



FEED THE FUTURE

The U.S. Government's Global Hunger & Food Security Initiative



Zimbabwe Livestock Development Program Quarterly Report #1

October 2015

This publication was produced for review by the United States Agency for International Development (USAID). It was prepared by Fintrac Inc. under contract AID-613-C-15-00001 with USAID/Zimbabwe.



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ACRONYMS

ABS TCM	African Breeders Services Total Cattle Management Ltd.
ADF	Africa Development Fund
AGRITEX	Department of Agricultural Technical & Extension Services
AI	Artificial Insemination
CIRIS	Client Impact and Results Information System
DCA	Development Credit Authority
DDF	District Development Fund
DFAP	Development Food Assistance Program
DFID	UK Department for International Development
DLVS	Department of Livestock and Veterinary Services
DZL	Dairiboard Zimbabwe Limited
EU	European Union
FAAFB	Farming as a Family Business
FAO	Food and Agriculture Organization
FMD	Foot & Mouth Disease
FTF	Feed the Future
FTFZ-CD	Feed the Future Zimbabwe Crop Development Program
FTFZ-LD	Feed the Future Zimbabwe Livestock Development Program
GAP	Good Agricultural Practice(s)
GAHP	Good Animal Husbandry Practice(s)
GOZ	Government of Zimbabwe
HH	Household
IYCF	Infant and Young Child Feeding
LOP	Life of Project
LPD	Division of Livestock Production and Development
MAMID	Ministry of Agriculture, Mechanization and Irrigation Development
MCC	Milk Collection Center
M&E	Monitoring and Evaluation
MFI	Microfinance Institution
MOU	Memorandum of Understanding
MSME	Micro, Small, and Medium Sized Enterprise
NGO	Nongovernmental Organization
NRM	Natural Resource Management
ORAP	Organization of Rural Associations for Progress
PVO	Private Voluntary Organization
RDC	Rural District Council
SBCC	Social and Behavior Change Communication
SME	Small and Medium Sized Enterprise
SPS	Sanitary and Phytosanitary Standards
USADF	US African Development Foundation
WASH	Water, Sanitation, and Hygiene
ZADF	Zimbabwe Association of Dairy Farmers
ZEST	Zimbabwe Extension Support and Training
Zim-AIED	USAID Zimbabwe Agricultural Income and Employment Development Program
Zim-AHEAD	Zimbabwe Applied Health Education and Development

I. EXECUTIVE SUMMARY

This is the first quarterly report (July – September 2015) for the Feed the Future Zimbabwe Livestock Development (FTFZ-LD) program, funded by USAID/Zimbabwe under contract AID-613-C-15-00001 and implemented by Fintrac Inc. This report summarizes activity achievements, results, and impact made in the start-up phase of this 60-month contract. During the first quarter, most program activities concentrated on completing personnel and administrative assignments. The program was launched amid challenges from the outbreak of the Food and Mouth Disease (FMD) in most target areas and poor state of rangelands due to the drought in the 2014/15 agricultural season. Livestock in all target areas were facing severe food and water shortages with cattle deaths reported in most areas.

FTFZ-LD seeks to reduce rural poverty and increase food security among 3,000 beef and 2,000 dairy smallholder farmers in Natural Regions III, IV, and V. The focus is on increasing production, productivity, and market linkages of the beef and dairy farmers as a means of increasing their food security, incomes, and nutritional status. It will also improve the hygiene and nutrition practices of the beneficiary households. The program will build the capacity of local organizations participating in FTFZ-LD and its partner program - Feed the Future Zimbabwe Crop Development (FTFZ-CD) managed by local implementing partner LEAD Trust.

Direct technical assistance from FTFZ-LD addresses humanitarian and food security needs to not only increase smallholder farmers' incomes, but also generate income for others in the community from employment in the agricultural sector. FTFZ-LD interventions raise production and productivity; add value to products; expand market access; and increase the availability of credit and finance at all levels in the value chain. In addition participating households receive training in and are exposed to good nutrition and hygiene practices. The program is also promoting social inclusion of women and youth; and good environmental stewardship.

To maximize outreach and ensure sustainability, interventions will be implemented through partnerships with commercial companies and nongovernmental organizations (NGOs). Partnerships with financial organizations, private sector traders, processors, input suppliers, and technical service providers are a key part of FTFZ-LD's approach to commercialization of small-scale beef and dairy farmers. In the first quarter, FTFZ-LD identified 10 potential partners and began negotiating cost-sharing partnerships.

FTFZ-LD has the resources to leverage investments in feasible beef and dairy agribusiness projects identified. Target geographic areas selected for interventions in the first year are Hwange, Lupane, Nkayi, Umzingwane, Shurugwi, Gweru, Kwekwe, Gokwe South, Chirumanzu, Chiredzi, and Chipinge.

At the end of the first quarter and beginning of the second quarter the program conducted a baseline survey among households in the communities where FTFZ-LD plans to work; an analysis of the results will inform targets and technical areas for intervention. Secondly, FTFZ-LD conducted a baseline organizational capacity assessment for LEAD - the organization implementing the FTFZ-CD program - to identify its needs. This first quarter also saw the completion of protocols with local authorities in the target districts. In these districts, introductory meetings were held with farmers, local leadership, other donor programs, and some buyers of dairy and beef products.

Combined with economic and market analysis, the team began to identify specific activities for each target site. On-the-ground assistance has commenced with training, technical assistance, credit, input, and market linkages provided mainly to beef farmers who are pen fattening their animals.

Looking ahead, FTFZ-LD has identified potential challenges such as outbreak of the foot and mouth disease; animal deaths due to inadequate feed and water; limited water supplies; poor organization of markets; commercial inexperience of smallholder groups; and smallholder expectations of free inputs

based on previous humanitarian strategies. The program has begun strategizing the best way forward to overcome these obstacles.

No financial problems were experienced this quarter. Going forward, planned activities include (1) finalizing a subcontract with FTFZ-LD's main subcontractor ABS TCM; (2) finalizing the gender implementation strategy; and (3) rolling out the farmer field schools at demonstration sites.

2. INTRODUCTION

2.1 BACKGROUND

FTFZ-LD, which began on June 23, 2015 and will run through to June 22, 2020, is working to reduce rural poverty and improve household food security among smallholder producers through increased production, productivity, and market linkages in the beef and dairy cattle sectors. FTFZ-LD is commercializing small-scale beef and dairy farmers on communal and non-contested land by:

- Raising efficiencies in beef and dairy production systems.
- Facilitating access to inputs, finance, and credit.
- Linking producers to local, national, regional, and international buyers.
- Training farmers to adopt good agricultural, business, and animal husbandry practices.
- Training farmers to adopt good nutrition and hygiene practices.
- Strengthening the capacity of local organizations to implement agricultural development programs.

The program is building demand for smallholder-produced beef and dairy products by focusing on quality, continuity of supply, and cost-competitiveness. FTFZ-LD also collaborates with FTFZ-CD and other donor programs to provide specialized technical support for the production of nutritious crops to increase the availability of nutritious foods for beneficiary households on a sustainable basis. Fintrac is implementing FTFZ-LD in cooperation with subcontractor African Breeders Services Total Cattle Management Ltd. (ABS TCM). Additionally, FTFZ-LD is working and collaborating with local private companies, NGOs, the Department of Livestock and Veterinary Services (DLVS), and other government departments involved with the beef and dairy value chains.

2.2 GOALS & OBJECTIVES

The primary objective of FTFZ-LD is to reduce poverty and increase food security among 3,000 beef and 2,000 dairy smallholder farmers in Natural Regions III, IV, and V. The focus is on increasing production, productivity, and market linkages of the beef and dairy farmers as a means of increasing their food security, incomes, and nutrition status. The program will accomplish this goal through the achievement of three intermediate results:

1. **Increased agricultural production and productivity** of targeted beef and dairy smallholder farmers through increased market linkages, increased access to appropriate credit and finance, increased adoption of good agricultural practices (GAPs), increased technology adoption, and increased investment.
2. **Improved hygiene and nutrition-related behaviors** through training on good household nutrition, hygiene, and sanitation practices and exclusive breastfeeding.
3. **Increased organizational capacity of local organizations** to implement USAID and agricultural development programs via capacity building and transferring skills; sharing best practices; and attracting new investments in private sector organizations partnering with FTFZ-LD and FTFZ-CD programs.

