

# **Integrating Nutrition in Value Chains**

## **FY2015 Second Quarterly Report**

### **(Jan-March 2015)**



## **AUTHORITY/DISCLAIMER**

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# Second Quarterly Progress Report FY2015

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COVERING THE PERIOD: JANUARY 1 – MARCH 31<sup>ST</sup> **2015**

## Contents

<b>ACRONYMS AND ABBREVIATIONS</b> .....	<b>VIII</b>
<b>EXECUTIVE SUMMARY</b> .....	<b>1</b>
<b>ACCOMPLISHMENTS VS PLANNED ACTIVITIES FOR Q2 FY 15</b> .....	<b>8</b>
<b>CROSS-CUTTING INITIATIVES</b> .....	<b>10</b>
<b>GENDER</b> .....	<b>10</b>
<i>Introduction</i> .....	<i>10</i>
<i>Accomplishments</i> .....	<i>10</i>
Improving Gender Parity in Leadership and Decision Making.....	10
Leadership .....	10
Literacy .....	11
Gender Sensitivity .....	11
Networking and Collaborations.....	12
<i>Constraints and challenges</i> .....	<i>12</i>
<i>Lessons learned</i> .....	<i>13</i>
<i>Observations from the Quarter, conclusions and recommendations</i> .....	<i>13</i>
<i>Principal activities planned for Q3</i> .....	<i>13</i>
<b>VILLAGE FINANCIAL PLATFORMS</b> .....	<b>14</b>
<i>Introduction</i> .....	<i>14</i>
<i>Accomplishments</i> .....	<i>14</i>
Tool Development and Networking .....	14
<i>Constraints and challenges</i> .....	<i>15</i>
<i>Lessons learned</i> .....	<i>16</i>
<i>Observations from the Quarter, conclusions and recommendations</i> .....	<i>16</i>
<i>Principal activities planned for Q3</i> .....	<i>16</i>
<b>COMPONENT 1: ADVANCING VALUE CHAIN COMPETITIVENESS</b> .....	<b>17</b>
<b>INTRODUCTION</b> .....	<b>17</b>
<b>ACCOMPLISHMENTS</b> .....	<b>17</b>
<i>Development of Markets</i> .....	<i>17</i>
<b>COLLECTIVE MARKETING:</b> .....	<b>19</b>
<i>Sales and Market Options:</i> .....	<i>20</i>
Warehouse Receipt System.....	20
Contracts .....	20
Bid Volume Only Auctions.....	20
<i>Market Information</i> .....	<i>21</i>
Sensitization and Training on Structured Trade .....	21
<i>Financial Services</i> .....	<i>21</i>
Collateral Financing Facilities .....	21
Commercial Bank Linkages.....	21
Financial Literacy .....	21
Mobile Money farmer sensitization and training .....	21
<b>CONSTRAINTS AND CHALLENGES</b> .....	<b>22</b>
<b>OBSERVATIONS FROM THE QUARTER, CONCLUSIONS AND RECOMMENDATIONS</b> .....	<b>22</b>
<b>PRINCIPAL ACTIVITIES PLANNED FOR Q3</b> .....	<b>23</b>
<b>SUCCESS STORIES</b> .....	<b>24</b>
<b>I: COLLECTIVE LEGUME MARKETING: EMPOWERING FARMERS AND IMPROVING INCOMES</b> .....	<b>24</b>
<b>II: LINKING VACS INTO THE STRUCTURED MARKET</b> .....	<b>25</b>
<b>SUCCESS STORY: COLLECTIVE MARKETING AND STRATEGIC PARTNERING LEADS TO A NEW WAREHOUSE FOR MGWIRIZANO COOPERATIVE</b> .....	<b>26</b>
<b>COMPONENT 2: IMPROVING AGRICULTURAL PRODUCTIVITY</b> .....	<b>27</b>

INTRODUCTION .....	27
ACCOMPLISHMENTS.....	27
<i>Extension staff and Farmer training</i> .....	27
AFO led Trainings .....	27
Harvest and post-harvest management.....	28
<i>Farmer demonstrations and Field days</i> .....	31
Integrated Pest Management (IPM) demonstrations and pesticide safety.....	33
<i>Adoption of improved technologies</i> .....	35
2 <sup>nd</sup> Spot Survey.....	35
<i>Field monitoring visits by value chain specialist staff</i> .....	35
<i>Rainfall</i> .....	39
CONSTRAINTS AND CHALLENGES.....	41
LESSONS LEARNED.....	41
OBSERVATIONS FROM THE QUARTER, CONCLUSIONS AND RECOMMENDATIONS .....	42
PRINCIPAL ACTIVITIES PLANNED FOR Q3.....	42
<b>SUCCESS STORIES: AGRICULTURAL PRODUCTIVITY .....</b>	<b>43</b>
1: THE IMPACT OF EFFECTIVE CROP MANAGEMENT TRAINING .....	43
<b>SUCCESS STORY: PROGRESSIVELY IMPROVING LEGUME PRODUCTIVITY, THE STORY OF ONE KALUMBU FARMER.....</b>	<b>45</b>
<b>SUCCESS STORY : IMPROVED FARMING PRACTICES LEAD TO A VIGOROUS SOYBEAN CROP THIS SEASON FOR ONE MCHINJI FARMER.....</b>	<b>46</b>
<b>COMPONENT 3: IMPROVING COMMUNITY CAPACITY TO PREVENT UNDER-NUTRITION .....</b>	<b>47</b>
INTRODUCTION .....	47
ACCOMPLISHMENTS.....	48
<i>Behavior change</i> .....	48
Research.....	48
Training for theatre group members.....	49
Airing of the radio program and public service announcements/jingles.....	49
Interpersonal communication by promoters and lead mothers with household members on various behaviors ...	50
<i>Nutrition</i> .....	50
Promotion of cultivation of high nutritive-value crops .....	50
Facilitation of food processing .....	51
Enhancing consumption of a nutritious and sufficiently diversified diet .....	51
<i>Hygiene and sanitation</i> .....	52
<i>Access to, and utilization of, key nutrition- related services among targeted populations including community surveillance and referrals</i> .....	52
<i>Create enabling environment for execution of nutrition activities</i> .....	53
<i>Mentoring, Coaching and Monitoring</i> .....	53
<i>Rolling out interventions in the Impact evaluation</i> .....	54
CONSTRAINTS AND CHALLENGES.....	54
LESSONS LEARNED.....	55
OBSERVATIONS FROM THE QUARTER, CONCLUSIONS AND RECOMMENDATIONS .....	55
PRINCIPAL ACTIVITIES PLANNED FOR Q3.....	56
<b>SUCCESS STORY: VELINA'S BACKYARD GOLD MINE .....</b>	<b>57</b>
<b>COMPONENT 4: DEVELOPING LOCAL INSTITUTIONAL CAPACITY .....</b>	<b>58</b>
INTRODUCTION .....	58
ACCOMPLISHMENTS.....	58
<i>Improving Partner Organizational capacity to manage grants</i> .....	58
<i>Building Organizational Capacity of Partners</i> .....	59
<i>Collaboration with STEPS Project</i> .....	61
BUILD GOVERNANCE AND BUSINESS MANAGEMENT CAPACITY OF FARMER ASSOCIATIONS AND COOPERATIVES:.....	61
<i>Institutional capacity building of District Councils</i> .....	62

CONSTRAINTS AND CHALLENGES .....	62
LESSONS LEARNED .....	62
OBSERVATIONS FROM THE QUARTER, CONCLUSIONS AND RECOMMENDATIONS .....	62
PRINCIPAL ACTIVITIES PLANNED FOR Q3.....	63
<b>SUCCESS STORY: DEVELOPING A STRATEGIC PLAN AT NKHOMA HOSPITAL HELPS TO SHAPE RESPONSES TO OPERATIONAL CHALLENGES .....</b>	<b>64</b>
<b>SUCCESS STORY: ACHIEVING FUNDAMENTAL UPLIFT IN ORGANIZATIONAL EFFECTIVENESS AT ACE BY CHANGING GOVERNANCE &amp; HUMAN RESOURCES MANAGEMENT PRACTICES .....</b>	<b>66</b>
<b>MONITORING AND EVALUATION .....</b>	<b>68</b>
INTRODUCTION .....	68
ACCOMPLISHMENTS.....	68
<i>Data Quality</i> .....	68
<i>Beneficiary Validation</i> .....	68
<i>Unique ID roll out</i> .....	69
<i>Agricultural Outcome and Technology Adoption Spot Survey</i> .....	69
<i>GIS Data Gathering</i> .....	70
<i>Responding to Evaluation Teams</i> .....	71
<i>Data Quality Assessments</i> .....	71
CONSTRAINTS AND CHALLENGES.....	71
LESSONS LEARNED.....	72
OBSERVATIONS FROM THE QUARTER, CONCLUSIONS AND RECOMMENDATIONS .....	72
PRINCIPAL ACTIVITIES PLANNED FOR Q3.....	72
<b>SUCCESS STORIES:.....</b>	<b>73</b>
STORY 1: STRONG FARMER CLUBS AND SUSTAINABLE GOVERNANCE .....	73
STORY 2: CARE GROUPS, PROMOTING WASH AND PRIMARY EDUCATION IN MANGOCHI.....	73
<b>CONCLUSION .....</b>	<b>74</b>
<b>ANNEXES .....</b>	<b>75</b>
<b>GRANTS MANAGEMENT .....</b>	<b>76</b>
TASK 1: FUND DESIGN .....	76
TASK 2: OPERATIONALIZE FUNDING MECHANISM.....	76
<i>Sub-task 1: Establish Grant Review and Management Process</i> .....	76
<i>Grant preparation and signing</i> .....	77
<i>Grant Modifications</i> .....	77
<i>Grant Closeouts</i> .....	77
PROPOSALS SUBMITTED TO USAID.....	78
MANAGEMENT OF POST-GRANT AWARD ACTIVITIES .....	78
SUBMISSION OF FINANCIAL REPORTS .....	79
<b>GRANTEE FUNDS REQUESTS .....</b>	<b>80</b>
<b>GRANTEE TRAINING ON GRANTS/FINANCE/REPORTING ISSUES.....</b>	<b>81</b>
INTERACTION WITH GRANTEES .....	81
GRANTEE ENGAGEMENT .....	81

## Tables

Table 1: Progress on performance indicators in Q2 FY15.....	4
Table 2: End Market Requirements of Soybeans and Groundnuts .....	18
Table 3: Contracts Facilitated .....	20
Table 4: Bank Financing Facilities.....	21
Table 5: Crop management training Phase II (harvest and post-harvest management) by District ....	30
Table 6: Demonstration plots summary .....	32
Table 7: IPM demo sites and participation on the 2nd and 3rd demo field day held during the 2nd Quarter of FY2015.....	34
Table 8: Surveys on technology adoption.....	35
Table 9: Summary of key results of the 2nd spot survey conducted between February 23 and 28, 2015, in Dedza, Lilongwe and Michinji .....	38
Table 10: Summary of cluster members reached health and nutrition messages by district .....	50
Table 11: Some key partner capacity building plans and updates for the quarter (italics bold).....	60
Table 12: Households directly benefitting from USG interventions.....	68
Table 13: Selected indicators from ACE .....	69
Table 14: Agricultural Outcome Indicators .....	70
Table 15: DQAs in 2nd Quarter .....	71
Table 16: Cumulative progress in USAID concurrence and signature .....	77
Table 17: Summary of Grants signed .....	78
Table 18: Analysis of the submission of expense reports.....	78
Table 19: Summary of funds disbursed and advances cleared.....	80

## Figures

Figure 1: Location of Village Aggregation Centres.....	70
Figure 2: Grants disbursed as % of previous quarter.....	80

# Acronyms and Abbreviations

ACE	Agricultural Commodity Exchange for Africa
ADC	Area Development Committee
ADMARC	Agricultural Development and Marketing Corporation
AEDC	Agriculture Extension Development Coordinator
AEDO	Agriculture Extension Development Officer
AFO	Association Field Officer
AGRA	Alliance for Green Revolution in Africa
AHCX	Auction Holdings Commodity Exchange
AI	Artificial Insemination
AIDS	Acquired Immune Deficiency Syndrome
AMC	Association Management Center
ANC	Ante-Natal Care
BCC	Behavior Change Communication
BDS	Business Development Services
BSP	Business Service Provider
BVO	Bid Volume Only
CADECOM	Catholic Development Commission of Malawi
CBO	Community Based Organization
CCAP	Church of Central Africa – Presbyterian
CDCS	Country Development Cooperation Strategy (USAID)
CISANET	Civil Society Agriculture Network
COP	Chief of Party
COR	Contracting Officer’s Representative
DAI	Development Alternatives, Inc.
DARS	Department of Agriculture Research Services
DfID	Department for International Development (UK)
DID	Differences-in-differences
DQA	Data Quality Assessment
DSA	Daily Subsistence Allowance
EMMP	Environmental Mitigation and Monitoring Plan
EPA	Extension Planning Area
ESCOM	Electricity Supply Company of Malawi
FBO	Farmer Based Organization
FISP	Fertilizer Input Subsidy Program
FMB	First Bank of Malawi
FtF (FtF)	Feed the Future
FTFMS	Feed the Future Monitoring System
FUM	Farmers Union of Malawi
FY	Fiscal Year
GAC	Group Action Committee
GHI	Global Health Initiative
GMP	Monthly Growth Monitoring
GoM	Government of Malawi
GP	Groundnut platform
GVH	Group Village Head
Ha	Hectare
HIV	Human immunodeficiency virus
ICT	Information Communication Technology

IITA	International Institute of Tropical Agriculture
INVC	Integrating Nutrition in Value Chains
IFRI	International Food Policy Research Institute
IIF	Investing in Innovation Fund
IP	Implementing Partner
IPC	Innovation and Productivity Centre
IPM	Integrated Pest Management
IR	Intermediate Results
ISF	Implementation Support Fund
IT	Information Technology
IYCF	Infant and Young Children Feeding
LUANAR	Lilongwe University of Agriculture and Natural Resources
LPO	Local Purchase Order
M&E	Monitoring and Evaluation
MAC	Marketing Action Center
MAPAC	Malawi Program on Aflatoxin Control
MBC	Malawi Broadcasting Company
MBG	Milk Bulking Group
MDI	Malawi Dairy Industries
MIM	Malawi Institute of Management
MIP	Market Information Point
MKW	Malawi Kwacha (symbol for)
MMPA	Malawi Milk Producers Association
MoA&FS	Ministry of Agriculture and Food Security
MOH	Ministry of Health
MOU	Memorandum of Understanding
MSU	Michigan State University
mt	Metric ton
MZ	Malawi Zebu (cows)
NASFAM	National Association of Smallholder Farmers of Malawi
NFRA	National Food Reserve Agency
NGO	Non-Governmental Organization
OBM	Opportunity Bank of Malawi (Also referred to as OIBM)
OCA	Organizational Capacity Assessment
OPC	Office of President and Cabinet
OVO	Offer Volume Only
PCI	Project concern International
PSA	Public Service Announcement
QR	Quick Response
RLEEP	Rural Livelihoods Enhancement program
SCU	University of South Carolina
SOYAMA	Soy Bean Association of Malawi
SSDI	Support for Service Delivery Integration
STTA	Short Term Technical Assistance
Sub-IR	Sub Intermediate Results
TA [T/A]	Traditional Authority
TWG	Technical Working Group
UNC	University of North Carolina
USAID	United States Agency for International Development
USG	United States Government

VAC	Village Aggregation Center
VC	Value Chain
VCC	Value Chain Competitiveness
WRS	Warehouse Receipt System
ZBS	Zodiac Broadcasting Station
ZOI	Zone of Influence

## Executive Summary

This is the second quarterly report of FY 15 for the USAID-funded Feed The Future Malawi Integrating Nutrition into Value Chains project (FtF-INVC). It covers the period of 1 January to 31 March 2015.

Institutionally, this is the first quarter that the project operated under its modified scope of work and contractual extension. New personnel joining the Program in Malawi include the Value Chain Competitiveness Specialist (8 January), the Chief of Party (17 January) and the new Deputy Chief of Party responsible for Agricultural Productivity and Value Chain Competitiveness (23 February). With the arrival of the new COP, INVC began a re-booting process reviewing exactly where the project stood in terms of execution, identifying challenges, meeting with partners and USAID to review their concerns, issues and priorities. Together, the staff reviewed the objectives for the extension period, analyzed our partnering agreements, revisited and revised the FY 15 workplan, PMEP and Project's causal model. One area of focus for the entire Program is better integration of nutrition and our value chains. A second is better coordination of project interventions at the district level. A third area of emphasis is increased visibility of gender and gender issues related to decision making, leadership, and access to resources.

With the arrival of our 2<sup>nd</sup> technical DCOP the project has modified slightly its organogram placing Components 1 & 2 under her supervision and remitting Components 3 & 4 under the DCOP for Nutrition and Local Institutional Capacity Building. We are also reviewing Scopes of Work of our administrative and financial staff and reorganizing the supervisory authority to decentralize authority and increase programmatic efficiencies.

In late February we extended the period of performance for our implementing partner grantees by 60 days, requiring from them a workplan and budget for activities during this period while, at the same time inviting them to reconcile outstanding grant advances which had previously been issued. The idea was to give the grantees fresh operating funds while working with them on aged, outstanding financial reconciliations. With our FY 15 workplan approved INVC is asking grantees to prepare revised workplans and budgetary projections with anticipated monthly cash flow requirements through the end of the fiscal year. These workplans must be responsive to INVC's overall approved workplan which was developed in partnership with our grantee implementing partners and technical service providers. We are finding, however, that this process of developing workplans and budgeting the proposed activities in a systematic manner is a new concept for many of our grantees and thus, there is some slippage occurring.

In March Save the Children announced their intention to cease their collaboration with the Project. They informed their local employees of this. DAI extended offers to the five Save the Children staff who had been working for INVC in our nutrition and local institutional capacity building teams. Four accepted the offer.

Technically, this was a quarter of intense activity.

Cross cutting activities related to gender and village financial platforms began taking shape.

**In Gender** the project interviewed a number of potential specialist candidates but has yet to hire anyone for this supervisory position because the candidates presented were too theoretical or without the requisite field level experience. We have changed strategy and are actively looking to

promote a gender officer from within our Malawian staff while concurrently hiring, on a part-time basis a senior gender specialist to assist in strategy development and implementation oversight. A number of meetings were held with a diverse range of partners in order to refine our gender actions. Approaches have been defined, Competency has been identified for leadership and literacy training and initial sensitization of field staff to gender issues has begun.

**Our Village Financial Platform work** was advanced by the presence of DAI consultant Paul Rippey during February. After an initial assessment of our project zone revealed a saturation of Village Savings Groups, many of whom were artifacts from previous projects and with differing levels of dysfunctionality, it was decided that creation of “new” savings groups was contraindicated. Instead the program has shifted to “retrofitting” existing groups to ensure that they, once again, become secure places for like-minded people to save funds and invest in income generating activities. INVC is piloting a cell phone/video-based learning approach called 1 TOP (One Training, one phone). We developed pedagogical materials and methodology in consultation with a number of partners including CARE, SOS, CADECOM, and PCI-Ndjira. In the spirit of partnership we invited these parties to attend a training session destined for field based agents. The three day session included a village simulation of the methodology and curriculum materials. INVC has contracted temporarily four VFP agents and leveraged the services of a VFP supervisor from CADECOM using cost-share while we work through a longer term institutional relationship with a local implementing partner. The agents were fielded in late March in Mchinji and are currently censusing existing groups and their priority challenges in order to provide targeted assistance.

**In Value Chain Competitiveness**, even though this was a down time for marketing, our activities focused on preparing the upcoming marketing season which will kick off in Q3. To this end an End Market Assessment was performed to determine downstream user preferences and to identify quality characteristics, volume needs and price points for raw products from our targeted value chains. Further, the component reviewed and revised training curriculum and pedagogical materials for aggregation, collective marketing and warehouse receipts activities and worked with our local Implementing Partners to elect management committees for 750 village aggregation centers (VAC) in all 65 Extension Planning Areas of our 7 District Zone of Influence. In addition collective marketing sensitization training began throughout the project zone and INVC and ACE tracked market sales and withdrawals from warehouse receipts initiatives.

**For Agricultural Productivity**, this quarter was a crunch period. First, it is the height of the rainy season and covers cultural operations from grain legume crop establishment through flowering and initial stages of crop maturation. Floods due to heavy rains in January and mid-season drought in late February/March created challenges for our farmer beneficiaries and have led to projections of crop losses and productivity declines of up to 40%. During this reporting period a number of training and field demonstration events occurred, aimed at increasing the technical capacity of field extension staff and lead farmers. Demonstration plots of all technologies being promoted by INVC were established and monitored. Joint farmer field days were organized with the USAID funded ReSeed program. Integrated Pest Management training and demonstrations were organized with Farmer’s Organization Limited and training on harvest, post-harvest conditioning and storage best practices were facilitated. Further INVC and the International Potato Center collaborated on introduction and on-farm testing of orange fleshed sweet potatoes using INVXC Care groups in Lilongwe and Balaka districts as a vector with the aim of introducing a dietary diversity, improving nutrition and offering a new income stream to farmers, particularly women farmers.

**The Nutrition Component** in collaboration with the Lilongwe University of Agriculture and Natural Resources (LUANAR) conducted a training in food processing, dietary diversification and food

utilization for INVC and Nkhoma Hospital nutrition staff. This training was then out-diffused to promoters and lead mothers throughout the project zone. Recipe books were developed and are in the process of being published while radio programming, jingles and public service announcements were produced and broadcast related to the 15 key nutrition behaviors, but also related to agricultural and marketing activities. CARE group interventions reached over 57,000 households and more than 64,000 children under the age of five. The Program supported child health days in Lilongwe district and sensitized over 599 lead mothers in the establishment of kitchen gardens. An additional 1213 cluster members were sensitized on the benefits of having sanitary facilities at their houses while 513 care group members benefitted from the distribution of Orange Fleshed Sweet Potato vines. New Care group promoters were recruited by communities for better coverage in Lilongwe and Mchinji districts and an orientation workshop on Care Group creation/facilitation was organized for them. The nutrition component's connex activities in fuel efficient stoves, introduction of solar drying technologies, and the implantation of kitchen gardens all serve to increase dietary diversity while concurrently reducing women's workloads and contributing to increased household resiliency in the face of global climate changes.

**In Local Institutional Capacity Development**, this reporting period one Financial liquidation training was held for our Implementing Partners to assist them in clearing outstanding advances and providing them with standard guidelines for justifying a diverse number of expenditures as well as in the building of supporting documentation for procurement of consultants, expendable and non-expendable items, employee time, travel expenses, etc.. Assistance was given to both the Agriculture Commodity Exchange (ACE) and Nkhoma Hospital in conjunction with the revision of their organization's strategic plans. Finally, coordination meetings were held with the USAID funded, Counterpart International implemented STEPS program to coordinate our joint efforts at capacity reinforcement and institutional building of IP grantees we hold in common, namely NASFAM, FUM, Pakachere and CISANET.

