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NAFAKA STAPLES VALUE CHAIN ACTIVITY

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

QUARTERLY PERFORMANCE REPORT

(April 1, 2015 – June 30, 2015)

June 30, 2015

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LIST OF ACRONYMS

AIRD	Associates for International Resources and Development
BCC	Behavior Change Communications
BDS	Business Development Services
CAADP	Comprehensive Africa Agriculture Development Programme
CRS	Catholic Relief Services
DCO	District Coordination Officers
EMMP	Environmental Management and Monitoring Plan
FA	Field Agent
FIPS	Farm Input Promotions-Africa
FtF	Feed the Future
GAP	Good Agricultural Practices
HQ	Head Quarter Office
IFDC	International Fertilizer Development Center
KATI	Kizimbani Agricultural Training Institute
KATRIN	Kilombero Agricultural Research and Training Institute
KFS	Kibaigwa Flour Supplies Limited
KPL	Kilombero Plantation Limited
KVTC	Kilombero Valley Teak Company
M&E	Monitoring and Evaluation
MSME	Micro, Small, and Medium Enterprises
MVIWATA	Mtandao Wa Vikundi Vya Wakulima Tanzania
PASS	Private Agriculture Sector Support
PERSUAP	Pesticide Evaluation Report and Safer Use Action Plan
PMP	Performance Monitoring Plan
QDS	Quality Declared Seeds
RUDI	Rural and Urban Development Initiative
RYMV	Rice Yellow Mottle Virus
SACCO	Savings and Credit Cooperatives
SARO 5 (TXD 306)	Semi-Aromatic Tanzanian Cross Dakawa 306 Improved Rice Seed
SILC	Savings and Internal Lending Community
SUAP	Safer Use Action Plan
TAPP	Tanzania Agriculture Productivity Program
TOT	Training-of-Trainers
TSh	Tanzanian Shillings
UDP	Urea Deep Placement
USAID	United States Agency for International Development
USD	United States Dollar
USG	United States Government
VBAA	Village-Based Agricultural Advisor
WOG	Whole of Government Indicator
ZARI	Zanzibar Agricultural Research Institute

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I. EXECUTIVE SUMMARY

The NAFKA Staples Value Chain Activity is a six-year Task Order issued by USAID under the Tanzania Feed the Future (FtF) Initiative and administered by ACDI/VOCA. NAFKA integrates agricultural, gender, environmental, 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), Manyara (Kiteto district), Mbeya (Mbozi, Mbeya Rural, Mbarali, and Rungwe districts), and Iringa (Iringa Rural and Kilolo districts) on the mainland, as well as Pemba and Unguja in Zanzibar. 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 April 1, 2015 – June 30, 2015 contains the following sections consistent with the quarterly reporting format requested by USAID/Tanzania: (1) PMP matrix overview, this Executive Summary; (2) Introduction; (3) Implementation Progress; (4) Activities Implemented in Zanzibar (Unguja and Pemba); (5) Activities Implemented in Expansion Regions Mbeya and Iringa; (6) Key Achievements/Results; (7) Problems/Challenges; (8) Planned Activities Linked to Relevant Indicators; (9) Special Issues; and (10) Cross-Cutting Issues. Quantitative information on performance against quarterly PMP indicators is presented at the beginning of the report, while Annex I includes a success story submitted to the Mission during this reporting period. Financial information for the reporting period is submitted under separate cover.

Project Scale-Up

In December 2014, the NAFKA Task Order was officially modified to expand activities into Mbeya and Iringa regions and to extend the project until March 31, 2017. During this reporting period, NAFKA focused on identifying new field offices and personnel for satellite offices in Mbeya and Iringa; initiating activities under the recently awarded enterprise grants in Mbeya and Iringa; and integrating the work of sub-contractors to re-calibrate and sustain activities in existing geographic project areas.

In both existing and new geographic areas, NAFKA continues to build on the successful methodologies it has implemented since project inception, scaling interventions along the rice and maize value chains on the mainland and deepening rice productivity activities in Zanzibar.