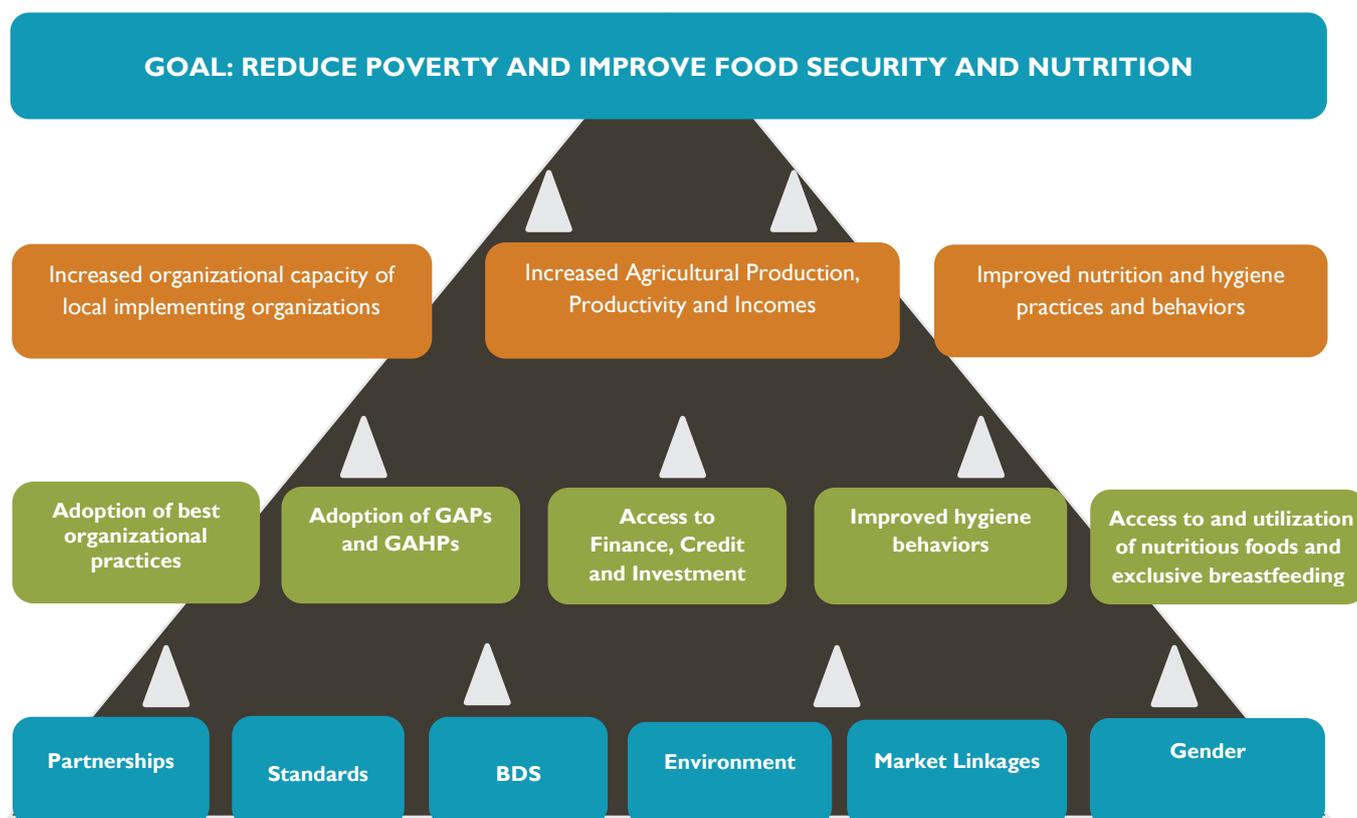
Although FTFZ-LD concentrates on profitable beef and dairy production and income generation, interventions will focus on improving the livelihoods of vulnerable groups through appropriate and sustainable commercial initiatives. These activities will move rural families from subsistence to commercial farming and increase their net worth through investment in cattle and other on-farm productivity-enhancing assets.

2.3 IMPLEMENTATION APPROACH

The results framework below summarizes FTFZ-LD's implementation approach. Interventions will sustainably raise production, productivity, and incomes from smallholder beef and dairy systems; improve hygiene practices and behaviors; increase the availability and utilization of nutritious foods;

expand market access; expand availability of credit and finance across value chains; add value to beef and dairy products; and boost agricultural investment as well as adoption of best organizational practices by local implementing organizations.

Figure 1: Results Framework Summary



To maximize outreach and ensure sustainability, FTFZ-LD will partner with commercial companies, NGOs, and relevant government departments to carry out interventions. Developing commercial partnerships through a national network of agribusinesses strengthens farmers' access to markets with fair prices; provides working capital and finance at realistic rates; supplies inputs efficiently; and provides extension and training to growers as an embedded cost. The partnerships focus on establishing service provision options at market rates. During its first year, FTFZ-LD is engaged in the following:

- Identifying high-potential and viable beef and dairy agribusiness hubs in targeted regions.
- Ensuring competitiveness of smallholder beef and dairy sectors by improving productivity and production efficiency.
- Facilitating and fostering linkages with formal and informal buyers to increase demand for smallholder beef and dairy products. Activities will also seek to improve quality, increase quantity, and assure reliability of supply and logistics.
- Creating more sustainable markets and harnessing new private investment in smallholder beef and dairy by supporting innovative business models in the formal and informal sectors.
- Bringing more market players to engage livestock farmers in identified agribusiness hubs.
- Expanding the availability of inputs for beef and dairy farmers throughout identified agribusiness hubs by creating new commercial partnerships with input suppliers as well as introducing low- to no-cost interventions that improve productivity, animal health, and nutrition.

- Increasing access to finance for all value chain actors to facilitate investment.
- Improving overall household health and nutrition through improved diet diversity (including by incorporating livestock products) and training in household nutrition and sanitation practices.
- Building up the capacity of local businesses, producer groups, and other community institutions by working with the program and its sister program FTFZ-CD.
- Providing demand-driven training and technical assistance that addresses site-specific challenges.
- Identifying opportunities that allow FTFZ-LD beneficiaries to generate high returns with minimal resources.

2.4 TARGET GEOGRAPHIC ZONES

Districts and preliminary wards for beef and dairy interventions were selected based on the number of households engaged in beef and dairy activities; potential for market development through private sector alliances; proximity to Development Food Assistance Programs (DFAPs) and other donor activities; baseline income and herd size requirements; potential for a high number of female-headed households; and logistical and operational cost containment factors.

Program interventions have targeted irrigation schemes, Zim-AIED-established beef and dairy hubs, and existing milk collection centers (MCCs) in Natural

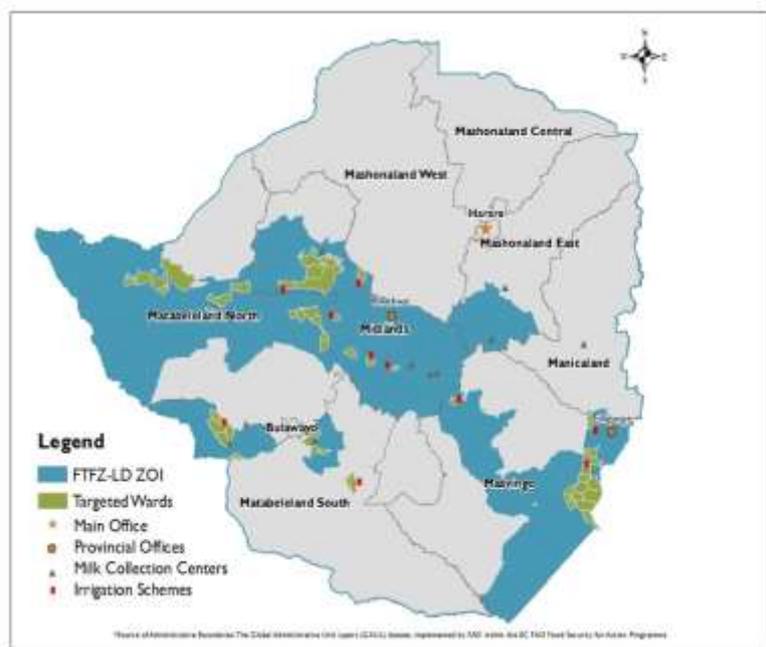
Regions III, IV, and V. FTFZ-LD will capitalize on the regular interactions of farmers, buyers, input suppliers, and service providers already established around these hubs to strengthen links between farmer groups, buyers, input suppliers, and service providers. FTFZ-LD will provide technical assistance to cement these linkages into strong business partnerships.

During this first quarter, the team visited potential sites in Hwange, Lupane, Nkayi, Gokwe South, Kwekwe, Shurugwi, Gweru, Umzingwane, Chirumanzu, Chipinge, and Chiredzi districts and met with farmers, local leadership, other donor programs, and buyers of dairy and beef products. Combined with economic and market analysis the team identified realistic activities for each target site. Selection of the most promising sites for beef and dairy will continue in the next quarter.

The selection process for each site will continue to be guided by FTFZ-LD's overarching commercialization approach which looks at:

- Market potential – accessibility, size, growth potential, buyer interest
- Rapid expected returns on labor and capital
- Capital requirements and access to credit and finance
- Availability of infrastructure and facilities
- Availability of capable commercial partners
- Overall competitiveness in terms of product cost and quality – including analysis of grower knowledge and climatic and agronomic factors

Figure 2: FTFZ-LD Geographic Focus Areas



2.5 MAIN ACHIEVEMENTS THIS QUARTER

Most first quarter activities related to start-up of personnel and administrative activities, including:

- Fielding all five key personnel; other technical staff members are on board to initiate activities in enhancing productivity in beef and dairy; market access; nutrition and hygiene; gender; business development; credit activities and organizational capacity development.
- Opening FTFZ-LD's main office, two provincial offices, and one satellite office; establishing administrative and accounting systems.
- Submitting draft implementation and Monitoring and Evaluation (M&E) plans for USAID/Zimbabwe approval [approval received].
- Submitting the Environmental Mitigation & Monitoring (EMMP) and PERSUAP tracker for USAID/Zimbabwe approval [approval received].
- Submitting branding and marking plan for USAID/Zimbabwe approval [approval received].
- Signing Memorandums of Understanding (MOUs) in Gokwe South, Kwekwe, Chirumanzu, Gweru, Umzingwane (Midlands), Chipinge (Manicaland), and Hwange and Lupane (Matabeleland North) districts. Consultations are ongoing to sign MOUs for Shurugwi (Midlands) and Nkayi (Matabeleland North)¹. Formal procedures were initiated to renew the main MOU with MAMID.²
- Procuring computer equipment, motorcycles, and furniture.
- Submitting waivers to procure agriculture commodities and vehicles; approvals pending.
- Training staff in M&E systems.
- Initiating baseline study in all target districts.
- Meeting with other USAID and non-USAID donor projects to identify areas of collaboration.
- Conducting capacity building activities on strengthening organizational capacity, communication, and M&E with LEAD and FTFZ-CD.