**Our Monitoring and Evaluation Team** focused this quarter on issues related to data validation and data quality, unique beneficiary ID rollout, spot surveys for agricultural production, results from last year's agricultural outcome study and rolling out of a GIS pilot in Lilongwe South. New M&E personnel at local IP continued to receive training and mentorship. In addition the M&E team consulted frequently with both the UNC Impact Evaluation team and the USAID performance evaluators.

During the current reporting period INVC held numerous partnership meetings with PCI-Ndjira, CIP, RE-SEED, PERFORM, the RTI sponsored Early Grade Childhood Reading Activity, Feed the Children, among others. The most tangible partnership activities occurred during this quarter with CIP (Orange Fleshed Sweet Potato vine distribution), ReSeed (joint demonstration plot farmer field days and PCI-Ndjira-(Agent cross training in CARE Group Methodology). Additionally the Program actively sought closer collaboration with District Officials in Health and Agriculture, but this foundation still needs further consolidation.

This quarter's report contains information on constraints encountered, lessons learned, observations/recommendations and a few select success stories. As we go progressively deeper with our partnerships and assistance to our target populations we anticipate this section will also progressively become richer.

**Table 1: Progress on performance indicators in Q2 FY15**

Output Performance Indicator		INVC Achieved				
		FY 15 Q2	FY 15 Year to Date	LOP Results to Date		
1	Number of rural households benefiting directly from USG interventions	211,092	236,792	267,118		
	<b>Gendered Household Type</b>					
	<i>Adult female no adult male</i>	15,946	15,747			
	<i>Adult male no adult female</i>	12,608	14,681			
	<i>Male and female</i>	146,758	163,339			
	<i>Child no adults</i>	12,873	15,526			
	<i>Disaggregates not available</i>	22,908	27,499			
	<b>New/Continuing</b>					
	<i>New</i>	15,831	20,105			
	<i>Continuing</i>	195,261	216,687			
	<i>Disaggregates not available</i>					
	2	Number of individuals who have received USG supported short-term agricultural sector productivity or food security training	27,928		27,928	181,773
		<b>Sex</b>				
<i>Male</i>		12,073	12,073			
<i>Female</i>		15,855	15,855			
<i>Disaggregates not available</i>		--	--			
<b>Type of individual</b>						
<i>Producers (Farmers)</i>		27,843	27,843			
<i>Government staff (Extension, EPA etc.)</i>		--	--			
<i>Private Sector (Processors, service providers)</i>		--	--			
<i>Civil Society (NGO' CBO, FBO, research etc.)</i>		85	85			
<i>Disaggregates not available</i>						

<b>3</b>	Number of private enterprises (for profit), producer organizations, water users associations, women's groups, trade and business associations and community based Organizations (CBOs) receiving USG assistance.	<b>1024</b>	<b>5088</b>	<b>11,783</b>
	<b>Organization Type</b>			
	<i>Private enterprises for profit</i>	--	--	
	<i>Producer organizations</i>	1024	5088	
	<i>Women's groups</i>	--	--	
	<i>Trade and business Associations</i>	--	--	
	<i>CBO</i>	--	--	
	<b>Duration</b>			
	<i>New</i>	120	120	
	<i>Continuing</i>	904	4968	
	<i>Disaggregates not available</i>	--	--	
<b>4</b>	Value of new private sector investment in the agriculture sector or food chain leveraged by FTF implementation	--	--	<b>\$ -</b>
<b>5</b>	Value of agricultural and rural loans	<b>\$71,059</b>	<b>\$71,059</b>	<b>\$8,341,662</b>
	<b>Type of loan recipient</b>			
	<i>Producers</i>	\$23,083	\$23,083	
	<i>Local Traders/assemblers</i>	\$47,975	\$47,975	
	<i>Wholesalers/processors</i>	--	--	
	<i>Others</i>	--	--	
	<i>Disaggregates not available</i>	--	--	
	<b>Sex of recipient</b>			
	<i>Male</i>	\$13,358	\$13,358	
	<i>Female</i>	\$10,255	\$10,255	
	<i>Joint</i>	\$47,445	\$47,445	
	<i>Companies</i>	--	--	
	<i>Disaggregates not available</i>	--	--	
	<b>Size of Loan Recipient</b>			
	<i>Micro</i>	\$23,083	\$23,083	
	<i>Small</i>	\$47,975	\$47,975	
	<i>Medium</i>	--	--	
	<i>Other</i>	--	--	

<b>6</b>	Number of children under five reached by USG-supported assistance ( <b>through care group model</b> )	<b>7,984</b>	<b>18,907</b>	<b>121,107</b>
	<i>Male</i>	3,920	9,227	
	<i>Female</i>	4,064	9,680	
	<i>Disaggregates not available</i>	--	--	
<b>7</b>	Number of children under five reached by USG-supported assistance ( <b>through Child Health Days</b> )	<b>321,185</b>	<b>776,378</b>	<b>776,378</b>
	<i>Male</i>	150,957	366,229	
	<i>Female</i>	170,228	410,149	
	<i>Disaggregates not available</i>	--	--	
<b>8</b>	Number of people trained in child health and nutrition through USG-supported programs	<b>66,013</b>	<b>93,106</b>	<b>322,058</b>
	<i>Male</i>	28,237	37,896	
	<i>Female</i>	37,699	55,133	
	<i>Disaggregates not available</i>	77	77	
<b>9</b>	Number of MSMEs, including farmers, receiving business development services from USG assisted sources	<b>56</b>	<b>56</b>	<b>677</b>
	<b><i>Size of Enterprise</i></b>			
	<i>Small</i>	37	37	
	<i>Medium</i>	6	6	
	<i>Large</i>	13	13	
	<b><i>Sex of Enterprise Owner</i></b>			
	<i>Male</i>	24	24	
	<i>Female</i>	13	13	
	<i>Joint</i>	19	19	
	<b><i>Type of Enterprise</i></b>			
	<i>Ag. Producer</i>	37	37	
	<i>Input trader</i>	--	--	
	<i>Trader</i>	5	5	
	<i>Output processors</i>	--	--	
<i>Non- Ag.</i>	14	14		
<i>Other</i>	--	--		

Comments	
1	The LOP number has been adjusted for beneficiary overlap between partners and as a result of the beneficiary validation exercise performed last quarter. Some households have dropped off but many new ones have been picked up.
2	This represents numbers for the second quarter only. Although numbers were reported in the first quarter and they are verified, we have not been able to determine the amount of overlap between the 2 quarters.
3	INVC is going to change the definition for this indicator. The YTD number is equal to what we reported last quarter (4064) plus the new number of GAC/Clusters this quarter (1024). LOP number is going to be adjusted downward due to the revised definition. Need for documentation that the number will drop.
4	This number has been adjusted to 0 due to the DQA performed last quarter. INVC will gather data from partners and other sources to backfill the number previously reported.
5	This number has also been adjusted after the DQA due to the large number of loans found at ACE for last year. The YTD numbers for FY15 will increase next quarter now that we are in the marketing season.
6	7,984 children are new in this quarter, which is added to the 10,923 children that were reported on last quarter. These represent the children who are new in FY 15. There are a significant number of children who are continuing to benefit from the project this quarter, but are not reporting since the 'continuing' disaggregate is not available.
7	Only Lilongwe District held Child Health Days in Q2 (the other four districts held CHDs in Q1). The YTD figure is large due to the fact that it includes children served at Child Health Days in all five nutrition districts. The LOP figure represents Child Health Days from FY 15 only. This number is not adjusted to discount the children served through the care group model.
8	Care Groups in all five nutrition districts have been meeting regularly and household visits have been occurring, however, there have been challenges with stationery in Lilongwe and Mchinji and electronic data entry in Balaka so this number has been underreported.
9	This indicator is earmarked for a Data Quality Assessment this quarter which will be expanded to all partners. No data was reported for this indicator last quarter

## Accomplishments vs Planned Activities for Q2 FY 15

Component	Planned activities for Q2 FY 15	Accomplishments in the quarter
<b>Value Chain Competitiveness</b>	<ul style="list-style-type: none"> <li>+On-board Component 1 Technical Lead</li> <li>+Meetings with partners to determine priority constraints to interventions through the targeted value chains limiting quality, value addition, competitiveness and exportability in order to identify intervention areas with maximum positive flow down effect</li> <li>+Training of FtF-INVC staff, partners and beneficiaries to the Value Chain approach</li> <li>+Conduct a cost/benefit analysis of post-harvest and best technologies with MAPAC</li> <li>+Test smallholder cash bridging with ACE</li> </ul>	<ul style="list-style-type: none"> <li>• Accomplished</li> <li>• Determined domestic End Market Requirements of soybeans and groundnuts</li> <li>• Setup a Smallholder Grain Aggregation and Marketing Activity (Village Aggregation Centers) in all 65 EPAs</li> <li>• Prepared collective marketing training materials, theater performances, radio messages and handouts on collective marketing.</li> </ul>
<b>Agricultural Productivity</b>	<ul style="list-style-type: none"> <li>+Crop management training Phase II on harvest and post-harvest IPM and pesticide safety field days</li> <li>+Development and publication of the farmer training booklet on land preparation, crop management and harvest/post-harvest techniques</li> <li>+Development of a compendium of images of soybean and groundnut pests and diseases for use in future training material</li> <li>+Joint field monitoring mission with M&amp;E team on crop establishment and adoption of plant spacing technologies and crop management practices</li> <li>+Explore a mechanism for agro-dealer technical capacity development (e.g. through RUMARK)</li> <li>+Technical working Group meeting end of February to be led by CADECOM</li> </ul>	<ul style="list-style-type: none"> <li>Accomplished</li> <li>Partially Accomplished</li> <li>Accomplished</li> <li>Accomplished</li> <li>Not Accomplished</li> <li>Accomplished</li> </ul>
<b>Improved Community Capacity to prevent under nutrition</b>	<ul style="list-style-type: none"> <li>+Conduct comprehensive training on food processing, utilization and preservation for field nutrition staff of Nkhoma and the three expansion districts</li> <li>+Participation in Child Health Day Activities in Lilongwe district</li> <li>+Community mobilization for the recruitment of promoters in the Impact Evaluation areas of Lilongwe and Mchinji districts</li> <li>+Continuation of training and mobilization of Care Groups members in the expansion districts</li> <li>+Finalization, printing and dissemination of a recipe book with nutritious alternatives and food preparation techniques using locally available and indigenous ingredients</li> <li>+Consult with DNHA-OPC concerning policy constraints and initiatives to be undertaken in Food Fortification</li> </ul>	<ul style="list-style-type: none"> <li>• One training session for 32 Nkhoma and expansion districts' staff was conducted in February. The training was facilitated by LUANAR</li> <li>• One Child Health Days campaign was supported in Lilongwe where 2, 451 &lt;5 children were reached (53% female and 47%)</li> <li>• All mobilization sessions in 27 areas where new care groups have been established were conducted. 27 Promoters were recruited and trained in Care Group Model</li> <li>• 86, 072 Cluster members (48, 183 female and 37, 889 male) were mobilized and reached with messages on complementary feeding, hygiene and sanitation, optimal breast feeding and maternal nutrition including importance of ANC</li> <li>• Recipe book was developed and now being finalized</li> <li>• Not done expected to be conducted this quarter</li> </ul>
<b>Local Institutional Capacity Building</b>	<ul style="list-style-type: none"> <li>+Stepwise training of partners in Grants Management</li> <li>+Assist Nkhoma Hospital in finalizing their updated strategic plan</li> <li>+Consultative meetings with District Council Members to understand operational systems for the integration and coordination of agriculture and nutrition interventions, to identify key policy initiatives and capacity development needs for integrating targeted agricultural value chain interventions with nutrition</li> <li>+Undertake key capacity reinforcement actions with IP and TSP in accordance with the OCA analyses and</li> </ul>	<ul style="list-style-type: none"> <li>One training session in financial reconciliation accomplished</li> <li>In Process</li> <li>Not Accomplished</li> <li>Accomplished</li> </ul>

	strategic development plans already negotiated +Coordinate with STEPS to ensure complementarity of interventions and messaging related to capacitation, advocacy, outreach, compliance and control checks and balances	Accomplished
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# Cross-cutting initiatives

## Gender

### Introduction

Gender equality and women's empowerment is now a key issue that each component and all partners as well as secretariat staff has made a priority. Gender disaggregation of data, though practiced previous quarters, is now a standard practice. And as M&E continues to strengthen, program management's ability also increases to analyze data and feed it back to design gender sensitive activities and build upon behavior changes that put gender equality and women's empowerment at the center.

Furthermore, with the upcoming gender sensitivity training for all programmatic staff as well as other upcoming activities, there is no question that Feed the Future, Malawi's will be meeting its gender mantra of "ensuring equal access to resources and opportunities for all."

### Accomplishments

#### *Improving Gender Parity in Leadership and Decision Making.*

##### Leadership

The Gender team has made strides to network with several gender sector actors in order to build relationships and advance its upcoming activity plans. As a result, there was an extensive review of leadership, adult and financial literacy, and gender sensitivity training tools in order to select methods most appropriate for Feed the Future, Malawi beneficiaries.

For leadership training, INVC's Gender component will be using the Gender Action Learning System (GALS) in partnership with NASFAM and FUM. This tool was assessed in March with the assistance of the NASFAM gender team, which has been successfully implementing GALS since 2013 in several of its associations.

The GALS tool (approach) was originally created by International Fund for Agricultural Development (IFAD) and piloted in Malawi with NASFAM as one of the selected beneficiary organizations for training. GALS is primarily seen as a tool for building leadership skills as well as an approach for challenging intra-household inequalities.

The activity is participatory and is specifically designed to include low literacy men and women and individuals who have never had an opportunity for leadership training. GALS serves as catalyst for change by facilitating a plan and environment in which people can develop visions for self and family. These visions of change have SMART milestones. They include:

1. Vision Journey: starts with participants documenting their goals and aspirations for themselves, their family and the community
2. Gender Balance Tree: identifies the changes required in households and the community to achieve the vision
3. Empowerment Map: identifies the steps and people who can mentor or contribute to achieving the changes which will enable the vision to become a reality.

The process assists participants to prioritize their life goals- socially and economically and sets milestones as benchmarks to provide proof of success toward their realization of these visions. Through its approach and embrace of the household and immediate community, GALS imparts skills in analysis, communications, negotiations, and builds confidence. It cultivates nascent leadership skills and, through dialog, leads to improved parity in household decision making. GALS emphasis on personal development also creates pathway for women to create strategies that increase their income, making their entrance into markets and value chains more possible.

To date, NASFAM piloted the GALS approach with 70 beneficiaries in Lilongwe North who were trained up as GALS champions. The training was then rolled out to a total of 1,734 participants. The NASFAM program was implemented in three six month cycles mostly in Ukwe, Chigonthe and Chiwamba EPAs. Champions have also been recruited in Kasungu, Mangochi and Mchinji districts. Initial indications, though qualitative in nature, indicate that the GALS pilot has a very positive impact on the participants.

INVC visited the GALS training method NASFAM is using to empower its beneficiaries in decision making and leadership. Many male spouses noted that they were not originally interested in the GALS. But, after persistence on the part of their wives, who had articulated their experiences and shared one of the primary workshops tools, the vision journal, husbands were drawn to participate in the GALS training.

At the training several participants noted that the GALS tools have enabled them to negotiate their needs and interest and find solutions together that are leading to better livelihoods and participation within the maize, soya and ground nut value chains. Participants also noted that GALS training as well as the trainer of trainer's methodology accommodates individuals with low literacy. As a result, the participants said they were now capable and confident to train educated people using the GALS model.

Implementing partners NASFAM, Nkhoma Hospital and FUM will partner with INVC to implement GALS in three districts—Mchinji (selected due to the representation of all Feed the Future, Malawi beneficiary types), Lilongwe (chosen because it is a USAID surge district where FUM and NASFAM also operate), and Mangochi (identified as one of INVC's Districts registering the highest illiteracy, early pregnancy and early school drop-out rates for girls in Malawi), using care group structures as an entry point. Our targeted audience is those women in Care Groups that are also members of farm clubs/associations: those who produce, process and/or market crops from our targeted value chains.

### Literacy

INVC met with the Ministry of Education and ActionAid to leverage these relationships for adult literacy programs. ActionAid, a UK based Development NGO uses a REFLECT based model for transferal of cognitive skills for literacy, numeracy and analytical skills necessary for community empowerment and already has a presence on the ground in Mchinji District and a cadre of trained facilitators. The Ministry of Education uses a more classical approach to basic literacy outreach but is challenged logistically. Both provided guidance on how beneficiaries might benefit from existing structures within their communities and they have also extended an invitation to continue dialog for selecting appropriate literacy activities for INVC's beneficiary communities.

### Gender Sensitivity

During this quarter INVC has noted the needs of program managers and field staff, and this has informed the development of terms of reference to secure the procurement of a gender sensitivity

training consultant. Further, the gender officer also assisted the nutrition team by conducting gender sensitization discussions with nutrition assistant staff as well as newly hired promoters. Some issues addressed highlighted included the importance of male participation in care groups and food processing and understanding gendered behaviors and stereotypes and their consequences within care group structures and communities.

Gendered leadership data from partners has not yet been finalized. Partners are struggling to secure the information at field level. However, the secretariat M&E team plans to assist partner M&E officers to secure this information from IPCs. In the beginning of next quarter this data will be available and disseminated.

INVC has started the exercise of encouraging the selection of women during hiring processes. NASFAM has recruited a female in the position of crop production officer after lengthy discussion with the organization's program manager, human resources officer and secretariat staff. The discussion focused on the need for merit-based selection in tandem with the need for gender equality within agriculture extension services.

Parallel to this, in nutrition, Nkhoma Hospital's efforts to develop gender balance within the promoter ranks has proved difficult. During the hiring process, there were several potential female candidates, but their low level of skills and experience, as well as the appearance of low confidence during the interview process has thwarted efforts.

Finally, the gender officer and the agriculture productivity specialist met with Women in Agribusiness in Sub Saharan Africa Alliance (WASSA) to discuss a potential collaboration as the organization is working with women farm groups. These groups are concentrated on a soya seed multiplication program. As a result of this discussion, WASSA field officers participated in Feed the Future pesticide training this quarter.

### Networking and Collaborations

INVC has proactively sought out several organizations and individuals for potential collaborations and who are best equipped with knowledge, skills and ability to provide technical assistance.

- PCI Njira Gender Officer to discuss work plan collaboration in Balaka
- FHi360 to discuss financial literacy curriculum and strategy for how female beneficiaries can access affordable mobile phones
- Bunda Faculty in Department of Human Ecology to discuss gender sensitive training and strategies to engage men and boys into nutrition
- UN Women to discuss mobile phone affordability and improved access and forming a coalition to approach mobile phone providers to develop these packages
- ActionAid to discuss adult literacy course curriculum, women's empowerment and village savings groups
- WASSA to discuss women in agribusiness, financial literacy skills training focusing on women, and participation of WASSA field officers in pesticide management training of to benefit women soya growers.
- FUM Gender Officer to discuss leadership and inclusion of women in markets and value chain activities and financial literacy activities
- NASFAM Gender Officers to discuss leadership training collaboration

### Constraints and challenges

Gendered leadership data has not yet been finalized. Partners are struggling to secure the information at field level. However, the secretariat M&E team plans to assist partner M&E officers to secure this information from IPCs.

Identification and recruitment of a qualified gender specialist has been challenging as candidates are either too theoretical/policy oriented, or lack requisite field operational experience and pragmatism.

### **Lessons learned**

Two women's farm clubs, Mayamkiko club and Tithandizane club, were visited in order to conduct focused group discussions regarding the needs and challenges of female beneficiaries. These discussions took place in Golomoti, which is located in the Dedza district. The Cadecom M&E officer, the district agriculture officer and district gender agriculture officer were also in attendance. The participants highlighted the need for adult literacy and numeracy courses in their community as a way of improving their business skills.

All interventions or activities need to consider and address the literacy levels of beneficiaries. This also includes the printing of resource materials. In many instances an absence of deliberate attention and adaptation, may prevent people, especially women from participating or understanding the objectives partners are attempting to instill.

### **Observations from the Quarter, conclusions and recommendations**

Integration of gender within the agriculture and nutrition components is making progress and there is an awareness of the need for staff to address gender equality and women's empowerment. There has been concerted effort during this quarter on the part of secretariat staff to collaborate with the gender team to increase gender integration and considerations.

As the harvesting season arrives, market information systems need to adequately address the constraints of women.

### **Principal activities planned for Q3**

- Focus group discussions with farm club beneficiaries to improve market information systems
- Gender Sensitivity Training for all program staff
- Leadership training for beneficiaries leveraged by Nasfam and FUM
- Collaboration with RTI/Early Grade Learning Activity to review management training materials for possible adaptation
- Positive deviance inquiry to identify men to participate in Care Group Activities
- Adult literacy training
- Financial literacy training

# Village Financial Platforms

## Introduction

This quarter the Village Financial Platform (VFP) moved from concept to an implemented pilot project in Mchinji District with a trained staff and an institutional linkage to one of INVC's existing institutional partners. The platform is not only serving as technical support for graduate savings groups, but it is also a mechanism for integration. In addition, the 1TOP (1 Training One Phone) approach is a pathway to improved behavior change in agricultural and nutrition practices that Feed the Future, Malawi emphasizes.

The VFP is a new and innovative approach that Feed the Future, Malawi has been proactively sharing with other stakeholders and it anticipates increased financial literacy, reduced vulnerability to shocks and a pathway to the creation and sustainability of microbusinesses.

## Accomplishments

### *Tool Development and Networking*

This quarter the secretariat brought on a consultant, Paul Rippey, in order to assist in the design and start-up of a savings group pilot to take place in Mchinji. As a result of his initial field visits which found numerous Village Savings Groups already present in the geography (saturation) but many with dysfunctional qualities, the original idea of creating village savings groups was abandoned and the VFP concept was developed.

A Village Financial Platform is defined as a high-quality, member-managed, member-capitalized Savings Group that meets basic standards of safety for its savers, and is sufficiently stable that it can be used as a platform for other activities. VFPs increase household financial security through savings and investment in economic activities but also serves as a collective affinity based platforms to accelerate the dissemination of FtF messages in Agriculture, Gender and Nutrition through the use of hand held video. As part of its methodology, INVC will create systems and identify and train personnel to Inventory, Orient, Diagnose, and Reform these SGs to increase their usefulness to members as Village Financial Platforms (VFPs).

This video approach is known as 1TOP (One trainer, one phone). It uses currently available short video messaging technology to expose VFP members to basic concepts through short video clips that play off sight, sound and familiar village scenes with subliminal and overt messaging combined to draw members into discussions around topical issues related to governance, organization and operations of a savings group, but also messaging on family life, dietary diversity and basic agronomic best practice tenets. Village agents serving at least 100 VFP members (apprx 5 groups), will be supplied with a phone with video capabilities, to use to show local language 2-3 minute videos to groups under her or his tutelage.