Key activities of this reporting period included:

- Launch of activities in Mbeya and Iringa, including village mapping and execution of a baseline study
- Training of youth groups in integrated pest management (IPM) in Kilombero and Mvomero to build their capacity to offer spraying services to farmers

SNAPSHOT OF NAFKA

- Value Chains: Rice and Maize
- Program Approach: Association Development, Demonstration Plots, Savings and Internal Lending Communities, Farmer Field Days, and Market Linkages
- Program Extension Service Providers: Village-Based Agricultural Advisors, Lead Farmers, and Agro-Dealers
- Cross-Cutting Activities: Gender Integration, Environmental Compliance and Natural Resource Management, Monitoring & Evaluation, and Behavior Change Communication
- FtF Partners: Mwanzo Bora Nutrition Program, iAGRI – Innovative Agricultural Research Initiative, TAPP – Tanzania Agriculture Productivity Program, TUBOCHA – Tuboreshe Chakula Project, SERA, and Infrastructure Project – CDM Smith
- Public-Private Partnerships: Kilombero Plantation Limited, Kilombero Valley Teak Company, and Rice Council of Tanzania

- Support of Rice Council of Tanzania (RCT) advocacy campaign
- Training of 26,279 farmers (55% M / 45% F) in Good Agriculture Practices (GAP) in six clusters by Village-Based Agricultural Advisors (VBAAAs)
- Addition of 28 new agro-dealers to the NAFKA agro-dealer network to improve the input supply chain
- Closing down of eighty-one completed grants in Kilombero, Mvomero, Kongwa, and Kiteto districts
- Organization of seven Farmer Field Days in Kiteto, Kilombero, and Mvomero districts attended by 2,830 people (47% M / 53% F)
- Provision of 70 tons of hybrid maize seeds by four input companies – Monsanto, Seedco, Bytrade, and Pannar – to fourteen VBAAAs, who sold the seed to 2,486 farmers
- Organization of gender integration training workshop for local implementing partners in Iringa and Mbeya to develop a common understanding of USAID requirements and gender issues in NAFKA activities, as well as raise awareness of gender-related human rights issues

During this reporting period, NAFKA reached 52,777 direct beneficiaries (50% M / 50% F), 20,603 of whom were new (53% M / 47% F), and 32,174 (48% M / 52% F) of whom were continuing from a previous reporting period. Out of the 52,777 total direct beneficiaries reached this quarter, 24,882 (47%) were maize farmers and 27,895 (53%) were paddy farmers. The 20,603 new direct beneficiaries were introduced to NAFKA through SILC groups; training on GAP; facilitation of a formal loan with Opportunity Tanzania Limited; or strategic management and gender and human rights and pre-constitution training.

Table 1: New Beneficiaries – FY 2015 Q3

Beneficiary Type	Male	Female	Total
Association Members	254	254	508
SILC Members	550	1,012	1,562
Grantee Outgrowers (Kilawa, Rapha, Khebanza, KFS, Mtenda)	2,552	1,892	4,444
VBAA Farmers	5,788	4,727	10,515
Hub-Agro Dealer Customers	1,778	1,796	3,574
TOTAL	10,922	9,681	20,603

Since NAFKA interventions impact all members of a beneficiary household by facilitating improved economic status, family members within each beneficiary household are counted as *indirect* beneficiaries and reported as a NAFKA custom indicator. Indirect beneficiary numbers are estimated by adjusting the direct beneficiary count slightly downwards – to account for the fact that some direct beneficiaries live in the same household – then applying a household-size multiplier for each of NAFKA’s geographic clusters¹. This quarter, there were 230,224 combined direct and indirect beneficiaries, 108,539 from maize-growing areas and 121,685 from paddy-growing areas. Of these total direct and indirect beneficiaries, 89,906 were new to the project this quarter.