FTFZ-LD has started technical interventions for establishing feedlots in Lupane, Nkayi, Kwekwe, and Chipinge. Moreover, the program has collected and analyzed market information and budget data on beef and dairy from commercial and official sources.

In terms of partnerships, FTFZ-LD engaged two microfinance institutions (MFIs) and one commercial bank (a participant in one of USAID's loan guarantee facilities). Some of these partnerships will be formalized through signed agreements next quarter.

3. ACTIVITIES

Activities occurred in Gokwe South, Kwekwe, Chirumanzu, Shurugwi, Gweru, Umzingwane, Chipinge, Hwange, Lupane, and Nkayi. Interventions included getting permission to implement the program at grass root level through signing MOUs with respective local authorities; arranging producer credit for pen fattening; providing marketing assistance; fostering group development; and supplying technical assistance. The following sections describe FTFZ-LD activities briefly in nine categories that reflect the technical approach and program objectives:

- Beneficiaries – number, gender balance, geographical spread
- Sales and incomes – amount of new money in the pockets of FTFZ-LD beneficiaries
- Productivity – direct interventions in beef and dairy
- Market access – research, analysis, planning, and new business development

¹ It is pleasing to note that the program was granted full authority to start implementing the program activities in these districts while the consultative processes are underway.

² The current MOU will expire in September 2016.

- Finance and credit – micro-credit support for smallholder beef and dairy farmers
- Nutrition and hygiene activities
- Gender – cross-cutting activities to support the inclusion of women and youth
- Environment
- Organizational capacity development

3.1 BENEFICIARIES & GEOGRAPHICAL COVERAGE

The main field activity during this quarter was conducting the baseline survey between 15 September 2015 and 15 October, 2015. Participating households, with similar characteristics to future activity beneficiaries, were randomly selected from the project target regions (see Figure 2 above). Program staff led by FTFZ-LD's M&E team implemented the survey, and covered 10 districts in Manicaland, Midlands, Matabeleland North, and Matabeleland South provinces (see Table 3.1). This survey intended to establish baseline values for all 27 FTFZ-LD monitored indicators. In the second quarter, FTFZ-LD will release a summary report that will be shared with USAID/Zimbabwe and, after approval, will be the basis for setting indicator targets (Annex 2). The program will also share the baseline report with relevant stakeholders and partners as recommended by USAID/Zimbabwe.

Table 3.1: Geographical Distribution of FTFZ-LD Baseline Households

	District	Natural Region	Female-Headed	Male-Headed	Total	% of Total
Beef	Chipinge	V	19	80	99	
	Chirumanzu	III	2	3	5	
	Gokwe South	III	1	16	17	
	Gweru	III	2	2	4	
	Hwange	IV	10	16	26	
	Kwekwe	III	2	22	24	
	Lupane	IV	4	20	24	
	Nkayi	IV	12	40	52	
	Shurugwi	III	5	13	18	
	Umzingwane	IV	0	2	2	
		Total	57	214	271	67%
Communal Dairy	Chipinge	V	1	8	9	
	Chirumanzu	III	1	4	5	
	Gokwe South	III	3	33	36	
	Gweru	III	3	15	18	
	Hwange	IV	0	0	0	
	Kwekwe	III	0	5	5	
	Lupane	IV	0	3	3	
	Nkayi	IV	0	0	0	
	Shurugwi	III	0	5	5	
	Umzingwane	IV	4	15	19	
		Total	12	88	100	24%
Small-scale Commercial Dairy	Chipinge	V	0	0	0	
	Chirumanzu	III	0	0	0	
	Gokwe South	III	2	18	20	
	Gweru	III	0	0	0	
	Hwange	IV	0	0	0	
	Kwekwe	III	0	0	0	
	Lupane	IV	0	0	0	
	Nkayi	IV	0	0	0	
	Shurugwi	III	1	3	4	
	Umzingwane	IV	1	10	11	
		Total	4	31	35	9%
		Grand Total	73	333	406	

As the table above shows, a total of 406 households were sampled; these households were randomly selected within the beef and dairy value chains.³ Of the sample, 18 percent were female-headed households (either widowed or separated) and 82 percent were male-headed households. The majority of the male-headed households were married couples, but also included widowers and those that are separated.

FTFZ-LD observed potential beef and dairy project sites with potential private sector partners, DLPD, DLVS, AGRITEX, and NGOs. At the sites visited, field managers also discussed with farmers the feasibility of introducing and scaling up commercial dairy and beef production activities.

3.2 SALES & INCOME

3.2.1 Milk & Dairy Products

Farmers delivered 33,531 liters of raw milk worth \$19,448 to the three MCCs during this quarter. Sales amounted to \$31,343 by the MCCs in the same period. Only Umzingwane MCC delivered raw milk to a formal buyer during the period.

In targeted beef-dairy wards, milk production primarily serves home consumption; any milk sales are mostly channeled through the informal markets and sold as raw or sour. Production tends to occur during the rainy season when fresh grass is more abundant. Therefore, in this past first quarter, beef-dairy cows were not generally being milked.

Table 3.2.1 Recorded Sales of Livestock Products in FTFZ-LD Activity Areas, July – September 2015

	Quantity (lt)	Value(\$)	Buyer
i) Raw milk deliveries by farmers			
Gokwe MCC (lt)	29,669	17,208	
Shurugwi MCC (lt)	617	358	
Umzingwane	3,245	1,882	
Totals	33,531	19,448	
ii) Raw milk sales			
Gokwe MCC (lt)	1,680	1,616	Local, Empress Mine, Nkayi
Shurugwi MCC (lt)	617	617	Local
Umzingwane(lt)	673	397	Dendairy/ Kershelmar
Totals	2,970	2,630	
iii) Sour milk sales			
Gokwe MCC (lt)	6,627	13,254	Local, Empress Mine, Nkayi
Shurugwi MCC (lt)	0	0	
Umzingwane(lt)	2,562	1,281	Local, Spar
Totals	3,189	\$14,535	
iv) Cultured Milk			
Gokwe MCC (lt)	11,571	11,571	Local, Empress Mine, Nkayi
Shurugwi MCC (lt)	0	0	
Umzingwane(lt)	0	0	
Totals	11,571	11,571	
v) Yoghurt			
Gokwe MCC (lt)	165	549	Local, Empress Mine, Nkayi
Shurugwi MCC (lt)	0	0	
Umzingwane(lt)	0	0	
Totals	165	549	
vi) Whey			
Gokwe MCC(lt)	10,291	2,058	Local, Empress Mine, Nkayi
Totals	10,291	2,058	

³ Refer to the Baseline Report for further information

Gokwe MCC received the largest portion of raw milk deliveries, 29,669 litres from small holder farmers (Table 3.2.1). The MCC sold 1,680 litres as raw milk to the local market, Nkayi and Empress Mine areas, processing the balance of 27,989 litres into sour milk; cultured milk; yoghurt and whey. The processed products were sold to the local market, Empress Mine and Nkayi district. Gokwe MCC seasonally supplies excess raw milk during the summer season to Dendairy, a milk processor in Kwekwe.

3.2.2 Beef Product Sales

From July 2015 to the end of September FTFZ-LD beneficiaries in Chipinge district sold an estimated 50 head of cattle, mainly to middlemen, at an average price of \$200 per animal. The only formal buyer currently buying from Chipinge is Sabie Meats and the average price paid to farmers is also low because of the poor condition of the cattle. Other potential buyers include Carswell-Montana and Koala Park. However their buying activities were suspended by DVS. DVS alleged they were moving animals from Chipinge (FMD area) to feedlots in FMD free zones rather than sending them for direct slaughter⁴.

Nkayi Rural District Council (RDC) and Inala Auctions organized auctions in Nkayi district and sold a total of 731 head of cattle valued at \$348,952 (see table). Generally the body condition score for most cattle deteriorated as a result of poor grazing and water challenges.

Table 3.2.2: Cattle Sales through Auctions – Nkayi, July – September 2015

Month	Cattle Sold	Farmers	Total Sales(\$)
July	300	285	142,500
August	217	198	104,160
September	214	200	102,292
Totals	731	683	348,952

In Lupane district, few buyers participate at district auctions, and the lack of competitive bidding leads to poor results for farmers. Buyers are mainly small players and local butchery operators with no real financial resources who buy at low prices. This situation has prompted the chief executive officer and the district administrator to seek FTFZ-LD technical assistance in organizing livestock auctions. Poor management of council auctions has disadvantaged livestock sales for the RDC and farmers as they do not attract competent buyers. During the month of September 2015 only 16 animals were sold through council auctions in the entire district, which has created a gap for private buyers who offer low prices while evading council levies. To address this problem, FTFZ-LD will work with Kusile RDC to create reliable, regular, and competitive livestock market linkages so as to improve farmers' income.

Cattle auctions in Umzingwane district of Matabeleland South Province were subdued during the quarter as a result of a foot and mouth outbreak in the area, as well as the generally poor condition of cattle on offer. However, Esigodini Abattoir slaughtered 99 beasts over the period.

In Shurugwi cattle movement were restricted because of a foot and mouth disease outbreak. However, FTFZ-LD recorded sales for direct slaughter to the local abattoir from wards 3, 12, 13, and 15, which amounted to 25 head at an average price of \$450 per head.

