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NAFAKA STAPLES VALUE CHAIN ACTIVITY

TASK ORDER NO. AID-621-TO-11-05000

QUARTERLY PERFORMANCE REPORT
(January 1, 2014 – March 31, 2014)

April, 2014

This publication was produced for review by the United States Agency for International Development. It was prepared by ACDI/VOCA in compliance with the terms and conditions of Task Order No. AID-621-TO-11-05000.

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LIST OF ACRONYMS

AIRD	Associates for International Resources and Development
BCC	Behavioral Change Communication
BDS	Business Development Services
CAADP	Comprehensive Africa Agriculture Development Programme
CBAP	Capacity Building Action Plans
CRS	Catholic Relief Services
DCO	District Coordination Officers
DPS	Direct Paddy Seeder
EMMP	Environmental Management and Monitoring Plan
EPA	Environmental Protection Agency
FA	Field Agent
FFS	Farmer Field School
FICA	Farm Inputs Care Centre
FIPS	Farm Input Promotions-Africa
FtF	Feed the Future
GAP	Good Agricultural Practices
IFDC	International Fertilizer Development Center
IWD	International Women's Day
KATI	Kizimbani Agricultural Training Institute
KATRIN	Kilombero Agricultural Research and Training Institute
KPL	Kilombero Plantation Limited
KVTC	Kilombero Valley Teak Company
M&E	Monitoring and Evaluation
MFTC	Mkindo Farmer's Training Centre
MIS	Management Information System
MSME	Micro Small and Medium Enterprises
MVIWATA	Mtandao Wa Vikundi Vya Wakulima Tanzania
NFRA	National Food Reserve Agency
PASS	Private Agriculture Sector Support
PERSUAP	Pesticide Evaluation Report and Safer Use Action Plan
PMP	Performance Monitoring Plans
PO	Producer Organizations
QDS	Quality Declared Seeds
RGoZ	Revolutionary Government of Zanzibar
RiG	Transocean Ltd.
RUDI	Rural and Urban Development Initiative
RUP	Restricted Use Products
RYMV	Yellow Mottle Virus
S	Standard Indicator
SACCO	Savings and Credit Cooperatives
SMFM	Sell More For More
SILC	Savings and International Lending Community
SP	Service Provider

SPSS	Statistical Package for the Social Sciences
STTA	Short-Term Technical Assistance
SUAP	Safer Use Action Plan
TAPP	Tanzania Agriculture Productivity Program
TOSCI	Tanzania Official Seed Certification Institute
ToT	Training-of-Trainers
TPRI	Tropical Pesticides Research Institute
Tsh	Tanzanian Schillings
TXD 306	Tanzanian Cross Dakawa 306
UDP	Urea Deep Placement
USAID	United States Agency for International Development
USD	United States Dollar
USEPA	United States Environmental Protection Agency
USG	United States Government
VBAA	Village-Based Agricultural Advisors
WOG	Whole of Government Indicator
WFP	World Food Program
YOSEFO	Youth Self Employment Foundation
ZARI	Zanzibar Agricultural Research Institute

I. EXECUTIVE SUMMARY

The NAFKA Staples Value Chain Activity is a five year Task Order issued by USAID under the Tanzania Feed the Future (FtF) Initiative and administered by ACDI/VOCA. NAFKA integrates agricultural, gender, environment and nutritional development efforts to improve smallholder farmer productivity and profitability within the rice and maize value chains in Morogoro (Kilombero and Mvomero Districts), Dodoma (Kongwa district) and Manyara (Kiteto District). NAFKA’s goal is to sustainably reduce poverty and food insecurity by increasing incomes for smallholder farmers, including men, women and youth.

This Quarterly Performance Report for the period January 1 – March 31, 2014 contains the following sections consistent with the quarterly reporting format requested by USAID/Tanzania: (1) this Executive Summary; (2) Introduction; (3) Implementation Progress; (3) Activities Implemented in Zanzibar (Unguja and Pemba); (4) Key Achievements/ Results; (5) Problems/Challenges; (6) Planned Activities; (7) Special Issues; and (8) Cross-Cutting Issues. Annex 1 of this report includes quantitative information on performance against PMP indicators, while Annex 2 includes a success story submitted to the Mission during this reporting period. Financial information for the reporting period is submitted under separate cover in the Quarterly Financial Report as per requirements detailed in Section F.6 (e) of our Task Order

Project Scale Up:

During this quarter, the NAFKA program focused its efforts around both scaling out interventions into new villages as well as deepening interventions along the value chain. The project devoted resources to:

- Initiated and intensified activities in 137 villages identified in the previous quarter in Kongwa, Kiteto, Mvomero, Kilombero, and Zanzibar.
- Launching the grant agreement with Kilombero Rice Plantations to initiate the transition of NAFKA activities to KPL at this location, to work with a total of 2,200 beneficiaries.
- Hiring 11 new staff to support the scale-up.
- Identifying new regions Iringa and Mbeya for expansion in the coming quarters.
- Capacity Building Action Plans (CBAPs) with NAFKA’s two main local subcontractors, MVIWATA and RUDI.

Through this scale up, NAFKA has reached 53,018 beneficiaries during this reporting period, representing a 136% increase from the previous quarter. This table below includes both individuals new to the program, and those continuing from last year.

Table 1:

NAFAKA Outreach	New Q2 FY 2014	Continuing from Q1 of FY 2014	Total Q2 FY 2014	Cumulative LOP
Number of Farmers, Services Providers or Clients of SPs Reached	32,782	20,236	53,018	67,142
Total Beneficiaries¹	152,150	93,938	246,088	311,646

¹ Based on NAFKA households reached, using a 4.8 multiplier as an average family size in Tanzania and using a multiplier of 0.967 to calculate total beneficiaries.

Improved Value Chain Productivity

- **Demonstration Plot and Good Agricultural Practices (GAP) Training:** NAFKA identified 810 plots to date—promoting seven technologies and practices that include: land preparation, proper spacing, use fertilizer and improved seeds, water management, pest and disease control and crop husbandry. Further, NAFKA conducted GAP Module 1 and Module 2 Training of Trainers (ToTs) for Agronomists (11), District Coordination Officers (DCOs) (5), village-based agricultural advisors (211) and lead farmers (194) for roll out across project areas.
- **Service provider development:** NAFKA continued to support networks of private sector service providers, including: 108 agro-dealers, 211 village-based agricultural advisors (VBAs), 117 SILC field agents, and 11 certified SILC private sector service providers.
- **Private Sector Engagement:** Input supply companies contributed approximately \$9,789 in in-kind products (seeds, fertilizers and agrochemicals). YARA, Tanseed, Seedco, Minjingu, Bytrade, Monsanto, East Africa Seed, FICA Seed, Tropical Seed, Subagro and BASF. Eight hundred and ten demonstration plots were identified and are being established in partnership with these companies, whose agronomists participated in training sessions on the plots to demonstrate the effectiveness of their inputs.

Expanding Markets and Trade

- **Marketing associations:** NAFKA continued to build the capacity of 80 producer associations, focusing on collective marketing, negotiations and service provision to farmer members. A total of 2,261 metric tons of paddy were sold collectively through the associations with at a total value of Tshs 792 Million.
- **Apex associations:** NAFKA facilitated the formation of three apex organization in Ifakara Cluster. The new associations are Shirikisho la Wakulima Ifakara, Shirikisho la Wakulima Mlimba and Shirikisho la Wakulima Mang'ula
- **Market Information System (MIS):** NAFKA introduced an Agriculture Market Information System managed by subcontractor MVIWATA. 50 farmers (21 men and 29 women) in Mvomero were trained on how to use the system through their mobile phones.

Increased private investment in agriculture

- **Private-public partnerships:** NAFKA continues to work with KPL and KVTC in mutually developing outgrower programs promoting the provision of agricultural inputs and crop marketing within the rice value chain, expanding the outgrower scheme. NAFKA launched the grant agreement with KPL, to work with a total of 2,200 beneficiaries.
- **Input supply company relationships:** Eleven input supply companies have partnered with NAFKA to demonstrate their products (seed, fertilizer, agrochemicals) and develop a rural customer base and distribution channels.
- **NAFKA Innovation Grants:** NAFKA is currently administering the following grants: Warehouse Upgrading Grant, KPL Grant and ZARI and KATI grants.

Increased Income for Vulnerable Smallholders

- **Expanded savings and internal lending communities:** NAFKA reached 5,550 households through SILC groups.
- **Food security and nutritious crops:** Five hundred and forty-four SILC group members received training on sustainable organic farming and vegetable crop production.