The tools and an operations manual were developed for the platform and will be used by field officers and the village agents whom they manage.

Parallel to this, INVC's VFP point person and the consultant initiated contact with other stakeholders in the Feed the Future, Malawi zone of influence in order to exploit possible pathways for collaboration. They attended a Lilongwe District Council meeting and a village savings and loan stake

holder mapping exercise. This was in hopes of further networking and evaluating the level of previous implementation of savings groups in the district. However the outcome of that meeting was minimal due to poor attendance.

INVC and the consultant initiated several meetings and discussions with stakeholders. These included: PCI's ARC and Njira Projects, CARE, SOS, CADECOM, Plan Malawi, Concern Worldwide, Word Alive Commission, the Farmers Forum for Social Justice and NASFAM.

These organizations were approached in large part because they are already active in Mchinji District or because they have previous or on-going successful experience with village savings groups. Of special note is PCI-Njira. INVC has had lengthy discussions with the VSL Officer (Women's Empowerment or WE in their vocabulary) in hopes of collaborating in the Balaka District.

NASFAM's Community Development Officer assisted the VFP team by arranging a field test of the VFP and 1TOP tool in Lilongwe South. The team was able to meet with three savings groups who provided extensive feedback for adjusting the tools.

To further consolidate relationships with the organizations cited above, the VFP team invited PCI-Njira, SOS and CARE VSL Officers to attend a 3-day field officer training to learn about implementation of the VFP and 1TOP approach. SOS and CARE accepted the offer and also brought some of the village and savings agents. They proved to be enthusiastic participants, offering several suggestions for improving the VFP tools as well as the operations manual. They also were a valuable resource during field training.

By the end of March VFP had formally been rolled out as an activity in Mchinji District. Four VFP field officers were employed and they have each disseminated one video to each savings group that they enlisted in the VFP. A data entry clerk has been employed and the services of a field supervisor have been negotiated through a cost share arrangement with CADECOM Likuni.

An M&E protocol has been designed by the M&E team and an MOU with CADECOM Likuni is currently in place. A grant arrangement with CADECOM for the VFP activities will be finalized during Q3.

The 1TOP approach is expected to be a large part of the incentive for savings group members to participate in the VFP. The videos will be disseminated once a month after a video production company has been secured. The videos will be Chichewa language.

## Constraints and challenges

At present field officers are using bicycles to navigate through their designated EPAs and are unable to travel long distances but after the grant agreement is signed with Cadecom Likuni, they will begin using motorbikes.

The field officers are also using a GPS application to record the location of savings group meeting points. The currently application works intermittently, but the VFP team is currently evaluating other GPS application options.

## Lessons learned

The VFP monitoring tools and data template have been adapted twice since implementation commenced. This was to accommodate more information for data collection purposes. Sections for detailing individual savings group member names and contacts, adding Group Village Heads, and simplifying gender disaggregation of data were adjusted. These efforts were the result of the M&E team's extensive participation in ensuring data collection tools are efficient and user friendly.

These adaptations demonstrate the need for continuous dialog with field officers to ensure the pilot is capturing the necessary data to determine if the VFP is meeting its objectives.

## Observations from the Quarter, conclusions and recommendations

The VFP is an innovative approach. It has been noted by field officers that several savings groups have members who are already existing beneficiaries of INVC's activities in nutrition or value chains.

## Principal activities planned for Q3

- Grant agreement signed with Cadecom
- Approximately 6,000 beneficiaries served by end of quarter
- Distribute mobile phones to Village Agents
- Disseminate 2 videos within the quarter
- Office space secured for data entry
- STTA consultant returns to evaluate pilot and make recommendations
- Collaborative agreement with another savings group stakeholder secured for expansion into a second district

# Component 1: Advancing Value Chain Competitiveness

## Introduction

The current reporting period is an off-marketing season in Malawi. Component 1 activities focused on preparation for the next marketing season. This component assessed end markets to better determine buyer requirements, key constraints and opportunities. The component reviewed and revised collective marketing training materials, theater performances, radio messages, and handouts on collective marketing. A Smallholder Grain Aggregation and Marketing Activity was initiated with the implementing partners, including Village Aggregation Centers, in all 65 extension planning areas (EPA) in the focus seven districts. Collateral financing facilities are in place to be utilized in the coming marketing season.

## Accomplishments

### Development of Markets

During the period under review, an End Market Analysis (EMA) was carried out in Lilongwe and Blantyre. The project EMA investigated the demand for soybeans and groundnuts in key end markets, and detailed the structure of these markets. The analysis focused on market trends, distribution channels, and buyer requirements (volume and quality). THE EMA's main objective is to understand where soybeans and groundnuts from *Feed the Future Malawi Integrating Nutrition in Value Chains* focus seven districts are flowing and in what volume. Further the project sought to identify areas of unrealized potential for sales. We sought to understand how these markets are structured and who the key players are; and based on the buyers' broad preferences in those markets, how buyers are currently positioned.

A total of 15 private sector actors were interviewed. In total they are seeking 70,000 mT of Soybeans and 9,720 mT of groundnuts per year. Three deal only in soybeans, six deal only in groundnuts, while five deal in both soybeans and groundnuts. Of the enterprises interviewed who are procuring soybeans, Sunseed oil and Rab Processors are the largest. Combined, these two account for 80% (56,000 mT) of the censused demand for soybeans. Charles Stewart poultry feed is the third largest requester with a volume requirement of 6,000 mT/yr of soy. Only two of the enterprises currently procure through commodity exchanges. Ten use traders while five procure directly from farmers and one enterprise-Exagris both contracts with out-growers and grows their own production. Five of the enterprises dealing in groundnuts are not aflatoxin sensitive while two are highly sensitive. Charles Stewart Poultry Feed has abandoned groundnut meal in their feed due to negative aflatoxin effects on poultry, while Exagris only buys in-shell groundnuts which have proven to be less aflatoxin contaminated. Valid Nutrition no longer procures groundnuts of the CG-7 variety because of their aflatoxin susceptibility. Mother's Food does not procure hybrid soybean and EStrell prefers to procure high moisture content groundnuts and dry them down in their own facilities.

The table below shows annual demand of 70,000MT soybeans and 9,720MT groundnuts.

**Table 2: End Market Requirements of Soybeans and Groundnuts**

	Company & products	Soybeans (MT/annum)	Groundnuts (MT/annum)	Buying process	Quality
1	Sunseed Oil Ltd Cooking oil and cake	35,000	0	Commodity exchanges Traders	Minimum oil content of 18% Maximum moisture content 12.5%
2	Charles Stewart Poultry feed	6,000	0	Commodity exchanges Direct from farmers Traders	Abandoned groundnuts due to effect of aflatoxin on poultry
3	Exagris Ltd Groundnuts farming and trading	0	2,000	Contract farmers Own farms	Buy nut in shell which are less contaminated with aflatoxin
5	Rumark Input and output agro-dealers	4,000	1,000	Direct from farmers Small agro-dealers supply big (hub) agro-dealers Hub Agro-dealer buys from 50 small agro-dealers	Not aflatoxin sensitive
6	Peanut Butter for Jesus Ready to Use Therapeutic Food (RUTF)	0	120	Traders Contract farming	Aflatoxin sensitive RUTF products.
7	Afrinut Groundnut processing	0	4,000	Traders Direct from farmers	Aflatoxin sensitive
8	Valid Nutrition RUTF	0	200	Traders Direct from farmers with minimum of 2MT	Aflatoxin sensitive RUTF products Only chalimba groundnuts No CG7 due to high level of aflatoxin associated with dark color
9	Project Peanut Butter RUTF	0	100	Traders based in Lilongwe	Aflatoxin sensitive RUTF products
10	Mother's Foods Ltd Corn Soy Blend (CSB) Textured Soy Protein (TSP) Commodity trading	4,000	1,000	Direct buying Traders	Not aflatoxin sensitive No hybrid soybeans
11	Rab Processors Ltd CSB, TSP, Biscuits, Snacks, trading	21,000	1,200	Traders Own 90 outlets pickups	Not aflatoxin sensitive Chalimbana and CG7 only
12	Transglobe Ltd CSB, commodity trading	2,000	1,000	Traders Delivered Lilongwe and Limbe warehouses only.	Not aflatoxin sensitive Any varieties No quality requirement
13	Universal Industries CSB, TSP, biscuits	1,000	350	Traders Delivered own outlets	Aflatoxin sensitive Any varieties
14	Tafika Milling Company CSB	1,000	0	Traders Delivered Blantyre	Any varieties
15	Estrell Peanut flour, peanut butter	0	120	Direct buying from farmers in Lilongwe Hitch hiking delivery vans/lorries	Not aflatoxin sensitive Chalimbana and CG7 Buys groundnuts with high moisture content for own drying using driers
	<b>Total</b>	<b>70,000</b>	<b>9,720</b>		

### Collective Marketing:

During this quarter, a Smallholder Aggregation and Marketing Activity was setup with 750 Village Aggregation Centers (VACs) established in all the 65 extension planning areas in the INVC geographical zone of influence. The distribution of the VACs is: 600 NASFAM, 100 FUM and 50 CADECOM. The VACs are managed by democratically elected officials. The elections took place during this reporting period and the implementing partners (IP) supervised the voting process.

In February the Farmer's Union of Malawi (FUM) launched the crop produce marketing campaign in Dedza district to identify markets for crops which will be aggregated by farmers for collective marketing. The first meeting included all Farmer's Union extension agents and officers from the Agricultural Commodities Exchange (ACE). FUM and ACE have agreed to collaborate on conducting joint meetings with farmers to assist them in finding market opportunities for soybeans. Farmer's expressed an interest in selling collectively but only as long as there is a stable market. FUM plans to contact the Export Trading Group (ETG) as well as AHXC in addition to ACE, in order to offer farmer's choice in marketing channels.

NASFAM conducted a crop collective marketing campaign throughout the project's zone of influence from 23-27 March to sensitize farmers on collective marketing of their products. Topics discussed included the importance of collective marketing, market options, market plans and schedules. In total 5,757 farmers of whom 2,201 (38.2%) were women. Women's participation was greatest proportionally, in Balaka IPC (52.9%) and lowest in Ntcheu (33.8%). The table below gives detailed participant information by Innovation and Productivity Center (IPC), an action area used by NASFAM which more or less correlates to a district's administrative area.

IPC	Gender		Total Participants (PP)	Notes
	Men	Women		
Mchinji	357	194 (35.2%)	551	
Lilongwe North	579	247 (42.7%)	826	
Lilongwe South	1,282	735 (36.4%)	2,017	Includes partial coverage of Dedza district
Ntcheu	461	235 (33.8%)	696	Includes partial coverage of Dedza district (Golomoti EPA)
Balaka	340	382 (52.9%)	722	Includes partial coverage of Machinga District
Namwera	537	408 (43.2%)	945	Includes coverage of Mangochi District and partial coverage of Machinga District
Total	3,556	2,201 (38.2%)	5,757	

In Dedza District heated debates occurred at Association meetings facilitated by CADECOM concerning the value of collective marketing since no grouped sales have occurred to date in the CADECOM Zone of Influence given that the strike price for product has not been met and maize prices stayed flat throughout 2014.

In March 2015, INVC staff, Implementing Partners (IP), and Technical Service Providers (TSP) reviewed and revised collective marketing training materials, theater performances, radio messages, and handouts on collective marketing. Pakachere, a TSP, was engaged through IPs' Technical Assistance (TA) line items to provide the promotion, campaigns and training through theater performances and radios.

## Sales and Market Options:

### *Warehouse Receipt System*

This quarter is an off-marketing period. As a result, ACE facilitated a total of only 4,250MT of commodity deposits comprising of 3,750MT of maize grain and 500 MT of soya. The deposits were smaller compared to last quarter's 4,534MT. The drawdowns from warehouses amounted to 618MT comprising maize grain, soybeans, pigeon peas and rice. By the end of the quarter ACE certified storage sites/warehouses had a total volume of 9,839 MT of commodities in stock. Of this 77.6% is maize, 20.9% is soybeans and the rest is a mixture of rice, pigeon pea and sorghum.

In Dedza many farmers were upset because the crops they had mobilized under the warehouse receipts program stayed a long time before being sold. This resulted in many farmers being unable to procure agricultural inputs for the 2015 season in a timely fashion. When the maize was finally sold the purchase price of the first 25.8 mT was only 85 Kw/kg. The rest of the 136.36 mT sold for 100 Kw/kg.

### *Contracts*

The Table below shows that this quarter ACE facilitated a total of 53 contracts for 2,640MT and a dollar value of \$1,317,014. This quarter represents a 40% increase over last quarter.

**Table 3: Contracts Facilitated**

Type of Contract	Facilitator	Number of Contracts	Volume (MT)	Value (MWK)
Any	Rural Trade Agent	17	200.53	19,843,600
Normal Trade	Trade office	22	484.57	75,919,692
Forward Contracts	Trade office	7	20.57	3,787,847.73
BVO	Trade office	7	1,934.69	482,443,210
<b>Total</b>		<b>53</b>	<b>2,640.36</b>	<b>581,994,350.02</b>

### *Bid Volume Only Auctions*

The World Food Program tendered seven Bid Volume Only (BVO's) sessions during late January/February 2015. They were conducted on ACE's online trading platform. Grain legumes made up the bulk of these BVOs, accounting for 79.7% of the traded volume (1,935MT), the other 20.3% was maize. Of these grain legumes sold to WFP, 771.65 mT was cowpea and the remaining 770.52 mT were pigeon pea.

## Market Information

### *Sensitization and Training on Structured Trade*

During the quarter, sensitization, awareness building and training on structured trade were carried out by ACE in collaboration with NASFAM, FUM and CADECOM. A total of 2,483 farmers and key stakeholders (1,354 male and 1,129 female) were reached during this quarter. The attendance decreased by 33% compared to last quarter because farmers were busy with their field operations in this quarter.

During the quarter ACE managed to profile and upload a total of 1,313 farmers in its database for access to market information and trading opportunities under ACE trading platform.

## Financial Services

### *Collateral Financing Facilities*

During the period under review, no new partnering agreements were needed and so the table below reflects the same financing lines in place in the last quarter. In total USD \$71,058.54 was utilized in the quarter as bridging finance (USD \$50,285.23), 70% warehouse receipt financing (USD\$ 12,288.57) and forward contracts of USD \$8,484.74.

ACE has a credit line of secured financing of \$5.9 million USD of which 83% is destined for forward contracts. Unfortunately the dates and strike prices of these forward contracts were unavailable at the time of reporting. These will be documented during the next reporting period.

**Table 4: Bank Financing Facilities**

Amount in MWK	Amount in USD	Purpose
150,000,000	412,600.13	Bridging Finance
300,000,000	582,512.62	Warehouse Receipt Financing
1,900,000,000	4,907,460.76	Forward Contracts
<b>2,350,000,000</b>	<b>5,902,573.51</b>	<b>Total</b>

### *Commercial Bank Linkages*

During this reporting period, consultative meetings took place between INVC Secretariat and FMB on Development Credit Authority (DCA) loan guarantee facility. FMB underwrites 40% and 60% is underwritten by USAID. FMB mitigates the risk by accepting signed sales agreements/contracts between a prospective borrower and an off-taker. Due diligence is done on the off-taker who has to assign the sales proceeds to FMB. A prospective borrower may also use warehouse receipt or any collateral equivalent to 40% and access the facility. The facility is currently underutilized due to lack of awareness. Only ACE and NASFAM are utilizing it on limited scale.

### *Financial Literacy*

#### Mobile Money farmer sensitization and training

During Q2FY 15, FHI 360 conducted sensitization and trainings for NASFAM farmers at Malingunde Association on mobile money. 1700 farmers were trained and only 30% of the farmers had phones.

Follow up meeting were held between INVC Secretariat and FHI 360 discuss scaling up to other implementing partners and geographic zones.

### **Constraints and challenges**

- Lack of business skills both among partner IP and farmer groups'
- Uncompetitive role of traders in marketing activities in rural areas. It has been found that in certain geographic areas of the INVC ZOI traders hold privileged monopolistic type positions and are thus free to dictate terms and conditions to farmers and their associations.
- Side selling of agricultural commodities by farmers due to higher market prices at the time forward contracts are due and relative inflexibility to adjust terms and conditions of forward agreements in light of dynamic changes in marketing conditions,
- Poor market prices for maize due to GOM price caps and export restrictions restricted the complete off-loading of commodities held under the warehouse receipts system this created a two edged sword for farmers who first did not have money available to them to procure inputs in a timely fashion for the 2015 agricultural season and second are facing increased debt liability overhang through their associations because flat price differentials and generally unfavorable market conditions led to extended periods during which credit was held, increasing interest payments on principal the the risk/cost of money for rural smallholders.
- High transport costs for both farmers and buyers/processors
- Lack of available bridging financing finance for farmers and aggregators
- Lack of adequate storage facilities for processors
- Lack of collateral financing products being offered by either commercial or micro-finance lending establishments
- ACE is a valued INVC implementing partner grantee, however, their core business targets mid-sized to larger traders and exporters and often ignores the needs of our smallholder farmer base.
- NASFAM has a commercial arm NASCOMEX whose role is to buy and market product produced by their NASFAM subscribers. Unfortunately NASFAM's marketing value proposition/model is to buy low and sell high with none of the value addition being returned to the farmer producers. NASFAM is hesitant to offer their farmer alternative choices for marketing their products because to do so is contrary to their business model and the interests of the NASCOMEX shareholders who expect maximum return on their investment and dividends to be paid on their shares.

### **Observations from the quarter, conclusions and recommendations**

- Weak marketing teams within IPs – only NASFAM has a full time INVC supported marketing officer. CADECOM and FUM have no marketing personnel on INVC activity.
- Lack of focus in marketing activities – because of weak or inexistent marketing teams within partners, marketing activities are treated as peripheral to the core mission of our INVC IP grantees
- Conflicting roles within partners like NASFAM Development versus NASCOMEX or brokering of FUM and CADECOM
- Unwillingness of partners to open the legume market within their geographical area to competitors. This contradicts the spirit of competitiveness promoted by INVC

- Reluctance of some partners to guarantee loans for their member associations and cooperatives like the Development Credit Authority loan guarantee facility which ACE and NASFAM are underutilizing, and not extended it to farmer associations and cooperatives
- Component 1 should continue with end market analysis, market linkages, opening up the legumes market to many players including different competitors, and help farmer group to access affordable credit/loans.
- Component 1 through management should help in resolving NASFAM/NASCOMEX conflict of interest, and brokering actions of CADECOM and FUM.
- A Mapping exercise of vendors/traders is required if fair competition is to be practiced in the legumes market. There is a perception that vendors/traders control certain geographical areas, restrict entry of other competitors like processors and pay farmers low prices..
- Capacity building in marketing is required for the partners.
- Technical assistance on transport/warehouses should be worked out and extended to processors
- Village aggregation committees should be turned into viable marketing committees of skills in business strategy and access to finance and markets.
- Basic processing skills should be introduced at VACs level.

### Principal activities planned for Q3

- Linking farmer associations and cooperatives to identified end markets like Buyers Tour
- Assessing regional end markets (desk study)
- Reviewing quality management systems, food safety and food standards of soybeans and groundnuts
- Facilitate SATH/INVC aflatoxin training for farmers
- Collaborate with Southern Africa Trade Hub and Malawi Bureau of Standards on preparation of training materials on trade standards, quality systems and food safety.
- Negotiating with commercial banks on access to credit by farmer associations and cooperatives
- Linking farmer associations and cooperatives with banks

## Success stories

### I: Collective legume marketing: empowering farmers and improving incomes

Small-scale farmers in Malawi are being assisted to increase their income by strengthening their bargaining power, reducing transaction costs for distribution and quality control, increasing the quantity and quality of produce available for sale and improving access to end markets.

Traditionally small scale farmers suffer from their relative weak position in the market place. Farmers have not been well connected with markets: one consequence has been that itinerant traders are able to go around the country and buy directly from households, in the process frequently offering unreasonably low prices. From the point of view of potential buyers, traditional output from small-scale farms suffers through a lack of awareness of buyer needs or preferences, products have not been tailored to the consumer needs and, often, the crops have been of poor and highly variable quality. Smallholders only offer small quantities for sale, holding back the lion's share for household consumption. That which is presented often contains a mixture of varieties, grades, and is often dirty with foreign matter. This combination of factors has not been attractive to larger, more sophisticated buyers. Further it has rendered the smallholder production unattractive to export markets.

Although more farmers are moving away from a reliance on maize and tobacco as staple cash crops and growing groundnuts and soybeans, many farmers have felt a lack of power or influence in the legumes market compared to traders. As a result of efforts over the last few years, INVC is now able to showcase farmers who have become crop specialists with a clear market orientation for growing better groundnuts and soybeans, delivering more consistent quality and quantity, and being able to offer harvests that are better suited to buyer needs.

In the early part of CY 2015, in sync with the legume growing cycle, the project initiated mechanisms that enable farmers to take advantage of the larger markets and achieve higher income levels. Farmers have been assisted to diversify from farming into additional business activities like processing edible oils, preparation of snack foods, corn-soy blending, warehousing and transport. Additionally, through collective – or joint - marketing efforts, farmers are now aggregating soybeans and groundnuts from their small farms together into larger lots. They have learned to grade and sort their aggregated products, and to sell their bulked soybeans and groundnuts as a group. Because they have been able to offer larger volumes of aggregated high-quality products they are achieving higher prices from buyers.

These breakthroughs in the FY 2015 marketing season have come about as a result of systematic interventions by the project team and implementing partners such as National Smallholder Farmers Association of Malawi (NASFAM), Farmers Union of Malawi (FUM) and Catholic Development Commission of Malawi (CADECOM). A key breakthrough has been the development of smallholder grain aggregation and marketing activity and the setting up of 750 Village Aggregation Centers (VACs) covering all 65 extension planning areas (EPAs) in the seven focus districts. These VACs are managed by marketing committees. During February to March 2015 members of these committees were democratically elected through elections overseen and facilitated by NASFAM, FUM and CADECOM. The aggregation centers, effectively product accumulation points, are essential for reducing sourcing costs, given the need to bulk small volume -harvests from many small-scale farmers in order to fill a truck for cost-effective transport to the bulking center or end client.

## II: Linking VACs into the structured market

The project has been able to link the VACs to end markets through the creation of Group Bulking Centers (GBCs) that reduce intermediation costs, plus the expanded use of online trading and strengthening the network of market information points (MIP). Furthermore, the project is collaborating with buyers to map and program truck transport linked to VACs and to examine options for forward positioning of inputs to be used in the following crop year to better balance the load factors on each haul of a truck.