¹ Kongwa, Kiteto, Mvomero, Mlimba, North Ifakara, Mang’ula, Kilombero Plantations Ltd., KVTC, Mbeya, and Iringa clusters are in the mainland; Pemba and Unguja clusters are in Zanzibar.

Table 2: NAFKA Beneficiaries Reached – FY 2015

<u>NAFAKA Outreach</u>	Q3 FY 2015 New	Q3 FY 2015 Continuing	Q3 FY 2015 Total	Cumulative-to-Date ²
Direct Beneficiaries (Farmers, Service Providers, or Clients of Service Providers)	20,603	32,174	52,777	157,558
Total Beneficiaries (Direct and Indirect Combined)	89,906	140,318	230,224	846,530

Improved Value Chain Productivity

Activities for the quarter continued to focus on input distribution; the establishment of new demonstration plots; and GAP training for farmers, VBAAAs, and agro-dealers.

- **Demonstration Plots and Good Agricultural Practices (GAP) Training:** Including this quarter's activity, 844 demonstration plots have been established this fiscal year (381 maize; 465 rice). Seven GAP technologies for maize and rice were promoted on these demonstration plots, through GAP training and technical assistance by Lead Farmers and VBAAAs.
- **Service Provider Development:** NAFKA continues to support networks of private sector service providers by providing training and technical assistance, including: 126 agro-dealers (86% M / 14% F), 216 VBAAAs (78% M / 22% F), and 349 Lead Farmers (59% M / 41% F).
- **Engaging Agricultural Research and Training Institutes:** NAFKA continues its technical collaboration with three (3) research and training institutions that include: Kilombero Agricultural Research and Training Institute (KATRIN), Zanzibar Agricultural Research Institute (ZARI), and Kizimbani Agricultural Training Institute (KATI).

Expanding Markets and Trade

- **Formation and Registration of Associations:** NAFKA continues to work with 125 associations (42 in Kilombero; 25 in Kiteto; 14 in Kilombero Valley Teak Company (KVTC); 33 in Mvomero; 10 in Kilombero Plantation Limited (KPL); 1 in Kongwa) and nine apex associations. Of these, 80 finished the registration process in a previous reporting period, three associations completed registration this quarter, and seven additional associations are in the process of registration. NAFKA plans to complete registration of all associations and apexes by the end of this reporting year.
- **Building Capacity through Processors:** Processor grantees in Mbeya began GAP training for their outgrowers, and Kilawa Enterprises and Rafael Group Limited were provided Gender Integration training to encourage incorporation of gender awareness into their activities. Post-harvest handling training was conducted to apex associations in Mang'ula, Ifakara, and Mlimba. Apex board members and two leaders from each association attended the one-day training session.
- **Access to Finance:** This quarter, NAFKA collaborated with CRDB, Opportunity Tanzania Limited, and Iringa University who provided loans to 974 farmers worth a total of ██████ at an interest rate of three percent per month.

² Cumulative-to-Date figures are the sum total of all final Year-to-Date figures for each reporting year. Beginning Q3 FY 2014, NAFKA revised its methods for calculating cumulative beneficiaries per USAID approval.

³ Exchange rate of 2,050 Tsh : 1 USD.

Increased Private Investment in Agriculture

- **Public-Private Partnerships:** NAFKA continues to work with KPL and KVTC to mutually develop outgrower programs that promote provision of agricultural inputs and crop marketing within the rice value chain. These two entities are the major private investors in rice in the SAGCOT region. Additionally, NAFKA offers support to the Rice Council of Tanzania (RCT), an advocacy platform for the rice sub-sector in Tanzania. RCT provides an important collective private sector voice that advocates for the Tanzanian rice industry.
- **NAFAKA Grants:** NAFKA continues to monitor 21 grants worth ██████████ to support local businesses, associations, individual farmers, and institutions: 1) Association Development Grants (KINNAPA); 2) Private Co-Investment Grants (KPL); 3) Research Institution and Training Grants (ZARI and KATI); 4) Enterprise Development Co-Investment Grants (Current Geographic Districts: 1 Processor – Kibaigwa; and New Geographic Districts: 3 Processors – Khebhandza, Mtenda, and Raphael; 1 Agro-Inputs Supplier – Kilawa; and 1 Micro-Finance Institution – University of Iringa); 5) Agro-Dealer Grants to 9 grantees (BABU, GABE, Kiteto, Michael, NOKWIM, PALUKI, S. Majembe, TVC, and William); and 6) Seed Production Companies (TANSEED and Tropical Seeds).