2. INTRODUCTION

Project Description

NAFAKA aligns with the Feed the Future (FtF) goal to harmonize regional hunger- and poverty-fighting efforts in countries with chronic food insecurity and insufficient production of staple crops. NAFKA works with rural communities and the Government of Tanzania to analyze the local rice and maize value chains and develop strategies to strengthen them. NAFKA represents a commitment to Tanzania's country-led Kilimo Kwanza initiative to reinvigorate agricultural growth emerging from the Comprehensive Africa Agriculture Development Programme (CAADP) process.

The NAFKA team is composed of a consortium of subcontractors that include:

- ACDI/VOCA – Overall project management, operations and technical leadership.
- Rural and Urban Development Initiative (RUDI) and Mtandao Wa Vikundi Vya Wakulima Tanzania (MVIWATA) – Local service providers focused on developing farmer's associations in target locations.
- Farm Input Promotions-Africa (FIPS) – An East African organization developing village based extension.
- International Fertilizer Development Center (IFDC) – Providing technical expertise in rice production, irrigation and agro-dealer networks.
- Danya International – Providing technical expertise in behaviour change communications
- Kimetrica – Supporting the monitoring and evaluation team and IT development.
- Catholic Relief Services (CRS) – Addressing the needs of the most vulnerable in target regions.
- Short-term technical support from MatchMaker Associates, Crown Agents and Associates for International Resources and Development (AIRD).

Goals and objectives

The goal of NAFKA is to sustainably reduce poverty and hunger by improving the productivity and competitiveness of value chains that offer job and income opportunities for rural households. The goal aligns with the Feed the Future Initiative (FtF) overall goal, "to sustainably reduce poverty and hunger." NAFKA promotes growth by facilitating competitiveness of the smallholder-based rice value chain, and balances these impacts on growth and broader effects to reduce poverty through investments aimed at improving the competitiveness and productivity of the maize value chain.

To sustainably reduce hunger and poverty, NAFKA will:

- Improve the competitiveness and productivity of the rice and maize value chains.
- Facilitate improved domestic and regional trade in rice and maize.
- Expand the depth and breadth of benefits from the growth of the rice and maize subsectors, including increased benefits to women and youth.
- Enhance rural household nutrition by promoting women-focused value chain development and improved consumption of a quality diet.

3. IMPLEMENTATION PROGRESS

This section presents NAFKA's progress in implementing activities according to the key result areas as per the NAFKA project document. The key result areas of NAFKA are:

- Improved value chain productivity.
- Expanding markets and trade.

- Increased private investment in agriculture.
- Increased income for vulnerable smallholders.

Cross Cutting Issues are addressed under Section 9 of this report, which include gender integration, behavior change communication, environment and natural resource management, and monitoring and evaluation.

IR.1. Improved Value Chain Productivity

NAFAKA's productivity enhancement efforts are aimed at sustainable reducing poverty by improving the productivity and competitiveness of rice and maize value chains. Our agricultural productivity activities utilize multiple interventions designed to bring about positive change in farmers' practices through integration of core behaviors in their farm activities. Last quarter, NAFKA finalized protocols for the private-sector sponsored demonstration plots. This quarter focused on developing the demonstration plots; facilitating access to inputs and extension services through VBAAAs, agro-dealers and input supply companies.

I.1. Enhanced Human and Institutional Capacity Development for Increased Sustainable Agriculture Sector Productivity

During this reporting period, NAFKA facilitated trainings and services to 53,018 individuals across four districts on Tanzania mainland and Zanzibar. More details on this are described under section I.1.4 and Section 4.

I.1.1. Build Capacity of Local Implementing Partners

Prime contractor ACIDI/VOCA continued to support capacity development efforts of local partners RUDI and MVIWATA through their respective capacity building action plans (CBAPs). During the quarter both subcontractors attending Inside NGO training. The topic covered include: USAID Rules & Regulations; USAID Procurement Planning & Execution; and USAID proposal development from RFA/RFP to Proposal. NAFKA will identify a capacity building consultant to complete a financial manual review and revision for RUDI and MVIWATA. We are also seeking a consultant to complete a strategic plan review and development for both subcontractors.

I.1.2 Producer Associations and Group Strengthening

During the quarter, NAFKA's prime activity under association development was facilitation of the "Sell More For More" participatory training program. The association development unit facilitated the formation of three apex organizations for Ifakara cluster and continued providing capacity building efforts to the eighty associations established in previous quarters including the existing water user associations, Mgongola and UWAWAKUDA. Seventy-one new savings and internal lending groups were formed during the quarters, details of which can be found under subheading IR.4.

The training program for new producer association training focused on Leadership 1 and Constitution Development modules, while trainings for established associations included Leadership 2, Marketing, Operations Management, Record Keeping and Advocacy modules.

I.1.3. Engaging Agricultural Research and Training Institutes

NAFAKA continued its collaboration efforts with six research and training institutions.

A new partnership with Ilongo Research Institute, based in Ifakara that specializes in alternative seed research was established this quarter. NAFKA is working with Ilongo Research Institute to promote the use of alternative seeds that include: pigeon peas, sorghum and sesame seeds. NAFKA is promoting alternative crops to provide income diversification, allowing smallholder farmers to take advantage of other markets and spread economic risk when their major crop of fails.

NAFKA continued working with Kilombero Agricultural Research and Training Institute (KATRIN) (to cover Mvomero District) and Chiloma Research Institute (to cover Kilombero District), rolling out the Urea Deep Placement (UDP) trials. The UDP program will be initiated in the rice growing areas first, because the fertilizer performs best with crops that require a lot of water. The UDP trials have been expanded to Zanzibar in partnership with Zanzibar Agricultural Research Institute (ZARI), more details on this can be found under Section 4, Zanzibar Activities.

In addition, NAFKA continued providing extension services in collaboration with Mkindo Farmer's Training Centre (MFTC) in Mvomero District. Thirty-nine farmers (including 19 women) from Mgongola Irrigators Association graduated from a four-month long Farmer Field School (FFS) training, conducted by Mkindo Farmers Training Centre with support from NAFKA. The training was designed to improve the productivity of selected smallholder farmers who are expected to become 'Master Trainers' of Good Agricultural Practices (GAP) and execute the cascade training methodology within their groups. Every graduate will provide training to 25 farmers who will also be expected to transfer knowledge gained to other farmers in their community.

1.1.4. Training on Good Agricultural Practices (GAP)

NAFKA's agricultural productivity activities are designed to bring about positive changes in farmers' practices through integration of core behaviours in their farm activities. NAFKA uses a combination of training approaches that include: on-farm cascade training in modern agronomic practices, residential trainings, farmer exchange visits and farmer field days to instil these key behaviours. The trainings are facilitated by NAFKA agronomists, village based agricultural advisors, agro-input companies, agro-dealer extension agents, and government extension agents. Training on modern agricultural technologies and practices is the initial step aimed at imparting knowledge and skills so that producers develop the capacity to adopt and in turn increase marginal sales and yields. NAFKA facilitated training for a total of 24,587 farmers during this reporting period.

NAFKA GAP training program: For farmers to achieve maximum impact on yields and quality NAFKA has designed a productivity training program intended to equip farmers with skills and knowledge in GAP. The training program has three modules which are introduced on demonstration plots and address the entire crop production cycle. The implementation status of each module during the quarter is highlighted below:

Module 1—Mwanzo: Input selection, land preparation, planting, first top-dressing.

NAFKA delivered the first round ToT of the module to the project's eleven agronomists and five DCOs. The second round of ToT was also delivered by the agronomists and DCOs to one hundred and ninety four Lead Farmers and two hundred and eleven VBAAAs. The VBAAAs and Lead Farmers started delivering the training program directly to farmers.

Module 2—Nufaisha: Weed & pest identification and management, second top dressing.

The first round ToT to the project agronomists and DCOs was delivered this quarter. The second round of ToT is expected to be delivered by the agronomists and DCOs to the Lead Farmers and VBAAAs in the next quarter. The VBAAAs and Lead Farmers will also be expected to deliver the training program directly to farmers the coming quarter.

Module 3—Imarisha: Pre-harvest, harvest, and post-harvest practices.

The productivity team finalize content for this module during the quarter. In the next quarter NAFKA will use the same cascade training approach implemented with the previous modules in disseminating the training program.

1.1.5. Developing Extension Service Providers

NAFAKA has established a continuously growing sustainable network of rural-based input dealers, select agro-dealers, and select entrepreneurial farmers to increase farmers' access to improved inputs such as seeds, fertilizers and agrochemicals. NAFKA builds the capacity of these individuals by facilitating ToTs that cover topics such as GAP and ensures that each provider complements one another.

