise) that would be committed to advance the process.

### 3. NAMPO Harvest Show

The NAMPO harvest exhibition in South Africa was an opportunity for South African as well as international agriculture technology suppliers to showcase their products and services. The focus is mainly on harvest-related equipment as well as exhibitions on land preparation equipment.

PROFIT + was invited to the show by the Southern African Trade Hub (SATHUB) and was represented by the Project’s Horticulture Technical Lead and the Agriculture Finance Specialist. Participants who travelled with PROFIT + included representatives from the Zambia National Farmers Union, Focus Financial Services, Jungle Beat, Grain Traders’ Association and a lead farmer (sponsored directly by SATHUB).

The main objectives of PROFIT+’s participation were:

- 1) **Meeting with an irrigation equipment supplier called Senter360.** This is in direct connection to the Project’s intention to support Jungle Beat to establish a seed multiplication facility in Eastern Province with land fed by irrigation.
- 2) **Meeting with Microbial Solutions.** Microbial is a company that manufactures, distributes and supplies a bio-based inoculant that Jungle Beat wants to use for their certified groundnut seed package which they will distribute to their out-grower small-scale farmers in the next farming season.

### 4. MAL Lundazi – Business Development Skills (BDS) Capacity Building

The team met with the DACO, BEOs and CEOs for Lundazi to obtain buy-in for a series of BDS trainings for which the Project requires their assistance for delivery and coordination.

MAL representatives expressed their interest in structuring and planning these activities and agreed that they would set up a workshop with PROFIT+ to discuss targeting of training beneficiaries and to review the BDS curriculum.

## 1. INNOVATION, INVESTMENT AND PARTNERSHIP FUND (IIP FUND)

Substantial progress was made in this quarter in the implementation of the grants program.

### 1. Grants Disbursals

#### a. Rapid Response Grants for Aflatoxin Management

All the 72 grantees who received a total of \$87,435 to support their training of 16,212 farmers in aflatoxin mitigation and management, submitted milestone completion certificates and attendance sheets which were verified by the Training Coordinator and the M&E team. This marked the successful close-out of the first Rapid Response Grants which the Project issued under the IIP Fund.

#### b. Horticulture Trainer of Trainers Grants

The Project issued grants to Hygrotech Zambia in order to facilitate the training of 90 Camp Extension Officers in the Farmer Business Agent (FBA) model. The training will be rolled out to 12,000 farmers. The total value of the grants, including cash and in-kind support, was \$59,269 with Hygrotech providing \$6,720.00 as leverage.

#### c. Concept Notes and the Annual Program Statement (APS)

The Team is focusing on innovative concepts which will enable the Project to reach its target beneficiaries in a sustainable way. Two requests for concept notes for the Innovation, Investment and Partnership (IIP) Fund were circulated in newspapers and on the internet and 32 concept notes were received. The Grants Evaluation Committee reviewed and scored the concept notes to determine which applicants would be selected to submit a full grant application.

**Table 6: Breakdown of the scoring process**

Total concept notes received as at 30 <sup>th</sup> June 2013	<b>32</b>
Concepts notes reviewed by Grants Evaluation Committee	<b>16</b>
Concept notes rejected by Grants Evaluation Committee	<b>5</b>
Concept notes requiring additional information	<b>7</b>
Requests for Applications sent out for completed and fully evaluated concept notes	<b>4</b>

The third announcement calling for concept notes was scheduled for publication in the first week of July following which a pre-concept note submission orientation workshop will be undertaken. The purpose of the workshop is for the Project to take applicants through the APS process, in an effort to ensure that quality concept notes are subsequently submitted.

The first grant issuance resulting from the APS process is expected to be in August 2013.

## ACCESS TO FINANCE

PROFIT+ is working on both the supply and demand sides of the finance sector to increase the competitiveness of the targeted value chains. The Project will build the capacity of smallholders and other value chain actors to develop sustainable linkages among themselves and with financial institutions. It will also promote increased investment in agriculture by private sector actors (including MFIs and commercial banks) and facilitate the development of appropriate financial products and services. To this end, the Project held the following collaborative meetings with stakeholders to discuss interventions where PROFIT+ can facilitate implementation.