A total of 170 pen-fattened animals valued at \$55,554 from FTFZ-LD supervised feedlots were sold to formal buyers during the quarter under review. Prices for pen-fattened animals continued to increase during the quarter and more animals were being mobilized for the exercise in the coming quarter to take advantage of the buoyant market during the festive season.

⁴ Koala Park and Carswell Montana have both opened slaughter facilities in Chiredzi (an FMD zone) since then and have resumed buying from Chipinge.

3.3 PRODUCTIVITY

3.3.1 Beef

Beef marketing and supplementary feeding were the most critical program intervention components during the quarter. Cases of cattle dying due to lack of food and water were reported across all the wards of Chipinge district and some wards in Lupane district. In addition, the Foot and Mouth Disease (FMD) outbreak, first reported in Masvingo's Mwenezi district on May 24, which spread to other districts in Masvingo (Chivi and Chiredzi) and some parts of Midlands (Mberengwa, Shurugwi, Chirumhanzu, and Gokwe North), Matabeleland South (Gwanda, Beitbridge and areas around Bulawayo), Manicaland (Chipinge district) and Matabeleland North (Hwange and Binga District), continued to curtail livestock activities in FTFZ-LD focus areas of Umzingwane, Chipinge, Gweru, Shurugwi, Chirumhanzu, Kwekwe, Lupane, Hwange, Nkayi and Gokwe South. Vaccine shortages limited effective treatment in many areas. If the disease is reported, a quarantine order banning movement of livestock covering the whole district will be imposed. However, there is the fear that this could spread into the FTFZ-LD operational areas and affect the feedlots that have been established. Cattle in feedlots are inspected regularly by DVS for FMD and are isolated from the general herd. In cases where outbreak occurs, the feedlot cattle will be delivered to abattoirs in red zone areas.

In Chipinge, the prevailing drought from 2014/15 season was already causing cattle deaths in early September and also had a negative impact on marketing. Farmers were under pressure to sell their cattle before they starved to death to mobilize cash for grain purchases, and buyers took advantage of this desperate situation. With the rangeland bare and browse tree species still leafless there is virtually nothing left for cattle to survive on in the area. Beef farmers near conservancies and game parks are pushing their cattle into these areas for grazing but this has caused the recent outbreak of FMD in wards 16, 20 and 21 where cattle mix with buffaloes natural hosts of FMD, in the Save Valley Conservancy. Three wards are currently under FMD quarantine with movement of cattle and cattle products banned, adding an additional burden to these areas which have inherent marketing challenges because of being situated in the FMD buffer zone and former red zone. The majority of cattle without access to conservancies and game parks, although they are not affected by FMD, are at risk of starvation and unscrupulous traders are targeting these areas where they buy cattle for as low as \$50 per head, particularly those which visibly show signs of severe under-nutrition.

FTFZ-LD is teaching mitigation techniques to farmers in drought struck areas of Chipinge to avoid massive cattle losses due to poverty deaths. FTFZ-LD, working with LPD, village heads and livestock development committees, mobilized farmers to pull resources together to access survival meal from stock feed suppliers in the valley (National Foods and Sabie Meats) to supplementary feed their animals. Besides the survival meal, other supplementary feeds for wards 21, 22 and 24 include cotton seed cake available at Checheche at \$270 per ton, sugar cane tops from Chisumbanje, and maize stover at \$5 per scotch cart from nearby irrigation schemes.

Currently no poverty deaths have been reported in Nkayi district, so supplementary feeding has not been necessary. While the grazing has deteriorated due to the advanced dry season, there is still grass available in most areas. However body condition scores of most animals has significantly deteriorated with most animals below a score of 3.

118 deaths were recorded for the month of September in Lupane district, mainly due to water shortages and poor grazing conditions. The grazing has severely deteriorated due to poor rains received in the last season and farmers have not yet adopted the practice of providing supplementary feed to their animals so that they can survive the dry season. FTFZ-LD will work with these farmers to promote fodder production for use during the dry season to supplement their animals. Farmers will also be encouraged to procure commercial feeds to supplement their herds by disposing of some cull animals to save the remainder of the herd.

PEN FATTENING

The target marketing period for pen-fed cattle is mid-December when beef prices are expected to be at peak due to demand created in the festive season versus a low supply of good quality animals after the peak dry season (September-early December). Beef prices this quarter were atypically low with marginal increases of \$0.05 per week from \$2.85 per kilogram at the end of August to \$3.05 by the end of September. Prices are expected to continue increasing up to the end of December 2015.

FTFZ-LD expanded feedlot technology that was introduced into Lupane, Nkayi and Kwekwe districts by the Zim-AIED program, with the establishment of new feedlot sites across the districts. Working in collaboration with buyers, microfinance institutions, DLPD and DVS, a total of 170 animals belonging to 156 smallholder farmers were prepared for market through the pens (Table 3.3.1). Feeding periods ranged between 30 and 45 days and \$55,554 in sales income has been received by the farmers to date.

Opportunities to introduce pen fattening technology were explored for beef farmers in Chipinge, Shurugwi, and Gokwe districts. In Shurugwi three potential feedlot sites were identified in Wards 3, 12 and 23. However, livestock movement in the district is limited due to Foot and Mouth Disease.

Table 3.3.1 : Summary of Pen Fattening Activities in FTFZ-LD Areas, July – Sept. 2015

Feedlot Group	Ward	Financier (input item)	Total loan value (\$)	# of animals	# of farmers	Feeding Period (days)	Value of Sales (\$)	Buyer
Gomoza - Lupane	12	Quest (feeds)	2,254	25	25	30	14,200	Heads & Hooves
Masenyanye - Lupane	14	Quest (feeds)	493 (feed)	10	10	30	4,800	Heads & Hooves
		Inclusive (animals)	3,600 (animals)					
Zamalokhu - Lupane	14	Self-financing		6	14	30	1,840*	Heads & Hooves
Pupu - Lupane	11	Quest (feeds)	2,254	25	24	35	Not yet sold	Heads & Hooves
Lake Alice - Lupane	21	Quest (feeds)	3,719	29	29	45	Not yet sold	Heads & Hooves
Tshongokwe-Lupane	8	Inclusive (animals) Heads and Hooves (feeds)	5,000	17	13	35	Not yet sold	Heads & Hooves
Ngondoma - Kwekwe	6	Untu (feeds)	2,006**	17	10	35	9,596.98	Montana Carswell
Takawira - Kwekwe	6	Untu (feeds)	1,181**	10	10	35	5,978.23	Montana Carswell
Fanisoni - Nkayi	18	Quest (feeds)	3,968	31	21	43	19,138.87***	Heads & Hooves
Totals			24,475	170	156			

* Three animals sold and three ran away but have been found
** No loans were disbursed during the period under review, loans were disbursed in the previous quarter and production continued in the current quarter.
*** 27 animals were sold while the remaining four are still undergoing pen fattening as they were not yet ready

In Gokwe South district 16 farmers in Ward 19 have signed up 21 of their animals for pen fattening to commence at the end of October 2015 once farmer and input supplier agreements as well as meetings with the Rural District Council on the use of the cattle sale pens as feedlots have been concluded. Montana Carswell Meats will supply stock feed and purchase the finished animals.

Farmers have opted for the Montana Carswell Meats stock feed loan facility (feed is supplied to farmers on loan which is deducted when the cattle are slaughtered) because it is cheaper compared to buying feed on loans provided by Untu Microfinance.

In Chipinge district there is potential to introduce feedlots in wards 16, 21, 22, and 27. FTFZ-LD conducted introductory training for 226 farmers (137 male and 89 female) on feedlots, feedlot budgets, and feedlot cattle selection during the quarter. The establishment of livestock production and marketing committees was also initiated in the four wards, and capacity building of these committees has commenced. Efforts to introduce formal beef buyers into the district have begun.

Pen fattening and attracting more buyers provide Chipinge farmers with opportunities to earn more income. The gross income value of a 400 kilogram ox is currently at a maximum of \$320, as 90 percent of the cattle are only achieving manufacturing grade at slaughter. In most cases visual assessment of the live animals is done to determine price, and few achieve prices better than \$250 irrespective of size, yet the same animal can achieve commercial grade after pen fattening for 60 days giving a gross income of \$653 and a net value of \$423 after deducting feedlot costs of \$230.

Most farmers are currently struggling to mobilize enough food for their families and as result cannot afford to self-finance the feedlot exercise. As a result, FTFZ-LD has introduced the farmers to Quest Financial Services (a Harare based microfinance institution) and the loan application process has already been initiated.

Cattle prices for quality animals (commercial grades and above) in Chipinge have also been increasing due to the recent increase in the number of formal buyers in Chiredzi district and the shortage of quality animals. The three major buyers of cattle – Koala Meats, Carswell-Montana, and Sabie Meats – have abattoirs in the Red Zone for Foot and Mouth Disease. Live animal movements from the Red Zone are only permitted if the animals are destined for direct slaughter. Because of the poor animal condition, buyers are forced to pen fatten the cattle before slaughter, thus they are willing to pay good prices for pen-fattened animals from the farmers as it reduces their operating costs.

Those with cattle suitable for fattening are being encouraged to place them into feedlots while those who wish to dispose of old cows are encouraged to sell them off grass at the end of the rains when they are as healthy as possible.

BREEDING

Farmers in all beef areas are encouraged to sell off unproductive beasts from their herds and use the resulting income to invest in herd improvement. Detailed breeding models will be developed and implemented in collaboration with ABS TCM next quarter.

