



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

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

**QUARTERLY PERFORMANCE REPORT #5
OCTOBER | 2013 – DECEMBER 31 | 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 October 1, 2013, through December 31, 2013. The report focuses on PROFIT+ activities for the quarter with a focus on the progress and achievements made on key activities undertaken in the quarter. The report highlights activities which the Project conducted to mark the beginning of the planting season such as establishment of horticulture and open field crop demonstration plots. These activities are aimed at achieving the Project's IR1 objectives of increasing smallholder productivity.

The activities also form a platform that stimulates expanded access to markets and trade for smallholder producers who will have acquired skills and knowledge to increase their productivity, manage their harvest to ensure minimal loss of commodity, through improved post-harvest handling and storage techniques, as well as the benefits of aggregation/bulking to attract bigger markets.

This quarterly report also highlights the launch of the SILC program which aims to increase the incomes of smallholder farmers, in particular women, through group saving and investment initiatives.

QUARTERLY REPORT AT A GLANCE

1. IMPROVED SMALLHOLDER PRODUCTIVITY

- Recruited 690 open field demo host farmers
- Conducted a TOT on land prep and inputs application for 108 MAL staff in Chipata, Lundazi, Katete and Petauke
- Trained 690 DHFs and 3,011 Lead Farmers (2,157 men and 1,542 women) in demo plot management
- Produced a productivity awareness video, “Budding Fields,” and conducted public screenings for 1,247 farmers (659 men and 588 women)
- Produced and tested productivity BCC Messages on four local radios and in four local languages aimed at raising awareness and increasing use of certified seed and fertilizers
- Successfully distributed open field and horticulture inputs and equipment to 690 DHFs, 60 FBAs and 300 FBA lead farmers, including inputs worth US\$ contributed by private sector partners resulting in successful establishment of 690 open field crop demo plots and 120 onion and tomato community seedling plots.
- Facilitated stakeholder meeting between 17 agro-dealers and two input suppliers to identify and establish solutions to constraints in the input supply system

2. EXPANDED MARKETS AND TRADE

- Collected data on aggregation points, feeder road network, communication accessibility, major buyers for value crops, terrain type in areas of operation and availability of markets for both field and horticulture products to feed into the aggregation study.
- Collected sales figures in each of the value chains where attribution was established to the value of US\$11,261,626 (which fed into the Year 1 progress report) and US\$24,953.70 (for the Year 2, quarter one report)
- Facilitated a successful market linkage between Katete Soy Farmers Association (KASOFA) and Farmfeed which resulted in 15 tons of soybeans sold at a value of K41, 250.00 (\$7,639.00).
- Signed eight MOUs with selected cooperatives
- Conducted market linkage exercises in Lundazi, Petauke, Chipata, and Katete
- Conducted an assessment of horticulture cooperatives in Chongwe and Chibombo

3. INCREASED PRIVATE SECTOR INVESTMENT

IIP FUND

- Received 8 concept notes through a competitive process
- Disbursed payments for rapid response grants valued at \$615,718 in both cash and in-kind to support the implementation of the demonstration plots and farmer field schools
- Submitted three draft full grant agreements to HQ for review arising from the APS process

4. ACCESS TO FINANCE

- Four SILC Field Agent (FA) Supervisors recruited
- FA Supervisors received orientation on integrating SILC activities into the overall PROFIT+ activity plan
- Fifty camps were identified in Katete and Petauke during an outreach mapping exercise for rolling out Savings and Internal Lending Communities (SILC) activities
- SILC Management Information Systems (MIS) workshop conducted for project staff
- FA Supervisors recruited and trained SILC Field Agents
 - 18 SILC Field Agents (FAs) for Katete recruited and trained
 - 26 SILC Field Agents for Petauke identified and selected

5. GENDER MAINSTREAMING

- Facilitated formation of 362 new groups by six PROFIT+ partners after they had training in group formation and leadership
- Designed a training strategy for couples/gender sensitization based on the modified Harvard Gender Framework
- Facilitated the acquisition and distribution of five tons of groundnut seed to 500 members of DWDAs of Chipata, Katete and Petauke districts to contribute to female empowerment and gender equity

6. ENVIRONMENTAL COMPLIANCE

- Facilitated the inclusion of environmental compliance in productivity Training of Trainers (TOTs) for MAL extension staff, productivity roll-outs for DHFs and Lead Farmers and SILC activities.

7. MONITORING & EVALUATION

- Provided PMP orientation session for 20 project staff
- Entered 31,787 new records into the project database
- Conducted a Data Audit in conjunction with USAID

DASHBOARD: PROJECT PROGRESS AGAINST TARGETS AND SELECTED INDICATORS

No	Indicator Source	Indicator Name	Life of Project Targets	Year 2 Targets	FY1 4 (Qtr 1) Oct –Dec2013	Project Achievements to Date
1	FTF 4.5.2-14	Number of vulnerable households benefiting directly from USG assistance	153,000	86,250	6,642	38,554
2	FTF 4.5.2-13	Number of rural households benefiting directly from USG interventions (S)	196,000	117,000	6,642	46,532
3	FtF4.5.2-7	Number of individuals who have received USG supported short-term agricultural sector productivity or food security training	175,000	86,250	6,698	55,143
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 ¹	160,000	74,000	1,290	14,390
11	PROFIT	Number of demonstration plots established	6004	3,004	2,760	2,880
12	FtF 4.5.2-2	Number of hectares under improved technologies or management practices as a result of USG assistance	145,000	70,000	173	5,403
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	492	432	536	536

No	Indicator Source	Indicator Name	Life of Project Targets	Year 2 Targets	FY1 4 (Qtr 1) Oct –Dec2013	Project Achievements to Date
14	4.5.2(42): (4.5.2-28)	4.5.2(42): (4.5.2-28) Number of private enterprises (for profit), producers organizations, water users associations, women's groups, trade and business associations, and community-based organizations (CBOs) that applied new technologies or management practices as a result of USG assistance (RIA) (WOG)	287	227	414	414
15	4.5(2)	Number of jobs attributed to FTF implementation	1000	450	20	130
16	PROFIT +	Value of new investment grants disbursed	US\$ 7,125,000	US\$ 3,000,000	US\$608,175.52	US\$ 901,636.52
17	PROFIT +	Number of new investment grants disbursed	2,061	1,070	1,050	1,050
18	4.5.2(23):	Value of incremental sales (collected at farm-level) attributed to FTF implementation (RIA)	US\$25,000,000	US\$11,250,000.00	US\$ 24,953.7	US\$ 24,953.7

PROJECT IMPLEMENTATION

IR1: IMPROVED SMALLHOLDER PRODUCTIVITY

a. Establishment of open field demonstration plots

In the period under review, the Project commenced the establishment of open field demo plots for the 2013/2014 farming season. The demonstration plots will compare traditional practices (as control) with updated practices that involve improved technologies. For the new season, 690 Demo Host Farmers (DHF) were recruited to manage the demo plots. The minimum requirement for selection of DHFs was that he/she:

- has a minimum of one *lima* (1/4 Ha) of land
- is willing to participate in the demonstration plot model and,
- is able to support other farmers through management of the demo plots by providing information on agricultural best practices and raising awareness on the benefits of using certified seed and other inputs.