Village-Based Agricultural Advisors — NAFKA continued to strengthen a network of 211 rural village-based agricultural advisors (VBAs); 50 in Mvomero, 44 in Kilombero and Ifakara, 18 in Mlimba, 47 in Kiteto and 52 in Kongwa. These VBAs are closely monitored by 5 DCOs. In the last quarter, NAFKA facilitated the formation and registration of 5 VBA associations in Kongwa, Kiteto, Mvomero and Kilombero Districts. For this reporting period NAFKA facilitated constitution and leadership training to the newly formed associations. NAFKA is encouraging VBAs to form associations in order to increase the number of viable, sustainable economic agricultural enterprises. As an association, VBAs can access seed dealer and fertilizer stock list certificates for distribution of seed and fertilizer inputs at village level. NAFKA will focus on establishing the infrastructure of these VBA associations in leadership capacity building and enterprise development.

Agro-dealers — Although demand for improved seed, fertilizer and agrochemicals has increased at field level due to NAFKA interventions, accessibility and affordability is still an issue. Farmers in remote areas continue to lack access to affordable high quality inputs and the necessary technical knowledge. This hinders small farmers to increase their productivity and diversify into higher value agriculture production. To address this situation, NAFKA is supporting a network of 108 trained and certified agro-dealers, in providing GAP advice to farmers throughout the season. During the quarter NAFKA worked with agro-dealers to establish 23 agro-dealer demonstration plots (7 in Kongwa and Kiteto, 2 in Mvomero and 14 Kilombero). These demonstration plots will demonstrate a wide variety of agro-input products, best practices in inputs and chemical usage and promote improved agricultural practices. 14 agro-dealers were trained on the demonstration plots, on the effective use and application of fertilizer.

Farmers as Service Providers: NAFKA agronomists provided ToT to 194 Lead Farmers and 211 VBAs in GAP Module I, for roll out to neighbouring farmers and association members.

1.1.6. GAP Behavioral Change Communication (BCC) and Material Development

GAP Behaviour Change Communications Campaign: In this quarter NAFKA continued to promote phase II of the NAFKA BCC inputs campaign in NAFKA's zone of intervention. The campaign encourages maize and rice farmers to adopt GAP during the production/planting season.

Four hundred maize and six hundred rice posters were disseminated through VBAs and association leaders for placement in areas with maximum visibility within their communities. The posters were used during demo plots lessons, classroom trainings and are planned for use during Farmer Field Schools, and other field events.

Radio remains an important channel in reaching large numbers of farmers in isolated areas to increase farmer's awareness on different NAFKA activities. The project used both short spots as well as longer-form talk shows on the radio for training and transferring improved agricultural practices. In this quarter both rice

and maize radio spots were broadcasted at four select community radio stations; Pambazuko radio (Ifakara), Mwangaza radio (Dodoma for Kiteto and Kongwa), Abood radio (Morogoro) and Ulanga FM (Mahenge). The shows were live and interactive; the program promoted dialogue on the major issues of rural development as well as providing a platform for farmers (listeners) to call in questions which were answered by NAFKA technical team and successful farmers. Topics covered coincided with the productivity activities ongoing during the quarter. They included: land preparation methodologies, use of certified seeds, fertilizer application, weeding and topdressing.

Building on previous BCC campaigns, the BCC team developed creative prompts designed to encourage farmers to ask VBAs and association leaders questions about best farming practices. The prompts are printed on t-shirts and seasonal farming calendars. The farm calendar highlights various stages of the maize and rice crop cycle, which are intended to reinforce farming best practices such as the best time to initiate each stage of the production cycle. The t-shirts and calendars are planned for printing and distribution next quarter.

I.2. Enhanced Technology Development, Dissemination, Management and Innovation

NAFKA promotes and demonstrates the application of improved technologies to our targeted beneficiaries. The key technologies targeted under the strategy include popularizing improved seeds, fertilizers, ripping technology, UDP application, and quality declared seeds (QDS), and the use of a direct paddy seeder (DPS).

I.2.1 Demonstration Plots for Improved Technologies and Management Practices

During this reporting period, a total of 129 demonstration plots were identified, installed and planted; these include 34 rice, 72 maize, and 23 agro-dealer demonstration plots. This brings the total number of demonstration plots established during this cropping season to 810. The demonstration plots are at different stages of development. The demonstration plots promote a total of seven technologies and practices that include: land preparation, proper spacing, use fertilizer and improved seeds, water management, pest and disease control and crop husbandry. Demonstration plots are managed and maintained by VBAs, Lead farmers and agro-dealers, who also provide direct training on GAP to farmers with technical support from NAFKA agronomists and DCOs.

I.2.2 Private Sector Input Supply Engagements

NAFKA recognizes that private sector investment in agricultural supply chains contribute to sustainable development. NAFKA has created a platform through demonstration plots and ToTs for input companies to showcase and demonstrate their improved technologies (seeds, fertilizers and agrochemicals) with the objective of stimulating demand for these products. NAFKA worked with: YARA (Fertilizer), Tansed (Rice and Maize Seeds), Seedco (Maize Seed), Minjingu (Fertilizer), Bytrade (Maize Seed), Monsanto (Maize seed and Agro chemicals), East Africa Seed (Vegetable Seeds), FICA Seed (Maize seeds), Tropical Seed (Maize and Sunflower seeds), Subagro (Maize seeds) and BASF (Agrochemicals). This quarter, \$9,789 USD was invested in demonstration plots and small packs of seeds. The table below highlights the type and amount of inputs distributed during the reporting period in our areas of operation.

Table 2: Contributions of inputs within NAFKA intervention areas Jan-Mar 2014

Input	Type	Quantity (KG)	Value in TSH	Value in USD	Company Name
Minjingu	Fertilizer	850	594,880	372	Minjingu Mines and Fertilizer limited
Yara mila cereal	Fertilizer	900	1,080,000	675	YARA

Input	Type	Quantity (KG)	Value in TSH	Value in USD	Company Name
Yara bela (sulfan)	Fertilizer	900	1,170,000	731	YARA
SUBA (TZH 538)	Maize Seed	320	1,280,000	800	SUBA Agro
PIONEER	Maize Seed	525	2,362,400	1,477	Bytrade
LONGE 6	Maize Seed	100	400,000	250	FICA
DK	Maize Seed	1,950	8,774,880	5,484	Monsanto
Total			15,662,160	9,789	

1.2.3 Quality Declared Seed (QDS) and Certified Seed

Local availability of good quality seed is integral to increase the yield potential of smallholder farmer crops. The number of QDS seed producers was increased from 13 to 26 this quarter. The new QDS producers were trained on GAP for QDS seed as well as marketing strategies to distribute the seed they produce. NAFKA plans to upgrade the QDS seed producers to certified seed producer with the overall objective of becoming a local seed company. Out of the 56 seed producers selected from the TANSEED outgrower program, designed to increase availability and adoption of conventionally bred certified rice seed, 14 were approved by Tanzania Official Seed Certification Institute (TOSCI) to continue producing seed for local distribution.

1.2.4 Ripping Technology

Maize Fliers on Ripping. During the reporting period, NAFKA's BCC team continued working on the maize fliers demonstrating the steps for ripping and highlighted its benefits in maize farming compared to traditional tilling methods. The first version of the flier only promoted mechanized deep ripping. The fliers have been revised to include additional information promoting the spring-jembe—a cheaper alternative for those that cannot afford tractor tines in mechanized ripping. The final draft is anticipated to be completed next quarter for use during productivity seasons.

1.2.5 Scalable Technology – Urea Deep Placement (UDP)

In line with our strategy to increase the availability of inputs to local producers, NAFKA promotes the use of Urea Deep Placement (UDP) fertilizer. Last quarter, NAFKA completed the protocols for UDP trials. This quarter the protocols were implemented in close collaboration with KATRIN (to cover Mvomero District) and Chiloma Research Institute (to cover Kilombero District). Fifteen sites were set as trials on the use and benefits of UDP under close supervision by NAFKA and local district seed inspectors and researchers. Mvomero District will have one site in Chiloma Research Institute and one on-farm site. Kilombero Districts will have four sites in KATRIN and nine on-farm sites. The trials will compare UDP to conventional Urea with one variety of rice seed, TXD 306. NAFKA also plans to conduct a ToT on UDP next quarter with researchers and extension staff.

Results from the trials will influence the Ministry of Agriculture (in the mainland) decision to officially allow the technology to be used in farming practices. Trials on UDP also expanded to Zanzibar under implementation by ZARI. Although the mainland will introduce UDP based on the results from the trials, the Revolutionary Government of Zanzibar (RGoZ) has already allowed UDP to be used in Zanzibar. ZARI purchase 500 kg of UDP for trials in the demo plots before official introduction to the farmers.

IR.2. Expanding markets and trade

To be competitive in today's agricultural marketplace, farmers – especially smallholder farmers – need to be integrated into the full chain of production. NAFKA market and trade activities are focused on fostering monetary and relationship transactions up and down the value chain focusing on market information systems, collective marketing strategies, buyer linkages, stakeholder networking events and information sharing platforms.