TRAINING

A total of 267 beef farmers, of which 37.8 percent were women, participated in FTFZ-LD training sessions in Chipinge and Kwekwe district during the quarter.⁵ Farmers were trained on group marketing, beef markets, pen fattening, beef cattle supplementary feeding, enterprise budgeting, and beef husbandry practices.

In Chipinge district, farmers formed beef marketing groups in an effort to facilitate direct marketing to abattoirs by the groups. Farmers in the district depend mostly on middlemen (who offer very low prices as they know farmers have no alternative markets) as formal auctions are no longer being conducted as a result of FMD quarantines. Efforts were made to introduce

⁵ Only farmers with the FTFZ-LD's target number of cattle were recorded. Farmer stock record cards were used to identify farmers qualifying as FTFZ-LD beneficiaries.

cattle pen fattening, a practice that is expected to increase the value of cattle sold by farmers due to improved beef quality, consolidation of sales, and access to lucrative markets.

In Kwekwe district, trainings and technical assistance focused on productivity-enhancing GAHPs; feed lot technology; feedlot budgeting; marketing skills; business skills and various aspects of farming as a business (FAB). A total of 41 farmer training and technical assistance contacts were made this quarter.

3.3.2 Dairy

The initial entry point for the program was working with active dairy farmers at milk collection centers (MCC) in Gokwe, Umzingwane, and Shurugwi. In Umzingwane most of the targeted beneficiaries are widows who have shown interest in venturing into dairy production. The program also explored the opportunity to encourage dairy production in non-traditional areas by focusing on beef herds which could provide milk for nutritional household purposes and sale of the surplus milk in the local markets to increase household incomes.

The program focuses on profitable dairy farming through a holistic farm approach to increase production and productivity by introducing GAHPs, new technologies such as artificial insemination and fodder production, improved dairy herds, good sanitation practices, and increased access to finance and markets. FTFZ-LD will focus on improved herd management practices across all the classes of dairy cattle to develop sustainable and viable dairy smallholder dairy operations. Through FTFZ-LD, farmers will receive training and technical assistance in all of the dimensions mentioned above. Animal nutrition is critical for herd health and productivity; emphasis will be on fodder flow planning with a strong component of promoting production of highly nutritious and locally viable fodder crops.

Table 3.3.2: MCC Membership

District	MCC	Active		Total	Inactive ⁶		Total	FTFZ-LD Potential Dairy Beneficiaries
		Male	Female		Male	Female		
Shurugwi	Tongogara	35	17	52	68	40	108	160
Gokwe	Gokwe	30	5	35	21	7	28	63
Umzingwane	Claring	2	4	6	13	4	17	23
Umzingwane	Umzingwane	0	5	5	20	28	48	53
Grant Totals		67	31	98	122	79	201	299

GOOD ANIMAL HUSBANDRY PRACTICES

Rapid assessment in potential dairy areas identified the following areas the program will address to increase productivity of the dairy herd:

- Husbandry practices such as dehorning are not being practiced among beef-dairy farmers. Beef-dairy beneficiaries will be trained on the importance of dehorning (as it prevents bullying in the competition for food, reduces bruising of the hides and meat, facilitates easy handling by the farmers, and reduces space required by the cattle during feeding and transportation) through practical demonstrations / training exercises.
- All of the beneficiaries surveyed in this quarter do not have enough feed to sustain their cattle herds throughout the year, so training on fodder flow planning and pasture development will assist them to increase their number of lactation days per cow.

⁶ Inactive farmers are those who are currently not delivering milk to MCCs (mainly due to their cows having dried up or died or producing too low volumes to deliver) but still remain registered members of the MCC. These are FTFZ-LD's first target beneficiaries, as they will be activated through AI; buying in- calf dairy cows; improved fodder production and technical assistance on GAHPs that boost their milk production

- In most communal areas, controlled breeding is absent, and in areas such as Madigane and Chirumhanzu in Midlands there are no dairy bulls available. Beneficiaries will be trained on herd breeding improvement programs and technologies such as artificial insemination to introduce good genetics into their herds. The program will explore approaches to obtain resources to acquire quality bulls and heifers to improve herd productivity.
- Target beneficiaries in Chirumhanzu and Madigane are not practicing recommended hygiene practices during milking, handling, and storage. Conventional systems for testing milk quality before milking will be taught and the program will gradually introduce simple testing methods at MCCs as farmers appreciate the relationship between milk quality and milk price.
- Farmers surveyed during the baseline have no records to track their income and expenditure and no cow performance records. Training on recordkeeping will be taught to improve production efficiency among beneficiaries. Uptake of the practice will be promoted through on-going step-wise training, farmer competitions, design of a simplified record keeping system which will be embedded as a requirement for participating in program facilitated activities such as access to inputs, credit and markets.
- Animal health, disease and pest management have to be scaled up as the rainy season approaches. These will be training areas for farmers by the program going forward.

BREEDING

Table 3.3.3: Current Common Breeds in FTFZ-LD Potential Dairy Wards

District	Breeding Program	Common Breeds			
		Red Dane x Tuli (%)	Jersey (%)	Friesland (%)	Crosses(% < than 50% dairy blood)
Gokwe	Uncontrolled natural service from bulls	28	1	2	69
Shurugwi	Uncontrolled natural service from bulls	0	5	8	87
Umzingwane Claring	Uncontrolled natural service from bulls	9.7	5	3.5	81.8
Umzingwane Irisvale	Uncontrolled natural service from bulls	8.7	5	2.5	83.8

Results show that at present there is very little dairy blood in the herds from the targeted dairy wards with less than 13 percent of the cattle being pure dairy breeds and most of the cattle being crosses with less than 50 percent dairy genes. FTFZ-LD will focus on introducing the dairy genes through AI and improved bulls on existing dairy cows and through purchases of quality heifers to achieve herd productivity and production.

The program intends to introduce dairy breeds through finance programs that encourage smallholder farmers to purchase in-calf heifers, however high prices will necessitate substantial financing options. Information on hand from ZADF's last dairy cow auction shows the lowest price for a Jersey cow at \$1,500. All the cows were bought by commercial farmers and none by smallholder farmers. There is currently a high interest in dairy development from the government and other partners. Early this year, 200 cows intended for smallholder farmers were inseminated at Matopos Research Station to build the national dairy herd through the Dairy Revitalization Committee.

Through collaboration with processors, MFIs, Cattle Bank Fund, and USADF, FTFZ-LD will assist its dairy beneficiaries gain access to cows. One of the major milk processors, Dairiboard, has plans to assist smallholders import heifers. USADF has resources for investing in livestock, in particular dairy. As a result of the USAID-funded dairy program managed by Land O'Lakes, MCCs have revolving funds earmarked for livestock purchases; for example, Gokwe MCC has \$30,000 in the Cattle Bank Fund to buy dairy cattle. In addition, FTFZ-LD will encourage beneficiaries with excess numbers of

beef cattle and small livestock such as goats to dispose these to generate capital to build their dairy herds.

A total of 27 cows are being conditioned in preparation for artificial insemination in the Claring area of Umzingwane district, while a further 19 cows are being readied for artificial insemination in Gokwe South district.

TRAINING

A total of 224 farmers (146 males and 78 females) received training and technical assistance on animal nutrition and health, with a goal of increasing peak milk yields from current figures of around three liters to above 12 liters per cow per day; normalizing the lactation periods to about 300 days, and the calving intervals to between 12 and 13 months. The focus includes fodder flow planning with a strong component of promoting production of highly nutritious and locally viable fodder crops. Thirteen farmers in Gokwe received technical assistance and training on urea stover treatment for winter feeding. Urea treatment of stover helps to increase nitrogen content of the stover from between 2 and 5 percent to levels around 10 and 15 percent. Intake and digestibility of the stover also improves.

MARKETING

Most MCC members are inactive, while some producers fail to deliver milk because of distance and lack of transport. As a result, MCCs are operating below capacity due to low milk volumes being delivered. The current average milk production for the communal farmers is approximately 2 to 3 liters per cow per day and that for small-scale commercial farmers is 5 to 7 liters per cow per day. Table 3.3.4 below summarizes milk deliveries recorded by MCCs in three FTFZ-LD target districts;

Table 3.3.4 : Milk Volumes Purchased by MCCs in FTFZ-LD Areas, July – Sept. 2015

District	Volume (liters)	Purchase Value (\$)*	Current Feed Resources
Gokwe	29,669	17,208	silage (450 ton 2014-15 season); 18% dairy meal (6 ton/month)
Shurugwi	617	358	2014-15 season silage finished in September, relying on grazing natural veld
Umzingwane	3,245	1,882	Dairy meal, Bana grass, Lucerne, hay with molasses, maize crush
Total	33,531	19,448	

*Assumes average raw milk purchase price of \$0.58 per liter

FTFZ-LD also identified potential beef-dairy farmers in Gweru who are seasonally milking for sale from their indigenous cows. Engagement of beef-dairy farmers is one of the program's strategies to introduce the dairy value chain to smallholder farmers. Indigenous breeds are more tolerant to local climatic conditions and poor husbandry practices, and are resistant to most diseases. With GAHPs these indigenous breeds can increase milk production to meet household consumption needs and earn additional income. In Chirumhanzu farmers received an average income of \$5 per cow per month from milking their indigenous breeds.

A group of six farmers from Musikavanhu irrigation scheme in Chipinge district have requested FTFZ-LD to provide technical guidance as they establish communal dairy operations at their farms. The farmers intend to use their indigenous beef cattle and leverage their proximity to feed sources such as maize and sugar bean stover from nearby irrigation schemes, cotton seed hulls from Parogate ginning factory, sugar cane tops from nearby sugar cane plantations, and by-products from the sugar cane milling plant in Chiredzi.