Each DHF will recruit five lead farmers, who will in turn support 20 other farmers in their communities by transferring skills and knowledge they would have received from the Demo Host Farmers. Each site is expected to demonstrate improved production technologies and techniques for four crops (maize, groundnuts, soybeans and sunflower) and will be demarcated into eight demo plots (4 plots showcasing traditional practices and 4 showcasing improved or commercial practices). The demo platform also serves to increase access to inputs and facilitate market information.

The technologies and techniques being introduced at the demo plots include:

1. Soil sampling
2. Minimum tillage
3. Liming
4. Early planting
5. Integrated Pest Management (IPM)
6. Targeted fertilizer
7. Aflatoxin mitigation
8. Improved methods of harvesting groundnuts
9. Minimal clearing of virgin land
10. crop rotation and
11. Use of certified seed.



Above: Annie Mwanza (DHF) on her demo plot in Mnoro 1, Chipata

Each DHF received the inputs listed below, which will be used to show case the above technologies as follows:

COMMERCIAL/IMPROVED TECHNOLOGIES					
CROP	Improved Input	QUANTITY (Kg or ltr) PACK SIZES	PROJECTED YIELD (TONNES)	Application Rate(kg/ha & lts/ha)	Required Quantity
MAIZE	Certified Seed	0.75	7	20	0.625
	Agricultural Lime	12.5		400	12.5
	D Compound Fertiliser	10		300	9.375
	UREA	10		300	9.375
	Glyphosate	0.125		4	0.125
	Metalachlor	0.1		3	0.09375
SUNFLOWER	Certified Seed	0.2	1	5	0.15625
	Agricultural Lime	12.5		400	12.5
	D Compound Fertiliser	6.25		200	6.25
	Glyphosate	0.125		4	0.125

SOYBEAN	Certified Seed	3	1.5	100	3.125
	Agricultural Lime	12.5		400	12.5
	MAXI Maize fertilizer	2.5		80	2.5
	Glyphosate	0.125		4	0.125
	Imazapyr	0.1		3	0.09375
	Innoculum	0.25		250	7.8125
GROUNDNUTS	Certified Seed	5	1.5	80	2.5
	Agricultural Lime	12.5		400	12.5
	MAXI Maize fertilizer	2.5		80	2.5
	Glyphosate	0.125		4	0.125
	Imazapyr	0.1		3	0.09375
	Innoculum	0.5		500	15.625

The DHF model is highly interactive and has an inherent feedback mechanism which involves regular monitoring visits by both PROFIT+ staff and MAL Extension Officers that encourages reporting and provides an opportunity for data collection.

b. Demo Plot Management and Land Preparation TOTs for CEOs and BEOs

The Project continued its strategy of collaborating with MAL staff, in particular Camp Extension Officers (CEOs) and Block Extension Officers (BEOs) to implement the demo plot model in the four target districts. To this end, the Project conducted two-day TOTs for MAL BEOs and CEOs in each of the target districts in Eastern Province. The objectives were to train the MAL staff in:

- PROFIT+ demo plot management
- Land preparation methods
- Conservation agriculture, and other productivity enhancing technologies
- Gender and environment compliance as per USAID and Zambian environmental law

A total of 108 MAL staff was trained in the four districts as illustrated below:

SERIAL NO.	DISTRICT	SEX		
		M	F	TOTAL
1	Chipata	23	9	32
2	Lundazi	20	1	21
3	Petauke	14	9	23
4	Katete	24	8	32
	TOTAL	81	27	108

c. Roll-out Trainings

After being trained by PROFIT+, the extension officers-trained the 690 Demo Host Farmers (DHF), who are managing the Project's demonstration plots. Each DHF identified 5 lead farmers who will also benefit through technology transfers which will be implemented at the demo plots

during the course of the year. The 5 lead farmers will in turn train 20 other farmers each by way of Farmer Field Schools as a triple effect of the technology transfers.

The table below shows the number of farmers (DHF's and LF's) reached during the roll-out trainings:

No.	District	Number of Camps	Males	Females	Total
1	Lundazi	25	458	352	810
2	Chipata	38	628	601	1,229
3	Katete	20	535	252	787
4	Petauke	28	536	337	875
Totals		111	2,157	1,542	3,701

In total, the Project will influence 69,000 smallholder farmers through the demonstration plot methodology and interventions to promote increased productivity through the use of improved technologies and certified seed.

By the close of the quarter, the following demo plots were established:

No.	District	Males DHFs	Female DHFs	Total
1	Chipata	84	96	180
2	Lundazi	107	73	180
3	Katete	107	43	150
4	Petauke	138	42	180
TOTAL		436	254	690
PERCENT		63.2	36.8	100

d. Demo Plot Inputs

To implement the demo plot model, the Project procured seed, fertilizers, pesticides, inoculant and herbicides for each demo plot. The Project is also providing protective clothing in the form of boiler suits, rubber boots, rubber gloves and carbon masks to all the demo host farmers to protect them against any potential negative impact of the chemicals they will be applying on the demo plots so that they can comply with USAID and Zambian government environmental compliance requirements and demonstrate good agricultural practices to the farmers in the camps.