### a. Vision Fund – FUNDING SMALL-SCALE HORTICULTURE FARMERS

The Team met with Vision Fund to determine the presence and risk mitigation plan that Vision Fund has with regards to horticulture production. The meeting established the following:

- Vision Fund is very keen on funding small-scale horticulture farmers based on its experience in the sector and mandate. Vision Fund currently has a footprint in Chipata and Peri-urban Lusaka and has plans to expand into other districts such as Katete within the next quarter.
- Vision Fund is prepared to provide Financial Education training on a cost basis to the farmer groups to ensure that they have the prerequisite financial literacy to manage their businesses effectively and repay loans.
- Vision Fund will likely require that agricultural clients have off-take agreements or strong market linkages to buyers for their produce.

The Project asked Vision Fund to provide a product/service catalogue that clearly indicates loan features such as interest rate, periods of performance, loan terms and disbursement/collection methods.

Finally, the MOU process was discussed and the follow up action was that PROFIT+ will provide Vision Fund with the MoU template before proceeding with discussions on actual partnership details.

### b. World Bank and ZANACO – MARKET IMPROVEMENT AND INNOVATION FACILITY (MIIF)

The World Bank in partnership with MAL is running a matched grant fund, Market Improvement and Innovation Facility (MIIF), which seeks to assist local agri-businesses gain increased access to both local and international markets. Under this project, MIIF has identified a farmer group called FREPEGA that was formed out of the now defunct AgriFlora horticulture out-grower scheme. MIIF and FREPEGA are looking for investment partners and approached PROFIT+.

It was agreed that equity investment would be needed to finance FREPEGA's planned capital investments and operational requirements. The general business model involves establishment of a fresh produce pack house in Lusaka that will process commodities grown by a network of small-scale farmers in the Peri-urban Lusaka area.

### c. Ecumenical Church Loan Fund (ECLOF): Small Scale Agricultural Lending

The Project met with the Ecumenical Church Loan Fund to discuss potential partnership in the area of small-scale agricultural lending. ECLOF is a development focused international MFI with a presence in 22 countries around the globe. ECLOF Zambia has recently been granted an undisclosed fund aimed at small-scale agriculture lending but, given their limited experience in this sector, ECLOF is seeking out partner organizations to help them manage their sector entry risks. Different finance models were discussed with PROFIT+ and a general consensus was arrived at regarding how a partnership would potentially work. ECLOF has arranged for their Lusaka team to travel to Asia on an exposure visit as part of the preparation to launch their agricultural finance portfolio. A meeting will be set up to discuss how to progress the discussion once the ECLOF team is back in country.

## MONITORING AND EVALUATION

### a. Baseline Village Sample Verification Exercise

In preparation for the baseline survey, the Project conducted a sample verification exercise of the data that was collected earlier in the year. The purpose of this exercise was to verify the village listings in all sampled camps in order to cluster them and establish the estimated number of households to facilitate the final baseline sample.

The exercise which was carried out by enumerators with support from the Central Statistics Office (CSO), achieved the following successes with the help of the CEOs, Village Leaders, Zonal Leaders, Camp Agriculture Committee leader and the BEOs.

1. All the village names were clustered in zones, spellings and number of households per village verified
2. The village listing was updated based on the information provided by the contact persons
3. Contact details of all the people who helped in the verification of the data and zoning of the villages was collected and verified.

**Table 7: Preliminarily gross margin and Incremental sales baseline results**

Results for Gross Margins and Base Incremental sales		
Single and inter cropped	Incremental Sales ZMK	Gross Margin ZMK
Maize	383,631,208	1,206.30
Sunflower	14,616,941	660
Soy beans	6,012,031	1,631.20
Groundnuts	33,463,732	1,759.40
Tomato	22,838,358	8,428.30
Onion	3,516,217	20,407.10

## **b. Roll Out Of The Baseline Survey**

The baseline implementation plan was finalized and household selection tables were completed to be rolled out in the next quarter. The training of enumerators was conducted and the questionnaire was updated in view of the observations made during the training session.

The baseline survey, including data verification and analysis, was completed in June and a draft report was submitted by Kimetrica to ACIDI/VOCA at the end of the quarter. The final baseline report will be available next quarter.