Cheap imports continued to undermine the local dairy industry (producers and processors) because local products have not been able to match the prices of imports due to high costs of production. Current formal milk prices for raw milk vary from \$ 0.50 to \$0.70 per liter.

Industry capacity utilization remains low due to low volumes. One of the major processing plants in Midlands - Dairibord Gweru (DZL-Gweru) closed its doors this quarter due to low milk volumes. However DZL-Gweru is still collecting raw milk from farmers in Midlands for its Harare processing plant. At farm-level, milk losses remain high due to spoilage as there are no cold chain facilities to enable farmers to participate in the formal market. Apart from large processors there are also large-scale dairy farmers near small producers with whom FTFZ-LD and smallholder farmers can partner to consolidate milk volumes and facilitate cold chain access.

3.3.3 Partnerships

Partnerships with private sector traders, processors, input suppliers, technical service providers, and credit and financial institutions are a key part of FTFZ-LD's approach to commercialization of small-scale farmers. Engaging commercial companies ensures all program interventions are market led, and that private sector partners are instrumental in delivering products and services through cost shared alliances in all target areas.

Much of the work carried out by technical staff this quarter was aimed at identifying potential partners through field visits and analysis of some submitted concept notes for engagement. A provisional list of companies currently being considered as formal partners is provided in Annexes 2 and 3. The strategy is to engage private sector partners and subcontractors to not only purchase product or supply inputs but finance some developmental facets of the value chain (such as supplying milking cans on a cost-recovery basis or setting up joint chilling facilities with producers). Buyers, input suppliers, and finance institutions have in-house expertise in beef and dairy production, quality standards and market specifications that they will transfer to small-scale producers as part of the partnership. FTFZ-LD will finance technical training and extension on a declining scale for eventual hand over to the private partner. The input suppliers will provide training, demonstrations, and field days on a cost-sharing basis with FTFZ-LD until sales of their products and purchase of produce from the farmers increase to levels where the costs can be covered. The focus is on engaging companies that show deliberate investments in smallholder farmers as strategic partners.

This arrangement ensures the program builds sustainability and a smooth exit strategy. The target is to build the foundation for direct private sector support to the majority of FTFZ-LD beneficiaries.

The FTFZ-LD technical team will provide maximum technical support and capacity building to these partnerships. They will also be responsible for monitoring partner performance and impact continuously and make changes to the partnership portfolio whenever necessary.

3.4 NUTRITION & WASH

As the program got underway, FTFZ-LD staff conducted trainings for both program staff and partners on the integration of nutrition and WASH activities into all other program activities. As most team members have strong agriculture backgrounds and less familiarity with nutrition, follow-up visits to project areas provided sufficient time for field officers to have a greater understanding of the subject.

Baseline surveys revealed a gap in knowledge among many beneficiaries in these areas. For example, in some areas of the Midlands Province, respondents stated that milk for both home consumption and selling should only be derived from dairy breeds - milking beef animals was unheard of as the milk should only be reserved for the calf.

On WASH, there is still a lag in sanitation behavioral adoption. Knowledge of hand washing facilities is common among most communities, but many of the facilities were not being used regularly, demonstrating that there is need for more than just knowledge if practices being promoted are to be adopted. Open defecation is still being practiced in some areas that have received interventions by other previous complementing projects.

Consultations are ongoing with local stakeholders including the Ministry of Health, Child Welfare and Nutrition; Environmental Health Department; RDCs; AGRITEX; DLPD; DVS and other NGOS (FAO, Amalima and Ensure) to map out nutrition and WASH interventions relevant to the targeted

FTFZ-LD communities. In Chipinge, meetings were held with World Vision, who is implementing the USAID-ENSURE program in all target FTFZ-LD wards. There is potential of working together in terms of sharing materials already developed and standardizing messaging.

Program staff attended USAID's Nutrition Learning Summit to share knowledge, good practices, and experiences on nutrition behavior change interventions. FTFZ-LD will adopt these good practices when rolling out its nutrition and WASH components. The forum also provided opportunities for interacting and networking with other nutrition and WASH behavior change specialists whose activities contribute directly or indirectly to the success of the FTFZ-LD program.

FTFZ-LD joined the Nutrition Technical Working Group, a platform providing an opportunity for coordination of all nutrition players from the government, UN agencies, NGOs, private sector and researchers through bi-monthly meetings and technical bulletins. The most recent bi-monthly meeting focused on findings from the National Iodine Deficiency Disorders monitoring survey. Iodine deficiency in Zimbabwe is a major problem and can limit brain development when left untreated. This deficiency is mainly caused by lack of iodine in Zimbabwean soils, so all salt is currently being fortified with mineral iodine. However, salt consumed by cattle is not being monitored for iodine, which negatively affects animal growth. Special consideration was recommended to ensure animal salt is also iodized.

A meeting was conducted with the FTFZ-CD program to map out complementary intervention strategies in overlapping districts (Lupane and Chipinge) to promote production of nutritious foods to increase dietary diversity.

3.5 BUSINESS DEVELOPMENT & FINANCIAL LINKAGES

Business development and financial linkage services are cross-cutting activities that contribute directly to all FTFZ-LD results. The core task is to assist program beneficiaries in identifying permanent opportunities for earning more income. During the reporting period, activities focused on mobilizing farmers into production and marketing groups mainly around the feedlot activities that were rolled out in Chipinge, Kwekwe, Nkayi and Lupane districts. Functional production and marketing groups will facilitate market linkages with microfinance institutions for input financing and abattoirs for guaranteed offtake of the finished animals.

Technical support was provided to existing and new feedlot groups on governance, administration, and collective access to input, output and financial markets. Farmers organized in the groups were trained on group leadership skills, enterprise budgeting, credit control, enterprise performance evaluation and marketing principles to equip them with essential business skills.

FTFZ-LD assisted seven groups in Chipinge to formulate constitutions that enabled the implementation of group lending schemes centered on farmers accessing individual loans with group guarantees. In turn, the farmer groups were linked to microfinance, buyers, and input suppliers to improve access to inputs at lower transaction costs and fair prices for pen fattening. In addition to the technical training and assistance, farmers putting their animals into feedlots were trained on feedlot budgeting to determine loan values. FTFZ-LD's partner MFIs such as Untu, Inclusive and Quest Financial Services provided required working capital to the groups.

During the quarter, the program conducted exploration visits to Gokwe MCC and Shurugwi dairy cooperative to assess group governance. Gokwe MCC exhibited good governance as shown by the up-to-date minutes of the group meetings and prudent financial accounting systems. At the Shurugwi dairy cooperative, it was observed that there is a wrangle between the management committee and the advisory board. Initial probing revealed that the group is operating without a constitution that regulates member behavior. To resolve the conflict among the leaders which adversely impacts group cohesion, training and technical assistance on leadership skills and constitution making will be provided to the Shurugwi dairy cooperative during the next reporting period.

3.6 LOCAL CAPACITY DEVELOPMENT

A component of Fintrac's FTFZ-LD contract includes providing capacity building to LEAD, a Zimbabwean organization implementing the FTFZ-CD program. In order to develop a capacity building work plan for LEAD, Fintrac needed to assess LEAD's current capacity. This first assessment was carried out this quarter to establish a baseline for quantifying Fintrac's capacity-building efforts. A full report of the baseline assessment will be submitted separately and discussed with LEAD and USAID in the coming quarter. Once all parties are on board with the findings, a specific work plan will be developed.

Despite the absence of a road map for capacity building, technical assistance was still provided to FTFZ-CD personnel in M&E, communications, gender, nutrition, procurement, and environment. During a series of meetings, FTFZ-LD provided guidance in putting together environmental compliance documents as well as joint waivers covering agricultural commodities and motor vehicles for consideration by USAID/Zimbabwe. A communications training provided guidance on photography, report writing, promotional materials, branding, and protocol to members of the FTFZ-CD team. The FTFZ-LD M&E team worked with the FTFZ-CD team to develop a PMP, design a baseline survey, share data collection best practices and relevant resource documents.

The program also assisted Oxfam, UNDP, and CAFOD in the M&E areas of database development and management and provided recommendations on mobile data collection.

FTFZ-LD trained smallholder groups around feedlots and MCCs on business skills including recordkeeping, accounting, and contract management. Groups also received technical support in governance, administration, and other management functions. Business training for input suppliers, agrodealers, processors, and traders has not yet begun as partner identification is still underway.

4. ENVIRONMENT

All FTFZ-LD interventions are screened for compliance with USG and Zimbabwean environmental, agrochemical and food safety regulations and designed to have a positive impact on the environment. Specific environment-related activities this quarter included:

- Proper siting of feedlots and planning for animal waste disposal. Feedlots are sited 30 meters from watering points and the organic waste is regularly removed for use in farmer fields.
- Minimize destruction of trees through procurement of non-timber materials for constructing feedlots.
- In most FTFZ-LD targeted sites there is competition for drinking water between livestock and humans. The program encourages farmers to sink shallow wells in areas where the water table is close to the surface to augment existing supplies and to construct watering troughs for livestock. In siting these wells consideration was made to ensure they were at least 30 meters from ablution and cattle holding facilities. Working with AGRITEX, FTFZ-LD educated beneficiaries on the multi-use of water such as channeling excess water from boreholes into water troughs for watering their livestock.
- Ensured the established human drinking water points are protected from access by animals. Partner/local community leaders were trained on maintenance and management of the water points including fencing to ensure their sustainable long-term use.