Introducing these fundamental changes has been supported by systematic programs of training. Suitable training materials on collective marketing have been prepared and piloted and are now being rolled out as part of the plan to hold training workshops at VAC level for marketing teams that include lead farmers and assistant lead farmers and are taking place in all 73 EPAs in the seven focus districts.

Through continued farm-level contact and relationship-building by the project and its partners, farmers are now well aware of the benefits available to them of collective marketing. They now see how it facilitates easy pickups of large aggregated volumes at one location and improves linkages of smaller farmers to structured trade and end markets. Financially, aggregation and collective marketing increases a smallholder's chances of accessing credit, with the group acting as social security guarantee for their members rather than having financial institutions (FI) consider the credit worthiness of each individual farmer. This bulking of harvests in secure storage facilities also increases the probability of obtaining bridge financing as aggregated products are stored for longer periods in certified warehouses, and farmers have access to sound and affordable credit and loans through warehouse receipt system.

Final quantification of the improved income that farmers receive in the 2015 season will only be collated after marketing is completed, but it is already clear that the interventions of this project are supporting the long-term development goals for Malawi:

- Sustainably decreasing rural poverty as incomes increase and more jobs are being created in the rural communities
- Expanding markets and trade by linking smallholders to end markets and structured markets through collective marketing
- Improving market efficiency through reductions in transaction and intermediation costs

## **Success Story: Collective Marketing and strategic partnering leads to a new warehouse for Mgwirizano cooperative**

During FY 14 members of the Mgwirizano Cooperative in the EPA of Mngwangwa in the District of Lilongwe (North), an INVC beneficiary assisted by our IP partner grantee the Farmer's Union of Malawi (FUM) was linked to the World Food Program (WFP) who purchased the maize aggregated in their warehouse in conjunction with ACE's warehouse receipts program.

After a successful partnership, WFP was impressed enough to finance the construction of a large 30 meter long 12.3 meter wide warehouse with a capacity of 6000mT which will be certified by ACE. ACE will also provide a warehouse manager, supervisor two clerks and guard service for three years before turning over warehouse management responsibilities to the cooperative. As their contribution to this effort the cooperative purchased the land on which the warehouse sits for 250,000 KW (appx \$580 USD) and agreed to provide water for the construction effort. The warehouse is expected to be completed in time for the 2015 marketing season.

## Component 2: Improving agricultural productivity

### Introduction

The second quarter of this fiscal year covers the most critical period of crop production, from early crop establishment to the beginning of crop maturity. A number of priority training and demonstration events took place during this period, aimed at capacity building of extension staff and farmers. Training on harvest and post-harvest management was completed in the second half of February, allowing Lead Farmers (LFs)<sup>1</sup> and Assistant Lead Farmers (ALFs)<sup>2</sup> to cascade the training to their fellow (or ‘follower’) farmers before crop maturity in April and May. There were also two Integrated Pest Management (IPM) demo field days for extension staff and selected lead farmers in the seven Districts, one in January on crop scouting and one in March on pesticide applications. This quarter also saw the first joint demonstration field day in a series of five joint field days with the USAID ReSeed project, where different legume varieties were shown side by side with INVC-promoted technologies. INVC and the International Potato Center (CIP) collaborated on a pilot introduction of Orange Fleshed Sweet Potato vines to INVC beneficiaries in Lilongwe and Balaka Districts. This laid the foundation for further collaboration with CIP and expanding OFSP vine distribution to additional Districts with the aim of improving nutrition and income from this important value chain. Crop production was adversely affected by excessive rain in January and early February and dry spells in March leading to unsubstantiated media reports of expected crop losses of as high as 40% (for maize).

### Accomplishments

#### Extension staff and Farmer training

##### *AFO led Trainings*

NASFAM extension personnel in Mchinji, Ntcheu and Namwera Innovation and Productivity Centers (IPC) trained 5,658 farmers (51.7% women) in weeding, pest and disease management during this reporting period. These trainings were financed by associations in these districts using their own funds. Extension personnel in Lilongwe North, Lilongwe South and Balaka did not conduct trainings due to a lack of available funding.

IPC	Number of farmers trained		
	Men	Women	Total
Mchinji	1,401	1,360	2,761
Ntcheu	1,134	1,255	2,389
Namwera	185	323	508
Total	2,720	2,938 (51.7%)	5,658

<sup>1</sup> NASFAM refers to Lead Farmer (LF) as Farmer Trainer (FT); CADECOM and FUM use the term Lead Farmer. In this report the term Lead Farmers (LF) is used for all IPs.

<sup>2</sup> NASFAM refers to Assistant Lead Farmer as Club Model Farmer (CMF); CADECOM and FUM use the term Assistant Lead Farmer (ALF). In this report the term Assistant Lead Farmer is used for all IPs.

No information is available concerning extension agent led trainings for Lead Farmers and/or Assistant lead Farmers in zones covered by CADECOM and FUM.

### *Harvest and post-harvest management*

A total of 22 INVC project extension staff<sup>3</sup>, 139 government extension staff and 9,701 Lead Farmers and Assistant Lead Farmers were trained by our implementing partners CADECOM, FUM and NASFAM. These trainings were led by a total of five teams of consultant trainers contracted in October last year by our IPs for crop management training. Phase I was done in October and covered planting, doubled-up legumes, soil fertility management and integrated pest management. Phase II covered harvest and post-harvest management and was completed in February/March 2015. In the case of FUM and CADECOM, extension staff were trained together with LFs and ALFs. For NASFAM, all the extension staff were trained in October on all the topics under Phase I and Phase II so the consultant-led training in February focused on LFs and ALFs. Extension staff played a supportive role in these training events and also took on a number of trainings by themselves in some areas where the attendance of LFs and ALFs was low.

Immediately after they were trained, LFs and ALFs started mentoring their fellow farmers and by the completion of this reporting period, reports of 75,329 farmers (53.4% of whom were women) trained had been received (with more farmer training reports expected to come in during the 3<sup>rd</sup> quarter)<sup>4</sup>. Table 1 shows the break-down by IP, Districts and gender (where available).

As with the Phase I training during Q1, the number of male and female Lead farmers and Assistant Lead Farmers were about on par; however, there were more female than male 'follower' farmers but more male than female extension workers.

All participants received handouts: English versions for extension staff and Chichewa versions for LFs and ALFs. This training material was developed jointly by INVC and IP technical staff in September 2014 and comprised of best practices in soybean and groundnut harvest and post-harvest management adapted to local conditions. Topics included: when and how to harvest, drying, sorting and grading, packaging and storage. Particularly for groundnuts, emphasis was on aflatoxin prevention through harvesting on time, drying properly and storing in-shell. Training also covered collective marketing but not in-depth as a separate training event had been planned through Component 1 in this important area.

Trainings were generally regarded as successful by the beneficiaries. Heavy rain resulted in poor road conditions in some areas, especially Dedza, which prevented a number of farmers from attending. There were also other activities, including funerals that conflicted with the planned training events. Training lasted about 3-4 hours per session depending on what time it started and

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<sup>3</sup> Different names are used for extension staff by our IPs. With CADECOM, they are called 'extension workers'; FUM calls them Field Officers (FOs); NASFAM calls them Agriculture Field Officers (AFOs). In this report the term, project extension staff is used. Government extension staff are referred to as Agricultural Extension Development Officers (AEDOs).

<sup>4</sup> With the introduction of the ALF, of whom there is one per farmer club, the cascading of training has been greatly facilitated. Before there was just one LF for 5 or more clubs (50 or more farmers); now the LF provides oversight and guides the training by the ALF resulting in a ratio of 1:9 depending on the size of the clubs. In the case of CADECOM, clubs are larger but since farmers and clubs are more concentrated it is easier for one ALS or LF to reach out to follower farmer as there is less travel time involved. Note that trainings reports are still coming in so the total number of farmers trained and the ratios of LF and ALF to follower farmer is likely to change.

were usually conducted inside somewhat cramped extension office buildings or in some cases church buildings, rather than outside under a tree, due to inclement weather. Some of these sites had to be located impromptu so in the future it would be advisable to locate such venues ahead of time, at the planning stage. While extension staff and farmers were, in general, very appreciative of the training handouts, some shortcomings were identified such as lack of clear images, which will be addressed during the 3<sup>rd</sup> quarter when all the handouts will be revised for the next season.

**Table 5: Crop management training Phase II (harvest and post-harvest management) by District**

		Extension Staff					Lead Farmers and Assistant Lead farmers					Follower Farmers trained by LFs and ALFs				Total Farmers		
District	IP	INVC		AEDOs		Tot	M	F	Trgt	Tot	% of Trgt	M	F	Tot	Ratio	M	F	Tot
Dedza	CADECOM <sup>5</sup>	4	1	23	15	43	351	397	1,100	748	68			25,105	34			<b>25,896</b>
Dedza	FUM	2	2	23	13	40	483	495	1,836	978	53	3,256	3,690	6,946	7	3,739	4,185	<b>7,964</b>
Lilongwe	FUM <sup>6</sup>	1	3	22	19	45	704	453	821	1,157	141							<b>1,202</b>
Lilongwe-N	NASFAM <sup>7</sup>	0	0	0	0	0	581	637	2,361	1,218	52	1,300	1,895	3,195	3	1,881	2,532	<b>4,413</b>
Lilongwe-S	NASFAM	0	0	0	0	0	784	706	2,319	1,490	64	2,000	2,000	4,000	3	2,784	2,706	<b>5,490</b>
Mchinji	FUM	1	1	7	2	11	323	177	231	500	216	1,342	965	2,307	5	1,665	1,142	<b>2,818</b>
Mchinji	NASFAM	0	0	0	0	0	780	442	2085	1222	59	5,200	6,618	11,818	10	5,980	7,060	<b>13,040</b>
Ntcheu	NASFAM	0	0	0	0	0	434	247	974	681	70	2,528	3,313	5,841	9	2,962	3,560	<b>6,522</b>
Balaka	NASFAM	0	0	0	0	0	432	430	990	862	87	1,010	986	1,996	2	1,442	1,416	<b>2,858</b>
Namwera	NASFAM	0	0	0	0	0	396	449	993	845	85	1,563	2,718	4,281	5	1,959	3,167	<b>5,126</b>
<b>TOTAL</b>		<b>8</b>	<b>7</b>	<b>75</b>	<b>49</b>	<b>139</b>	<b>5,268</b>	<b>4,433</b>	<b>13,710</b>	<b>9,701</b>	<b>89.5%</b>	<b>18,199</b>	<b>22,188</b>	<b>65,489</b>	<b>8.67</b>	<b>22,412</b>	<b>25,768</b>	<b>75,329</b>

Notes: (M=male, F=female, Tot=total, Trgt=target)

<sup>5</sup> CADECOM did not report gender disaggregation.

<sup>6</sup> FUM did not report on follower farmers trained in Lilongwe

<sup>7</sup> NASFAM extension staff (AFOs) and associated government AEDOs in Lilongwe (North and South), Mchinji, Ntcheu, Balaka and Namwera were trained during Phase I in October 2014.

## Farmer demonstrations and Field days

Demonstration fields are an important tool for demonstrating different key technologies such as double row planting, optimal ridge spacing, proper, within-row, plant spacing and doubled up legumes (pigeon pea intercropped with groundnut or soybean). NASFAM reported a total of 680 plots, 59 of which are extension agent managed and 615 are LF managed. CADECOM and FUM reported 400 and 1,043 respectively.

NASFAM reported a total of 6,442 farmers who visited the demonstration during field days organized by extension staff or LFs. CADECOM and FUM also reported substantial numbers of farmers exposed to the demo plots (Table 7).

**Table 6: Demonstration plots summary**

IP	District	Extension staff managed	LF managed	Field day attendance		
				Males	Females	TOTAL
CADECOM	Dedza		400			
FUM	Dedza					
	Lilongwe					
	Mchinji					
	<b>Total FUM</b>		1,043			
NASFAM	Ntcheu	9	87	284	176	460
	Balaka	9	53	381	182	563
	Namwera	9	57	828	1,078	1,906
	Lilongwe South	12	60	151	125	276
	Lilongwe North	12	120	202	246	448
	Mchinji	8	238	1089	1,700	2,789
	<b>Total NASFAM</b>	59	615	<b>2,935</b>	<b>3507</b>	<b>6,442</b>
Total All IPs						

Notes: IPM demos reported separately in next section

### *Integrated Pest Management (IPM) demonstrations and pesticide safety*

The IPM demonstrations consisted of groundnut and soybean plots of 10 by 10 meter (1 are) that were planted in late December in double rows on ridges at 75 cm and single rows at 75 cm. The double rows represented the INVC recommend practices and these plots also received soybean inoculum (in case of soybean) and seed dressing with Seedmate (both soybean and groundnut); the single row plots did not receive any inoculum and seed dressing and represented the 'farmer practice'.

The aim of the demos was not to do scientific research, for instance on the impact of IPM on pest and disease levels, but rather to demonstrate the combined impact of a package of improved practices consisting of higher plant density and targeted pesticide applications. The demonstrations were conducted by Farmer Organization Limited (FOL), a Malawian pesticide importer and service provider, in collaboration with NASFAM and FUM. Because FOL only had two trainers available, it was decided to focus each demonstration mainly on a limited number extension staff and selected LFs, not more than about 25 people, so that participants could have a better, individualized experience in crop scouting and pesticide application<sup>8</sup>.

All applications of pesticides and the safety training were done in accordance with the USAID Malawi 2013 PERSUAP and a list of allowable active ingredients and pesticide products for legumes developed by INVC and FOL has been included in the Q1 FY2015 report.

A total of 60 extension staff, only 7 of whom were female, participated in the two field days. Among the farmers, gender parity with 82 males and 117 females was much better. However, this is mainly due to the large number of (female) farmers who attended the training in Nawera-Mangochi on February 4.

In general, the IPM demonstrations have been a success. They allowed INVC staff to recognize the key pests and diseases of groundnut and soybean, compare the impact of seed dressing and pesticide spraying (of which only one application of a fungicide and in some cases an insecticide needed to be made), and visually compare the impact of soybean inoculum side by side with plots that did not receive inoculum.

A number of high-quality images of insects and diseases were made for use in training material. More detailed comparisons of treated versus non-treated (or 'farmer practice') plots will be made during the 3<sup>rd</sup> quarter. The training also allowed extension staff and some lead farmers to start using a pesticide sprayer appropriately with Personal Protective Equipment (PPE – such as boots, facemask, gloves and cap); however, more intensified training (of trainers) will be needed during the next season. The training also identified a number of bottlenecks, such as availability of PPE and gender issues related to the use of PPE. These will be addressed during the next season.

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<sup>8</sup> The site in Namwera-Mangochi with 110 farmers attending - but this was an exception.

**Table 7: IPM demo sites and participation on the 2nd and 3rd demo field day held during the 2nd Quarter of FY2015**

District	EPA or GAC	Date field day #2	People attended (field day #2)		Date field day #3	People attended (field day #3)	
			Extension staff (m/f)	LFs (m/f)		Extension staff (m/f)	LFs (m/f)
Mchinji	Chiphala GAC/Chiosya EPA	n/a	n/a	n/a	n/a	n/a	n/a
Lilongwe North	Chitedze GAC / Chigonthi EPA	20/02/15	4M; 0F	12M; 11F	11/03/15	5M; 0F	11M; 1F
Lilongwe South	Nyanja EPA	19/02/15	15M; 1F	1M; 0F	16/03/15	12M; 3F	0M; 0F
Ntcheu	Chiole GAC	13/03/15	0M; 0F	15M; 8F	n/a	n/a	n/a
Balaka	Chikowa GAC	n/a	n/a	n/a	n/a	n/a	n/a
Namwera-Mangochi	Nsanga GAC/Ntiya Association	02/04/15	0M; 0F	23M; 87F	n/a	n/a	n/a
Dedza	Kanama Cluster/Linthipe EPA	20/02/15	7M; 2F	4M; 3F	13/03/15	10M; 1F	6M; 7F
<b>TOTAL</b>			26M; 3F	55M; 109F		27M; 4M	17M; 8F

## Adoption of improved technologies

This quarter, INVC technical staff and a team of trained enumerators carried out field visits to assess the uptake of INVC-recommended technologies. The dates and areas surveyed are listed below.

### *2<sup>nd</sup> Spot Survey*

Following the first spot survey on land preparation which was conducted in December 2014, the M&E team and Component 2 staff carried out another spot survey in February 2015 of the same 120 beneficiaries in Dedza, Lilongwe and Michinji who were surveyed in December 2014 (Table 9). This time a total of 115 farmers were interviewed and their legume fields assessed (47% male and 53% female). Of the 115 farmers, 38 are growing groundnuts, 46 soybeans and 31 grow both (which translates into soybean and groundnut cultivated by 77 and 69 farmers, respectively). Due to the limited number of fields surveyed it was decided to analyze the data over all three Districts.

### Field monitoring visits by value chain specialist staff

This quarter also included field monitoring visits by INVC field staff to monitor crop establishment, constraints, and how well farmers are adopting the INVC technologies, particularly double rows and within row spacing of 5 cm for soybean and 15cm for groundnut. Visits were undertaken in January, February and March (Table xx) together with IP crop production staff and local Lead Farmers. Due to time constraints, a limited number of fields were sampled and results should be regarded as qualitative.

**Table 8: Surveys on technology adoption**

Dates	Survey conducted by	Districts	IP	Groundnut fields	Soybean fields
February 23-28, 2015 <i>(2<sup>nd</sup> Spot Survey)</i>	Trained enumerator-consultant team of 6	Dedza, Lilongwe and Michinji	CADECOM, FUM and NASFAM	69	77
January 12-16, 2015	INVC technical staff	Dedza	CADECOM and FUM	33 10	0 10
February 3-6, 2015	INVC technical staff	Dedza and Lilongwe	FUM	31	5
March 17-20, 2015	INVC technical staff	Dedza, Lilongwe and Mchinji	CADECOM, FUM and NASFAM	39 3 0	0 2 12
TOTAL				185	106

The findings of the Spot Survey and the field monitoring visits are summarized in the Table 10 and further discussed below.

Double rows. It appears that there is a fair amount of uptake of the double row technology, which is one of the key interventions to increase plant populations and yield. The spot survey shows around 46-75% (for groundnut and soybean, resp.) although our own technical staff found much higher rates, around 92%. This could be related to the fact that the spot survey was truly randomized and included follower farmers as well as some LFs and ALFs while the surveys by our own technical staff focused more on LFs and ALFs which have of course a higher uptake of technologies.

Planting time. Most farmers have heeded the recommendation to plant early, within the first week after the first effective rains, thus reducing risk of exposure to dry spells later in the season and heavier pest/disease attack associated with late planted crops.

Germination. Most fields, in both soybean and groundnut, showed excellent germination (at least 87%). This is an enormous improvement compared to last season when germination rates hovered around 50%. However, it appears that, due to seed constraints, gap filling was not often done by farmers.

Within-row plant spacing. The 15 cm plant to plant distance for groundnut is generally well adopted, probably because farmers are used to this crop. The 5 cm plant spacing for soybean is less accepted, because this is a new crop, and also because plant with such a short spacing is more labor-intensive and requires more seed. We have noticed that farmers tend to 'cheat' the system sometimes by planting two seed per hole at 10 cm, even 3 seeds per hole at 15 cm has been observed in some rare cases. An excuse that is frequently given about not following the recommended spacing for soybean is that the farmer (who was trained) was unable to plant due to an emergency and had to let someone else do the planting. This also explains why there can be variation in planting distance within the same field because there are often multiple people doing the planting.

Doubled-up legumes. Pigeon pea is more of a crop for the southern INVC Districts and not common in the more central Districts hence double-up technology is rare around Lilongwe where most of the surveys were focused. Farmers would cite lack of pigeon pea seed here as the main reason but there can also be other reasons such as dietary preference or access to markets. We will work with ReSeed to ensure that sufficient amounts of pigeon pea seed will be available next season. Interestingly, the practice of double cropping soybean or common beans with groundnut is quite common in Dedza, Lilongwe and Mchinji. While this confers certain land use efficiency benefits, the added benefits that pigeon pea provides such as increasing phosphorus availability and organic matter to the soil, are not realized.

Weeding. Because of the heavy rains, weeds were rampant in the key cash crops drawing much of the farm labor away to keep these important crops clean. Therefore, while most farmers weeded once, many fewer weeded twice and this will have some detrimental effect of yield. It must be noted however that all LF fields visited were quite clean and served adequately as models for proper weeding.

Pests and diseases.

*Soybean:* Leaf-feeding caterpillars and leaf rollers were quite common on soybean, particularly in the southern Districts such as Machinga. In these areas, economic damage levels may have been reached,

but elsewhere damage caused was quite limited. Other pests that were seen are stinkbugs feeding on the developing pods. Rust was quite common as well.

*Groundnut*: the most common pest on groundnut were aphids, particularly early in the season. Population levels were not high. However, as vector of Rosette disease they can be damaging even at low levels. Rosette was found only in late planted fields. Early leaf spot was present everywhere but in low to moderate levels.