The full list of inputs procured by the Project was valued at a total of US\$194,892.87 as per the table below:

Item	QTY	Measure
Basal Fertilizer (Maize and Sunflower - D'COMPOUND (NPK + S + 20% O.M)	13,700	Kgs
Basal Fertilizer (Soybeans and Groundnuts - MAXI MAIZE (BASAL)(s+B+Zn)	3,450	Kgs
Top Fertilizer (UREA)	9,200	Kgs

Lime	34,500	Kgs
Glyphosate	345	litres
Metalachlor	138	litres
Imazethapyr	138	litres
16litres JACTO Knapsack sprayer	690	each
Groundnut Seed	1,590	Kgs
Sunflower Seed	276	Kgs
Soybean Seed	4,140	Kgs
Gumboots	690	each
Boiler suits	690	each
Carbon Mouth Masks	690	each
Rubber gloves	690	pair
Demo signs	632	each

In addition to the above, the Project received contributions worth US\$13,451.43 from private sector companies who provided seed and fertilizers demo packs in a collaborative venture with the Project as follows:

Private Sector Partner	Commodity/Input	Amount invested (ZMW)	Amount invested (US\$)
ZAMSEED	Maize	2,725.00	504.63
	UREA	5,888.00	1,090.37
	D Compound	7,000.00	1,296.30
Pioneer	Maize	4,189.14	775.77
MRI Seed	Maize	800.00	148.15
Monsanto	Maize	1,512.50	280.09
Seedco	Maize	875.00	162.03
Klein Karoo	Maize	2,024.00	374.82
Harvest Plus	Orange Maize	1,450.00	268.52
EPFC	Groundnut QDS Seed	24,750.00	4,583.34
PANNAR	Maize	1,024.00	189.63
Greenbelt Fertilizers	Green Urea	4,600.00	851.86
	Maxi-Maize (Basal Fertilizer)	400.00	74.08
Cropserve	Glyphosate	1,600.00	296.30
	Mancozeb	1,600.00	296.30
	Saaf	2,400.00	444.44
	Imax	2,800.00	518.52
Hygrotech	Copper Ammonium Acetate (316g/L)	3,600.00	666.67
	100% Organic Seaweed Foliar - 3 Species	3,400.00	629.63

	of Phillipine Seaweed		
	TOTAL	ZMK72,637.72	US\$13,451.43

All the inputs were distributed to the 690 DHFs by the end of the quarter with support from the Ministry of Agriculture Farmer Training Centers, which provided storage facilities in each district for the inputs.

e. Establishment of Onion and Tomato (horticulture) Demonstration Sites

The Project established 240 horticulture community seedling and open field horticulture demonstration plots in Peri-urban Lusaka and Eastern Province. Hybrid tomato and onion seed varieties will be grown in these sites by means of employing a small scale community nursery system technology.

The two 240 demo plots will be split as follows:

- 60 tomato seedling production demo sites.
- 60 onion seedling production demo sites.
- 60 tomato open field demo sites.
- 60 onion open field demo sites.

Through these demo plots, the Project is introducing an evolutionary system of germinating seed into a seedling in a controlled environment.

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.

f. Recruitment of Farmer Business Agents (FBAs)

To implement this model, the Project recruited FBAs who will provide a seedling service to the participating farmers to enhance seedling accessibility and availability at community level.

The 60 FBAs would each support 5 lead farmers by transferring knowledge on improved seedling production. Each lead farmer would in turn transfer that knowledge to 40 other farmers. Through this model the Project aims to reach 12,000 smallholder horticulture farmers. The roles of the FBAs will be to support the lead farmers and other farmers by:

- É Promoting the use of improved seed and fertilizers
- É Providing linkages for the farmers to input suppliers
- É Providing linkages for the farmers to the end market;
- É Providing linkages for the farmer to Micro Finance Institutions for credit
- É Promoting improved water management and irrigation technologies enabling farmers to achieve highest productivity cost-effectively

The breakdown of FBAs and Lead Farmers per district is as follows:

District	# of FBAs	# of Lead Farmers
Katete	9	45
Chipata	10	50
Lundazi	9	45
Petauke	8	40
Chongwe	10	55
Chibombo	6	30
Kafue	7	35
Total	60	300

To establish these demo plots, the Project procured improved varieties of seed, pesticides and fertilizers as well as improved water management and irrigation technologies which will enable the farmers to achieve highest productivity cost-effectively.

PROFIT+ procured horticulture inputs, equipment and materials and distributed them under rapid response grants to the 60 selected FBAs and 300 Lead Farmers. The Project also collected demo plot GPS coordinates and distributed data collection forms to prepare for timely monitoring and evaluation.

The full list of inputs and equipment which was procured at a value of US\$310, 688.37 and distributed to the 60 FBAs and 300 Lead Farmers is as follows:

Item	Quantity
Seedling trays	3000
Growing media	210 x 25kg
Shade cloth	2100
Twine	300
Plant sanitizer	36
Tomato seed	210 packets
Onion seed	30 kg
Family Drip Kits	60
Water tanks	60
Tank stands	60
Treadle pumps	60
Knapsack sprayers	360
Watering cans	240
Plastic drums	60

Boiler suits	360
Industrial gloves	360
Carbon mouth masks	360
Tebuconazole	240
Copper Oxychloride (120g/L)	240
Abamectin (18g/L)	24
Mancozeb (80% WP)	120
Copper Ammonium Acetate (316g/L)	240
Di-1-Menthene (219 g/L)	240
Alkylaryl Polyoxyethylene - Glycol Phosphate Ester (85g/L)	240
Calcium, Magnesium, Boron	240
Nitrogen, Phosphorous, Potassium, Micronutrient	1500
100% Organic Seaweed Foliar - 3 species of Philippine Seaweed	240
Chicken Manure, NPK	12000
Demo signs	60

g. Monitoring of Horticulture Community Seedling Demo Plots

The Project conducted field visits to FBAs in peri-urban Lusaka (Kanakantapa, Palabanana, Kasisi and Ngwerere) to determine progress on the horticulture community seedling demo plots and create a model of reference for all other FBAs. The team found that 4 have already commenced the establishment of seedling production shelters; seed has been sown and was at the two-week seedling stage. The FBAs also cleared land in readiness for transplanting the seedlings from the shelters into the open field in two weeks' time. The team will conduct similar visits in Eastern Province and establish a support system for those FBAs who are lagging behind in implementing their demos.

h. “Budding Fields” Productivity Video

The Project, through consortium partner IFDC, successfully produced a video entitled “Budding Fields” which was approved by USAID for mass production and distribution in time for the planting season.

The purpose of the video is to encourage farmers to:

1. Plant certified seed
2. Buy agricultural inputs from certified agro dealers
3. Seek or conduct soil testing for their farms
4. Apply an accurate blend of fertilizers
5. the Ministry of Agriculture extension officers for ongoing advice, technical assistance or access to training

The Project conducted pre-test screenings in all the target districts in EP which will be followed by an official launch of the video before mass screenings and distribution.

The Project mobilized local communities at the camp level through the CEOs and community leaders to screen the ‘Budding Fields’ video and provide feedback to PROFIT+ after the shows. A total of 17 screenings were held in Eastern, as follows: Petauke (5), Katete (4), Lundazi (4) and Chipata (5).

A summary of total viewers per district:

	District	MALES	FEMALES	TOTAL
1	Chipata	260	355	615
2	Lundazi	361	203	564
3	Katete	447	244	691
4	Petauke	212	349	561
	TOTAL	1,280	1,151	2,431

“There has been no organization or company that has shown a video like this in our area. PROFIT+ is the first one. I hope you will come back again to give us more knowledge. The video has been shown at the right time.” Matunga Ward Councilor in Katete District.