2.1. Increased market efficiency

NAFAKA is facilitating investments along the rice and maize value chains by addressing critical constraints in the form of improved and/or less costly access to markets, market information, storage, finance and transport.

2.1.1. Strengthening farmer marketing associations

Formation and registration: NAFKA's association development component aims at fulfilling the objective on improving competitiveness and trade. During the quarter, NAFKA facilitated the formation of 3 apex organization for Ifakara Cluster. As an apex, farmer association capacity is expected to strengthen and be able to aggregate and bulk rice to supply to large commercial buyers. Additionally, NAFKA continued to facilitate training to the 80 existing associations on gender integrated leadership, managing the marketing process, association record-keeping and managing association operations.

Sell More For More (SMFM) Training Program: NAFKA continued to provide capacity building support to the 68 established associations (continuing from 2012) through the Sell More For More participatory training curriculum. SMFM includes four modules: Leadership, Marketing, Recordkeeping and Operations. Trainings this quarter included Leadership and Operations.

Associations that complete the SMFM curriculum will be assessed to determine what additional skill they may need. NAFKA has introduced value added service training to be delivered to associations that pass the assessment. Examples of value added service trainings may include financial linkage, mechanization services, value addition options like branding, market intelligence, joint advocacy issues etc.

Other Training Programs: NAFKA continued facilitating advocacy training to associations in order to equip farmers with knowledge, information and skills to voice their concerns and communicate their needs to various stakeholders. An avenue that NAFKA is promoting for farmers to advocate their concerns is the District Business Council Meeting that seeks to engage government officials and private sector stakeholders in dialogue aimed at improving business and investment environment at district level. Additionally, 520 farmers in Mvomero District received pre - constitution training. Seventy association leaders and 14 crop bank committee members were trained on access to credit and loan management.

2.1.2. Developing Marketing / Buyer and Input Supplier Relationships

Buyer Agreement with WFP: Discussion with the National Food Reserve Agency (NFRA) has secured an order to purchase 5,000 metric tons of white maize at prices dependant on quality from Mvomero, Kongwa and Kiteto associations. With orders as large as these NAFKA is promoting the establishment of apex associations to allow associations to have the capacity to supply to large buyers like NFRA.

Processing: NAFKA is working with associations to ensure sales are increased and investment opportunities are created by encouraging them to add value to their paddy by milling it. During the quarter NAFKA's

Market Linkage Specialist identified warehouses with milling facilities in Mang'ula, Ifakara and Mlimba clusters and surveyed their processing capacity. A mill established by USAID's Compete project was identified in Mangula and Ifakara Cluster, unfortunately they are located in areas that NAFKA currently is not implementing activities. In Mlimba, the facility identified was not utilized frequently because of the areas lack of reliable electricity or access to generators. Tuboreshe Chakula has supplied 3 milling machines at Madizini, Mvomero and Magugu villages. NAFKA plans to do sensitization activities in Mvomero encouraging farmers to use the facilities supplied by Tuboreshe Chakula. NAFKA will collaborate with Tuboreshe Chakula and link farmers to facilities that will improve food processing for nutrition and value addition.

Market Information System (MIS): NAFKA is strengthening collaboration and dialogue between stakeholders across rice and maize value chains through an Agriculture Market Information System managed by subcontractor MVIWATA. During the quarter 700 posters were designed and distributed to 5 villages in Mvomero to sensitize farmers on the MIS system. 50 farmers (21 men and 29 women) were trained on how to use the system by accessing commodity prices and seller information through their mobile phones. The MIS system represents 26 urban markets, 72 traders, 25 associations and 3,728 farmers from Mvomero District. The information makes available quantities required by traders, place of delivery including dates, contact information of traders and crop prices.

NAFKA also held roundtables between 40 farmers (23 male and 17 women) and 10 traders. During the session trade arrangements were discussed between the parties and rice and maize samples were presented to the traders.

2.1.4. Storage and Warehouse Management

Collective Storage: During this quarter, most farmer associations aggregated and sold all the paddy aggregated in the rented warehouses. Although the prices were low due to the importing of rice, the effects of duty-free imports, farmers had to sell because of cash demands for field activities. Paddy was sold at a price ranging between \$16 to \$31 per 100 kg depending on the quality and region. This price is lower compared to the previous two years which ranged from \$31 to \$56 per 100 kg.

Warehouse Upgrading Grants: Last quarter, NAFKA launched the warehouse-upgrading in-kind grants with 15 farmer associations to facilitate collective marketing in warehouses. This quarter saw the procurement of items that include: weighing scales, image equipment and computers. Procurement of office furniture, warehouse fittings, fire extinguishers and moisture meters is ongoing and should be completed in the next quarter.

2.1.3. Developing the Tanzania Rice Partnership

The Tanzanian Rice Partnership (TARIPA) was formed in 2011 as an informal clearinghouse responding to requests from rice industry stakeholders. Its original function was to lend support to the concept of Rice Cluster Development under the Southern Agricultural Growth Corridor of Tanzania (SAGCOT) initiative. TARIPA was initially housed within the USAID/FtF NAFKA project, with the idea of later transitioning it to the SAGCOT centre. Throughout 2012 and the first quarter of 2013 TARIPA was successful in providing information, linkages and coordination within the rice sector.

During the first quarter of 2013, the importation of CET exempt rice caused considerable disruption within the Tanzanian rice industry. Both the Government of Tanzania (GoT) and the private sector recognized the urgent need to develop a more cohesive industry environment. TARIPA was approached to assist in the development of a private sector led body for the Tanzanian rice industry. With the assistance of the GATSBY foundation the TARIPA office began the process of evaluating the options of forming a private-sector driven body for the Tanzanian Rice Industry. These efforts were stalled during the second half of 2013.

After recruiting two officers to lead activities under TARIPA in February and March 2014 momentum was revitalised. Extensive consultations revealed that the TARIPA / SAGCOT linkages had been neglected during the early stages of developing a Rice Association of Tanzania. Further it was highlighted that there was a lack of Tanzanian ownership and legitimacy. Additional consultations with industry stakeholders revealed that: 1) all parties agreed on the urgent need for some form of industry alliance 2) that the Tanzanian private sector (within the rice industry) must demonstrate its commitment by taking on a leading and pro-active role and that NAFKA (TARIPA) would play a consultative and supportive role.

Linkages between the SAGCOT centre and private sector stakeholders were strengthened and the concept of a Rice Council of Tanzania, rather than an association began to take shape. Key stakeholders within the Tanzanian rice industry met in March 2014 and agreed on the formation of a Rice Council of Tanzania. The importance of private sector involvement and commitment was strongly emphasized to ensure ownership and legitimacy. Recognizing the achievements of TARIPA, it was nevertheless decided to drop the concept of an informal TARIPA partnership in order to avoid further confusion of roles, functions and legitimacy and focus on the development of a Rice Council of Tanzania. TARIPA's original mandate would become conceptualized within the operational plan of the Rice Council of Tanzania.

The Rice Council of Tanzania is set to become a legal entity, giving it recognition and legitimacy within the rice industry of Tanzania and with the Government of Tanzania.

The objectives of the Rice Council of Tanzania are:

- To be the service and information provider to the Rice Industry of Tanzania
- To develop greater trust amongst value chain actors and garner 100% private sector ownership and support
- To be the trusted private sector partner representation towards the Government of Tanzania
- To incorporate the current roles and functions of TARIPA within the Rice Council of Tanzania
- To take a lead role in formulating communication strategies for the rice sector development
- To cooperate with the Government of Tanzania in rice sector policy development

2.2. Improved Access to Business Development and Affordable Financial and Risk Management Services

2.2.1 Increased Access to Agricultural and Rural Loans

Smallholder farmers are challenged by the lack of access to finance. To improve efficiency in production and adopt improved technologies, timely access to short term finance for input purchase is fundamental. Because maize and rice are seasonal crops, costs for inputs are incurred before the harvest. During the quarter NAFKA facilitated farmers' access to loans and monitored previously accessed loans.

- YOSEFO: Fifty farmers who completed procedures for loan applications to YOSEFO last quarter were issued loans averaging \$281 each.
- Savings and internal lending community (SILC) loans: SILC groups issued loans totaling \$155,151 to its members. More information on SILC groups can be found under component 4.

NAFAKA is also developing innovative financing products that go beyond short term access to finance. For example, in Morogoro, NAFKA assessed SACCO APEX's potential to upgrade to a Community Banks (Apex Bank) or registered MFI. Progress of this will be highlighted in future reports.

2.2.2 Increased Access to Business Development Services (BDS) for MSMEs

During the quarter NAFKA has facilitated BDS for 2,099 MSMEs, including farmers and SILC group members to provide agricultural and marketing business services through access to capital and agro inputs.