**Table 9: Summary of key results of the 2nd spot survey conducted between February 23 and 28, 2015, in Dedza, Lilongwe and Michinji**

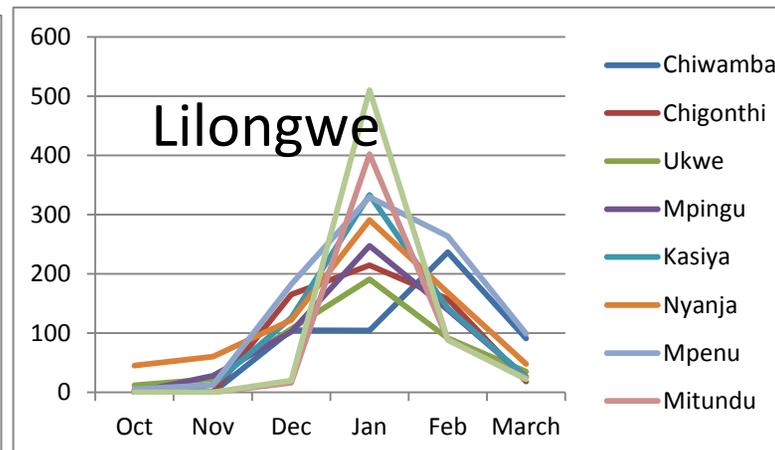
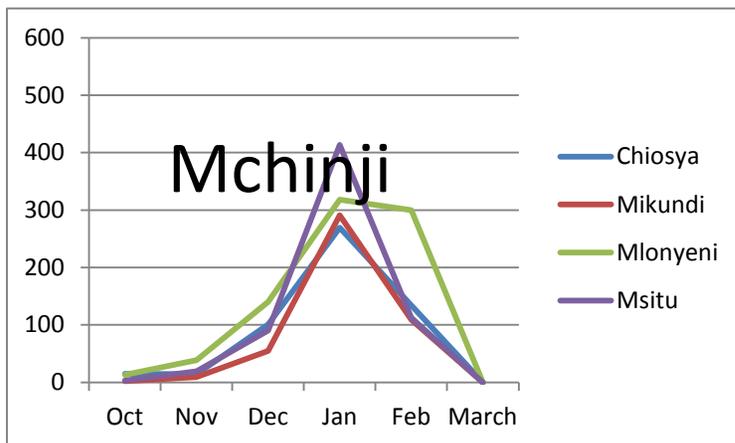
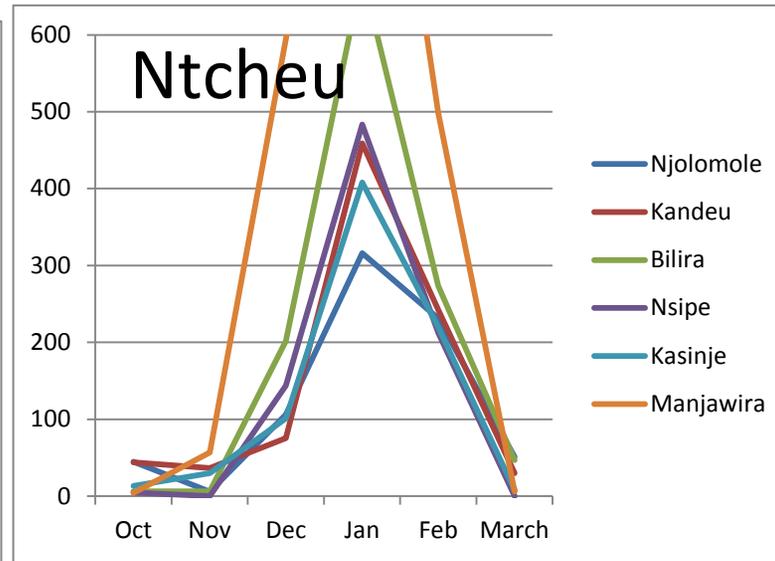
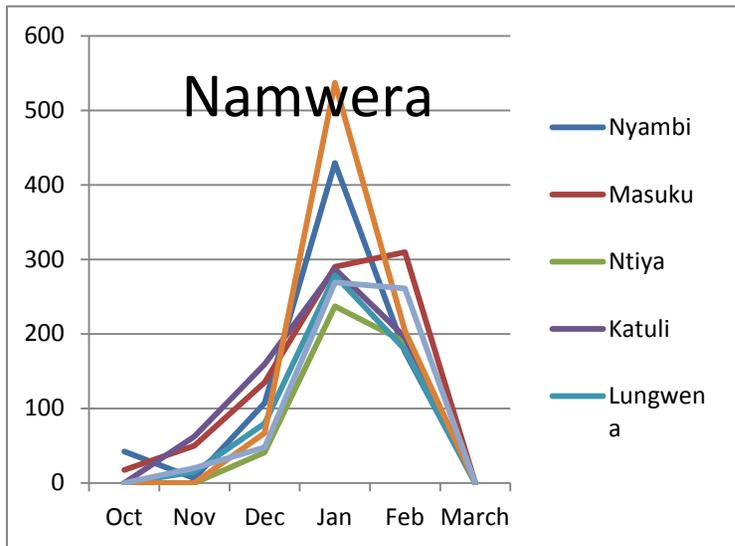
Parameter	Observations (2 <sup>nd</sup> spot survey by M&E team)	Observations field monitoring visits by value chain specialists during January to March 2015	Conclusion
Planting time	81% of groundnuts and 76% of soybean fields were planted within 1 week of effective rains	First planting rains were received in some areas from 18 <sup>th</sup> December, 2014 and most farmers planted immediately (within the week of rainfall onset)	Majority of the farmers followed the recommendation to plant early
Germination	N/A	Initial crop emergence was estimated at 87 %. Of course some of the fields had not yet germinated and therefore could not be estimated.	Most farmers used good quality seeds that was tested for viability following seed conditioning and germination test trainings
Within-row plant spacing	84% of groundnut fields were planted between 10-20 cm; 42% of soybean was planted at 5 cm and 51% of soybean was planted at 6-10 cm density	Combined soybeans and groundnuts qualitative field observations conducted in January, 2015 showed an average of 42 % adoption	Majority of farmers followed the within row spacing but more did so with groundnut than with soybean
Double rows	46% and 75% of groundnut and soybean fields, respectively, were planted using double rows	Combined soybeans and groundnuts qualitative field observations conducted in January 2015 showed an average of 92 % adoption rate	Double row technology has been adopted by majority of soybean growers but less adoption was noted among groundnut farmers.
Doubled-up legumes	Pigeon pea is intercropped with groundnut in 7% of the fields surveyed and with soybean in only 3% of fields visited	In the central region districts of Dedza, Lilongwe and Mchinji, observations were made only in demonstration plots while in the southern districts of Ntcheu, Balaka, Machinga and Mangochi all demo plots exhibited adoption of the technology and the majority of the farmers too intercropped pigeon peas with many other crops such as maize, tobacco and sorghum/millet in addition to doubling up with groundnuts and soy beans	Few farmers have adopted doubled-up technology, possibly related to cultural preferences and availability of seed
Weeding	63% of groundnut was weeded once; 29% weeded twice; 6% of fields were not weeded. 80% of soybean was weeded once; 17% weeded twice; 3% of soy fields exhibited no weeding	Higher priority for other crops and incessant rains in January and February caused challenges to weeding in soybeans and groundnuts. The single weeding was not effective in many fields	Most farmers weeded their grain legume fields only once because of competing labor demands for weeding on other priority crops like maize due to frequent rains during early season.
Pests and Diseases		Sporadic pests and disease attacks were observed in some of the farmers' fields. The pests ranged included leaf rollers, semi-loopers, caterpillars, leaf hoppers etc. Diseases included fungal infections such as leaf spots, rust, etc and viral diseases such as groundnut rosette disease, mosaic, etc.	Caterpillars were quite severe in a few soybean fields and these may incur extensive yield losses. Majority of the farmers experienced low infestation.

## Rainfall

Rainfall was initially delayed and most areas did not start planting until the last week of December 2014. January and February experienced heavy rainfall and some areas, for instance in Ntcheu, experienced flooding. Figures on the following page show rainfall by month by EPA in selected NASFAM Districts.

NASFAM reports that floods and storms destroyed crop fields in Namwera, Balaka and Ntcheu IGA. A total of 1.159 NASFAM subscribers in these areas were seriously affected by the floods. Balaka IGA (including Machinga and the Shire River Basin) was most affected with 697 subscribers registering crop loss. Demonstration fields in this region were adversely affected. In Ntcheu 454 subscribers were adversely affected while in Namwera (Mangochi District) only eight farmers suffered crop loss. Farmers whose fields were washed away were advised to plant sweet potato or cassava.

The heavy rains and flooding did not appear to affect farmers in zones where extension activities are being undertaken by CADECOM and Farmer's Union.



## Constraints and challenges

- Heavy rains in January and February leading to excessive weed growth and early dry spells in March have affected crop production in some areas, especially Balaka, Ntcheu , and parts of Lilongwe and Mchinji.
- There were outbreaks of leaf-feeding caterpillar pests and leafrollers on soybean in some areas, particularly parts of Machinga and Balaka
- Heavy rains made travel difficult and prevented farmers from attending the crop management Phase II training events leading to shortfalls in attendance (up to 50% in some areas).
- IP financial constraints restricted mobility of extension workers resulting in difficulties organizing farmers on time for the crop management trainings which also affected farmer attendance.
- In some of the NASFAM EPAs, particularly in Balaka and Ntcheu farmers did not receive sufficient groundnut seed or no seed at all, or the seed received was of poor quality. This was revealed during the consultant-led crop management training sessions. This has negatively affected crop establishment and development in these EPAs.
- Pigeon pea seed is difficult for farmers in the centrally located Districts to procure. Farmers in Mchinji for instance want to get into this value chain but cannot access sufficient seed.
- It has been difficult to get reliable, timely District-specific information on crop performance and weather from IPs. INVC value chain staff field visits provide important information but not to the detail and breadth required.

## Lessons Learned

- Plan training events at least one month ahead of time, communicate clearly with IPs, ensure that IPs have resources on the ground to communicate training (or field demo) events to beneficiary farmers.
- Know the key events (field days for other projects, training events for other projects, markets days, elections, cultural events, etc.) per Districts (and EPA where necessary) to avoid conflict with INVC events. This will require closer communication with District and EPA level project and government staff.
- We must ensure that those farmers who will continue to receive seed loans next season, receive this seed on time and that the quality of the seed is adequate. This will mean working with NASFAM more closely at the ground level so that all (new) members supported through INVC will receive good quality seed on time for the next season. This will also involve developing an improved seed revolving system.
- Training material needs to incorporate more variety specific recommendations (e.g. pertaining to planting distance of legumes with more prostrate vs. more erect growth habits) and information that is better tailored to the different Districts and their own specific weather, soil and other conditions.
- Training material can also benefit from better graphics that are sensitive to the needs of the less- or uneducated farmers (incl. female farmers).
- Let extension staff be in the driver's seat for farmer training for the next season (we had to use consultant-trainers because the level of the extension staff in mastering the 'INVC' technologies was deemed to be insufficient).

## Observations from the quarter, conclusions and recommendations

- This is the first season that training has been carefully linked to the crop calendar allowing training to be conducted and cascaded down to the beneficiary level on time and this has translated into good uptake of key technologies and much better crop establishment and development than in previous season.
- Too much rain early on in January and dry spells in March will suppress yields to some extent.
- Quality and quantity from seed recycled back to farmers through the seed revolving schemes used by NASFAM and CADECOM has been a problem, and this needs to be addressed for the next season. Seed can be grown by trained, dedicated farmers to ensure quality and this can be shared to member farmers within the community. We will work with ReSeed to develop a better solution.
- The IPM demos were very useful, but to scale up IPM to minimize damage from pests and diseases we need a more constructive and funded arrangements with key partners (such as the one are working with now – FOL) This could be realized through SAIOMA.
- Following the 2014 EMMP and the 2013 PERSUAP, INVC must assure environmental mitigation training for its key partners. This should not be limited only to CADECOM, FUM and NASFAM but also to other partners e.g. Nkhoma where issues of waste management (of soymilk production) can be important. Note that Environmental Review Forms and Review Reports (with IP-specific EMMPs based on the 2014 umbrella EMMP) have been developed for the extension period.

## Principal activities planned for Q3

- Meet with IPs to develop an improved seed revolving system
- Meet with IPs to update and improve the training material on land preparation and crop management in time for printing it as a booklet and distribution to the beneficiaries before the start of the next season
- Discuss plans for sourcing and distributing inoculum to soybean (and possibly groundnut) farmers.
- Plan and implement the OFSP demos for the dry season in the Dambos
- For new certified seed to be procured with INVC funds through IPs, start the process to obtain any required waiver from USAID.
- Continue discussion for an arrangement to scale up IPM training e.g. with SAIOMA.
- Conduct the Gross Margins survey with M&E team, including yield measurements of randomly selected fields.
- Measure yields of selected IPM demos, OFSP demos, and 'success story' farmers.
- Carry out the final IPM demo (on pest control in warehouses) with FOL using Actellic Gold.
- Assess or measure knowledge of improved technologies retained by extension staff and LFs/ALFs, to understand how well they understand the principles and to help steer future training in the right direction.
- Conduct an environmental mitigation training for IPs (and invite other USAID project too).
- Hold the 8<sup>th</sup> TWG meeting around the end of May or mid June (to be chaired by CADECOM).
- Continue collaborating with ReSeed and other USAID projects in the agriculture/NRM sector.

## Success stories: Agricultural Productivity

### 1: The impact of effective crop management training

Although the final crop yields for this growing season are not yet available, it is clear that training given to farmers under Feed the Future Malawi's *Integrating Nutrition in Value Chains* project is already having a positive impact. Crop establishment is much better this year – average field germination rates for legumes were 90% - up from previous averages of 50%. Farmers are using double row planting: leading to much quicker canopy closure, better moisture conservation and less weed growth. Finally, the scientific application of soybean inoculum has helped improve plant vigor and podding.

Training in improved crop management techniques and practices has been cascaded down to over 50,000 small holder farmers through a network of agricultural extension workers and lead farmers. Initially, Integrating Nutrition in Value Chains project staff assisted around 100 extension workers to learn the core knowledge and skills that were relevant at that time in the season. In turn, these extension workers, with ongoing support and coaching from project staff and implementing partners, were able to work with approximately 10,000 lead farmers and assistant lead farmers. Each of these farmer-leaders subsequently trained small groups of 10-15 beneficiary farmers within their communities.

As well as achieving the scaling-up of knowledge and skills to large numbers of beneficiaries, other factors have also increased the impact of these training sessions. Close integration with the project's key implementing partners (CADECOM, FUM and NASFAM) ensured the consistency of messages and approaches across large numbers of trainers scattered across the seven districts in which the project is active. High quality, durable, handouts in English and Chichewa and a series of professionally-produced radio jingles helped to reinforce the key messages at critical times in the season.

Delivery and reinforcement of three carefully chosen training modules was accurately synchronized with the crop calendar. The first module - focusing on land preparation, seed conditioning and seed germination testing - was launched in September 2014 an ideal time in the crop calendar for this type of knowledge and skills to be applied by farmers for maximum benefit. This first module encouraged farmers to start land preparation on time and to establish ridges spaced at 75 cm and made wide enough to accommodate double rows to increase plant population and yield potential. The second training covered planting and doubled-up legumes; weeding and soil fertility management; and pest management: this was delivered during the critical month of October.

The continuing themes throughout the season have been on increasing plant population and yields by planting in double rows on carefully spaced ridges; adhering to closer plant-spacing within rows, and to reduce crop losses by taking better care of the crop in terms of weeding and pest management. As part of the crop management training, separate training was provided for one of INVC's IPs (NASFAM) on inoculum application to increase soybean yields. The third training module was delivered in February 2015 and covered harvest and post-harvest management for soybean and groundnut, with an emphasis on reducing potential losses by harvesting at the right maturity level and drying and storing properly so as to reduce aflatoxin contamination.

Demonstration fields were established at the start of the season and ongoing use of these demonstration plots by Lead Farmers and Assistant Lead Farmers enabled reinforcement of the training and the practical illustration of how to apply knowledge transmitted during the training modules. With the assistance of extension staff and the support of project team members, this reinforcement has continued throughout the course of the season.

While firm conclusions cannot yet be derived concerning yields, there is already evidence that the training is paying off in terms of increase production. Crop establishment is much better than last year when average germination rates for legumes in the field were around 50% - this year it has been around 90%. Most farmers have adopted the double row practice leading to much quicker canopy closure, better moisture conservation and less weed growth. There is greater awareness of pests and diseases and how to control them. Soybean inoculum has been used in many cases and is showing great results in terms of plant vigor and podding.

With sufficient rainfall, smallholder farmer adopters of INVC promoted technologies are expecting a bumper crop this year both for soybean and groundnut, largely due to successful systematic training in improved practices and continuing support, coaching and encouragement.

## Success Story: Progressively improving legume productivity, the story of one Kalumbu farmer

Lemani Gunde has been connected with farming since he was a boy growing up in Nyanga, in the Lilongwe South District. He has been growing legumes in his own fields for around 10 years. . Lemani is 35, married and has three children: two girls aged 9 and 4 and a 7-month old baby boy. Now a lead farmer with NASFAM, his groundnut crop for the 2014-2015 season is considered to be one of the best in the area. If the current dry spell does not become a limiting factor, Lemani expects to harvest a bumper crop from his fields. His achievement in increasing his harvests of legumes for each of the last few years demonstrates to other farmers the benefits of following good practices and trying new ways of growing that have been shared with him by Feed the Future Malawi's ***Integrating Nutrition in Value Chains*** project through the NASFAM field workers and the network of lead farmers that has been established by the project.

Lemani Gunde grows maize on 1 ha, tobacco on 0.4 ha and has 0.4 ha each of soybeans and groundnuts. He has diligently followed the recommendations advanced by the Project and is an energetic and successful lead farmer. On 4<sup>th</sup> December 2014, immediately after the first effective rains, Lemani planted single recycled certified CG 7 groundnut in his fields using the planting techniques promoted by the project: ridges were established at about 75 cm spacing and each flat-topped ridge was wide enough to be planted with double rows, 30 cm apart with individual seeds planted at 15 cm spacing along each row. This innovative planting pattern has enabled Lemani Gunde to achieve a plant population of around 180,000 plants per hectare, significantly denser than traditional planting patterns could produce. By mid-February, the soybean plant-canopy was well on the way to full coverage, already conserving moisture and keeping weeds down. Further, only slight signs of *early leaf spot* disease were visible at this time and virtually no pest infestation was occurring in his fields. By the time another field inspection was made in late March, the canopy was still healthy although, of course, most growth was by now going into the development of the pods which were readily seen during an inspection of sample plants.

Lemani will gather family and friends to work together to harvest his crop at the optimum time. It will take around four days to uproot all of the plants. These will then be air-dried and for 2-3 days before getting stacked in a Mandela Cork for 4-6 weeks to thoroughly dry - ready for storage and then market-place. Based on his experience, and the current state of the crop, he is confident of harvesting around 28-31 bags of unshelled groundnuts from his field – using bags that can hold 50kgs of maize. Later, when the groundnuts are shelled for sale, he estimates a yield of around 20-22 bags – totaling around 600 kgs – to sell or keep. From the 28 bags of in-shell groundnuts he proposes to keep 10 for his family – keenly following guidelines from the ***Integrating Nutrition in Value Chains*** project on improving the nutrition of his children. He will distribute 4 bags as payments to the friends and family who helped him with harvest and will keep 4 bags as seed for the next growing season. Lemani is an active participant in the collective marketing efforts of his EPA and so he will take 10 bags of shelled groundnuts to the warehouse, 2.5 km away in the Kalumbu Trading Centre, one of 16 aggregation centres in the GAC. This highly productive crop should produce bumper earnings and the prospect brings joy to Lemani and his family.

Accurate forecasts for the eventual cash value of this crop cannot be made at this stage of the season, but assuming that Lemani aggregates his crop with other local farmers and takes advantage of the benefits of structured marketing that Feed the Future Malawi's ***Integrating Nutrition in Value Chains*** project are facilitating, he could realistically realize an income of around MK240,000 from this crop (or around \$1,395 per ha).

## Success Story : Improved farming practices lead to a vigorous soybean crop this season for one Mchinji farmer

Applying the recommendations and suggestions provided to him by agriculture field workers, smallholder farmer Lyford Singeleti's soybean crop has enjoyed vigorous growth on his farm in the far west of Malawi near the borders of Mozambique and Zambia. While the crop is not yet ready for harvesting, it is obvious that he will receive an excellent yield as, towards the end of March, an average of 65 pods per plant were counted and the crop was waist high with lush foliage. Mr Singeleti is an active member of the Chatsalira Club within the Nyongani Group Action Committee (GAC) that has been set up and facilitated by the National Association of Smallholder Farmers of Malawi (NASFAM) as part of Feed the Future Malawi Integrating Nutrition in Value Chains project.

Prior to the current growing season, farmer Singeleti took part in training designed by the Agricultural Productivity Specialist for FtF-INVC Dr Harry Bottenberg which covered land preparation, seed conditioning, seed germination testing, planting and gap filling, weed management, soil fertility management, integrated pest management and harvest and post-harvest management for soybean and groundnut. He was also trained by NASFAM on the use of soybean inoculum and received a supply of high-quality commercial-grade inoculum which he applied to certified Serenade soybean seed the day before planting on December 23, 2015.

Following plant spacing recommendations, he planted the soybean in double rows on ridges about 75 cm apart in his field. Being a curious farmer, he planted a smaller field with the same soybean but in a single rows right next to the double-row field so that he could make proper comparison. Germination was excellent and while he did not apply any crop protection chemicals, pests and diseases did not reach economically damaging levels.

Throughout the growing season Lyford has been supported and advised by Gerard Abudu, one of the lead farmers for the area. This development has been planned as part of the long-term interventions under the Project. Agriculture Specialist Dr Harry Bottenberg explained: *"It is really exciting to see farmers adopting these basic interventions like increased plant populations and use of inoculum, and see their crops flourish"*.

# Component 3: Improving community capacity to prevent under-nutrition

## Introduction

Despite delayed implementation of planned activities due to uncleared advances with IPs, the second quarter of FY15 saw accomplishments of a number of activities under INVC's Nutrition Component. From 2014 to early February 2015, Nkhoma Hospital and Pakachere had some outstanding liquidation which prevented them from accessing more grant funding. However, with strong support and directions from the new management, almost all these advances were cleared. This allowed implementation of a number of activities.

Under the Component, a series of training sessions were conducted in food processing and utilization where all nutrition field staff were trained at Lilongwe University of Agriculture and Natural Resources (LUANAR). Following this training, almost all these trained staff particularly those from the three (3) expansion districts of Balaka, Machinga and Mangochi carried out subsequent training for promoters and lead mothers in their EPAs. All theatre group members were also trained in harvesting and post-harvest handling, and causes and effects of aflatoxin. All these trainings have assisted in building capacity for field staff, promoters, theatre members and lead mother for efficient and effective delivery of nutrition and SBCC interventions in the project zone of influence.

It is also very encouraging to note that during the period FtF-INVC, in collaboration with the International Potato Centre (CIP), provided orange fleshed sweet potato (OFSP) vines to some care groups members in Lilongwe and Mchinji. Joint planning meetings and supervisory visits were conducted. This collaboration has provided an additional nutritious agriculture value chain i.e. OFSP, in addition to soy beans and groundnuts to care group members and other community members for consumption at household level.

The current reporting period also saw a lot of leveraging with government structures at various levels. Meetings were held with all five District Assemblies of Balaka, Machinga, Mangochi, Lilongwe and Mchinji. The meetings with Government included quarterly District Nutrition Coordination Committee meetings, community sensitization sessions with Village Development Committees and Village Health Committees, Health Partners meetings, and quarterly District Nutrition Coordination Committee meetings. The interaction with Government has assisted in ensuring all nutrition activities under FtF-INVC are implemented in line with the Government policies and strategies.

The quarter also saw a continuation of radio programming on nutrition, and jingles and Public Service Announcements (PSA) on crop management. These media activities are assisting in creating awareness and understanding of nutrition and agricultural issues among our target beneficiaries.

In the quarter, 57,921 households were supported with various child health and nutrition interventions through the care groups in Balaka, Machinga, Mangochi, Lilongwe and Mchinji districts. Of the total, 56,372 were reached in Balaka, Machinga and Mangochi. Only 1, 549 new households were reached through care groups in Lilongwe and Mchinji districts. Interventions included food processing and utilization, water and sanitation, complementary feeding, and optimal exclusive breast feeding among others. The project also reached 64, 479 children under-five (31, 621 male and 32, 858 female) through care group interventions in all the five

districts. Of the total, 63, 991 were reached in Balaka, Machinga and Mangochi while only 488 children were reach in Lilongwe and Mchinji.