Immediate Feedback from Farmers after the Screenings

The Project received the following questions from the farmers who participated in the screenings:

1. How can we know that this is genuine seed and fertilizer?
2. Where can we buy genuine seed and fertilizer?
3. How much does it cost to test one kg of soil?
4. Will the project help to identify markets for our produce?

The Project informed the farmers about PROFIT+’ strategies and interventions, which are aimed at facilitating market linkages for smallholder farmers, in EP and Peri-urban Lusaka. The Project also advised the farmers to always purchase seed and other inputs from registered and established agro-input dealers. In addition, farmers were made aware of the benefits of having their soil tested before they commenced with planting.



Above: Participants during Budding Fields Community Video Show in Kagoro and Gaveni areas in Katete District, respectively

Public Service Announcements (Radio Announcements) on Use of Certified Seed and Correct Application of Fertilizer

In another effort to encourage the use of certified seed, the Project through consortium partner DANYA, produced four radio public service announcements (PSA) promoting the use of certified seed and correct application of fertilizer, as part of PROFIT+'s BCC strategy. The PSAs were approved by USAID and translated into three local languages: Nyanja, Nsenga and Tumbuka. Public airing commenced in mid-November through four local radio stations in Petauke, Lundazi, Katete and Chipata. The PSAs aired for 60 days (two announcements per day).

DANYA will be conducting an impact survey in the next quarter to determine the impact of the announcements and measure the level of adaption of the technologies by smallholder farmers, as a result of the intervention.

IR2: EXPANDED MARKETS AND TRADE

a. Assessment of Processors

The Project completed a capacity assessment exercise of agro-processors in Eastern Province. A total of 18 cooperatives, 1 farmer group association and 1 soybean growers association were assessed for the first time, and 3 cooperatives were reassessed. In addition, 50 individual processors were also assessed.

The objectives of the exercise were to:

- Determine the organizational needs of the processors;
- Assess the business management capacities of the processors;
- Ascertain any business linkages attained between processors and producers
- Initiate the process of establishing partnerships; and
- Assess the processing capacities of these processors by value chain.

The Project recorded GPS coordinates for all the processors, including the location of storage sheds owned by various cooperatives, to facilitate the establishment of aggregation points in the districts. Further, focusing on the sunflower value chain, the Project commenced the assessment exercise of identified sunflower processors. A total of 26 processors and 10 cooperatives were assessed in Katete and Petauke. The Project is aiming to build the processing capacities and enhance business skills of the processors so that they can build their processing capacity, which will increase the demand for sunflower oil, and create market opportunities for producers. Similar assessments will be conducted in Chipata and Lundazi during the quarter.

b. Market Linkages

i. Lundazi Out-Post

The Project identified an important marketing and trading outpost in Lundazi, near the Malawian border, where soybeans, sunflower cake, groundnuts, maize, onions and tomatoes are sold every Tuesday and Thursday. A further market analysis of the trading outpost will be undertaken

during the next quarter to establish market linkages as part of a larger market analysis exercise in Katete, Petauke, Lusaka, Kabwe, Ndola, Kitwe and Kasumbalesa.

ii. Katete Soy Farmers' Association (KOSAF)

The Project facilitated a successful market linkage between Katete Soy Farmers Association (KASOFA) and Farmfeed which resulted in 15 tons of soybeans sold at a value of K41, 250.00 (\$7,639.00). The Project will intensify its facilitation of similar linkages in all the target districts in the 2013/2014 marketing season.

c. Assessment of Community Billboards and Information Centers for Market Information

The Project completed an assessment of community billboards and information centers in EP that revealed 80 percent of the billboards in the four target districts are dilapidated and unusable. To improve the situation, the Project proposed a campaign to rehabilitate the billboards, which would involve the MAL and private sector stakeholders in the districts.

By reporting time, the Project had facilitated a meeting involving the District Agricultural Coordinating Office (DACO), district farmer's associations and other stakeholders, which resulted in an agreement to circulate a letter to all partners including seed manufacturers and agro-chemical manufacturers to encourage participation in a 'Build a Billboard' campaign aimed at improving access to marketing information for rural smallholder farmers. The main drivers for the campaign are MAL, PROFIT+ and the Chipata District Farmers' Association.

d. Saladi House – Sunflower Oil Production

During the period under review, the Project visited Saladi House, which is a cooking oil retailer that imports sunflower oil from Malaysia. The Project explored the possibility for the company, which is in the process of setting up a cooking oil production unit in Lusaka, to source its crude oil from EP. A further meeting has been scheduled to strengthen this link which could offer sunflower producers in EP a viable and steady market for their commodity.

e. iDE – Limalinks

The Project has drafted an MOU with iDE, an international NGO that has been proactively providing services and building the capacity in best horticultural technologies that will enhance productivity and sustainable markets for the smallholder producers. Through the partnership, PROFIT+ will work with iDE to:

- a) Facilitate the introduction of horticultural productivity enhancing technologies and best agricultural practices to increase smallholder horticulture production and improve productivity
- b) Establish horticulture demonstration sites, both for seedling production and open field/greenhouse production through an FBA model facilitated by iDE
- c) Train FBAs, lead farmers and small holder farmers in good horticultural production and post-harvest handling practices, quality standards, value addition, and business skills
- d) Facilitate linkage of farmer groups (producer associations, cooperatives, etc.) with Farm Business Advisors Develop and roll out iDE's LimaLinks market information system in the EP for horticulture produce and other potential value chains

e) Increase the smallholder grower access to horticulture-related market information.

f. Imani – Aggregation Study

During the period under review, the Project contracted Imani Development—a regional consulting firm with specialization and extensive experience in trade policy, value chain analysis, private sector development, micro-finance, agriculture, food security, and marketing—to formulate a strategic plan that will lead to an expansion of the aggregation networks to enable the sourcing of more commodities and increase smallholder access to these markets, and specific recommendations for increasing the efficiencies of the aggregation systems and for the reducing aggregation costs for smallholder farmers in EP. The study which commenced on 25th November will run through 27th January 2014 and will be conducted in 3 phases.

Phase 1 was completed this quarter and involved reviewing and finalizing the workplan and methodology and a schedule for activities for the survey. During this phase, the consultant undertook a desk review of available literature, including reports on the Community Mapping and Cooperative Assessment recently completed by PROFIT+, the Warehouse Audit report and the Value Chain Assessment reports compiled by the project. The Project also obtained and shared with Imani the basic Geographic Information Systems (GIS) ‘shape’ files for the EP which outline the Province’s topography, roads, water resources, political boundaries and land use.