## **c. Project Database**

The Project tested its data entry tools and efficacy of the Project database by collecting data from 10 project beneficiaries using the gross margin questionnaire. Once the data is verified, the final tools will be ready early next quarter, at which point the database will be complete and operational.

## **d. Indicator Tracking Tools**

The team circulated an Indicator Tracking Table which is a tool that will feed into the Project's PMP reporting and the M&E data quality procedures to all Project staff for their input and comments. Once consolidated, the indicator tracking tool will be rolled out and implemented across the project to ensure accurate tracking of achievements against targets.

In addition, the team finalized a Scope of Work for a consultancy to follow up on the outcomes of the aflatoxin trainings, aggregation, and marketing activities which were implemented during the last quarter. The consultancy is expected to indicate the rate of adoption of technologies, skills and interventions which were facilitated by the Project for the smallholder producers, processors and traders.

## **e. Behavior Change Communication (BCC) Initial Research**

The Project commenced its BCC activities in April with research into six specific behaviors. The Project field team, in collaboration with BCC and Communications experts, identified five priority behaviors. The methodology used learner-centered adult education strategies to provide field staff and managers the skills and tools to apply a behavioral approach to designing community development programs. In addition to the BCC study, a review of media, health and other BCC Campaigns in Zambia was conducted to identify any other relevant projects and materials available through development partners and the Government of Zambia

To establish priority behaviors each technical team leader in the Project was interviewed and asked to identify the behavior that has the most potential to contribute to the Project's top level indicators.

The following were the behaviors that were short listed and researched.

## Individual Behaviors

- Farmers use certified seeds
- Farmers process or add value for targeted crops
- Farmers increase savings and apply for loans (cash or in kind) from financial institutions
- Women have sole or joint control over productive inputs in their households
- Women hold leadership positions in mixed farmers' groups
- Women participate in marketing activities beyond "farm gate"

## Collective Behaviors

- Community agro dealers advise and train smallholder farmers on their products
- Farmer groups (cooperatives, associations) aggregate produce for collective sale

### f. Barrier Analysis

Following the BCC initial research, a formative research component of the barrier analysis was done, led by the ACDI/VOCA's Behavioral Change Advisor, with the assistance from M&E advisors from Danya and PROFIT + team members. The results of the barrier analysis will be used to develop a behavior change communications strategy outlining how PROFIT+ will use communication tactics to increase behavior change, adopt technology, facilitate learning, and increase overall project outcomes. All BCC activities will be directly based on the findings of the formative research and closely monitored and evaluated based on a BCC monitoring and evaluation (M&E) plan to ensure documentation of all best practices and success stories.

#### Key deliverables from the BCC activity were:

1. Behaviors change and communication draft report
2. Identified and shortlisted thematic areas for the barriers analysis survey
3. Trained staff and enumerators in barrier analysis
4. Primary data supporting the barrier analysis
5. Preliminary analysis and results
6. Behavior Change Framework for some of the identified behaviors as well as a data collection questionnaire which was pretested in the field by Project staff.

#### Next steps

1. Finalize two reports: the Behavior Analysis Report and the Behavior Change Communication Strategy report.
2. Finalize a "Designing a Behavior Change" Framework to guide the Project on addressing some of the identified behaviors.
3. Mainstream behavior change and communication activities throughout all Project implementation.

## ENVIRONMENTAL COMPLIANCE

PROFIT+ has continued to implement it activates according to the Threshold Determination of the Approved Initial Environmental Examination (IEE) and subsequent Environmental Review Report (ERR).

### a. Pesticide Evaluation Report and Safer Use Action Plan (PERSUAP)

The PERSUAP draft was received from the consultant and submitted to USAID Zambia. Approval is now being awaited so that a Safer Use Action Plan (SUAP) can be implemented as part of compliance with the provisions of the PERSUAP.

### b. Safer Use Action Plan

The Team reviewed the SUAP Compliance Tracker and commenced interim work on it in readiness for approval so that it could be submitted to USAID as part of compliance with the provisions of the PERSUAP. A request was also sent to CropLife for the matching commercial names of the allowed Active Ingredients (AIs) which is part of the SUAP compliance action points. CropLife provided a provisional list and a full list is expected early next quarter.

All activities related to pesticide training, procurement, promotion, or use, are awaiting the PERSUAP approval.