5. GENDER

Women play a critical role in food production and nutrition in Zimbabwe and activities that prioritize their engagement are central to FTFZ-LD's household food security and increased agriculture production strategies. The program implements women- and youth-friendly activities to maximize impact. An example is scheduling training close to homesteads and during times

convenient to women. The program promotes women's leadership in agriculture and strengthens their access to financial services, encourages female farmers to adopt new agricultural technology.

Activities during the quarter focused on:

- Identifying and deliberately targeting of viable women and youth farmers to participate in the FTFZ-LD activities. Women and youth took up feedlot activities in all FTFZ-LD target areas, even though the number remains low compared to men. Of the 205 farmers participating in feedlot activities during the quarter, 28 percent were women. Each participating woman contributed at least one animal to the total 301 animals under pen fattening.
- Gender sensitization of male and female livestock farmers and encouraging representation of women and youths in Cattle Development Committees. Of the 56 leadership positions in nine of the farmer producer groups working with the program, 37.5 percent of the positions are now occupied by women.
- Increasing awareness and emphasizing the social and economic benefits of women and youth participation in livestock development
- Gender sensitization among FTFZ-LD staff. A gender overview and FTFZ-LD approach to gender issues was presented to staff at the start-up team meeting in August to acquaint all program staff on key gender concepts as part of an ongoing effort to increasing institutional capacity.
- Engaging gender and youth stakeholders in the Chipinge district, including the Ministry of Women Affairs Gender and Community Development, USAID/Zimbabwe's ENSURE program, village heads, and farmers (Chisumbanje ward 26). The purpose of the meetings was to identify areas of cooperation and collaboration in promoting gender equality in implementing programs. The program will cooperate with the ENSURE program which is working in the same wards we have identified and messaging will be based on the already-developed ENSURE manual. The program will involve the ward-level officers from the Ministry of Women's Affairs Gender and Community Development in rolling out its gender activities.
- Ensuring systems that capture gender issues were in place in overall program reporting and monitoring systems. FTFZ-LD measures program performance through sex disaggregation of data and reports on one specific gender indicator among its other PMP indicators. In particular, gender changes in livestock production will be tracked by monitoring the following:
 - The number of program beneficiaries in relevant leadership positions
 - All FTFZ-LD interventions will be reported with disaggregations on men, women and youth.

6. LESSONS LEARNED

The program conducted assessments of the ideal methods, location, and beneficiaries to implement its activities. Through these assessments lessons were learned that will be taken into consideration during implementation, such as:

- Rearing of cattle in most FTFZ-LD focus areas is traditionally a male domain. The program will need to design women- and youth-friendly activities to maximize gender and youth impact.
- Credit availability stimulates adoption of new technologies such as pen fattening, artificial insemination, paddocking, and upgrading milking systems. FTFZ-LD will work with MFIs and banks to harness credit lines for short-, medium- and long-term loans appropriate to smallholder beef and dairy farmers.

- Many smallholder farmers want to generate higher incomes from their livestock but often fail to identify and utilize available opportunities. FTFZ-LD will need to assist farmers to take advantage of available opportunities.
- Smallholder farmers generally abdicate their livestock health care to Department of Veterinary Services (DVS). In the event that DVS has no resources, the health of their livestock is threatened and in some instances farmers lose their animals to simple health problems. FTFZ-LD trainings on nutrition and proper care for livestock will decrease this issue.

7. CHALLENGES

As these lessons were learned, challenges also became apparent to the FTFZ-LD team, which may affect FTFZ-LD's success if not addressed. Some challenges faced are:

- Outbreak of FMD in most FTFZ-LD focus areas will affect farmers' livestock in various ways. Control measures include restricted movement of cattle, which threatens beef viability and opportunities for market linkages. Cattle from the buffer zone can only be moved to another buffer zone area and for direct slaughter. This situation reduces the number of buyers frequenting the area for cattle as those relying on abattoirs outside the buffer zone struggle with animal movement regulations. Many farmers believe buyers are taking advantage of farmers in the buffer zone by offering low prices for cattle as they know they have no alternative markets. Disease awareness and control is one of the trainings FTFZ-LD offers under GAHPs.
- Poor market organization in most FTFZ-LD focus areas diminishes the profitability of commercial beef production. Few buyers attend poorly organized RDC cattle auctions, resulting in lack of competition. FTFZ-LD will work with the RDCs to have regular and planned RDC cattle auctions and to establish sustainable competitive market linkages with such players as abattoir operators and big meat wholesalers.
- Inadequate knowledge on good animal husbandry practices and lack of capital to buy inputs such as stock feed or veterinary drugs result in unnecessary loss of livestock due to disease, starvation, and old age. FTFZ-LD is training farmers on benefits of supplementary feeding.
- Inadequate knowledge of efficient feedlot management results in farmers failing to take advantage of the full benefits of pen fattening. FTFZ-LD is training farmers on proper animal selection and adhering to recommended feeding practices and duration.
- Availability of drinking water for cattle limits farmers' ability to set up feedlots and dairy units. Few perennial rivers exist and cattle are watered at deep wells and boreholes which are both scarce in the operational areas. FTFZ-LD is encouraging farmers to sink wells in areas where underground water is close to the surface. Construction of medium-sized dams will cater for livestock drinking water; however this will require longer-term funding beyond the farmer and the program. Farmers are also being encouraged to form groups and make contributions toward borehole drilling to complement DDF efforts to curb water shortages. FTFZ-LD will also train farmers on water harvesting techniques.
- Long calving intervals due to lack of bulls and poor nutrition especially among smallholder dairy herds. AI training of local service providers, training on fodder production, heat detection, and linking farmers with commercial service providers of AI are part of FTFZ-LD's genetic improvement strategies.
- Low throughput at MCCs hampers commercialization of dairy production among smallholder farmers. FTFZ-LD is focusing on increasing farm-gate production through herd upgrading, nutrition, GAHPs, and market linkages.
- Governance issues undermine the proper functioning of most MCCs in FTFZ-LD focus areas. Power struggles and lack of a constitution at Shurugwi MCC has resulted in farmers

receiving their milk checks very late and most are now side marketing. Power struggles and abuse of MCC funds at Hamamavhaire in Chirumanzu has led to the closure of the MCC.

8. ACTIVITIES PLANNED FOR NEXT QUARTER

Based on first quarter progress, FTFZ-LD is on target to implement the second quarter activities listed in the work plan. Notable activities will include:

- **Establishment of technology and GAHPs demonstrations:** The major technology transfer route will be through farmer-managed demonstration activities. During the next quarter FTFZ-LD will establish a number of farmer-managed demonstration sites showcasing technologies and GAHPs in beef and dairy, as shown in Table 8.1. The actual number of demonstration sites will be determined by the number of farmers willing to participate and co-finance the activities, participation of private sector partners, and logistical considerations. Training and technical assistance of beneficiary farmers will be conducted around these demonstration sites.

Table 8.1: Targeted GAHPs and Technology Demonstrations

Practice	GAHPs and Technologies Targeted
Pasture development	Fodder flow planning, establishment and utilization of fodder; pasture development (sorghum, mhunga, rapoko, bana grass, fodder trees)
Recordkeeping	For individual cows and for milk; farm enterprise planning; analysis of on-farm records
Dairy Enterprise Management	Farmers understand concepts of farm business and farmer group formation for risk & cost reduction in business transactions
Animal Health	Major disease diagnosis, prevention, and treatment
Milk Quality Improvement	Improve to meet internally accepted quality standards
Artificial Insemination	Breed improvement through artificial insemination
Enhancing genetic quality	Quality bull and heifer procurement
Pen fattening	Pen fattening for improved animal quality and increased incomes

- **Market Linkages:** Continue focus on expanding market access for smallholder beef and dairy products and enhancing farmers' confidence in seeking market intelligence and lucrative markets. Building on activities to improve competitiveness through facilitating value chain relationships between private sector players and farmers, the program will:
 - Consolidate discussions with Kershelmar and Dendairy for milk supply/collection arrangements for farmers in Gokwe South and Umzingwane. Discussions will be initiated with other milk processors Nestle and Dairiboard Zimbabwe.
 - Expand linkages between beef farmers and Montana Carswell Abattoirs, Heads and Hooves, Bulawayo Abattoirs, and Sabie Meats. Engage with other smaller cattle buyers and consolidators.
 - Formalize farmers' production and marketing groups at agribusiness hubs and providing the groups with business development training in constitution making; leadership; negotiation; group input procurement and marketing; farming as a business; recordkeeping; and credit management.
- **Gender:** FTFZ-LD will develop and finalize its Gender and Youth Integration Strategy. The strategy will outline activities that expand options and create new opportunities that equally generate income for men and women through targeted interventions. By addressing practical gender needs while recognizing that these will vary across regions, FTFZ-LD will

ensure maximum impact. The strategy will address the following women-specific challenges in Zimbabwe:

- Providing gender appropriate training that involves both men and women.
- Promoting a range of commercial opportunities for women within the beef and dairy cattle sectors.
- Encouraging, promoting, and persuading local businessmen and opinion leaders to take an innovative approach within their farms and demonstrate the benefits of an equal decision-making process in livestock management.
- Creating and encouraging microenterprise activities with women and youth groups.
- Improving nutrition for the whole family.

By expanding options and creating opportunities for both men and women, FTFZ-LD will organically influence social norms and gender roles to improve gender equity among the targeted population. The project will seek to address constraints posed by customary systems, norms, or social institutions that limit choices, decision making, and relationships. This includes encouraging more equitable control over resources among family members, asset allocation, and improving intra-household relations and reducing domestic conflict.