Design of a fieldwork plan also commenced, which includes establishing an itinerary and a list of targeted interviewees and infrastructure to be assessed. Guideline questionnaires will also be produced for use during the fieldwork exercise.

Phase 2 will involve extensive primary data collection from informal traders, agro-dealers, commodity traders and processors, transporters, road and warehouse sectors as well as other key stakeholders such as ZARI, ZNFU, ZAMACE and the Grain Traders and Processors Association. The final phase of the study will involve analysis of the data collected and submission of a report which will include:

- Maps by value chain that identify strategic primary aggregation points,
- Profiles and recommendations for key processing/trading companies to streamline their supply chains
- The strategic aggregation plan and corresponding report to enable the Project formulate a strategic plan and develop interventions that will facilitate an expansion of the aggregation networks to enable the sourcing of more commodities and increase smallholder access to these markets, as well as increase the efficiencies of the aggregation systems in order to reduce aggregation costs for smallholder farmers in EP.

By the end of the quarter under review, the team had collected data which included crop forecasts for field crops for the last five years at national, provincial and district level.

Other data collected through interviews with District Agriculture Coordinators (DACOs) included:

1. Aggregation points in all the four districts
2. Feeder road network in all four districts
3. Communication accessibility

4. Major buyers for value crops
5. Terrain type in areas of operation
6. Availability of markets for both field and horticulture products

The data collection process is still on-going and major activities slated for the coming quarter are

- Interviews with major processing traders
- Interviews with households on types of extension services being provided to them by agricultural extension officers.

The study should be completed by end of February 2014.

g. **Capturing the data on the value of investment for the cooperative sheds**

As a follow up to the Cooperatives assessment exercise that was carried out in September 2013, the Project captured data on the value of investment in the construction of storage sheds by Kalima, Kavunguti, Zingale, Chisomo and Chimphinga cooperatives. The idea was to assess how much they spent for the construction of these sheds. This information will help the Project in facilitating the establishment of aggregation points in the districts for the next marketing season.

The table below illustrates the investment from the five cooperatives:

	COOPERATIVE NAME	CAMP	VALUE OF INVESTMENT FOR THE SHED (ZMW)	VALUE OF INVESTMENT FOR THE SHED (US\$)
1	Chisomo Multipurpose Cooperative Society	Kapita	6,046.00	1,119.62
2	Kalima Multipurpose Cooperative Society	Kapara	50,650.00	9,379.62
3	Chimphinga Multipurpose Cooperative Society	Kalunga	6,420.00	1,188.88
4	Kavunguti Multipurpose Cooperative Society	Mafuta	60,000.00	11,111.11
5	Zingale Multipurpose Cooperative Society	Mnoro	21,128.00	3,912.60
		TOTAL	ZMW144,244.00	US\$26,711.83

h. **Crop Forecast**

The MAL provided the Project with a crop forecast for the last 10 years broken down by Province and district. All of PROFIT+'s' value chain crops are covered in the forecast, with the exception of tomato and onion. The team will be analyzing the information and extract data that will be relevant to the aggregation study, as well as other Project activities.

IR3: INCREASE PRIVATE SECTOR INVESTMENT IN AGRICULTURE RELATED ACTIVITIES

During the quarter under review, the Project initiated and facilitated the following private sector potential collaborations and linkages:

a. World Food Program (WFP): Warehouse and Horticulture Solar Drying Centers

The Project conducted a field visit to a WFP-owned warehouse constructed in collaboration with ADRA in Katete. WFP and ADRA also visited one of the DHF's plots, a cooperative, and processor as a means of gaining a better understanding of our community intervention strategies through structures that would be relevant for a partnership. The Project also attended a WFP P4P annual review workshop in Chipata. Significant outcomes from the workshop and field visit were:

- The proposition that WFP could use the Project's aggregation study report, and participate in cooperative capacity building activities such as Sell More For More (SMFM)
- WFP will consider establishing three more warehouse units in Katete, each valued at approximately USD 250,000 in terms of brick and motor only.
- Data pertaining to cooperatives enlisted by both the Project and WFP have been shared to develop a common database and pave the way for planning activities for next marketing season.
- The potential wallet size for PROFIT+' value chain commodities will be determined after the annual P4P global review and budget approvals which in turn determine commodity and location of their sourcing activities. WFP has indicated that soya beans and sunflower will form a core composite of their trade mark "Home Based School feeding Program" but they cannot as yet commit to a figure.

b. Rivonia Meeting

The Project continued to discuss the possibility of Rivonia investing in an out grower scheme that will ensure a consistent supply of raw materials for their tomato processing line, which is currently being upgraded from a 4mt/day to 10mt/day capacity, and is scheduled to be operational at the beginning of 2014. The scheme also requires the facilitation for the upgrade of the plant to process tomato paste as a raw material for their sauces. Rivonia is therefore looking to PROFIT+ for support in helping them finance cold room facilities that will enable them to maintain the cold chain integrity in their processing line.

Discussions in this regard have advanced to the extent that Rivonia is contemplating investing into an out-grower scheme in peri-urban Lusaka. It was further agreed that Rivonia would visit the Project's target districts to enable them to gauge the production potential of smallholder farmers, as a basis to advance with the proposed out-grower scheme.

c. Aflasafe Trials

During the quarter, PROFIT+, in collaboration with IITA and ZRI, spearheaded the pilot of Aflasafe trials that aim to reduce the occurrence of the toxin as well as educate smallholder farmers on methods of avoidance. The Project procured 9mt of Aflasafe--a product manufactured by IITA Nigeria that will reduce the levels of aflatoxins in groundnut and maize--which is enough for 900 hectares of groundnut production. It will be distributed to circa 3,600 farmers in EP to complement the trials being implemented by ZARI in Central Province. To support our trials, some of our partners distributed groundnut seed on credit terms to members of their farmer groups. ADRA and WFP groundnut seed to 300 farmers and plans to distribute to another 200 on credit terms. The DWAS

received a total of 5mt which should be sufficient for trials with 2,000 farmers. COMACO received enough Aflasafe to distribute to 920 farmers while Export Trading Group which is interested in setting up and running an Aflasafe plant in Zambia received enough material to test 400 farmers.

d. Cropserve Zambia Demo Plot Contribution

Cropserve is a leading agri-input distributor and trader of CPPs working at the commercial and smallholder farmer level in Zambia. Their products range from insecticides, pesticides, fungicides, herbicides, and inoculants. The company’s strategy of expansion is to enhance agro-dealer networks in rural parts of the country. They realize there is an opportunity to partner with PROFIT+ to leverage on the Project’s presence in EP, which could help them expand their reach and impact on smallholder farmers. To this end, Cropserve contributed herbicides and fungicides as promotional products to enhance and publicize their products with the smallholder producers. The products were distributed by the Project to 40 open field DHFs and 40 FBAs who are managing the Project’s open field and horticulture demo plots, respectively.