- 23 agro-dealer demonstration plots were established this quarter as a platform to showcase performance of various agricultural inputs. 14 agro dealers were trained on the demonstration plot on the effective use and fertilizer application.
- VBAs as seed dealers sold 9 metric tons of seeds in Kiteto and 4 metric tons of seeds in Kongwa to farmer clients this quarter
- SILC Refresher training was conducted to 27 SILC Field agents of Kiteto district. 17 FAs from Kongwa were deployed during the quarter. NAFKA is working with 117 Field agents and 11 PSPs providing SILC services to 5,550 members.

NAFAKA also opened discussions with Private Agricultural Sector Support Limited (PASS) to develop capacity for local enterprises with leasing experience. NAFKA will collaborate with PASS to identify and capacitate selected local enterprise(s) to become mechanization service providers. The developed local leasing companies under this initiative will be licensed to provide leased equipment and storage services through PASS Guarantee.

IR.3. Increase Private Sector Investment in Agriculture

3.1 Develop Strategic Partnerships with Lead Private Sector Firms

NAFAKA continues to work with Kilombero Plantations Limited (KPL) and KVTC (Kilombero Valley Teak Company) in mutually developing outgrower programs promoting private sector involvement in the provision of agricultural inputs and crop marketing within the rice value chain. During the quarter NAFKA facilitated GAP and leadership association training to outgrowers and also launched a fixed obligation grant with KPL. The grant will provide partial funding to the outgrowers program, while facilitating KPL to take on more of the direct management of the entire program.

3.2 NAFKA Innovation and Capacity-Building Grants

The Innovation and Capacity Building grants fund serves to unleash innovation and private sector investment. NAFKA currently administers 5 grants as follows:

KPL Grant – NAFKA launched the KPL grant this quarter. The overall objective of the KPL outgrower program is to increase rice productivity and profitability among smallholder farmers surrounding KPL through improving farming practices, adoption of suitable inputs, and expansion of these improved practices. The total amount of the grant is about USD 353,000 and KPL is expected to leverage additional funds about USD 326,000 in order to complete the grant activities. Activities through the life of the grant include: extension activities to 10 villages with an agronomist assigned to each village; access to finance support to the smallholder farmer; increase the availability of agricultural inputs for local purchase; and build capacity of newly formed associations made up of members who have received SRI training.

Warehouse Upgrading Grant – Last quarter, NAFKA signed in-kind grants worth US \$115,750 with 15 farmer associations to facilitate collective marketing in warehouses. During the quarter, NAFKA procured weighing

scales, image equipment and computers. Procurement of office furniture, warehouse fittings, fire extinguishers and moisture meters is ongoing and will be completed next quarter.

TANSEED Grant – The TANSEED grant program completed implementation during the quarter. This ██████ USD grant was developed to increase availability and adoption of certified rice seed, creating an enabling environment for regional trade in seeds, for formal and informal producers. The 56 rice seed growers recruited and contracted to produce 250 tons of certified SARO 5 rice successfully met and exceeded delivery to TANSEED, by producing 280 tons of high seeds. TANSEED purchased the seeds from the farmers at a premium price of \$0.56 per kilo compared to purchasing price of paddy that is produced for milling that is purchased at \$0.15 per kilo.

Zanzibar Agricultural Research Institute – During this quarter, the second milestone was completed which included conducting classroom and field training on land preparation with 40 farmer groups; each group included 50 farmers. Additionally, 40 demonstration plots were established and suitable rice seed varieties were selected. This grant will increase rice productivity and profitability among smallholder farmers in Zanzibar through the provision of training to smallholder and extension staff, conducting scientific trials and the production and distribution of improved seeds.

Kizimbani Agricultural Training Institute Grant – The objective of this grant is to increase the productivity and profitability among smallholder farmers in Zanzibar. This grant supports the capacity building of KATI to provide quality training services in support of developing an extension and lead farmer network in Zanzibar. During this quarter, the second and third milestones were completed. A training needs assessment was conducted and KATI's standard training syllabus was adapted to meet the needs of farmers based on the information collected in the assessment.

3.3 Input Supplier Engagements

During this quarter, input suppliers invested \$ 9,789 in demonstration plots and small packs of seeds for on-farm learning sites. The following companies worked with NAFKA during this reporting period: YARA, Tanseed, Seedco, Minjingu, Bytrade, Monsanto, East Africa Seed, FICA Seed, Tropical Seed, Subagro and BASF.

IR.4. Increased Income for Vulnerable Smallholders

NAFKA is increasing incomes for vulnerable smallholders and enhancing rural household nutrition by promoting activities specifically tailored for more-vulnerable members of communities in the NAFKA target districts. By March 2014, a total of 5,550 members were reached, an increase of 1,447 members compared to the last reporting period where a total of 4,103 members were reached.

New Farmer Mobilization: During this reporting quarter, a total of 71 new SILC groups were formed and trained in SILC methodology. This brings the total number of SILC groups supported by the program to 320. Training and field supervisory activities were intensified in all the districts and villages that were enrolled for program support during the previous quarter.

Development of SILC Field Agents and Private Service Providers: Follow-up trainings were conducted with 27 SILC Field agents in Kiteto district. The objective of the training was to reinforce the SILC program and get feedback from agents on challenges they are experiencing in SILC delivery to community members. NAFKA also deployed 17 Field Agents (FAs) from Kongwa during the quarter and trained them on SILC methodology.

Additionally a TOT on Marketing Skills was conducted with component 4 staff from Kilombero and Kiteto Districts. The second round of ToT will be implemented by the component 4 staff to the Private Service Providers (PSPs) in the coming quarter, who will be expected to deliver the training program directly to mature SILC groups.

More women accessed loans compared to men, and during this reporting period 1,701 women out of the 2,485 members were able to access a loan. Although more women accessed loans, the loan sizes for men were slightly higher than those for women. Loan sizes for women stood at an average of \$58, a slight difference from men who had an average loan size of \$73.

Local Partner Involvement: During the quarter, NAFKA facilitated a ToT and build the capacity of four Diocese of Dodoma staff to implement the SILC program in their respective region. The training covered all nine SILC modules.

4.1. Vegetable Gardening for Food Security

A ToT in organic vegetable gardening was conducted during the quarter with 17 partner staff. The training was facilitated by an external consultant from the Livestock Training Agency in Arusha. The training covered sustainable organic farming and vegetable crop production through soil and water conservation techniques, pest and disease control, crop rotation and biological control methods. Different gardening techniques were introduced from sack gardening, composite making, double digging and raised beds. Training has been provided to 544 SILC group members in Kiteto District, 359 of whom were women.

4. ACTIVITIES IMPLEMENTED IN ZANZIBAR (UNGUJA AND PEMBA)

IR.1. Improved Value Chain Productivity

The Zanzibar Agricultural Research Institute and the Kizambani Agricultural Training Institute have received a grant to undertake core NAFKA implementation activities under the supervision of NAFKA. Key objective of the project is to improve rice productivity, enhance food security and raise income of the smallholder farmers in Zanzibar.

Baseline Survey: The Zanzibar baseline survey which started in December 2013 was completed this quarter. The NAFKA M&E team and the consultant hired to conduct the survey, presented the results to its implementing partners in Zanzibar, ZARI, KATI and the Ministry of Agriculture and Natural Resources. A detailed report on the survey has been submitted to the Mission.

Training Needs Assessment and Training Syllabus Development: KATI completed a training needs assessment in the six selected project sites in Unguja and Pemba. The total number of farmers interviewed was 60, 30 from irrigated and 30 from rain fed areas. KATI used the results from the assessment to tailor their standard

training syllabus to suit the needs of the farmers and also ensure best practices are incorporated. A training plan was developed and residential trainings commenced during the quarter.

Demonstration plots development: Using the protocols developed last quarter, 40 demonstration and 3 scientific trail plots were established and used as training platforms during the quarter. Demonstration plot trainings covered two modules that include: land preparations, seed selection, seed sowing/transplanting using SRI technology and basal fertilizer application. The scientific trails are for UDP observation against conventional fertilizers UREA, YaraMilla on 3 rice seed varieties.

GAP training program: Productivity trainings in Zanzibar started with classroom sessions before moving to demonstration plots for practical applications. The training program addresses the entire crop production cycle. During the quarter KATI trained 40 extension agents from Unguja and Pemba on irrigated and rain-fed rice farming. ZARI facilitated module 1 and 2 training directly to 2,000 farmers during the quarter. Module 1 covers land preparation and seed selection, while module 2 covers sowing, transplanting and basal fertilizer application.

Seed Production Development: NAFKA has engaged in a partnership with ZARI and the Zanzibar Seed Production Unit to increase availability and adoption of certified rice seed. Thirty smallholder farmers were selected from Unguja Island as part of the seed production program. The selected seed variety for the program is Supa BC because it is high yielding, drought resistant, semi-aromatic, has high tillering ability and is preferred by consumers in Zanzibar. NAFKA will strengthen the capacity of the 30 selected smallholder farmers resulting in an improved access to appropriate, affordable and timely seed within Zanzibar.