### c. In-House Staff Training In USAID Environmental Procedures

The Team held a two day in-house staff training in USAID Environmental Procedures whose main objective was to raise and enhance staff awareness of the USAID environmental compliance and procedures in PROFIT+ and build capacity to enable staff to facilitate the preparation of community environmental mitigation and monitoring plans (EMMPS). In addition, the event was aimed at enabling staff to appreciate climate smart agriculture.

### d. Environmental Awareness For Partners/Beneficiaries

The Project attaches great importance to communicating environmental sustainability information to PROFIT+ partners so that their environmental values and activities match those required by USAID and ZEMA.

To this end, PROFIT+ ensured that the horticulture training events for CEOs and BEOs in Lusaka for Chongwe, Kafue and Chibombo, and in the 4 districts in Eastern province had an environmental compliance and sustainability component.

In addition, the Environmental Compliance Specialist (ECS) accompanied the productivity team in Katete when he met with the CACs on demonstration sites. The environmental performance emphasis in these events included:

- The need for practices that enhance environmental sustainability;
- The partners' environmental obligations and responsibilities for environmental mitigation and monitoring of all activities with potential for adverse impacts on the environment;
- The need for an environmental mitigation and monitoring plan(EMMP); and,

- Consequences of non-compliance with USAID and ZEMA regulations.

The Project also included an environmental component in the Agro-dealer training in Petauke, Kate-te, Chipata and Lundazi with an emphasis on:

- Allowed active ingredients on USAID projects
- The pesticides registered and those banned by ZEMA
- The need for an environmental mitigation and monitoring plan(EMMP)
- Main dangers of pesticide use such as:
  - Danger to human health
  - Reuse of empty pesticide containers

The Project noted that in all the districts poor pesticide use practices are widespread and there is need for training in integrated pesticide management (IPM) to enhance safer use practices.

#### **e. Environmental Compliance Strategy**

The Project will ensure that all training or program activities whose implementation have a negative determination will include an environmental management component as a way of enhancing environmental sustainability in those follow-on activities.

The program will also endeavor to facilitate the preparation of environmental mitigation and monitoring plans (EMMP) with the stakeholders primarily taking responsibility for monitoring the effectiveness of the mitigation measures. Such plans will provide a framework for setting and obtaining consensus for a community-based environmental mitigation and monitoring mechanism.

#### **f. Site Visit to Cooking Oil Processing Facilities**

The team conducted a site visit of oil processing facilities in Petauke and Katete. The visit was intended to introduce new PROFIT+ staff in the marketing department to two cooking-oil processing facilities run by the DWAs. In addition, the trip was meant to help improve environmental performance of small-scale enterprise economic activities.

The processors were encouraged to improve their environmental performance by observing the following:

- Enhance hygiene practices around the storage and processing areas;
- Enhance safety by clearly labeling the processing areas and marking off areas not to be accessed by those not directly involved in the oil pressing activities;
- Reduce the risk of accidental falls by thoroughly scrubbing the work floors; and,
- Taking the machine operators for formalized practical training to enhance their capacities.



***(above) Bags of groundnuts stacked on black plastic sheeting; Good practice***

### **g. Memorandum of Understanding(MOU) with CropLife**

A draft MOU has been sent to CropLife which is an association representing the plant science industry, including the majority of responsible manufacturers and suppliers of crop protection products. The main activity under the MOU will be to leverage their innovative TOT approach in the responsible use of pesticides which is expected to result in improved pest control and increased yields for small-scale farmers.

## **GENDER**

### **a. Gender Review by Regional Gender Specialist**

The ACDI/VOCA Regional Gender Specialist traveled to Zambia in June to review the Project's gender strategy, Barrier Analysis findings, the TOT program, gender training for staff, the Gender Year 1 Work Plan and other critical areas in program implementation

The visit built on the work done by the behavior change and impact evaluation study teams by providing support to PROFIT+ staff on effective, global/regional best practices on integrating gender responsive activities into the overall Project implementation work plan.

The gender team also reviewed the tracking, monitoring and reporting of gender outputs and outcomes at group, household, association and community levels using the PROFIT+ M&E system.

The visit ended with a two one-day internal workshop for all technical staff members, which covers ACDI/VOCA's Gender Policy and Guidance.