Breakdown of Cropserve’s Contribution

#	Item	Unit	Qty	Value/ Unit	Total ZMW	Total US\$
1	Glyphosate	1ltr	40	40	1,600	296.30
2	Mancozeb	1kg	40	40	1,600	296.30
3	Saaf	1kg	40	60	2,400	444.44
4	Imax	1ltr	40	70	2,800	518.52
Grand Total ZMW					8,400	1,555.56

Right: Alfred Lubinda of CROPSERVE handing over the chemicals to Peter Mangilazi, PROFIT+ Field Facilitator



INNOVATION, INVESTMENT AND PARTNERSHIP FUND (IIP FUND)

a. Annual Program Statement Grants Solicitation Process

The Project continued with the review and evaluation of concept notes under the APS process. A total of 8 concept notes were reviewed out of which 2 were approved for full grant applications. Three full grant applications were received and approved from COMACO, Stewards Globe and Mitengo Women’s Group. Contingent on USAID approval, the grants are expected to be signed before the end of the next quarter.

b. In Kind Grants

The Project carried out the following activities to support the establishment of open field and horticulture demo plots:

1. Awarded 60 in-kind grants to horticulture FBAs for farming inputs and equipment with an estimated value of **\$235,255**

2. Drafted 300 micro grants for horticulture LFs valued at **\$85,630**
3. Drafted 690 micro grants for open field DHFs valued at **\$265,295**.

By the end of the quarter, all the grant agreements had been prepared and distributed to the DHFs, FBAs and LFs.

ACCESS TO FINANCE

a. Launch of the SILC Program

The Project launched its Savings and Internal Lending Community (SILC) activities targeting Petauke and Katete districts at the beginning of October 2013. These activities included an orientation workshop for PROFIT+ project staff (SILC Field Agent Supervisors, SILC Project Officer and Agro-enterprise Officer) on the SILC methodology and its integration within PROFIT+. The team also brainstormed and harmonized tools on the selection of SILC FAs. Once identified, the 18 SILC FAs for Katete district were trained in SILC, while the training for SILC Field Agents in Petauke district is scheduled for January 2014.

b. Outreach Mapping for Katete and Petauke Districts

The CRS Agro-enterprise Officer, SILC Project Officer, and FA Supervisors together with Camp Extension Officers visited agriculture camps in the Katete and Petauke districts to conduct outreach mapping exercises. The outcomes of the visits included:

- a. Identification of organizations/institutions that carry out savings group activities within the district, their implementing partners, and their areas of operation (camps/wards)
- b. Understanding of village structures, clustering and population levels, and examination of the coverage areas for the FA Supervisors, which was done to ensure that the supervisors and agents observe the 80-20 rule whereby they spend 80% of their time working and 20% traveling to/from work
- c. Engagement of the MAL CEOs, local leaders, zonal leaders, Camp Agriculture Committees (CACs), and DHFs to explain the SILC concept and planned activities
- d. Selection of target areas of operation and FAs for SILC activities



A Facilitator speaking at one of the initial sensitization meetings at Kakwiya camp in Petauke district (Nov. 2013)



Members of the local community listen to the Facilitator speaking about SILC activities at Kakwiya camp, Petauke (Nov. 2013)



SILC staff members at one of the sensitization meetings with Camp Officers, Village Headmen, Camp Agricultural Committee Chairpersons, Zonal leaders and other stakeholders at Nyanmpande 1 Camp in Petauke district (Nov. 2013)

c. SILC Management Information Systems Training Workshop

A three day workshop took place on November 1-3, 2013 in Chipata. The training targeted USAID Mawa project SILC Field Agent Supervisors drawn from Lundazi and Chipata, together with PROFIT+ Field Agent Supervisors from Katete and Petauke. The Agro-Enterprise Officer was also in attendance. The workshop focused on efficient information collection and management tools in order to enable them collect and manage data properly. Plans are also in place for refresher trainings and on-site support for MIS staff once SILC activities under PROFIT+ are rolled out.

d. Recruitment and Training of SILC Field Agents

Twenty-five SILC Field Agents from Katete district were identified and trained on the SILC methodology, out of which 18 were qualified, based on the selection criteria below:

Demographics:

- between 25 and 45 years old
- Married and/or with a family
- completion of primary education mandatory, preferably some secondary education

“Localisation”

- Living in targeted community as a permanent resident
- Well-known and respected by community members and leaders in the assigned area
- Reputation for integrity
- No criminal record or instances of disreputable behavior

Each SILC FA is also expected to have the following skills:

- Basic arithmetic skills (including percentage calculations)
- Ability to read and understand the national language (used in guides and forms)
- Ability to communicate in local language(s) of assigned area

- Good community mobiliser and facilitator, with strong interpersonal and communication skills
- Able to ride bicycle moderate distances

Twenty-six FAs were identified and selected for Petauke district, with the training scheduled to take place in January 2014. The training will include 2 additional FAs for Katete to compensate for those who did not qualify after the training. While the Project's goal is 20 SILC FAs per district, the strategy is to train more than 20 so as to identify the best SILC FAs in each district, while ensuring that there is a roster of stand-by FAs in case of drop-outs.

e. Cargill Maize and Soy Credit Input Scheme:

The Project drafted a final version of an MoU with Cargill. The main tenets of the MoU are as follows:

- Cargill will support pre-financed (or input credit based) maize and soy crop production under an outgrower scheme.
- PROFIT+ will support Cargill's commodity sourcing activities through its commodity aggregation point related activities.
- PROFIT+ will support Cargill's smallholder farmers' access to financial services through a village bank concept.

f. Mnoro and Sairi Horticulture Groups

The Project convened meetings with the Mnoro group and the Sairi group to discuss formation of farmer groups and to provide an orientation on the fundamentals about micro-credit, group borrowing, access to markets and price negotiation skills. In the meetings, participants discussed the establishment of agro-dealers and spray service providers to ensure that production and profitability are not compromised due to erratic access to required inputs. Both groups resolved to begin smaller group formation. In addition, the Project requested MAWA to consider introducing SILC to these groups (400 individuals in total).

g. Micro Credit Foundation and Women's Group (MCF)

A meeting was held with MCF to discuss the possibility of MCF providing financial literacy and Business Development Skills (BDS) training to the 362 women's groups that PROFIT+ helped facilitate forming, during the gender group formation trainings which took place in September and October 2013. These groups would be jointly visited by MCF and PROFIT+ staff to assess their viability for financial literacy and BDS training.

h. NWK (former Dunavant) - Contract Farmer Financing

The Project is supporting NWK to establish district cooperatives or farmer associations with whom NWK will sign contract farming agreements and provide extension services for maize and soy production. To this end, discussions with the Provincial Agriculture Coordinating Office (PACO) have commenced on how to best assist NWK to establish these cooperatives either through formation of new cooperatives or federating existing ones. These cooperatives will enable the farmers to gain access to finance from banks who will only lend to formalized groups, enhance the farmers access to

improved technologies and encourage private sector investment to the groups/cooperatives, in areas of market and trade facilitation.