5. KEY ACHIEVEMENTS/ RESULTS

Below is a highlight of NAFKA's key achievements and results:

- **Outreach:** By the end of the quarter, 32,782 new households benefited directly from NAFKA interventions, which translates to a total of 152,150 beneficiaries when a factor of 4.8 is applied to each household. Cumulatively a total of 67,142 households have been reached by NAFKA since its inception, which is equivalent to 311,646 beneficiaries when a factor of 4.8 is applied
- **Baseline:** The Zanzibar baseline survey was completed this quarter.
- **Project Expansion and Village Sensitization:** NAFKA intensified activities in Kilombero, Mvomero, Kongwa, Kiteto and Zanzibar and continued to work with the 260 villages identified in the previous quarter.
- **Productivity Linkages:**
 - Cumulatively, a total of 810 demonstration plots are in place so far, with over US\$41,223 in in-kind contributions from 11 leading input supply companies since the start of the season.
 - GAP Training Module 1 and 2 provided as ToT to agronomists, government extension agents, village based agricultural advisors, lead farmers and agro-dealers.
 - 14 seed producers selected from the TANSEED outgrower program were approved by Tanzania Official Seed Certification Institute (TOSCI) to continue producing seed for local distribution.
- **Service Provision and Sustainability:**
 - Building the capacity of 108 agro-dealers and 211 village-based agricultural advisors.
 - NAFKA also deployed 17 FAs from Kongwa during the quarter and trained them on SILC methodology.
- **Engagement with Research and Training Institutions:**
 - Urea Deep Placement (UDP) fertilizer application trials were initiated during this quarter in close collaboration with KATRIN (to cover Mvomero District) and Chiloma Research Institute (to cover Kilombero District). Fifteen sites were installed for trials on the use and benefits of UDP. Trials on UDP also expanded to Zanzibar under implementation by ZARI.
 - NAFKA partnered with Ilongo Research Institute in Ifakara. NAFKA is working with Ilongo Research Institute to promote the use of alternative seeds. This will allow smallholder farmers to take advantage of other markets and spread economic risk in the event that their major crop fails.
- **Association Development:** NAFKA expanded its association development activities to include 13 new associations, bringing the total associations to 80.
- **Innovation grants:** Launched the grant agreement with Kilombero Rice Plantations to initiate the transition of NAFKA activities to KPL at this location. We expect the program to serve 2,200 farmers.

6. PROBLEMS/CHALLENGES

- **Climate:** Erratic rainfall distribution at the onset of planting season and prolonged dry spell when the crops were at vegetative stage disturbed flow of activities on timely bases and growth of maize. Floods have been a challenge in the rice areas. Some demonstration plots have been washed away.
- **Pests/Outbreak:** Outbreak of pests in both rice and maize demo plots. The pests include: mole crickets, stock borers, white flies, army worms, white grubs and rat infestation. Yellow Mottle Virus (RYMV) was also observed in the rice demo plots, NAFKA consulted the Ministry of Agriculture to address the issue.
- **Infrastructure:** Poor transportation and irrigation infrastructure affected agricultural production and marketing.

7. PLANNED ACTIVITIES

Improved Value Chain Productivity

- Conduct TOT to Lead farmers and VBAs on GAP Module II.
- Finalization of GAP Module III facilitators Guide.
- Conduct TOT on GAP III to agronomists and DCOs.
- Conduct TOT on GAP III to VBAs and DCOs.
- QDS Seed production.
- Organize farmer field days and exchange visits.
- Oversee UDP Trials in all piloted sites.
- Conduct ToT on UDP to extension officers and researchers.
- Organize agro dealer & input supplier linkage workshop.
- Monitor and follow up on progress of demonstration plots.

Expanding Markets and Trade

- Conduct training on Sell More For More methodology.
- Follow-up on registration process for associations.
- Facilitate training in Advocacy at cluster level and meeting facilitation at District level.
- ToT in warehouse management to NAFKA productivity staff.
- Conduct training on warehouse management.
- Conduct seasonal production projection in maize growing areas.
- Link trained agro-dealers and VBAs to associations and supplying companies.
- Support associations to provide service transactions to its members, including input supply, and facilitate collective marketing.

Increased private investment in agriculture

- Follow-up on progress of innovation grants.
- Release 2014 association and entrepreneurship focused grants.
- Supervise and follow up on milestones for all innovation grants.
- Kizimbani Agricultural Training Institute (KATI):
 - Conduct residential training for extension staff.
 - Complete report for milestones 3 activities.
 - Submit the training syllabus for the residential training.
 - Continue ongoing mentoring and monitoring their activities.
- Zanzibar Agricultural Research Institute (ZARI):
 - Conduct residential and onsite training for farmers – Module 3 - Weed, Insects and Disease control.
 - Monitor the Seed Production Unit and Irrigation Department activities.
 - Conduct training of trainers of staff of Seed Production Unit and the Irrigation Dep.
 - Complete report of Milestone three activities.
 - Process buying of 4 motor cycles in cooperation with NAFKA.
 - Monitoring and management of demonstration plots and seed trail plots.
 - Planting leveled fields at Kipange and Kilombero.

Increased Income for Vulnerable Smallholders

- Conduct partner staff training on Marketing- 5 skill set.
- Conduct FA Refresher Training in SILC methodology for Kongwa Field agents (FAs).
- Conduct SILC MIS training to partner staff.
- Conduct TOT in vegetable gardening to FAs of Kongwa and Kilombero Districts.

- Conduct Marketing Skills training to PSPs of Kiteto and Kilombero Districts.

Cross-cutting Issues

Our gender-integration team will:

- Link new youth groups and women's groups to productivity lead and agro-dealer specialist for targeted trainings in GAP and product knowledge.
- Conduct ToT on gender and human rights with association leaders, FAs, women group leaders and youth group leaders.
- Follow-up on grants for youth and women groups.
- Collaborate with Association Development Manager to provide BDS /entrepreneurship training to women and youth Groups.
- Continue to identify women and youth groups for facilitation in GAP.

Our BCC team will:

- Follow-up on the finalizations and dissemination of phase II BCC input campaign materials: NAFKA activities calendars, T-shirts & hats and maize fliers on ripping.
- Update GAP training toolkit with module flipchart; this to be done by taking Module 1 and 2 and develop large format flipchart for audience friendly absorption of training content and guides for facilitators/trainers.
- Development of marketing campaign to increase association membership.
- Videography development on various NAFKA activities e.g. VBAA program, demo plots and participatory videos.
- Carry on with documentation of project success stories and best practices.
- Second BCC effectiveness follow-up evaluation, to monitor BCC message/GAPs adoption; this survey will follow the last September evaluation survey.
- Documentation of project success stories.

Our Environment Specialist will:

- Finalize the review of PERSUAP and submit to USAID for approval in collaboration with ACIDI/VOCA STTA.
- Dissemination of approved Environmental Management and Monitoring Plan (EMMP) to NAFKA field staff.
- Participate and support the cascade training sessions for GAP Module II (crop management).
- Continue to review GAP modules to improve safety awareness during pesticides applications.
- Participate in post-harvest TOT training sessions and cascade training sessions.
- Finalize and implement standard operating procedure for pesticide control.
- Initiate dialogue on the methods for controlling pesticide empty containers generated from farmers during field activities.
- Finalize the design for simple soak pit to be used to upgrade demo plots designs including preparation of budget of the structure.
- Facilitate/support the implementation of the pit at field level.
- Conduct field environmental compliance monitoring at Ifakara, Mang'ula, Mlimba, KPL, KVTC, Mvomero, Kongwa and Kiteto and provide recommendations for improvement.

8. SPECIAL ISSUES

USAID FtF implementing partner meeting in Zanzibar

During the quarter NAFKA participated in the USAID FtF implementing partners meeting in Zanzibar. The agenda of the meeting was to establish a common understanding of the food and nutrition security situation in Zanzibar and of issues often overlooked in food security. During the meeting NAFKA presented on the Zanzibar implemented activities to date and findings of the baseline survey.

Collaboration with FTF Partners and other partners

- NAFKA participated in nutrition themed workshops facilitated by TAPP and Mwanzo Bora. The agenda of the workshops was on best practices in integrating nutrition in agriculture.
- NAFKA collaborated with Land O'Lakes in facilitating youth groups to develop basic skills in developing drama kits, value of group cohesion and cooperation.