A total of 2, 451 Under-five children were reached through Child Health Day Campaign in Lilongwe. In addition, **86, 072** cluster members as well as other community members (48, 183 female and 37, 889 male) have been reached with various messages on maternal nutrition, importance of Ante Natal Care (ANC), complementary feeding, hygiene and sanitation, and optimal breast feeding in Balaka, Machinga and Mangochi through one-on one with promoters and lead mothers.

A total of **599** lead mothers were sensitized on the establishment of backyard gardens in Mchinji especially growing of tomatoes, which more often become scarce during rainy season; and **1,213** cluster members were sensitized on the benefits of having sanitary facilities at household and their appropriate usage.

A total of 759 households constructed hygiene and sanitary facilities e.g. dish racks, rubbish pits, toilets, clothes drying lines, and hand washing points.

Collaboration with the International Potato Center (CIP) resulted in 513 care group members in Balaka and Lilongwe districts receiving orange fleshed sweet potato (OFSP) vines.

Communication efforts resulted in the airing of 37 radio programs (of 30 minutes each) on MBC Radio 1, Radio Maria and Mudziwathu Community Radio Station featuring promoters, lead mothers and other community members particularly pregnant women, lactating mothers, households members with under-five children and other community members.

In addition 4 different radio/PSAs aired featuring some crop management.

Lastly, the project rolled out interventions in the evaluation impact areas in Lilongwe and Mchinji. A total of 27 promoters recruited to rollout nutrition interventions through Care Group Model in the Impact Evaluations in Lilongwe and Mchinji identified as "Treatment". By the end of the reporting period, the promoters have already been trained in the Care Group Model and were actively involved in censusing Care Group mothers and fathers.

## Accomplishments

### Behavior change

#### Research

One formative research initiative was undertaken on nutrition behaviors and practices in Balaka, Machinga and Mangochi. The study was initiated in 12 purposively selected villages, four (4) in each district. A total of 12 focus group discussions (FGDs) were facilitated each with between 12 and 15 participants (pregnant women, lactating mothers and other community members including men). Key informant interviews were performed involving 54 key informants (28 in each district). Key informants included village development committee (VDC) members, HSAs, AEDOs/AEDCs, traditional and religious leaders, promoters, and other care givers.

The main objective of this formative research was to qualitatively explore knowledge levels, behaviors and practices that affect consumption of nutritious foods among community members-

especially pregnant mothers, lactating women and Children under three in these three (3) expansion districts. Specifically, the research aimed to:

- (a) Identify and document key social, cultural or religious practices prevalent in these three districts that influence nutritional behaviors and practices;
- (b) Identify the purpose that these practices may serve;
- (c) Explore how the identified nutrition beliefs and practices can be changed;
- (d) Explore communication constraints and opportunities that could impact in the promotion of nutrition behaviors and practices;
- (e) Identify key gender-based elements that may have influence in determining food availability, access and consumption at household level;
- (f) Make appropriate recommendations to the project on how to address these factors in order to achieve the objectives of the Feed the Future Malawi Integrating Nutrition in Value Chains Project on nutrition.

The results of the research will inform revision of the Behavior Change Communication Strategy and messaging by promoters and theatre groups to be established in the three (3) districts.

### *Training for theatre group members*

One (1) training session for community-based drama group members was conducted in Lilongwe in late March 2015. The objective of the session was to train theatre members in harvest and post handling of soy beans and groundnuts, advantages of collective marketing, and causes and effects of aflatoxin in soy beans and groundnuts.

A total of 45 members were trained (21 males and 24 female). Three (3) Feed the Future Malawi Integrating Nutrition in Value Chains officers facilitated the sessions. At the end of the training, 11 workplans were developed (one workplan per group) for rolling out the agriculture value chain messaging using a combination of community theater and radio programming to increase public awareness of proper post-harvest handling of grain legumes and the danger posed to public health by aflatoxins. The Community theater presentations will be monitored by Pakachere Institute of Health and Development Communication, Nkhoma Hospital, NASFAM, CADECOM, FUM and the INVC Secretariat.

### *Airing of the radio program and public service announcements/jingles*

Airing of a 30-minute **Tidyenji** radio programs continued on three (3) different radio stations during the quarter. A total of 37 programs were aired (13 on Radio Maria in Mangochi, 11 on Mudziwathu Community Radio Station in Mchinji, and 13 on MBC Radio 1). The programs are aired:

- on MBC Radio 1 every Monday from 17:03 to 17:33;
- on Radio Maria every Saturday from 14:30 to 15:00; and
- on Mudziwathu Community Radio Station every Monday from 14:30 to 15:00.

The programs feature promoters, lead mothers and other community members: particularly pregnant women, lactating mothers, household members with under-five children and other community members and cover the 15 key prioritized behaviors. This quarter focus was given to maternal nutrition, dietary diversity, optimal breast feeding, sanitation and hygiene. There was a deliberate focus on sanitation and hygiene through drama and radio as it was during the rainy season where incidences and cases of waterborne diseases are most common.

In addition to the 30-minute radio programs, the project also aired four (4) different public service announcements (PSAs)/jingles on crop management on MBC Radio 1 and Zodiak Broadcasting Station, with each PSA airing at least six times per day per radio station. During the period, a total of 856 PSAs/jingles were aired (436 on MBC 1 and 426 on Zodiak). The airing schedule for the programs and PSA/jingles was circulated to all partners, District Nutrition Coordinators, Nutrition Assistants and promoters for monitoring.

The project monitors the PSAs and radio programs on MBC1 and Zodiak through Footprints, an independent research and monitoring organization hired by Pakachere.

### *Interpersonal communication by promoters and lead mothers with household members on various behaviors*

Apart from radio programs and theatre performances which the project employs to educate community members on health and nutrition, interpersonal communication (one-on-one /household visitation) by trained promoters and lead mothers was intensified during the quarter. A total of 86,072 cluster members (48,183 female and 37,889 male) in Mangochi, Balaka and Machinga were reached with messages on complementary feeding, hygiene and sanitation, optimal breast feeding and maternal nutrition including importance of Ante Natal Care.

**Table 10: Summary of cluster members reached health and nutrition messages by district**

Number of cluster members reached with interpersonal messages on nutrition and health										
	Machinga			Mangochi			Balaka			Total
	Male	Female	s/Total	Male	Female	s/Total	Male	Female	S/Total	
Maternal nutrition ANC	4,751	5,964	10,715	2,805	3,707	6,512	850	592	1,442	<b>18,669</b>
Breast feeding	3,173	4,141	7,314	2,925	4,245	7,170	2,667	3,675	6,342	<b>20,826</b>
Complementary feeding	1,981	2,663	4,644	2,227	2,818	5,045	5,422	5,553	10,975	<b>20,664</b>
Hygiene and sanitation	734	906	1,640	9,514	12,025	21,539	840	1,894	2,734	<b>25,913</b>
<b>Total</b>	<b>10,639</b>	<b>13,674</b>	<b>24,313</b>	<b>14,546</b>	<b>22,795</b>	<b>40,266</b>	<b>9,779</b>	<b>11,714</b>	<b>21,493</b>	<b>86,072</b>

## Nutrition

### *Promotion of cultivation of high nutritive-value crops*

Promotion of cultivation of high nutritive value crops beyond soy beans and groundnuts was accomplished in the quarter. FtF-INVC in collaboration with International Potato Centre Centre (CIP) introduced the growing of orange fleshed sweet potato (OFSP) among selected care groups in 2 EPAs in Lilongwe and 5 EPAs in Balaka. Six (6) different varieties of OFSP vines namely *Zonden*, *Anaakwanire*, *Mathuthu*, *Kaphulira*, *Chipika* and *Kadyaubwerere* were distributed to 513 care group members (450 in Lilongwe and 63 in Balaka). The OFSP are being promoted under the project as it contains vitamin A, one of the most important nutrients needed among pregnant women and under 5 children. The project also continued to promote cultivation of highly nutritive indigenous green

leafy vegetables e.g. *bonongwe* (amarathus), *nkhwani* (pumpkin leaves), *khwanyanya* (bean leaves) and *kholowa* (sweet potato leaves). During the quarter, 599 lead mothers were sensitized on the establishment of backyard gardens especially growing of tomatoes which more often become scarce during rainy season. Establishment of backyard gardens is promoted in order to enhance consumption of vegetables which are rich in vitamin A and iron among the cluster members, particular pregnant women, lactating mothers and under five children.

### *Facilitation of food processing*

Knowledge and skills transfer on food processing and utilization was achieved in the quarter. In the period, one (1) Training of Trainers in food processing and utilization was conducted. A total of 32 participants (19 male and 13 female) which included District Nutrition Coordinators, Nutrition Assistants, and Nutrition Specialists from the Secretariat, expansion districts and Nkhoma Hospital attended. The objective of the TOT was to equip project staff with skills and knowledge that can be used to train promoters, lead mothers/fathers, government stakeholders and other project staff on food processing, utilization and preservation. Different recipes made from soy beans and groundnuts (*value promoted under the project*) were tested.

Following this TOT for project staff, four follow up TOT sessions for promoters on food processing and utilization were conducted in Balaka, Machinga and Mangochi. One hundred seventy three (173) promoters were trained. The objective of the training was to equip promoters with skills and knowledge on food process, utilization and preservation so that they apply the same to lead mother/fathers. The sessions were facilitated by the District Nutrition Coordinators and Nutrition Assistants. The training involved both theory and practical. At the end of the training sessions, participants were able to prepare a variety of soy bean and groundnut products which can be consumed by different people of different ages. These included soy and groundnut flour, peanut butter, soy milk, soy and fish sausage, soy coffee, fritters, *futali* and others.

### *Enhancing consumption of a nutritious and sufficiently diversified diet*

In order to minimize loss of vital nutrients through poor cooking, FtF-INVC has continued to build capacity of its beneficiaries on food preparation. In the quarter, 11 cooking demonstrations were conducted in Mchinji, Lilongwe and Mangochi. Two (2) demonstrations were done in Mchinji at Mavwera and Mikundi EPAs; two (2) in Lilongwe at Ukwe and Mngwangwa EPAs; and eight demonstrations were conducted in Mangochi at Maiwa (3), Lungwena (3), Nankumba (1) and one (1) at Masuku EPA. The purpose for the cooking sessions are to demonstrate to the care group volunteers and cluster members how various recipes could be prepared without losing vital nutrients. Community members were encouraged to use the promoted methods and prepare such foods. During the sessions Health Surveillance Assistants (HAS) participated and facilitated some sessions or gave a health lesson on food hygiene and sanitation and the Malawi six food groups. A total of 534 volunteers and cluster members participated (451 female and 83 male). Seasonal food calendars were distributed to 10 promoters in Ukwe and Mngwangwa EPAs in Lilongwe through care group supervision. Seasonal food calendars help promoters and lead mothers to prepare relevant lessons on food diversity and cooking demonstrations according to the availability of foods in season.

## Hygiene and sanitation

Promotion of sanitation and hygiene particularly construction of pit latrines, dish racks, hand washing facilities' made from locally found materials was one of the major focus intervention areas during the period. Promoters, lead mothers/fathers and care group members continued to be educated on personal and household hygiene as an important aspect of SUN-1000 Special Days initiative particularly during this quarter as it was rainy season when incidences and prevalence of water-borne diseases are very high. During the quarter, 1213 cluster members were sensitized on the benefits of having sanitary facilities at household and their appropriate usage. A total of 759 households (62.6% of those trained) constructed hygiene and sanitary facilities e.g. dish racks, rubbish pits, toilets, clothes drying lines, and hand washing points. It has been observed, particularly, in Mangochi that both men and women are actively participating in all the construction of dish racks, and hand washing facilities. After the demonstration, the project expects households to start adopting this behavior. It has also been observed that most of the facilities which were constructed in the previous quarter are properly maintained.

During the period, the project participated in the commemoration of Global Hand Washing Day which took place on 7 February 2015 at Mpundi village, Traditional Authority Nimadi, Tdziwane GAC in Mangochi under the theme "**Choose Hand Washing, Choose Health.**" During the commemoration the project organized Mphundi under Tidziwane Care Group was showcased as a model village for its adoption of hygiene and sanitary practices. The event was conducted in conjunction with the *Hygiene Village Project*- a local NGO which is also working in the same area focusing on hygiene and sanitation practices in schools.

Promotion of construction and use of the energy efficient woodstoves was also one of the major preoccupations of project staff, promoters and lead mothers/fathers during this reporting period. A total of 131 new stoves were constructed in the expansion districts. The 1,213 stoves which were constructed in previous quarters continued to be maintained and used. Periodic visits to the households with these stoves show that the stoves are well looked after, used and the kitchens look tidy as compared to the past when they were using 3 stone stove.

One demonstration session on the construction of energy saving stove was done at Matimba village, Group Village Headman Matimba, Chioshya EPA in Mchinji. A total of 13 community members (10 female and 3 male) attended the session. These included 2 HSAs, 10 care group volunteers and 1 promoter. Specifically, participants learnt procedures of constructing the energy saving stoves using the locally available resources thus anthill soil, water, cow dung and banana stem. Through household visits to members with energy saving stoves, it has been observed that all users have a positive appreciation of the stoves because they are fuel efficient, thus eliminating the cost of purchasing large quantities of firewood. Some members acknowledge that use of these stoves is in turn freeing up resources (both time and money) for households to focus on nutrition.

## Access to, and utilization of, key nutrition- related services among targeted populations including community surveillance and referrals

The 173 promoters from all the five districts who were trained in SUN/ENA continued to promote and manage acute malnutrition in their communities and some made referrals. Following the training received, promoters and lead mothers/fathers continued to provide education during household visits to members on the causes and effects of malnutrition, assessment of malnourished children, admission criteria, different programs that manage and treat malnourished children as well as growth

monitoring. As in the first quarter, growth monitoring continued in this quarter. The exercise was conducted in Chimimbe in Mchinji, and Nsanja and Kagwatipenya communities in Lilongwe where 321 under children were screened for malnutrition. Of the 321 children screened, 22 had medium weight, 4 were underweight, and another 4 (2 male, 2 female) were acutely malnourished and referred to the health center for further assessment. The major education topic during these sessions was on six food groups/ importance of eating six food groups daily. The growth monitoring was done in close collaboration with the HSAs, community growth monitoring volunteers and Nutrition Assistants.

During this quarter, one Child Health Day campaign was supported in Lilongwe District. Apart from provision of grants to Lilongwe District Health Office for the campaign, FtF-INVC, through Nkhoma Hospital field officers, also facilitated distribution of supplies, supervision of the campaign in all health centers in the district, and actual data collection at twelve (12) designated outreach health centres at Chiwamba, Mbang'ombe, Chileka, Chitedze, Ukwe, Mtenthera, Katchale, Chadza, Chimbalinga, Dickson, Kang'oma and Nathenje. Each field project staff under Nkhoma Hospital was tasked to collect data for 100 children each, targeting care group members who had received vitamin A supplementation and de-worming tablets for their under children. Before administering the vitamin A and de-worming tablets to children. All adult caregivers were sensitized on nutrition, prevention of malaria, hygiene and sanitation. A total of 2,451 children under five were reached, 53% female and 47% male. Further analysis showed that 55% of care givers who had accessed the services were our care group members.

### **Create enabling environment for execution of nutrition activities**

As in Quarter 1FY 15, FtF-INVC held a number of meetings with government, USAID as well as different partners in all the five District Assemblies of Balaka, Machinga, Mangochi, Lilongwe and Mchinji. The meetings with government included quarterly District Nutrition Coordination Committee meetings, community sensitization sessions with Village Development Committees and Village Health Committees, District Civil Protection meetings, Health Partners meetings, planning meetings for Child Health Days campaign, quarterly district implementation plan formulation sessions, and quarterly District Executive Committee (DEC) meetings. Special meetings were also held at both national and district levels with other international NGOs mainly Project Concern International (Njira Project), SSDI, World Vision, Emmanuel International, Concern Universal and International Potato Centre (CIP). More meetings were held with CIP as we partnered with this organization on the provision of OFSP vines to care group members.

FtF-INVC also participated in some SEG meetings organized by USAID. The project continued to support and participate in all Government planned meetings and sessions to ensure that all its nutrition interventions are within the laid down government policies and strategies, and that it continues to use the existing government structures to ensure ownership and sustainability. We continued to work with other stakeholders in the quarter to ensure efficient collaboration and coordination as one way of minimizing overlap and duplication of efforts and resources from USAID and other donors

### **Mentoring, Coaching and Monitoring**

During this reporting period, 110 mentoring and coaching sessions with project staff (District Nutrition Coordinators and Nutrition Assistants), promoters and lead mothers were done in all the five (5) districts. The focus areas for the mentoring and coaching sessions was on food processing and utilization, promotion of sanitation and hygiene, care group facilitation, and how to monitor behavior change outcomes at household level. The sessions were also meant to impart skills and knowledge to

promoters and lead mothers on how to monitor and report theatre performances done by Pakachere Travelling Theatre and the 17 Community-based Theatre Groups in case of Lilongwe and Mchinji districts. The coaching and mentoring sessions also provided a forum to review challenges experienced at different levels of implementation e.g. flooding which affected some cluster members in Balaka, Machinga and Mangochi and the victims expectation that some material support from FtF-INVC; and constant break down of some promoters' bicycles. The issues were highlighted and addressed and those that required further directions were referred to the FtF-INVC Secretariat.

### Rolling out interventions in the Impact evaluation

Following the validation and verification exercise of control and intervention areas conducted end 2014, FtF-INVC through Nkhoma Hospital conducted series of sensitization meetings with NASFAM GAC members, FUM cluster members, traditional leaders, HSAs, AEDCs and AEDOs for establishment of care groups in the **"Treatment"** areas in Lilongwe and Mchinji districts. After the sensitizations, potential NASFAM/FUM members were invited to apply for the position of promoter. Only those with MSCE, JCE or PSCL certificate and who had previous experience as a promoter before were considered. Interviews were conducted from 9<sup>th</sup> to 12<sup>th</sup> February 2015 in both Lilongwe and Mchinji.

In Lilongwe the interviews were done in Chigothi EPA at Ndonda, Chigothi and Nankhaka GACs; in Mpingu EPA at Kawanda, Mchesi and Mtsukathanga GACs; in Mngwangwa EPA at Chiputu Cluster, and in Nyanja EPA at Chimango.

In Mchinji district, the interviews were done in Chiohya EPA at Gumulira, Msitu EPA at Mphanga, and Mikundi EPAs at Mikundi Centre.

From the interviews 27 new promoters were recruited to work in the Impact Evaluation areas. Twelve (12) promoters were recruited in Lilongwe and 15 in Mchinji. District Nutrition Coordinators, Nutrition Assistants, AEDC, NASFAM AFO, FUM's FOF, and GAC chairpersons formed part of interview panel. Each successful candidate had to be endorsed by his/her traditional leader before final acceptance by FtF-INVC as a promoters. Traditional leaders' endorsement was solicited to ensure the newly identified promoters benefitted from community support, were culturally supported in terms of their behavior and that the community ownership of the process was assured.

One Training of Trainers session for the 27 newly recruited promoters to work in the impact evaluation areas was done. The training was conducted from 9<sup>th</sup> to 13<sup>th</sup> March, 2015 in Mchinji and Lilongwe. The objective of the training was to impart skills and knowledge to the new promoters on care group model by focusing on adult learning skills and techniques, formation of care groups, monitoring tools and evaluation and action plan. The training was facilitated by FtF-INVC District Nutrition Coordinators and Nutrition Assistants.

### Constraints and challenges

- Non-adherence to the airing of approved radio jingles and PSAs by some radio stations. It was noted during the quarter that Zodiak Broadcasting Station and MBC continued to air some jingles and PSAs on agriculture which were outdated according to the farming calendar.
- Some HSAs and AEDOS have not yet been trained in Mangochi, Balaka and Machinga; and refresher course on the same is yet to be conducted in Lilongwe and Mchinji.

- District Health Offices (DHOs) continue to provide insufficient financial documentation for the support FtF-INVC provides on Child Health Day campaigns, resulting in subsequent delays in refunding DHOs thereby causing a certain degree of frustration on the part of the HSAs and other District Assembly officials who work during such campaigns. This also affects timely reporting to FtF-INVC
- Delayed liquidations and expense reporting by partners (Nkhoma and Pakachere) resulting in delayed funding and subsequent delayed implementation of some planned activities.
- Inadequate supplies of vitamin A and mebendazole in some health centres during Child Health Days Campaign resulting in limited coverage of the under-fives.

## Lessons Learned

- Engagement of government frontline workers such as HSAs, AEDCs as well as District Nutrition Coordination Committees and VDCs is key in creating ownerships and sustainability of the project. Through collaboration with government we have noted that HSAs become fully committed to supporting FtF-INVC activities such training of promoters in food processing, promotion of sanitation and hygiene, growth monitoring and making referrals.
- District Assemblies especially DHO, have to be assisted with capacity building on financial liquidation. It has been learnt that liquidation of Child Health Days Campaign continue to be a major challenge once assemblies have been supported with funds by FtF-INVC.
- Use/engagement of reputable/institutions of higher learning to offer training to our staff on nutrition is key as they offer comprehensive theoretical and practical concepts on nutrition making participants have requisite knowledge and skills required to execute their work. For example, the engagement of LUANAR in TOT on food processing and utilization has proved to be very effective as project are now offering subsequent training on food processing and utilization efficiently (level of preparation, content, organization, facilitation skills and materials required).
- Some elements of the integration in the project continue to be realized. During this season, it has been learnt that some more care group members have grown soy bean and groundnut seed and are expected to sell, save some for home consumption and invest some. There has also been successful integration OFSP into FtF-INVC where relatively a good number of care group members in Balaka and Lilongwe has benefitted.
- Willingness and enthusiasm among promoters and lead mothers/fathers to continue working under the project is still very strong. Since last the quarter the project has not registered any substantial drop out. However, with some USAID funded partners now paying their promoters in the same areas, some of our promoters have started asking for consideration of the stipend.

## Observations from the quarter, conclusions and recommendations

- Some USAID funded partners are now or intend to pay their promoters in the same areas where FtF-INVC is working. This is likely to affect our activities. There is need to consider starting paying our promoter's a stipend in the next quarter.
- A number of USAID funded partners are interested in entering working partnership with FtF-INVC in the context of integration especially in USAID Surge districts. There is need therefore for FtF-INVC to have MOU with such partners so that the partnerships are effective.
- There is evident capacity gaps especially on financial issues with District Assemblies especially DHO. There is need therefore for FtF-INVC to support series of capacity building initiatives for assemblies.

- Through positive deviance inquiries conducted and results disseminated, it is evident that some significant awareness and understanding about nutrition issues among intended beneficiaries has occurred. There is need therefore to intensify interpersonal communication through care groups, interactive theatre performances and aired of evidence-based radio programs so that such awareness and understanding is sustained and translates into significant sustainable positive behavior outcomes post project.
- Hand washing stations should be installed at the sites of District Health Days and children and their care givers should be encouraged to use these facilities prior to obtaining the Vitamin A supplements and de-worming medicine in order to avoid cross contamination from dirty hands handling supplements.