The Project will obtain guidance on legal procedures and requirements for constitutionally appropriate tenants of cooperative structure and activities and thereafter request NWK to include any special requirements stipulated by the law, which will be followed by design and implementation of farmer mobilization strategies.

i. ZANACO and Chipata DFA Input Finance

ZANACO is preparing a “term sheet,” which will outline the terms and conditions under which it is willing to support the Project’s proposal for the bank to provide input loans to smallholder farmers under the Chipata DFA. Currently, ZANACO is only providing loans through the LIMA scheme managed by ZNFU and which only caters for ZNFU members. The project and the DFA will review the term sheet and decide if they will be able to satisfy the bank’s conditions.

MONITORING AND EVALUATION

a. USAID Data Quality Audit

The Project received its first annual qualitative data audit during the period under review. The main activities of the audit, which was conducted by USAID M&E personnel, were:

- a. Interview M&E staff on how the Project collects data for each indicator which is reported to USAID
- b. Assess five data quality standards namely validity, integrity, precision, timeliness and reliability
- c. Visit a sample of the officers that collect the data in the field
- d. Assess the PROFIT+ M&E database, data collection tools and storage

The following are notable recommendations from the audit:

- i. Introduction of a household coding system
- ii. Introduce cards for household identification
- iii. Arrange for an independent verification of the Vulnerable Households in the Zone of Influence
- iv. Incorporate the gross margin lessons in the farmer field school curriculum
- v. Introduce a farmer registry with pictorials so that trainees are able to associate the technologies with pictures
- vi. Put in place structured training manuals

b. Orientation of PROFIT + staff in Performance Management Plan

The Project undertook an orientation exercise for all technical staff to be acquainted with the FY14 PMP to which all Project activities are aligned. The orientation was aimed at ensuring that all technical staff:

1. Clearly understand the link between the FY14 annual work plan (strategies and activities) with the Performance Management Plan
2. Clearly demonstrate the linkage and synergies of different project activities
3. Identify stakeholders who will assist the project achieve its annual targets
4. Understand and demonstrate strategies on how FY14 annual targets will be achieved
5. Understand the Feed the Future and custom project indicators and how the indicators are inter-related
6. Understand and demonstrate how to attribute activities to project achievement
7. Understand how to capture case stories and,
8. Understand how project data will be captured and reported

c. Data Collection and Verification for Gender and Aflatoxin Trainings

- Conducted four Focus Group Discussions in Lundazi to assess the application of aflatoxin training by the project beneficiaries. The technologies included improved harvesting techniques and post-harvest handling.
- Conducted random interviews with the smallholder farmers trained in gender to assess the impact of the trainings on their households and communities

d. Monitoring and Evaluation system

- Reviewed the project performance monitoring plan (PMP); submitted the PMP to USAID for approval.
- Updated the indicator tracking table and submitted it to USAID for approval.
- Updated the Feed the Future Monitoring system with FY13 achievements.

e. Review of FtF Report

The Project conducted a one-week field activity to compile data and figures required to update the USAID FtF Report. Willingness by private sector partners helped to increase the achievements reported by the PROFIT+ for the following key indicators in the FTFMS:

- Incremental sales
- Private sector investment
- Number of jobs
- Number of farmers applying technologies
- Number of partnerships developed

ENVIRONMENTAL COMPLIANCE

a. Facilitating Environmental Compliance in Productivity TOTs for MAL Extension Staff

During the land preparation and layout TOTs for demo host farmers, the Project emphasized the need for smallholder farmers implementing PROFIT+ activities to adhere to the improved technol-

ogies which foster environmental stewardship. Capacity was also built for the trainers to train the smallholders in the preparation and utilization of an Environmental Mitigation and Monitoring Plan (EMMP) as a way of enabling the smallholder farmers to identify site-specific potential adverse impacts, and come up with practicable mitigation measures that will be monitored by clearly identified responsible parties.

b. Facilitating Environmental Compliance Aspects in Productivity Roll-outs for DHFs and Lead Farmers

As follow-on to the TOTs, the Project facilitated the roll-out of productivity trainings by MAL staff with oversight from Project staff, in the four target districts in EP. The environmental emphasis in these trainings was for the smallholder farmers to identify site-specific potential adverse impacts and design practicable mitigation measures that will be monitored by designated responsible parties, through the use of a localized EMMP.

c. Training of Farmer Business Advisors as Spray Service Providers

The Project is will be conducting Intergrated Pest Management (IPM) and safer use of pesticides trainings for FBAs to qualify as Spray Service Providers. This training in IPM and safer use of pesticides is very critical both in terms of compliance, as well as in terms of good agricultural practice. The training is also mandatory for complying with the provisions of the PERSUAP. The training for the 60 PROFIT+ FBAs is aimed for completion within this quarter.

d. Facilitating Environmental Compliance in a Business Meeting Between Agro-dealers

PROFIT+ continued to communicate environmental sustainability information to its partners so that their environmental values and activities match those required by USAID and ZEMA especially for those activities funded through the Project. To support this goal, the Project facilitated a capacity building meeting for 17 agro-dealers and two input suppliers which had an environmental management component emphasizing the following:

- The need for an environmental mitigation and monitoring plan(EMMP) for agro-dealers
- The main dangers of pesticide use, including:
 - Dangers to human health
 - Dangers associated with the reuse of empty pesticide containers

Salient issues which arose from the meeting were:

- Smaller packaging that agro-dealers are asking from the input suppliers may be problematic due to labeling space and confusion surrounding the required dosages
- Successful measures have been put in place to discourage risky practices regarding the handling of pesticides which could result in fatalities.
- CropLife is exploring a collaborative program with PROFIT+ to increase the awareness and collection of empty pesticide containers from smallholder farmers.