Collaborating with the private sector

- NAFKA continues its collaboration with Kilombero Plantation Limited (KPL) and Kilombero Valley Teak Company (KVTC) to provide SRI extension services to paddy out growers.
- Seed companies that collaborated with NAFKA throughout the quarter include: Tansed, Seedco, Bytrade, Monsanto, East Africa Seed, FICA Seed, Tropical Seed Subagro
- Fertilizer companies that collaborated with NAFKA throughout the quarter include: Yara Tanzania Ltd. and Minjingu Mines & Fertilizer Ltd.
- Agrochemical companies that collaborated with NAFKA throughout the quarter include: BASF

Celebrating International Women's Day

NAFKA in collaboration with Mvomero District Council celebrated the International Women's Day (IWD) in Mvomero District. The event was attended by more than 300 people including village government staff, women councillors, District Council staff and CRDB Bank. 9 farmers (5 women, 3 men and 1 male youth) receiving NAKAFA assistance including one SILC member addressed the gathering on how training on GAP and association development have helped them increase their farm yields and household incomes. NAFKA also participated in two radio talk shows in Pambazuko and Mwangaza radio stations to commemorate IWD. The programs provided a platform for two female farmers receiving NAFKA assistance, to express their needs, opinions and aspirations as women working in agriculture. The radio shows enabled the women to voice their concerns to a public audience.

9. CROSS-CUTTING ISSUES

Gender Integration

In ensuring that men, women and youth have equal opportunities to participate in the rice and maize value chain, our gender integrated activities are streamlined into all NAFKA activities. Among the farmers supported by NAFKA this quarter forty-five percent of them are women. During the quarter gender was integrated adequately in the trainings. In SMFM Operations module, participants were facilitated to discuss gender based constraints in their associations and proposed actions which will reduce women's burden and enhance participation in their associations.

Women and Youth group formation: During the quarter, seven women groups and three youth groups were identified for facilitation by NAFKA. The groups are already registered with the District Council. NAFKA is building capacity of 15 women groups and 8 youth groups.

Youth Group training: NAFKA facilitated product knowledge training with 28 youth members (17 women, 11 men), developing their skills on proper selection and application of fertilizer, seed and agrochemicals. NAFKA is also facilitating youth involvement in providing business development services by building the capacity of the groups to save and lend internally. The program will help youth groups become local service providers by establishing the structure for savings and internal lending, and helping them to save and develop the initial capital needed to invest in their businesses.

In addition, three theatre youth groups from Mvomero district (40 members) were facilitated by Land O' Lakes Washington on basic skills in developing drama kits, value of group cohesion and cooperation. NAFKA will continue to work with these groups who will assist with the sensitization of farmers in new communities. The groups performed during the IWD event and introduced communities to gender concepts and women's empowerment.

Behavioural Change and Communication

NAFKA designs BCC materials to foster behavior change and adoption of key agriculture practices or technologies that allow farmers to realize an increase in yields and/or incomes. Many behaviors and practices are socially or economically embedded, and thus a more nuanced understanding of the barriers to change is required.

Implementation of Phase II Input NAFKA BCC campaign: Please refer to Section I.1.6 of this report for a full description of these activities.

Environmental Compliance and Natural Resource Management

NAFKA's activities are guided by our Safer Use Action Plan (SUAP), which was approved by USAID as part of our Pesticide Evaluation Review and Safe Use Action Plan (PERSUAP) submission. All inputs and agrochemicals promoted by NAFKA, whether they are contributed by input supply companies or purchased for demonstration with project funds, are approved in our PERSUAP. We also ensure that these inputs are promoted in a manner compliant with the SUAP and our Environmental Mitigation Monitoring Plan (EMMP), which was approved by USAID.

During the quarter, our Environmental Compliance Specialist ensured NAFKA activities conformed to environmental laws and regulations as stipulated in PERSUAP guideline. NAFKA uses various integrated methods to achieve environmental compliance. The methods include enforcing the use of standard operating procedures, GAP trainings, BCC activities, field monitoring and environmental systems and guidelines review and redesigning. The compliance activities focus on three major areas of environment and natural resources associated with the use of pesticides namely:- human health and safety protection, solid wastes management and wastewater management.

Environmental compliance guidelines review/updates: The PERSUAP report of 2012 was reviewed. The new pesticides proposed by the productivity component were checked for registration status, toxicity ranking and acceptability by United States Environmental Protection Agency (USEPA) and Tropical Pesticides Research Institute (TPRI).

Monitoring, Evaluation and Learning

During this quarter, M&E department conducted and accomplished the following key activities:

- The Zanzibar baseline survey was completed this quarter. The findings were presented to NAFKA's implementing partners in Zanzibar, ZARI, KATI and the Ministry of Agriculture and Natural Resources. The process of compiling the baseline findings was highly collaborative. Each partner was given the opportunity to review the draft report and provide their input before finalizing the final report.
- The recruitment process for the Zanzibar M&E field officer was concluded. The M&E field officer will lead all M&E activities in Zanzibar and will report directly to the M&E and Learning Manager in Dar es Salaam. The M&E component facilitated data collection training with 20 ZARI and KATI staff.
- NAFKA hired a consultant to conduct a SPSS follow-up training with the M&E team and also prepared them for an internal data audit scheduled for May 2014.

Documentation and Learning: During this quarter, the learning component team organized three learning and knowledge management working group meetings; created a register of documents generated by NAFKA; finalized the documentation and learning needs assessment. The component developed the Learning and Knowledge Management Framework and finalized the NAFKA learning agenda. In addition to this the component team developed and tested a tool for collecting data on adoption of Good Agricultural Practices among rice and maize beneficiaries.