- **Local Capacity Development:** With the baseline capacity building assessment draft report completed on LEAD, the next step is the development of a work plan outlining the specific capacity building work FTFZ-LD will conduct. Creation of the work plan will be a collaborative process between FTFZ-LD and FTFZ-CD to ensure all parties are in agreement. In addition, initial capacity assessments will be conducted for identified partners. The process will help inform the capacity building for each partner, and enable design of appropriate action plans.
- Final analysis of baseline survey of specific performance indicators including average yields, costs of production, gross margins and use of good agricultural practices.
- Finalization and USAID approval of subcontractor agreements for three companies and establishment of a partnership pipeline for early discussion with USAID.

ANNEX I: FTFZ-LD ILLUSTRATIVE INDICATORS

Indicator	Indicator Source	Base-line	Disaggregate	Targets			Unit	
				Y1	Y2	Y3		
PROGRAM GOAL: SUSTAINABLY REDUCE POVERTY AND IMPROVE FOOD SECURITY AND NUTRITION FOR RURAL HOUSEHOLDS IN ZIMBABWE								
1	Number of rural households benefiting directly from USG interventions	FTF 4.5.2(13)	0	Total	1,250	3,815	5,415	Households (New and Continuing)
			0	Beef	750	2,250	3,250	
			0	Dairy	500	1,565	2,165	
2	Estimated number and percentage of FTF beneficiaries holding 5 hectares or less of arable land or equivalent units of livestock (Smallholders)	FTF (01)	91		90	85	80	Percent
3	Prevalence of Poverty: Percent of people living on less than \$1.25/day ⁷	LD 10	76	Overall	62	52	42	Percent
			84	Beef	70	60	50	
			60	Dairy	50	40	30	
4	Mean percent shortfall relative to the \$1.25 poverty line	LD 11	45		40	35	30	Percent
IR 1: Increased sustainable agricultural production, productivity, and incomes								
5	Change in average household agricultural income	LD 1	237.72	Beef	300	450	650	USD
			415.22	Dairy	650	840	970	
6	Gross margin per animal	FTF 4.5(17)	18.80	Beef	27.00	29.27	47.98	USD
			119.49	Dairy	125	150	176.75	
7	Yield per dairy cow per day	LD 5	2.61		4.30	6.50	8.50	Liters/day
Sub-IR 1.1: Increased adoption of GAPS and management practices								

⁷ Figures indicate the proportion of beneficiary households living in poverty based on the beneficiary sample for each year, with the end target in Year 5 being 40 percent for beef and 30 percent for dairy households.

Indicator		Indicator Source	Base-line	Disaggregate	Targets			Unit
					Y1	Y2	Y3	
8	Number of farmers and others who have applied improved technologies or management practices as a result of USG assistance	FTF 4.5.2(5)	0		715	2,310	3,670	Farmers
Sub-IR 1.2: Expanded market access and value chain integration								
9	Percent of beneficiaries selling at least 80 percent of their milk to formal collection centers	LD 6	39		50	60	75	Percent
10	Percent of beneficiaries selling at least one head of beef cattle annually to formal buyers	LD 7	26	Percentage beneficiaries selling cattle	35	55	70	Percent
			41	Percentage beneficiaries selling cattle to formal markets	50	60	70	
11	Value of incremental sales (collected at farm-level) attributed to Feed the Future implementation	FTF 4.5.2(23)	0.10	Total	0.04	0.49	1.72	USD Millions
			0.03	Beef (live) Cattle	0.03	0.4	1.26	
			0.07	Dairy	0.01	0.09	0.46	
Sub-IR 1.3: Improved NRM								
12	Number of individuals who have received USG supported short-term agricultural sector productivity or food security training	FTF 4.5.2(7)	0	Total	1,440	4,390	6,240	Unique Individuals
			0	Male	864	2,415	3,120	
			0	Female	576	1,975	3,120	
Sub-IR 1.4: Increased Access to Credit and Finance								

Indicator	Indicator Source	Base-line	Disaggregate	Targets			Unit	
				Y1	Y2	Y3		
13	Value of Agricultural and Rural Loans	FTF 4.5.2(29)	0		0.05	0.08	0.12	USD Millions
14	Number of MSMEs, including farmers, receiving USG assistance to access loans	FTF 4.5.2(30)	0		170	252	362	MSMEs
15	Percent of beneficiaries borrowing at least once to finance purchase of livestock or other capital investment	LD 8	0		0	5	10	Percent
IR 2: Improved nutrition and hygiene practices and behaviors (Improved nutrition status)								
16	Women's Dietary Diversity: Mean number of food groups consumed by women of reproductive age	FTF 3.1.9.1(2)	2.5		2.8	3	3.6	Groups
17	Prevalence of households with moderate or severe hunger	LD12	39.2		39	25	20	Percent
Sub-IR 2.1: Improved utilization of nutritious foods								
18	Percent of households that consistently consume at least 5 of 9 food groups	LD 2	7		12	25	40	Percent
19	Prevalence of children 6-23 months receiving a minimum acceptable diet	LD 14	1		10	15	25	Percent
20	Number of people trained in child health and nutrition through USG-supported programs	FTF 3.1.9(1)	0		2,125	6,100	7,800	Unique Individuals
Sub-IR 2.2: Improved hygiene behaviors								
21	Percent of households that consistently practice at least 4 out of 6 good hygiene practices	LD 3	13		20	35	50	Percent
Sub-IR 2.3: Increased prevalence of exclusive breastfeeding								

Indicator	Indicator Source	Base-line	Disaggregate	Targets			Unit	
				Y1	Y2	Y3		
22	Prevalence of exclusive breastfeeding of children under six months of age	LD13	72		72	72	72	Percent
IR 3: Increased capacity of local implementing organizations								
Sub-IR 3.1: Increased effectiveness of agricultural programs by local organizations								
23	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	FTF 4.5.2(11)	0		58	74	80	Organizations/Associations
24	Number of public-private partnerships formed as a result of Feed the Future assistance	FTF 4.5.2(12)	0		15	5	1	PPPs
Sub-IR 3.2: Increased adoption of best organizational practices								
25	Average change in score on organizational assessment scorecard administered pre- and post-assistance	LD 4	0		5	15	25	Percent
Sub-IR 3.3: Increased private sector investment in agriculture								
26	Value of new private sector investment in the agriculture sector or food chain leveraged by Feed the Future implementation	FTF 4.5.2(38)	0		20,000	50,000	10,000	USD
Additional Objectives								
27	GNDR3: Percent women program beneficiaries in relevant leadership positions	GNDR 3	36		40	45	50	Percent
28	Percent of beneficiaries who have adopted the following business practices	LD 9						Percent
	Develop a budget for each farm enterprise		0		20	30	35	
	Track income and expenses in a record book		0		20	30	35	
	Calculate profit/loss for each major farm enterprise		0		20	30	35	

ANNEX 2: LIST OF BUYERS

The companies listed in the table below have all been engaged and have expressed an interest to transact with FTFZ-LD beneficiaries in the target districts.

Company	Products	Contact and Title	Tel No.	Email
Kershelmar	Milk	Mr Dhlodhlo (Procurement Manager)	0772252734	keshelmar@keshelmarbyo.co.zw
Dendairy	Milk	Denford Matiringe (Bulawayo Milk Depot)	0774306108	dendairy@gmail.com
Heads and Hooves	Beef cattle	Chris Androliakos	0779748230 0712211856	Chris Androliakos@yahoo.com
Montana Carswell Abattoir Gokwe	Beef cattle	Arthur Rex	0771247612 059-2855	arthur@mcmeats.co.zw
Montana Carswell Abattoir Redcliff	Beef cattle	Jordy Young	0772169986	jordy@mcmeats.co.zw
Bulawayo Abattoirs	Beef cattle	SI Brenner	0713433645 263 9 400715/403689	sbrenner@zol.co.zw
Sabie Meats	Beef cattle & stock feed	Neil van der Merwe	0772-214116	neil@sabiemeats.com

ANNEX 3: LIST OF INPUT SUPPLIERS

The companies listed in the table below have all been engaged and have expressed an interest to transact with FTFZ-LD beneficiaries in the target districts.

Company	Products	Contact and Title	Tel No.	Email
Sabie Meats	Beef cattle & stock feed	Neil van der Merwe	0772214116	neil@sabiemeats.com
Luipaardsvlei Brahmans	Brahman bulls	Dawie Joubert	0774334554	zfejoub@bsatt.com
Ecomark & Coopers	Veterinary supplies	Dr. Morgan Matingo Dr. Oswin Choga	0772282803 0773724088	morganm@ecomed.co.zw oswinc@ecomed.co.zw
Fivet	Veterinary supplies	Dr. Bruce Fivaz John Magasi (sales)	0772189802 0773582239	bruce@vetprod.com john@vetprod.com
Lamour Dairy Products	Milk, dairy animals	Gareth Barry	0772260799	g.barry@zol.co.zw
Klen Karoo	Maize, pasture and vegetable seed	Beauty Magiya	0772339326	beuty@seedmarketing.co.zw
Quest Financial Services	Finance	James Msipa	0772573276	jmsipa@quest-fin.com
UNTU Financial Services	Finance	Clive Msipa	0774164390 04332968/3087 46	clive.msipa@untu-capital.com
Viril Microfinance	Finance	Virginia Sibanda	0774391252	virginia@virilmicrofinance.co.zw
Agrifoods	Stock Feeds	Luke Mutemeri	0712 632 333	lukem@agrifoods.co.zw
National Foods	Stock feed	Willard Mukondiwa	0772148713 0733400112	willardmu@natfood.co.zw