GENDER

a. Involvement of Women in Project Activities

In its efforts to achieve at least 40 percent women's participation in Project activities, 37 percent of the selected 690 DHF for open field crops are female, while 18 percent of the 60 FBAs for horticulture are women.

b. Gender Training Strategy

The Project designed a training strategy for couples/gender sensitization based on the modified Harvard Gender Framework. The strategy involves training couples together to increase awareness of gender equality in households. Test training was conducted in Petauke where 137 adults (98 women and 39 men) attended with the majority coming from the same households (32 of the participants were couples). The training provoked a lot of interest and enthusiasm from the participants who requested more gender sensitization workshops. In particular, there were frank discussions on gender concerns, and men acknowledged the heavy work load of women, pledging to assist in some roles that were culturally assigned to women. Based on the success of these trainings, the Project will have additional trainings in the coming months as a means to improve gender equity in agriculture value chains at household level.

c. Increasing Gender Balance in the Groundnut Value Chain

The Project participated in a workshop facilitated by ICRISAT Malawi to address gender issues in the groundnut value chain. The workshop brought together groundnut farmers, traders, processors, researchers and development practitioners, and focused on opportunities and challenges of upgrading the value chain and enabled participating stakeholders to share their planned activities in the value chain. PROFIT+ shared its activities aimed at strengthening the groundnut value chain which includes facilitating increased availability of quality seed, application of improved technologies to reduce aflatoxin contamination, market linkages and production of quality cooking oil through partners like Chipata and Katete DWDAs, cooperatives and other small holder farmers.

d. Launch of UN 16 Days of Gender Activism

The Project attended the launch of the 16 Days of Gender Activism, organized by the Provincial Gender Office, with the theme “*One Zambia One Nation in the fight Against Gender Based Violence*”. The main purpose of the event was to enhance collaboration between organizations and government agencies that are working on gender matters in Zambia.

e. Engagement of Women's Groups in PROFIT+ Activities

A discussion was held with leaders of the Church of Central Africa Presbyterian that implements community development projects in Lundazi district to explore the possibility of partnership. The church has a large women's membership base but only a few activities that focus on PROFIT+ val-

ue chains. More follow meetings will be conducted to engage other organizations that have huge women memberships and can participate in some selected nodes of the target value chains.



PROFIT+ Petauke Field Facilitator & MAL Camp Extension Officer addressing Participants

f. Strengthening Women’s Organizations in Chipata, Katete and Petauke

The Project facilitated the acquisition of five tons of groundnut seed which was distributed to 500 members of District Women’s Development Associations in Chipata, Katete and Petauke districts, to support their out-grower schemes. The farmers who received the seed will pay back their respective associations in the form of seed. The Associations will in turn also purchase some of the extra groundnuts for processing into cooking oil, which will contribute to value addition for women controlled rural enterprises. It will also give women control over finances raised from sell of groundnuts and hence contribute to women’s empowerment in agriculture sector. The same farmers will also receive Aflasafe packs in the trial aimed at controlling Aflatoxin contamination.

WORKSHOPS AND TRAININGS

Trainings conducted by the Project during the period under review are as follows:

Training Description	Purpose/Objective	Area	Male	Female	Total
Training of Trainers for BEOs and CEOs	Land preparation, conservation agriculture, demo plot management, gender mainstreaming, environmental compliance and M&E tools	Lundazi, Petauke, Katete and Chipata	81	27	108
Roll-out Training to DHFs and LFs	Land preparation, conservation agriculture, demo plot management, gender mainstreaming, environmental compliance and M&E tools	Lundazi, Petauke, Katete and Chipata	2,238	1,560	3,798



Implementation of Farmer Field School Model

The Project developed a Farmer Field School (FFS) module which will be used by CEO's, DHFs, and LFs to transfer improved technologies to smallholder farmers in the Project's target districts. The DHFs and LFs will practice the technologies at their fields and transfer the technologies to an estimated 69,000 farmers through FFS' and farmer field days, in Year 2.

OPERATIONS & PROJECT MANAGEMENT

PROFIT+ Year One Performance Review

On 4 November the Project staff presented the Year One achievements and lesson learned to the USAID Economic Growth team. Included in the presentation was a summary of achievements against FtF targets, although incremental sales and private sector investment numbers were still being collected given that the marketing season was still underway; it was planned to finalize these achievements by mid-December. During the review, USAID asked that we finalize all indicator numbers by 15 November as they were required for the Mission's Annual Performance Report. In order to meet this deadline the Project intensified its data collection process which resulted in the following major achievements being attributed to the Project's interventions and facilitation in Year One:

1. Value of incremental sales facilitated was US\$11,261,626
2. Amount of private sector investment in agricultural activities in EP was US\$4,962,467

Out of the 12 FtF indicators the Project surpassed targets on 10, falling slightly short on only the following two:

1. New public-private partnerships developed, achieving 87 out of a target of 90
2. New jobs created, achieving 110 out of a target of 150

All final indicator achievements were submitted to USAID by the deadline and entered into the FtFMS.

The EG Team Leader conveyed their appreciation for this “last big push from the whole team” to reconcile gross margins, and capture the value of incremental sales and private sector investment.

LESSONS LEARNT

a. Production

1. DHFs selection was more efficient than the 2012/2013 season because the Project actively engaged GRZ extension staff. This led to the successful identification and training of 690 DHFs and 60 FBAs for the open field and horticulture demo plots respectively. It is therefore imperative that the role played by MAL staff should be further strengthened and the engagement kept at peak throughout the year.
2. The Project observed that most horticulture small scale farmers have limited knowledge of the products they are using in production hence being exposed to the risk of chemical contamination. This is catapulted by the farmers not protecting themselves when applying chemicals to their crop. Consumers of the crops are also not spared of this risk through ingestion of chemical residues on the harvested produce. Product knowledge of proper use of chemicals such as the Project is advocating is therefore important among the smallholder farmers as it protects both producers and consumers from the negative impact of harmful pesticides and other crop protection products.

b. Expanded Markets and Trade

1. Continued collaboration and effective communication with cooperatives and processors is extremely paramount as they are a key player in the establishment of market linkages for smallholder farmers. The Project therefore needs to maintain its momentum to continually engage and collaborate with the cooperatives and processors in aggregating/bulking of commodity to increase market access for the farmers.
2. The Project established that Tanzania is a huge market for groundnuts and will therefore work towards forging linkages our farmers, particularly in Lundazi, during the 2013/2014 market season.

c. Gender

1. The Project learnt that women led associations have large membership bases that can be mobilized within a short time to take up roles in value chain activities. However, most leaders and members work on voluntary basis and have inadequate logistical resources to reach distant places within their catchment. The Project’s interventions through rapid response grants therefore facilitated the women’s groups ability to implement activities which resulted in more beneficiaries being reached who benefited from USG training and support.