10. ANNEXES

Annex I: Performance against PMP indicators

SR/NO	RF/NAFAKA	Performance Indicators and Disaggregation Levels	FY13 Actuals				Percent Achieved FY14	FY2014 Target	Cumulative To Date	LOP Target	Abbreviated Indicator Definition	
			Q1 (New & Continuing)	Q2 (new only)	Q3 (New only)	Q4 (new only)						Year To Date
IR 1: Improved Agricultural productivity												
IR 1.1: Enhanced Human and Institutional Capacity Development for Increased Sustainable Agriculture Sector Productivity												
4	FTF-4.5.2-7	Number of individuals who have received USG supported short-term agricultural sector productivity or food security training (RIA) (WOG) (OUTPUT)	16,636	24,587		41,223	121%	34,137	67,142	108,793 (cumulative of new and continuing yearly, with actuals for 2011-12, 2012-13)	The number of individuals to whom significant knowledge or skills have been imparted through interactions that are intentional, structured, and purposed for imparting knowledge or skills should be counted. This includes farmers, and other primary sector producers who receive training in a variety of best practices in productivity, post-harvest management, linking to markets, etc. It also includes rural entrepreneurs, processors, managers and traders receiving training in application of new technologies, business management, linking to markets, etc., and training to extension specialists, researchers, and others who are engaged in the food, feed and fibre system and natural resources and water management. Farmers that receive training via input suppliers, agro-business, processors or through NAFAKA supported training of trainers (TOT) rather than directly with farmers themselves are considered direct beneficiaries.	
7	FTF-4.5.2-11	Number of food security private enterprises (for profit), producers organizations, water users associations, women's groups, trade and business associations, and community-based organizations (CBOs) receiving USG assistance (RIA) (WOG) (OUTPUT)	373	179		552	99%	559	552	1552 (cumulative of new and continuing yearly, with actuals for 2011-12, 2012-13)	Total number of private enterprises, producers' associations, cooperatives, producers organizations, fishing associations, water users associations, women's groups, trade and business associations and community-based organizations, including those focused on natural resource management, that received USG assistance related to food security during the reporting year. Organizations assisted should only include those organizations for which implementing partners have made a targeted effort to build their capacity or enhance their organizational functions.	
IR 1.2 Enhanced Technology Development, Dissemination, Management and Innovation												
8	FTF-4.5.2-15	Number of rural households benefiting from USG interventions (S). (OUTPUT)	21,666	31,700		53,366	138%	38,711	67,142	72,514 (cumulative new with actuals from 2011-12, 2012-13)	A household is a beneficiary if it contains at least one individual who is a beneficiary. An individual is a beneficiary if s/he is engaged with a project activity or s/he comes into direct contact with the set of interventions (goods or services) provided by the project. Individuals merely contacted or involved in an activity through brief attendance (non-recurring participation) does not count as a beneficiary. This indicator include vulnerable households. See indicator number 11 (Number of beneficiaries reached(both direct and indirect) for a comprehensive definition of a beneficiary.	
9	NAFAKA	Number of beneficiaries reached (OUTPUT)	103,966	152160		256,126	125%	204,823	311,646	Total: 363,347 (cumulative new with actuals for 2011-12, 2012-13)	Beneficiaries are those individuals within the target area that receive direct benefits (i.e., goods or services) from the program (including where applicable, families receiving food rations). For NAFAKA, beneficiaries will include those individuals that receive training, participate in demo plots, those benefiting from grants/loans, farmers receiving small packs of technologies, farmer trained by Lead/progressive farmers, farmers trained by VBAs, SILC members, Farmers (and other primary producers) that work directly with input suppliers, agro-businesses, processors or through training of trainers (TOT) will still be direct beneficiaries. Because NAFAKA interventions work with families, families will include a 4.9 multiplier to account for family.	
IR 2: Expanded Market and Trade (Corresponds to NAFAKA Component 2 Activities)												
R 2.1: Improved Market Efficiency												
R 2.2 Improved Access to Business Development and Affordable Financial and Risk Management Services												
15	FTF-4.5.2-29	Value of Agricultural and Rural Loans (RIA) (WOG) (OUTPUT)	\$ 52,334.88	\$ 131,343.75		\$ 183,678.63	44%	\$ 419,000.00	\$ 399,680.00	\$ 1,300,000.00	This indicator sum loans made (i.e. disbursed) during the reporting year to producers (farmers, fishers, etc.), input suppliers, transporters, processors, and loans to other MSMEs in rural areas that are in a targeted agricultural value chain, as a result of USG assistance. The indicator counts loans disbursed to the recipient, not loans merely made (e.g. in process, but not yet available to the recipient). The loans can be made by any size financial institution from micro-credit through national commercial bank, and includes any type of micro-finance institution, such as an NGO.	
16	FTF 4.5.2-30	Number of MSMEs, including farmers, receiving USG assistance to access loans (S) (OUTPUT)	1,536	636		2,172	106%	2,058	4,061	9,924	Total number of micro (1-5) small (6-50) and medium (51-100) (parenthesis = number of employees) enterprises (MSMEs). To be counted an MSME must have received USG assistance which resulted in a loan from any financial institution, formal or informal, including MFIs, commercial banks, or informal lenders, as well as from in-kind lenders of equipment (e.g. tractor, plow) or other agricultural inputs (e.g., fertilizer or seeds), or transport or repayment in cash or in kind. USG assistance may include partial loan guarantee programs or any support facilitating the receipt of a loan.	
17	FTF 4.5.2-37	Number of MSMEs, including farmers, receiving business development services from USG assisted sources (S) (OUTPUT)	3,848	2,099		5,947	40%	15,000	5,947	52,800	Total number of micro (1-5) small (6-50) and medium (51-100) enterprises (parenthesis = number of employees) receiving services from FTF-supported enterprise development providers. Services may include, among other things, business planning, procurement, technical support in production techniques, quality control and marketing, micro-enterprise loans, market linkages, input access, etc. Clients may be involved in agricultural production, agro-processing, community forestry, fisheries, input suppliers, or other small businesses receiving USG assistance.	
IR 3: Increased Investment in Agricultural or Nutrition Related Activities (Corresponds to NAFAKA Component 5 Activities)												
19	FTF-4.5.2-38	Value of new private sector investment in the agriculture sector or food chain leveraged by FTF implementation (RIA) (OUTCOME)	\$ 29,841.00	\$ 9,788.85		\$ 39,629.85	4%	\$ 1,000,000.00	\$ 1,959,987.85	\$ 3,300,000.00	Investment is defined as any use of private sector resources intended to increase future production output or income, to improve the sustainable use of agriculture-related natural resources (soil, water, etc.), to improve water or land management, etc. The food chain includes both upstream and downstream investments. Upstream investments include any type of agricultural capital used in the agricultural production process such as animals for traction, storage bins, and machinery. Downstream investments could include capital investments in equipment, etc. to do post-harvest transformation/processing of agricultural products as well as the transport of agricultural products to markets. -Private sector includes any privately-led agricultural activity managed by a for-profit formal company.	
R 5: Increased Resilience of Vulnerable Communities and Households (Corresponds to NAFAKA Component 4 Activities)												
20	FTF-4.5.2-14	Number of vulnerable households benefiting directly from USG assistance (S) (OUTPUT)	3,309	2,191		5,500	99%		5,541	3,309	16,379	Note: Revising definition of "vulnerable" per release of the Unified Baseline Survey results and the development of wealth categories for our beneficiary count.
21	NAFAKA	Value of Savings accumulated by SILC groups under NAFAKA (OUTCOME)	\$ 62,732.44	\$ 47,067.97		\$ 109,800.41	76%	\$ 144,527.00	\$ 179,424.00		464,196	Through the SILC methodology, community members will self-select into groups of 15 to 25 people. SILC focus on vulnerable population. Through the SILC members will receive intensive capacity building program to strengthen their skills in group and financial management through internal savings and lending.
22	NAFAKA	Number of beneficiaries with home gardens or alternate crops as a proxy for access to nutritious foods and income (OUTCOME)	3,097	544		3,641.30	25%	14,700	3,097		36,290	Beneficiaries refer to target individuals who have received assistance. Typically this will refer to all members of the household and not just those household members directly involved in home or community gardens. A garden is distinct from a traditional farm field crops which generally emphasize food staples such grains, and/or non-food commercial crops such as coffee, cotton. A garden generally focuses more on mixed cropping with emphasis on vegetables and fruits but may include grains, roots, tubers and other traditional staple crops as well. A garden may be used for home consumption or commercial sale or a mix of the two. Home gardens refer to those managed by a household. A community garden is typically a common community gardening area with either individual plots or communal plots where participating individuals receive a portion of the production.

Annex 2: Success Stories Submitted to USAID Mission during the Quarter



SUCCESS STORY

Collective marketing bring higher prices and income to smallholder farmers

Association strengthening for increased rice value chain competitiveness



Photo: Neema Salali

USAID is building the capacity of self-governing associations through institutional and operational mechanisms that enable them to seize market opportunities along the rice value chain

“Before training on GAP many association members were storing their produce in their homes and struggling with low yields due to unproductive traditional farming practices. But after learning and applying GAP the members’ yields have increased significantly and we are now storing our produce collectively and practicing farming as business.”

Telling Our Story

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In contrast to large scale farmers, smallholder farmers lack the access to inputs and bargaining power to meet commercial buyers’ quantity and quality standard to obtain a high market price—often accepting the low farm gate price offered by local traders. Collective efforts undertaken by smallholder farmers associations are vital to increasing the competitiveness of the rice value chain. However, many producer organizations face constraints such as lack of efficient management and organizational capacity, the absence of good governance systems and insufficient capital and technology to meet market quality standards. In an effort to address this issue USAID’s Feed the Future Staples Value Chain Activity – NAFKA is building the capacity of 90 self-governing associations comprised of 11,973 registered members (6,739 male and 5,234 female), through institutional and operational mechanisms that enable them to seize market opportunities across the rice value chain.

Through this intervention associations like Vigaeni Farmers in Ifakara with 83 registered members (33 male and 50 female) have been able to reduce their input costs and aggregate their rice production to collectively obtain a higher market price in the past quarter. Vigaeni Farmers Association participated in NAFKA’s technical training programs including Good Agricultural Practices (GAP) training and Sell More For More™ (SMFM)- the participatory training program to develop association leadership by training association leaders in collective marketing principles, governance and recordkeeping. As a result, association members organized themselves and rented a warehouse to store 12 tons of paddy (unprocessed rice), which enabled them to delay the sale of their paddy and get Tsh 60,000 per 85 kg bag, representing a sale price 71% higher than 7 months ago. The association sold all 12 tons of the paddy produced. Samson Dimos, a member of Vigaeni Farmers Association shared, “I now see the benefits of selling collectively. Initially when selling individually to a local traders I had no storage facilities and had to sell my paddy immediately after harvest to prices as low as Tsh 30,000 per 85 kg. Now that I sell collectively with my fellow members, we can bargain better and afford warehouse facilities.” In addition to this, the NAFKA program has facilitated private sector service provider networks that include agro dealers, village-based agriculture advisors and Savings and Internal Lending Communities field agents. Farmer associations are linked to these service providers from which they can access capital, agricultural technical assistance and improved inputs such as seeds, fertilizers and agrochemicals. Through these linkages, Vigaeni Farmers Associations has been able to buy inputs in bulk and distribute to its members allowing them to save substantially in agricultural input costs.

The farmers’ association has agreed to add value to their rice through improved post-harvesting methods. The association has decided to build a warehouse with milling equipment from funds contributed by its members. Land has already been purchased and 827 bricks have been bought in preparation for building the warehouse. The warehouse will be used by the members of the association to stock their produce safely after harvest while waiting for the best collective selling price.

“Before training on GAP many association members were storing their produce in their homes and struggling with low yields due to unproductive traditional farming practices. But after learning and applying GAP the members’ yields have increased significantly and we are now storing our produce and practicing farming as business collectively,” said Josephine Lilulika, Secretary of Vigaeni Farmers Association. She added, “SMFM training has enhanced collaboration and commitment amongst the members”.

U.S. Agency for International Development

1300 Pennsylvania Avenue, NW

Washington, DC 20523

Tel: (202) 712-0000

Fax: (202) 216-3524

www.usaid.gov