### **b. Gender mainstreaming in PROFIT+**

The Gender Team facilitated gender training for all ACDI/VOCA PROFIT+ staff in the Chipata Office. The training objective was to familiarize staff with the ACDI/VOCA Gender Policy. The training was focused on how gender mainstreaming would be applied in the Value Chains so that everyone could understand how to implement the policy effectively.

### **c. Gender Mainstreaming In DHF Identification And Selection**

The Gender team participated in building the awareness of BEOs, CEOs and CACs of the importance of encouraging and ensuring gender mainstreaming and equality in marketing activities, as well as in the selection of Demo Host Farmers (DHF) for the next season.

A total of 11 sensitization meetings were held in 6 blocks in Petauke and in 5 blocks in Katete. A total of 130 participants (21 female and 109 male) were reached in both districts.

### **d. Gender Mainstreaming In Horticulture**

Gender mainstreaming in the horticulture value chain was discussed to leverage the MAL staff experience working with different farmers groups. USAID and ACDI/VOCA gender policies were disseminated to create awareness on the need to include both men and women in all project activities and create a gender balance in accessing the projects deliverables, equitably.

It was generally noted during the horticulture TOTs across the districts, that there are huge disparities between men and women (e.g. controlling resources and benefits). This was particularly evident in Lundazi where no female attended the TOT. The Project emphasized that gender imbalance is a social and developmental problem that needs to be addressed to foster a holistic social development.

**e. Gender Training of Trainers (TOTs) and Roll-outs**

The Project commenced preparations for the group development and gender mainstreaming TOT workshops, as well as roll-out activities for Lundazi, Chipata, Katete and Petauke Districts. The TOT will train 120 trainers who will then rollout the training to 36,000 farmers in their respective communities. They will also receive project support to form a total of 120 new groups in the PROFIT+ zone of influence. Trainings are expected to commence the middle of next quarter.

**f. USAID Feed the Future (FtF) Implementing Partners Gender Workshop**

The team attended the USAID Zambia FtF Economic Growth implementing partners' gender workshop. The objectives were:

- To raise awareness and familiarize ourselves with information about gender differences in Eastern Province; and,
- To share what gender lessons the Project has already learned and begun to implement in our programs.

**g. Partnerships with Women's Groups**

The Project finalized and signed five MOUs for Lundazi DWDA, Chipata DWDA, Katete DWDA, Petauke DWDA and Mfumbeni Development Association (MDA). The 5 partners will focus on issues of gender mainstreaming and women's empowerment in PROFIT+ activities. The Project is also developing an MOU with another gender-focused NGO, the Kachere Development Program. These institutions have large numbers of women members and are involved in agricultural income-generating activities in the PROFIT+ value chains. PROFIT+ will leverage the existing institutions in order to increase women's participation in the program.

**h. PROFIT+ Regional and International Participation**

The gender advisor participated in two international workshops on gender mainstreaming and female empowerment.

**Gender Action Learning System (GALS) – Nigeria**

This was implemented by the Farmers Development Union (FADU) and presented on micro-finance in cocoa value chains and the Nigerian Agricultural Traders Association (NANTS) work in rice value chains. The workshop was on sharing lessons on how the GALS tools are quickly contributing to gender justice in communities and improving profitability of the targeted value chains through increasing gender equality. It was sponsored by Oxfam Novib's Women Empowerment, Mainstreaming and Networking (WEMAN) program. There are very effective gender mainstreaming strategies that may be considered for adoption in the PROFIT+ year two gender annual work plan.

## The Gender Global Learning and Evidence Exchange (Gender GLEE) Conference

The GLEE conference, held May 22 to 24 in Washington DC, brought together 155 participants (117 females and 38 males) from USAID Missions, implementing partners, experts, researchers, and other practitioners to share best practices, lessons learnt, and current evidence and challenges in integrating gender into FtF programs.

Zambia is a focus country for implementing the Women’s Empowerment in Agriculture Index (WEAI) and PROFIT+ participated by way of a joint presentation with the USAID Zambia Mission and Mawa project. The organizers requested that the PROFIT+ Gender Advisor give a brief presentation on the Project’s best practices and facilitate a co-lab as a resource person on capacity building. The Project displayed posters in the gallery and focused on its country-specific experiences on approaches for promoting the involvement of women up and across the value chains.