### Principal activities planned for Q3

- Roll out implementation of care group activities in Impact Evaluation areas in Lilongwe and Mchinji districts.
- Coordinate Performance Evaluation for the project commissioned by USAID.
- Continue with food processing and utilization training as well as SUN/ENA refresher training session for promoters and lead mothers.
- Print Recipe Book and Training Manual for TOT on Food Processing and Utilization.
- Revision of SBCC Strategy.
- Consult with DNHA-OPC concerning policy constraints and initiatives to be undertaken in Food Fortification as the activity did not take place in the previous quarter.
- Carry out community cooking demonstrations on improved recipes in all intervention areas following the training of District Nutrition Coordinators, Nutrition Assistant, promoters and some lead mothers in food processing and utilization.
- Produce agriculture value chain messages on harvesting and post-harvest handling, collective marketing and aflatoxin and conduct theatre performances in Lilongwe, Mchinji and Dedza as part of enhancing overlay of agriculture activities and nutrition.
- Institute Nutrition Technical Working Group (TWG).

## Success story: Velina's backyard gold mine

Velina Hezekiah is a mother of five based in Chitsime. Hezekiah has always dreamed of having a vegetable garden in the *dambo* land of her village. She dreamed of growing vegetables as source of food as well as income but realized that she would never be able to own that land. She had no idea that she could cultivate enough vegetables within her household plot until Feed the Future Malawi's *Integrating Nutrition in Value Chains* project helped her realize her dreams.

Hezekiah now grows plenty vegetables enough for home consumption and sells some to earn income to meet her other daily needs like soap, salt and buy other animal source foods.

## Component 4: Developing Local Institutional Capacity

### Introduction

The current reporting period presents progress made in the implementation of short-term OCA plans that were generated at the end of FY 14. Nkhoma Hospital started the process of developing the new strategic plan following the expiration of the old one and the process is expected to be concluded by May 2015. CISANET continued with their mid-term review of their strategic plan including the development of Business Plan. ACE reviewed its organogram with a clear structure and incorporating succession plan arrangements. ACE's financial system was updated by adopting the SAGE financial package that will enable coordinated accounting for both ACE Trust and ACE Limited.

INVC conducted a course for partners in Financial Liquidation. Eighteen participants from partners comprising Program Managers and Financial Accountants participated. During the training, it became evident that participants were conversant with basic compliance requirements for financial reporting, but often had trouble gathering supporting documentation, organizing and providing quality control on their document submissions. Because a solid knowledge base exists to be capitalized upon, this means that continued regular interaction with partners through training, coaching and mentoring will significantly improve their capacity and efficiency in financial liquidation.

INVC conducted joint coordination meetings with STEPS Project and all the four INVC partners (NASFAM, FUM, CISANET and Pakachere) that are also targeted by STEPS for capacity development in outreach, networking and advocacy. FtF-INVC shared with STEPS all OCA reports of the four partners to enable STEPS focus on capacity gaps that may not have been identified through OCAT.

INVC remains committed to building capacity of implementing partners with emphasis on the systemic challenges faced by partners. INVC will, in addition to providing training, coaching and mentoring services to partners, develop and provide to partners guidance documents on key financial, administrative and programmatic requirements.

### Accomplishments

#### Improving Partner Organizational capacity to manage grants

FtF-INVC conducted training for Programme Managers and Accountants drawn from its seven Partners namely: NASFAM, FUM, ACE, CADECOM- Dedza, Pakachere, Nkhoma PHC and CISANET including core INVC staff that work with partners on programmatic and grant management issues. The course was conducted on March 18, 2015 in the INVC Conference Room. The objectives of the training were:

- To share ideas and experiences on financial and grants management compliance requirements;
- To discuss and agree on key liquidation guidelines and procedures; and
- To enhance working relationships and communication between FtF-INVC and Partners on financial management and reporting.

The training approach was participatory, emphasizing on the sharing of experiences on practical issues concerning financial liquidations. Partners were given an opportunity through break-out group work and plenary discussions to analyse financial liquidation practical scenarios and vouchers, identify gaps and suggest operational solutions. Through these exercises, it transpired that participants were conversant with basic compliance requirements for financial reporting, but often had trouble gathering supporting documentation, organizing and providing quality control on their document submissions. Because a solid knowledge base exists to be capitalized upon, this means that continued regular interaction with partners through training, coaching and mentoring will significantly improve their capacity and efficiency in financial liquidation. At the end of the training course, a **Financial Compliance Guidance Manual** was provided to partners to enable them acquire clear guidance on supporting documents and compliance requirement for Financial Liquidation.

### **Building Organizational Capacity of Partners**

The current reporting period gives updates on progress made in the implementation of short-term OCA action plans that were developed in the OCA done in October 2014. Nkhoma Hospital started the process of developing the new strategic plan following the expiry of the old one in December 2013 and the process is expected to be concluded by May 2015. CISANET continued with the mid-term review of its strategic plan including the development of Business Plan. ACE reviewed its organogram with a clear structure and incorporating succession plan arrangements. ACE's financial system was updated by adopting the SAGE financial package that will enable coordinated accounting for both ACE Trust and ACE Limited. Follow-up meetings to review the implementation of OCA action plans were held with ACE, NASFAM, Nkhoma and CISANET. Progress so far is presented in table 1 below.

**Table 11: Some key partner capacity building plans and updates for the quarter (italics bold)**

Partner Organization	Capacity dimension	Capacity Gaps	Planned Actions	Target Date	Progress in the Quarter
<b>CISANET</b>	HR; Financial Management; Project Performance Management	Staffing levels leading to poor financial reporting & quality assurance in implementation	<ul style="list-style-type: none"> <li>Recruit Dir. of Fin. &amp; Admin</li> <li>Recruit M&amp;E Officer</li> </ul>	March 2015	
	Organizational Management	No business Plan	<ul style="list-style-type: none"> <li>Conduct Mid-term strategic plan review</li> <li>Develop Business Plan</li> </ul>	March 2015	<i>Business Plan development process is in progress. There have been delays in completion due to delayed quarterly funding</i>
<b>NKHOMA Hospital</b>	Organizational Management	Strategic plan expired in 2013	<ul style="list-style-type: none"> <li>Develop new Strategic Plan</li> </ul>	Feb. 2015	<i>Strategic Planning process is in progress; 1<sup>st</sup> consultative workshop involving various departments of Nkhoma was held on Feb18-21, 2015 and 30 people participated. Processes are on-going and the final strategic Plan document will be ready by June, 2015</i>
	HR Mgt; Proj. Performance Mgt	Most nutrition Coordinators and Assistants positions vacation	<ul style="list-style-type: none"> <li>Recruit NAs and Coordinators</li> </ul>	Dec. 2014	3 Nutrition Coordinators + 7 Nutrition Assistant recruited and assigned
	Project Performance Management	No M&E Officer	<ul style="list-style-type: none"> <li>Fill the position</li> </ul>	Feb. 2015	<i>Interviews for M&amp;E Officer conducted and candidate expected to be in place within April, 2015</i>
<b>ACE</b>	Governance	Inactive Board of Directors – irregular meetings	<ul style="list-style-type: none"> <li>CEO to present OCA findings to the Board for attention</li> </ul>	Dec. 2014.	<i>ACE Board met and endorsed the OCA recommendation of meeting twice a year.</i>
	Financial Mgt	Financial procedures between ACE Ltd and ACE Trust	<ul style="list-style-type: none"> <li>Incorporate ACE Ltd &amp; Trust in SAGE Guideline</li> </ul>	March 2015	<i>The SAGE financial package installed within ACE</i>
	Administration	No guidelines/policy for Branding and fixed assets control	<ul style="list-style-type: none"> <li>Guidelines/policy drafted</li> </ul>	Feb. 2015	<i>Guidelines have been developed and incorporated into administration manual.</i>
<b>Dedza CADECOM</b>	Project Performance Mgt	Project implementation and data quality control	<ul style="list-style-type: none"> <li>Hire M&amp;E Officer</li> </ul>	Dec. 2014	M&E Officer recruited
	Administration	No policies on cost-share, branding and Volunteers/Interns	<ul style="list-style-type: none"> <li>Develop policies/guidelines and incorporate into HR/admin. manual</li> </ul>	Feb. 2015	<i>INVC provided guideline documents to CADECOM on developing cost-share, branding and volunteer policy</i>

Partner Organization	Capacity dimension	Capacity Gaps	Planned Actions	Target Date	Progress in the Quarter
<b>NASFAM</b>	Organizational Management & Governance;	Redirecting NASFAM towards its core identity – which is to be more business oriented	<ul style="list-style-type: none"> <li>Continue with the Transformation Change Process of NASFAM</li> <li>Identify guiding coalition sub-teams</li> </ul>	December 2015	Guiding Coalition Sub-teams for transformation change identified <i>Discussions were held with NASFAM senior management together with STEPS. NASFAM pledged to submit priority organizational capacity areas for the attention of both INVC and STEPS</i>
<b>PAKACHERE</b>	Project Performance Mgt	Project implementation and data quality control	<ul style="list-style-type: none"> <li>Hire M&amp;E Officer</li> </ul>	March 2015	<i>Not yet done</i>
	Financial Mgt	Inconsistency in adherence to financial reporting	<ul style="list-style-type: none"> <li>Tighten compliance procedures</li> </ul>	March 2015	<i>Has improved after attending the Financial Liquidation training</i>
<b>FUM</b>	Human Resource Mgt	Annual staff salary increments not based on annual appraisals	<ul style="list-style-type: none"> <li>Adopt a performance based systems for annual increments</li> </ul>	Jan. 2015	
	Project Performance Management	Weak M&E system	<ul style="list-style-type: none"> <li>Develop and institutionalize feedback mechanisms for client satisfaction</li> </ul>	Dec. 2014	<i>Not yet done. M&amp;E Officer for FUM resigned and new M&amp;E Officer has just been assigned</i>
	Financial Mgt	No cost share policy	<ul style="list-style-type: none"> <li>Develop cost-share policy</li> </ul>	Jan. 2015	

### Collaboration with STEPS Project

INVC coordinated with STEPS Project in its plans for strengthening the institutional capacity of local partners. INVC shared OCA reports of the four institutions (NASFAM, FUM, CISANET and Pakachere) with STEPS with the view that STEPS customizes its PODA tool accordingly to explore other issues of interest to its programme. In addition, INVC participated during the STEPS start-up Workshop as well as the STEPS Project Launch. INVC and STEPS held joint capacity building meetings to discuss planned capacity activities and agreed on areas for synergy and complementarity towards the four partners, namely: NASFAM, FUM, Pakachere and CISANET. A second round of joint meetings with the four partners are planned for next quarter. INVC also intends to invite STEPS to the planned training event for partners that will be done within May 2015.

### Build governance and business management capacity of Farmer associations and cooperatives:

INVC conducted follow-up meetings with FUM and NASFAM to consult on the status of the farmer associations and cooperatives that have business plans. The six cooperatives under FUM have now all been registered with the Ministry of Trade as Cooperatives. Two cooperatives (Nkhunguyembe and Mgwirizano) have received funding from IFAD funded Rural Livelihood Economic Enhancement Programme (RLEEP) and World Food Program (WFP) respectively for the construction of produce warehouses using the Business Plans developed with support from INVC.

INVC assessed the equipment bought by NASFAM for 4 farmer associations with INVC funding. The equipment procured include, oil expellers, soya hullers and grinders. Only two associations (Lilongwe North and Mchinji) have, as yet, received the equipment. In Q3 INVC and NASFAM plan to carry out a joint assessment through field visits and discussions with farmer associations with Business Plans to identify two additional associations that have the capacity to make use of the remaining set of equipment

### **Institutional capacity building of District Councils**

INVC has been exploring possibilities of improving its visibility in the districts through its decentralized staff allocation. Within the quarter, INVC consulted with district agriculture officials for the possibility of providing office space to INVC. Once the office is ready, it is hoped that coordination and capacity building efforts with District Councils will be enhanced.

### **Constraints and challenges**

- Training offered to national partner staff of IP grantees is rarely cascaded down to field staff by partners.
- Regular staff changes within Implementing partners affects capacity building efforts and program follow-ups.
- Delays in financial liquidation by partners slow momentum in programme implementation.

### **Lessons Learned**

- Partners are conversant with basic compliance requirements for financial reporting, but often had trouble gathering supporting documentation, organizing and providing quality control on their document submissions. Because a solid knowledge base exists to be capitalized upon, this means that continued regular interaction with partners through training, coaching and mentoring will significantly improve their capacity and efficiency in financial liquidation and enable them acquire clear guidance on supporting documents required for submissions to FtF-INVC.
- National partners staff rarely cascade their knowledge to staff at field level. INVC has therefore developed a plan of cascading the training done for national staff to go down to field staff.

### **Observations from the quarter, conclusions and recommendations**

- The quarter was characterized by partners having challenges in clearing advances received from INVC for technical implementation. This has slowed down the implementation of field activities.
- The Financial Liquidation training that INVC conducted to address this challenge has helped to improve the clearance process as well as enhanced communication between partners and FtF-INVC.
- INVC remains committed to building capacity of implementing partners focusing on addressing the systemic challenges faced by partners. INVC will, in addition to providing

training, coaching and mentoring services to partners, develop and provide partners with guidance documents on key financial, administrative and programmatic requirements.

### Principal activities planned for Q3

- Conduct a course for partners in Project Management.
- Conduct training courses for partners in M&E and technical Reporting.
- Organize a training course for partners in Procurement.
- Participate in the Mangochi and Lilongwe DEC meetings to update the DEC on the agriculture and nutrition programmes happening in the district with INVC support.
- Make monitoring visits to partners on OCA action plans implementation.
- Conduct field appraisal meetings with farmer associations and cooperatives on the implementation of business plans.
- Facilitate the participation of the district agriculture staff in Marketing Technical Working Group meeting.

## **Success story:** Developing a strategic plan at Nkhoma Hospital helps to shape responses to operational challenges.

Nkhoma Hospital is proactively responding to a key capacity gap identified during a systematic capacity assessment exercise in October 2014. The management team is demonstrating significant commitment to addressing fundamental institutional capacity issues by committing the organization's own funds to the development of a new strategic plan and by seconding key senior staff to drive the process forward.

Nkhoma Hospital, run by the Church of Central Africa Presbyterian (CCAP), is a referral hospital for five health centers in the Nathenje health area near Lilongwe. It established a Public Health Department to address the challenges of under-five mortality, safe motherhood, under-nutrition and the effects of HIV/AIDS. This department is working actively as a key implementing partner for Feed the Future Malawi's *Integrating Nutrition in Value Chains* project.

The Public Health Department, specifically through its nutrition program, is leading the efforts of Church and Hospital to help deliver the project's health-focused goals.

The Organization Capacity Assessment (OCA) exercise, facilitated by the FtF-INVC Project's Capacity Building Specialist, was conducted at the Lilongwe administrative office of the Health Department and created a keen awareness among Hospital specialists constraints existent due to the lack of a valide, updated, coherent, and relevant strategic plan. Nkhoma's previous 5-year strategic plan expired in December 2013. For the whole of 2014 the Public Health Department (PHD) had been operating without a clear strategic direction.

With a deeper, shared, awareness of the organizational strengths and weaknesses, Nkhoma PHD committed to develop a Strategic Plan before the close of the financial year on 30<sup>th</sup> June 2015. A typical 'weakness' identified was the lack of awareness of, and responsiveness to, emerging changes in internal and external environments. In this case, the cause of concern had been unacceptably high levels of staff turnover and instability due to outdated conditions of service. The strategic planning process is developing ways to address this and other operational issues.

The planning process started with a 3-day strategic planning workshop, held in Salima during February 2015, involving 30 key staff members drawn from a number of different departments. Workshop participants explored the internal and external environments impacting Nkhoma Hospital, undertook a SWOT analysis and synthesized key issues that needed to be addressed in the new strategic plan. Heads of Department isolated significant strategic issues to be considered during the strategy development process for their departments.

In response to the disappointing findings, the Hospital decided to use its own financial resources to kick-start the process of developing a Strategic Plan rather than expecting others to do this for them or to delay taking action. Senior managers such as the Principal Hospital Administrator and Health Co-coordinator are assigned as Champions to drive the process and coordinate actions for developing the new strategic plan. Different levels and sections of Nkhoma PHD staff are involved during the OCA, including the Board Chair and the Health Coordinator, Yoas Mvula, is working as Coordinating Champion of the Strategic Planning Process.

Forthcoming stages in the process of developing the strategic plan involve Heads of Department meeting to share proposed strategies for the priority issues and challenges confirmed during the 1st strategic planning workshop. As these proposed strategies are developed and refined, a draft strategic plan will be presented for review by stakeholders in May 2015 and the final Strategic Plan will be ready for adoption and implementation by Nkhoma by July 2015.

A fundamental tenet of Feed the Future Malawi's ***Integrating Nutrition in Value Chains*** project is the systematic strengthening of institutional capacity of local organizations. The strategy development process in Nkhoma is a means of ensuring that a clear and coherent strategic vision is used as the basis for future capacity strengthening. With the future direction of Nkhoma Hospital set through this process, all other operational issues within Nkhoma will then be re-aligned to the Hospital's new direction. As a result of using the new strategic framework to guide the organization as it moves forward – for example, by minimizing challenges and optimizing opportunities - operational and human resource challenges that had existed in Nkhoma are reducing and overall effectiveness and capacity are being strengthened.

# Success Story: Achieving fundamental uplift in organizational effectiveness at ACE by changing Governance & Human Resources Management practices

Two key aspects of organizational effectiveness within the Agriculture Exchange for Africa (ACE) were potentially limiting its capacity to effectively utilize USAID funding. The decision was made to rapidly build capacity in **governance** and **human resources management** (HRM) processes in order to strengthen those systems and enable the organization to become more transparent and accountable. By the end of March 2015, a number of far-reaching organizational changes have been successfully accomplished.

The Agricultural Commodity Exchange for Africa (ACE) was established in 2006 to facilitate market linkages between buyers and sellers through bidding systems and increased price transparency. Through the use of market information systems ACE is able to facilitate trades in the physical spot and forward markets. As a key service provider for Feed the Future Malawi's **Integrating Nutrition in Value Chains** project, ACE is one of the organizations where the project has a strategic mandate to continuously improve and strengthen organizational capacity. The project's Capacity Building Specialist, Nobel Moyo, worked with ACE during 2014 to facilitate, amongst other interventions, the Organizational Capacity Assessment (OCA) process. Rigorous application of this tool in early 2014 enabled the project specialists and ACE management team to identify those aspects of the organization that need to be strengthened. A follow up OCA in late 2014 revealed that progress had been made across a number of dimensions, but highlighted the significant gaps that still existed.

Being a new organization, it was not necessarily surprising that the OCA process revealed several gaps in governance and human resource management processes, but the significant aspect of this exercise was the active participation of ACE management and the willingness of this organization to actually respond to the findings in a positive, action-oriented way.

**Governance** refers to the systems and processes needed to ensure the overall direction, effectiveness, supervision and accountability of an organization. It was imperative that as ACE develops and grows, the ability to distinguish effective 'governance' from routine 'management' was going to be critical for enabling the organization to fulfill its mission, live up to its values and be successful over the long term. Specific governance aspects that were prioritized for action included revamping the ACE organizational structure and the functioning of the Board. In the past, the structure had been fragmented, with unclear succession planning, a lack of clear HR procedures and weak performance supervision. The Board was not meeting as expected to provide oversight guidance to the institution.

Throughout the OCA process and the detailed analysis that followed, ACE was very responsive in addressing these specific capacity gaps and shortcomings in organizational effectiveness. CEO Kristian Moller took the lead in ensuring that any identified gaps had executive backing for the implementation of solutions. In this particular case he made sure that the organogram was modified to create clear hierarchies and lines of authority forming the basis of a realistic and effective succession plan. Staff supervision processes and lines of communication were also clarified and streamlined. Within the newly defined organizational structure, job descriptions were developed, discussed with the relevant staff and accepted by the job holders. Board members also accepted the

need for change and quickly endorsed the importance of conducting regular and effective Board Meetings. The Board is now able to provide timely strategic guidance, along with providing the necessary checks and balances for management performance.

Internal financial control processes were also strengthened when ACE adopted the SAGE accounting system to facilitate synergy and reporting for ACE Trust and ACE Ltd. As a result of these changes the performance of ACE in utilizing project funding has been greatly improved.

This type of intervention is a fundamental component of the long term strategy of Feed the Future Malawi's ***Integrating Nutrition in Value Chains*** project. The project works through local partners to achieve its objectives and has a mandate to build organizational capacity of the local institutions so that they can later qualify as direct USAID awardees.

Effective governance and HRM systems are among the key capacity requirements defined by USAID and any institution with increased capacity within those two processes becomes more transparent and accountable.

# Monitoring and Evaluation

## Introduction

This report covers the January through March time period which is the second quarter of Fiscal Year 2015. The project has been spending time retooling and refocusing to reboot and execute on a new workplan to carry us through the rest of the fiscal year. It has been a busy few months here at FtF-INVC.

## Accomplishments

This quarter we completed our PMEP and addressed comments from USAID. At the same time we addressed comments and changes on the M&E portion of the workplan. The team was involved in many other activities this past quarter, all of which are summarized below.

### Data Quality

Data quality continues to be a big issue and has required intense focus from the M&E team. Filling out forms correctly and gathering them from the field continues to be a challenge. A Data Quality Improvement Plan has been drafted and delivered to each partner for their input and in the meantime we are executing on those plans. Most of the plans involve the following:

- Reporting on the status of the October 2013 USAID DQA recommendations
- Insuring that source documents are available for all data reported
- Properly documenting a QC process on reported data
- Insuring that all data is available in electronic format

We have solicited, identified and engaged a local firm who does data entry for other organizations to assist our partners in catching up on the back log of forms in the various partner offices to enter all hard copy data into electronic templates. This process began this quarter and will be completed in April 2015. Once it is complete we will be able to accelerate the generation of unique IDs.

### Beneficiary Validation

The project has reported good output results for FY 2014. Because of the challenges we have had with data quality and the lack of electronic data, we were concerned about the accuracy of these numbers. This quarter we conducted data validation activities by sampling roughly 500 beneficiaries for each partner from all districts where they work, to check if the numbers were correct. This is summarized below

**Table 12: Households directly benefitting from USG interventions**

Number of Rural Households Benefitting Directly from USG Interventions				
Partner	Number Reported	Valid Percent	Adjusted Number	Difference
CADECOM	25,516	84%	21,433	4,083
FUM	48,270	84%	40,547	7,723
NASFAM	61,655	93%	57,339	4,316
Nkhoma	51,386	97%	49,844	1,542
INVC Nutrition	47,523	100%	47,523	-
Total*	234,350		216,687	17,663

Overall we are very pleased with the results of this effort and it shows that some beneficiaries have dropped off but many of them have been replaced. The number of households for the life of project has been adjusted for overlap between partners and also by this validation exercise.