## WORKSHOPS AND TRAININGS

During the period under review, the Project conducted the following training activities:

Training Description	Purpose/Objective	Area	Male	Female	Total
Environmental Compliance	Educate PROFIT+ staff on USAID’s environmental procedures, environmental development and the Project’s EMMP	Chipata	8	4	12
Horticulture Seedling Production Training of Trainers (TOT)	Train MAL staff on new community seedling production technology to roll-out to 12,000 farmers in EP and Peri-urban Lusaka	Lundazi, Chipata, Katete, Petauke and Peri-urban Lusaka	73	27	100
Horticulture Seedling Production Technology Roll-out Trainings	Transfer new horticulture community seedling production technology to 12,000 farmers in EP and Peri-urban Lusaka	Lundazi, Chipata, Katete, Petauke and Peri-urban Lusaka	2289	630	2919
Training of Agro-dealers	Capacity building in agro dealership and basic business principles; legal requirements of an Agro dealer; business types and registration, PACRA forms; agro dealer business environment (SWOT); marketing for an Agro dealership business; planning, costing, pricing and profit projections; record keeping; ZEMA licensing and product knowledge	Lundazi, Chipata, Katete, Petauke	74	49	123



*(Left): HYGROTECH staff explaining the new concept in seedling production.*



*(Above): Agro dealers in Lundazi (left) and Petauke (right) at the agro dealer trainings.*

The Project was very encouraged by the active participation of its local partners such as SEEDCO, which trained the participants on seed handling and marketing and MAL which trained on pesticide use and handling. The Petauke District Council also supported the Project by providing training to the agro-dealers on required permits and licenses.

## **OPERATIONS & PROJECT MANAGEMENT**

### **a. Staffing**

Two Key Personnel started work during the quarter under review: the Finance/Accounting Manager commenced work in May and the Deputy Chief of Party commenced work in June.

In addition, the Savings and Internal Lending Communities (SILC) Agro-enterprise Development Advisor began work during the quarter and by end of the quarter, the Enterprise Development Specialist and the Aggregation and Quality Control Specialist had been recruited and will start work at

the beginning of next quarter. The Market Facilitation Specialist is also expected to be recruited by end of July 2013.

## **b. Communications**

### **“Budding Fields” Film Script**

The Production team is facilitating the development of a video/film that will engage small farmers in Eastern Province and encourage them to invest in improved inputs and best farming practices. The Film is being directed by an independent consultant working with a local film crew.

### **Eastern Province Provincial Agriculture Show**

The Project participated in the 37<sup>th</sup> Eastern Provincial Agriculture and Commercial Show which was held in the second half of June. The show was held under the theme “*Business in a Changing Environment.*” A number of donor projects and local non-profit organizations participated, including the CASH Project, EPFC, CFU, and seed companies like Zamseed, Pioneer, MRI and SEEDCO. There were also individual cooperatives from different districts and MAL district representation.

PROFIT+ was awarded the 1<sup>st</sup> prize in the unclassified category for best display. The Project will also be participating in the National Agriculture Show which will be held in Lusaka in August 2013.



*(Above the PROFIT+ Training Coordinator with the 1<sup>st</sup> Prize trophy. Right the PROFIT+ exhibition booth)*

## **LESSONS LEARNED AND RECOMMENDATION**

### **Inclusive Training Plans**

The team developed a training model of including cross-cutting/mainstreaming topics such as gender, M&E and environmental compliance into the curriculum of technical trainings. This was successfully tested during the horticulture seedling production training where five teams (horticulture, training, gender, M & E and environmental compliance) combined efforts and resources to train participants in the respective section interventions. This enabled the participants to receive a holistic PROFIT+ training covering all compliance and mainstreaming issues in addition to the technical/horticulture specific curriculum.

### **Data collection at camp/block level**

The Project observed that the most effective way to collect sales or related marketing data is through the CACs since almost all farmers belong to the CAC committees. The challenge for the CEOs is that they often generally have no fuel and therefore are not able to travel as needed. The recommendation is that the Project works with MAL on the most effective way to support the CEOs so that they can collect data at camp and block level.