The same numbers apply to the agricultural training indicator and well as the number of children and number of people trained in nutrition indicator. The team also checked on other indicators reported on by the project. These legacy numbers had been attributed to ACE but ACE did not have records for all of them as can be seen from the table below. The M&E team will backfill for several of these indicators between now and September and adjusted numbers will be reported into FTFMS. The MSME number needs to be verified with other partners and this LOP number will be adjusted next quarter.

**Table 13: Selected indicators from ACE**

<b>Selected Indicators ACE</b>			
<b>Indicator</b>	<b>Number Reported</b>	<b>Valid Percent</b>	<b>Adjusted Number</b>
Number of MSMEs including farmers receiving business development services	621	47.00%	292
Value of New Private Sector Investment	1,612,140	0%	-
Value of agricultural and rural loans	6,593,897	125.428%	8,270,603
Value of Exports of Targeted Commodities	420,000	100%	420,000

### **Unique ID roll out**

Unique IDs have been assigned to many of the NASFAM beneficiaries in the scale up districts and the data is currently being validated. FUM data is currently being entered electronically which has hampered the roll out of the unique IDs in the EPAs where they operate. The IDs for FUM in Lilongwe will begin in April and those for both Nkhoma in Lilongwe and Nutrition scale up in Balaka and Machinga will proceed in April so they are completed by early May. The whole process has slowed down due to the lack of availability of electronic data. The goal is to have lists with unique IDs for the surge districts of Balaka, Machinga and Lilongwe all assigned by early May and we can then start on the other districts.

### **Agricultural Outcome and Technology Adoption Spot Survey**

The Agriculture Outcome survey was finalized this past quarter. The results are not too different (revised slightly downward) from what has already been reported by the project. The differences in overall gross margin and yield between the final results and the preliminary results are shown for soybeans and groundnuts in the table below:

**Table 14: Agricultural Outcome Indicators**

Agricultural Outcome Indicators		
	Preliminary Number	Final number
Yield Soy	0.7372	0.669
Yield Groundnut	0.9573	0.865
Gross Margin Soy	\$178.00	\$170.24
Gross Margin Gnut	\$351.00	\$318.92

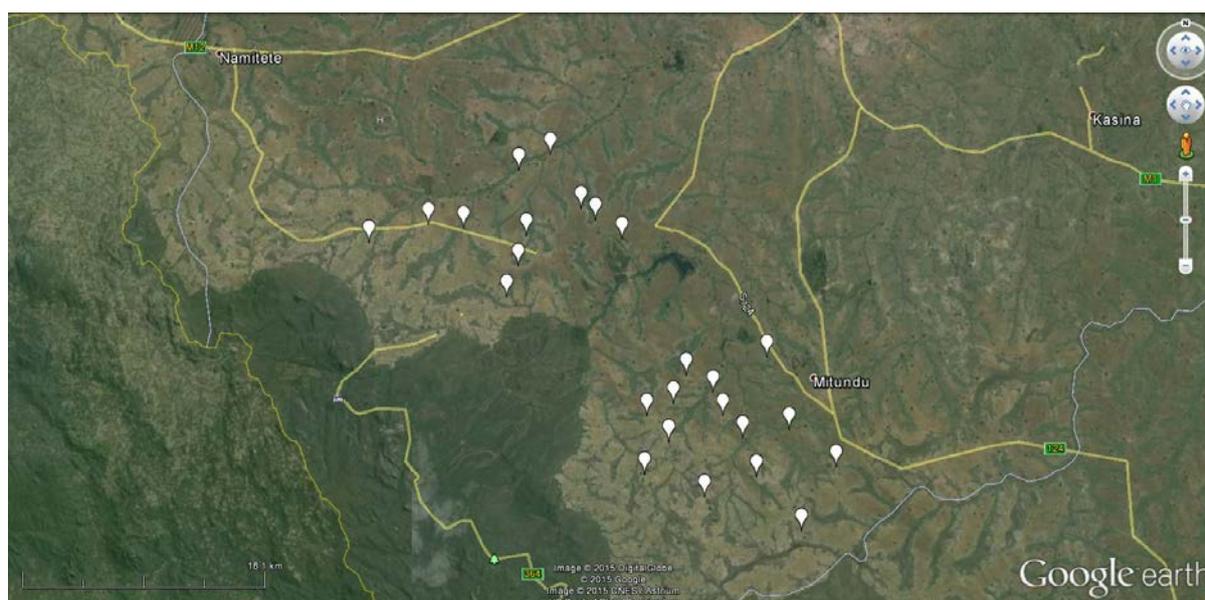
A second technology adoption spot survey was conducted this quarter to look at crop management. The results of this activity are reported in the Agricultural productivity portion of this report. The next spot survey is planned for the gross margin indicator near the end of the next quarter (June/July). We plan to time this monitoring exercise (survey) with the harvest of the groundnuts. The team is currently working with BFS and the SPRING project to test approaches to data gathering for the new FtF indicator “Quantity of nutritious food set aside for home consumption” with this survey. The draft monitoring instrument has been sent to the SPRING staff for comment.

### GIS Data Gathering

This quarter we began a pilot project of gathering GIS data for two EPAs in Lilongwe district to determine location of lead farmers, their demonstration plots and also aggregation and bulking centers. We also assigned QR codes to each lead farmer and scanned them as part of the survey. We are contemplating the use of the codes in order to streamline the data gathering process. The activity is still going on and is scheduled for completion by the end of April. We will write a short report with lessons learned and a way forward for the remainder of the year.

Below is a preliminary map illustrating the location of the village aggregation centers for Malingunde and Mlomba EPAs:

**Figure 1: Location of Village Aggregation Centres**



Upon completion of the pilot, we are planning to focus our GIS activities on Balaka, Machinga and Lilongwe beginning with crop aggregation centers, bulking centers and warehouses to obtain this information in time to help the marketing season. We eventually intend to produce maps that illustrate roads, aggregation center capacities, distance to markets and distance to certified warehouses. Once this is complete we will gather the remaining GIS data for the surge districts including location of nutrition promoters with the goal of completing it by the end of May. We will begin on the other project districts in June with most of the GIS data gathered by July 2015.

### Responding to Evaluation Teams

There are several evaluations going on currently, including a project performance evaluation. INVC M&E staff have had several meetings with the evaluation team providing them with documents and data. It is hopeful that we will learn something from this evaluation about what has worked what has not and why so we can incorporate it into next year's work plan. There have also been some interactions from the impact evaluation teams for 3C and for the INVC impact evaluation conducted by UNC. UNC has asked INVC for cost data in order to perform some cost benefit calculations which we plan to work on next quarter.

### Data Quality Assessments

DQAs were conducted this quarter at ACE at their headquarters and with Nkhoma at the Mchinji location. The team continued to perform cross functional DQAs with Dickson the M&E coordinator for FUM and CADECOM performing the DQA for Nkhoma. Below is a table highlighting the results from these DQAs.

**Table 15: DQAs in 2nd Quarter**

Indicator	Partner	Comments
Number of Rural Households	Nkhoma	Data not secure, no QCs performed or documented, many forms were still in the field
Value of Exports	Ace	Data was validated, no issues
Value of Private Sector Investment	Ace	The reported number was not private sector investment but was investment funded by another NGO
Value of Agricultural Loans	Ace	Data was well organized & secure, due to timing from last marketing season, the numbers found were actually higher than what was reported

### Constraints and challenges

- It is still a challenge getting completed forms from Implementing Partners as many forms are still out in the villages and are not being collected by field staff
- Nkhoma Hospital still has not yet hired an M&E person making it a challenge to implement good M&E practices
- The changing names of GVHs and Villages along with members coming and going from FUM, CADECOM and NASFAM are causing the data validation process to take longer resulting in a longer time to roll out and validate ids in the field. This is also accentuated by the fact that

there are multiple ways to spell a village and individual names plus people can go by several different names.

- Some of the Partner forms from the field have been photocopied with the originals sent to accounting. The photocopies were not legible by the data entry team and had to be redone. This whole issue should be corrected on the nutrition side with the production of the form booklets.

### **Lessons Learned**

- GIS data will help to solve the problem caused by changing GVHs and villages
- The process of issuing Unique IDs to 250,000 beneficiaries is a time consuming process. With the challenges of beneficiaries coming and going and changing names our unique IDs will not be perfect but we will have to work with what we have.

### **Observations from the Quarter, conclusions and recommendations**

Overall the team has been very busy working to improve data quality. The GIS pilot will inform our way moving forward for the remainder of the year and we look forward to providing GIS data for all districts in the projects zone of influence. This process will also help to improve data quality by reducing the problem of multiple spellings for the same village. Unique ID roll out continues and we hope to provide other Implementing Partners with unique IDs for our beneficiaries in all of the surge districts by middle of next quarter.

### **Principal activities planned for Q3**

- Complete GIS pilot in Malingunde and Mlomba EPAs and write up lessons learned and way forward for the FtF-INVC ZOI
- Procure additional GIS devices and start to gather GIS data for the entire project Zone of Influence beginning with the surge districts and focusing on aggregation and warehouse data.
- Conduct the Gross Margin spot survey toward the end of the quarter and work with SPRING to define the data collection protocol for the new indicator on nutritious crops set aside for consumption
- Revise PIRs for the Marketing team to clearly define data sources and data gathering responsibilities
- Start the shadow DQA and QC training process with partners
- Begin the Nutrition Outcome Survey for all 5 districts
- Finish with unique ID roll out

## Success stories:

### Story 1: Strong farmer clubs and sustainable governance

One of the FtF-INVC M&E Coordinators recently visited Kambuku Village under Kamzati Group Village Headman Traditional Authority Kachindamoto in Dedza District during a beneficiary validation exercise and was very pleased to see strong clubs with good sustainable leadership. The original club called Madalitso (meaning blessings) formed under CADECOM with the distribution of groundnut seed, was comprised of 29 members and has now added an additional club due to the success of the groundnut seed revolving scheme with two more clubs already identified for next growing season. The members of the club are pleased to be growing groundnuts and are excited about adding more nutritious food to their diet.

### Story 2: CARE Groups, promoting WASH and primary education in Mangochi

FtF-INVC M&E staff during a field monitoring visit in Mangochi made a delightful discovery when it was noticed that a mother had constructed a dish drying rack to improve the sanitation in her household. An even more interesting discovery was that every household in the village visited had a dish drying rack. Furthermore during a discussion with the Care Group mother it was discovered that the Care Group was helping mothers to utilize community resources by engaging village leaders to encourage mother to send their children to school, more evidence of the strength of the care group model to change behavior.

## Conclusion

This reporting period registered a renaissance at INVC as we began adjusting to our new extension period objectives, sought deeper, tangible productive relationships with our beneficiaries, Implementing partners, collaborators and client, USAID. A number of internal and external consultations were undertaken to build a common Mission, Vision and revised implementation strategy.

Implementing a program of this diversity through a purist Forward Approach has proven challenging, both for us and for our Local Implementing Partners. The roles, responsibilities and articulations were poorly defined from the beginning and this is only coming to light now as we attempt to improve our working relationships.

This quarter saw an uptick in activities related to capacity reinforcement, but also related to the managing of new technology introductions during an environmentally challenging growing season. Our nutrition activities evolved positively with food preparation, processing and dietary diversification joining our WASH related activities and nutrition behavior change/Care Group interventions. The new focus on integration of nutrition with value chains led us on a process of discovery where we found many more positive dynamics and inter-relationships than ever before.

The Program is centering itself on its beneficiaries, on collaborating with grain legume growing households who are members of Farmer's membership organizations AND Care Groups. We are attempting to deepen the impact of our interventions while constantly remaining attentive to potential partnerships, synergies and secondary flow down effects from layered implementation.

INVC has begun a dialog with our IP's to get them to collaborate more closely inside of communities where they jointly intervene with each INVC partner being asked to bring their strengths to the table and to capitalize on the strengths of others to leverage synergies. We are increasingly more attentive to gender and a woman's need for an empowered voice, access to resources and to leadership within the community. We understand the importance of communities capitalizing themselves to build resilience and mitigate risk related to economic or environmental factors.

The Project appreciates the frank collaboration we are receiving from USAID. The insights, guidance and support we are receiving have truly been enriching. We truly want to merit the confidence that has been exhibited by the Mission in according us this extension. We have turned a corner, but there's still a lot of hard work which remains ahead.

## **Annexes**

## Grants Management

This quarter, funds amounting to US\$ 506,429 were distributed to six grantees. Grantee expenses amounting to US\$ 477,856 were liquidated during the same period. Cumulative grantee expenses cleared by FtF-INVC are now 89% of total funds disbursed to grantees.

Fourteen grant modifications were formalized during this quarter. There was no increase of the grant value as all modifications included period of performance modifications. The only exception was ACE whose budget was realigned as part of one grant modification.

FtF-INVC engaged in 1 coaching session and 15 grants-related meetings with 25 grantee staff, during this quarter. Out of the 25 grantee staff, 6 were females. Some of the issues under discussion during such meetings were: expense documentation, project closeout procedures, cost share and uncleared advances.

The MMPA grant close out is expected to be finalized early in the next quarter.

### Task 1: Fund Design

The \$11 million “Investing in Innovation Fund” (IIF) is an integral element of FTF-INVC’s programming across Components 1, 2, and 3. The fund is open to private and non-governmental entities, and public-private partnerships that are able to demonstrate that proof-of-concept interventions can be tested in one growing or marketing season or less. Proposals must demonstrate a clear business case for scaling that is built upon end-market analysis and a financing plan. The \$9 million “Implementation Support Fund” (ISF) cuts across Components 1, 2, 3 and 4. It is intended primarily to support the refinement and scaling of partner programs that align very closely with FTF-INVC objectives in value chain competitiveness, productivity, and community nutrition activities. ISF grants will also enable FTF-INVC to build partner capacity to meet the objectives of USAID’s FORWARD Policy.

The basic DAI Grants Manual was adapted to FTF-INVC’s needs and submitted to and approved by USAID in the last quarter of FY 2012. Based on a request submitted by Ftf-INVC in the quarter ended 30 September 2014, we received approval from USAID to:

- a) Increase the Standard Grant amount ceiling from K1.5 m to K 4 m and,
- b) Increase the maximum period for Standard Grants from 18 to 36, months.

This approval was received on 6 February 2015. The Grants Manual is being amended by DAI Washington to address the approved changes.

### Task 2: Operationalize Funding Mechanism

#### Sub-task 1: Establish Grant Review and Management Process

The table below shows the cumulative progress to date in FTF-INVC grant review, USAID concurrence and signature.

**Table 16: Cumulative progress in USAID concurrence and signature**

Components	Concept Notes	Proposals	Total Received	Grants concurred by USAID to date	Grants signed to date including current quarter
Advancing value chain competitiveness	13	6	19	2	2
Improving productivity	6	7	13	4	4
Improving community capacity to prevent under – nutrition	2	2	4	2	2
Investing in innovation	0	2	2	1	1
Developing local capacity	4	1	5	1	1
<b>Grant Total</b>	<b>25</b>	<b>18</b>	<b>43</b>	<b>10</b>	<b>10</b>

### Grant preparation and signing

FtF-INVC did not sign any new grants this quarter.

### Grant Modifications

There were 14 grant modifications developed for all 7 grantees; two per grantee. For all the grantees, barring ACE, the two modifications were period of performance amendments. The first modification was for extension of the period of performance from 31 December 2014 to 28 February 2015 and the second was for an extension of the period of performance from 28 February 2015 to 30 April 2015. The only exception was ACE whose budget was also re-aligned to reflect reallocation of unutilized resources, in addition to the two period of performance amendments.

### Grant Closeouts

Final approval is expected very early in the next quarter from the FtF-INVC Finance and Administration Director to close the Malawi Milk Producers Association (MMPA) grant. This will be obtained after reconciling expenses cleared by the project with MMPA's final financial report. This reconciliation involved checking with DAI Washington for funds initially advanced by them.

**Table 17: Summary of Grants signed**

<b>Grantee</b>	<b>Grant modifications signed this quarter (US\$)</b>	<b>Total Signed Grants Value (US\$)</b>
ACE		867,882
NASFAM		3,072,693
MMPA		336,088
IITA		591,610
FUM		850,798
CADECOM		633,003
PAKACHERE		331,149
NKHOMA		643,279
MIM		77,480
CISANET		166,786
<b>TOTAL</b>	<b>-</b>	<b>7,570,768</b>

### Proposals submitted to USAID

During this quarter, no proposals were submitted to USAID.

## MANAGEMENT OF POST-GRANT AWARD ACTIVITIES

**Table 18: Analysis of the submission of expense reports**

<b>Grantee</b>	<b>Expense reports submitted and reconciled this quarter (US\$)</b>	<b>Expense reports submitted and reconciled (US\$) – Cumulative to date</b>
ACE	30,860	684,746
NASFAM	275,547	1,470,964
MMPA	11,352	309,296
IITA	3,462	110,758
FUM	130,214	589,523
CADECOM	3,318	417,447
PAKACHERE	6,793	210,506
NKHOMA	10,411	406,790
MIM	-	54,926
CISANET	5,899	80,487
<b>TOTAL</b>	<b>477,856</b>	<b>4,335,443</b>

Most of the grantees continue to submit their expense reports by the 15<sup>th</sup> day of the next month. This can be attributed to a better understanding by them that it is their own efforts that will improve their capacity to qualify for direct receipt of USAID grants. During this quarter, approximately US\$ 477,856, in expenses were 'cleared' by DAI, after we were satisfied that documents submitted were compliant with DAI and USAID requirements. The project held discussions with IITA regarding their budgeted request for a Seed Revolving Fund. This will be paid once the final project completion certificate is signed. NASFAM is yet to pay Agribusiness Growth Management for marketing consultancy work carried out by that organisation in the first half of 2014. It is also yet to clear a significant amount of its advances from the project and that has been the topic of several discussions with them during the quarter. For this reason, the project paid two of NASFAM's suppliers Seed Co Malawi and Tamara Safety Products, directly.

Nkhoma CCAP Hospital has been late in submitting its cost share, expense reports and financial reports. This has been discussed with them and they have been urged to submit them without further delay. The project has produced a financial procedures manual that will guide grantees when obtaining documentation that is compliant from their officers.

The Grants Manager sent out forms to all grantees who have procured Non-expendable property utilising project grant funds. These forms are to be filled out and submitted to the project for future reference.

The Grants Manager also requested 4 grantees (ACE, NASFAM, CADECOM, and FUM) to carry out audits as they have received more than US\$ 300,000 in certain financial years. The scope of work for such audits is expected from the grantees concerned.

### **Submission of Financial Reports**

Most grantees submit accurate Financial Reports which are adjusted, as required, once the expense reports have been accepted by FtF-INVC.

Grantees also submit Financial Reports when they submit a funding request.

## Grantee Funds Requests

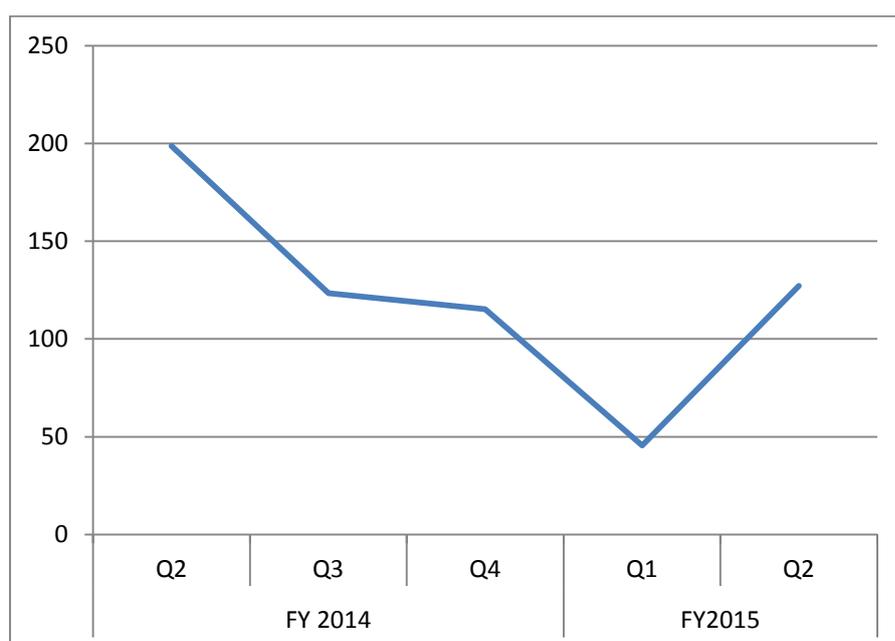
The following grantees submitted funds requests and were paid during the quarter. A summary of such payments is shown in the table below:

**Table 19: Summary of funds disbursed and advances cleared**

Grantee	Funds disbursed by DAI this quarter (US\$)	Funds disbursed by DAI (US\$) – Cumulative to date	Cleared Advances (US\$)	Cleared Advances as a% of Funds Disbursed
ACE	22,377	647,704	578,222	89
NASFAM	174,692	1,676,797	1,329,797	79
MMPA	-	298,647	298,647	100
IITA	-	121,711	108,046	89
FUM	111,929	690,448	589,523	85
CADECOM	29,174	505,476	386,302	76
PAKACHERE	87,500	339,281	210,000	62
NKHOMA	80,757	439,575	359,714	82
MIM	-	54,926	54,926	100
CISANET	-	98,698	74,298	75
<b>TOTAL</b>	<b>506,429</b>	<b>4,873,263</b>	<b>3,989,475</b>	<b>82</b>

Funds disbursed to grantees this quarter exceeded the amount paid in the last quarter by 27%. This was mainly because grantees were able to reduce earlier advances significantly enough to warrant receipt of further advances. Below is a graph denoting the trend of grants disbursed during the quarter as a percentage of the previous quarter.

**Figure 2: Grants disbursed as % of previous quarter**



## **Grantee Training on Grants/Finance/Reporting Issues**

### **Interaction with Grantees**

During the quarter, 15 meetings and 1 coaching session was held with a total of 25 staff (19 male and 6 female) from grantees and non-grantee technical and business service providers. The topics covered in such meetings and coaching sessions included issues pertaining to, among others, expense documentation, project closeout procedures, cost share and uncleared advances.

The Grants Manager and Finance and Administration Director held the second Technical Working Group (TWG) of Grants Accountants in February 2015 at FtF-INVC offices. The mandate of this committee is to discuss and agree on better ways to document and account for grants related expenditure. One of the main action points of this meeting was the need for a financial procedures manual that will assist grantee staff in presenting documents that properly vouched the expenditure incurred. It would also give grantee staff more confidence when dealing with project staff.

### **Grantee Engagement**

While there were no grantee review meetings this quarter, the Grants Manager, Finance and Administration Director and Grants Accountants continue to proactively engage with grantee staff to clear their expense claims.