Increased Income for Vulnerable Smallholders

- **Expanded Savings and Internal Lending Community (SILC) Members:** NAFKA reached 10,185 vulnerable households by building the capacity of local savings and lending groups through mobilization and training; 1,308 of these households were new.

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, the Government of Tanzania, and the Revolutionary Government of Zanzibar to analyze local rice and maize value chains and to 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 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 behavior change communication.
- *Catholic Relief Services (CRS)* – Addressing the needs of the most vulnerable in target regions.

- Short-term technical support from *Associates for International Resources and Development (AIRD)* on policy issues in collaboration with the FtF SERA project.

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 productivity and competitiveness of the smallholder-based rice and maize value chains. To sustainably reduce hunger and poverty, NAFKA is:

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

Geographic Zones of Influence

With recent expansion efforts, NAFKA is currently implemented in 10 districts in five regions on the mainland and two islands in Zanzibar, Pemba and Unguja. Key areas of intervention and on-the-ground partnerships are described below:

- *Kilombero District*: a paddy-growing area in the south of the Morogoro region with five clusters. In Ifakara North, Mlimba, and Mang’ula clusters, NAFKA is engaged in association development and increasing productivity in 56 villages (20 in Ifakara North, 16 in Mlimba, and 20 in Mang’ula), focused mainly on rain-fed production. For KPL and KVTC clusters, NAFKA is facilitating KPL outgrower schemes in 10 villages and working with KVTC employees and some teak outgrowers to develop their own rice operations in 12 villages.
- *Mvomero District*: a paddy- and maize-growing area in the north of the Morogoro region. NAFKA is developing associations and increasing productivity with both paddy (rain-fed and irrigated) and maize producers in 48 villages (43 rain-fed and 5 joint rain-fed/irrigated).
- *Kongwa and Kiteto Districts*: maize-growing areas in Dodoma and Manyara regions. NAFKA is developing associations and increasing productivity with maize producers in 112 villages (61 in Kongwa and 51 in Kiteto).
- *Zanzibar*: NAFKA is focused on increasing productivity with both rain-fed and irrigated paddy producers in 74 wards/shehias (37 in Unguja and 37 in Pemba).
- *Iringa and Kilolo Districts*: paddy and maize-growing areas in Iringa region. NAFKA has signed a grant agreement with University of Iringa to increase access to finance for 770 smallholder farmers.
- *Mbarali, Mbeya Rural, Mbozi, and Rungwe Districts*: paddy and maize-growing areas in Mbeya region. NAFKA has signed agreements to facilitate increased productivity and market access in 47 villages through four grantees – Kilawa Enterprises, Khebhandza Marketing Co. Ltd, Mtenda Kyela Rice Supply

3. IMPLEMENTATION PROGRESS

This section presents NAFKA's progress in implementing activities according to the key result areas as per the NAFKA project document, which include:

- IR-1 Improved value chain productivity
- IR-2 Expanding markets and trade
- IR-3 Increased private investment in agriculture
- IR-5 Increased income for vulnerable smallholders

Cross-Cutting Issues are addressed under Section 10 of this report, which include gender and youth integration, behavior change communication, environmental and natural resource management, and monitoring and evaluation.

IR.1. Improved Value Chain Productivity

NAFKA's productivity enhancement efforts are aimed at sustainably 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. Primary field activities under the productivity component this quarter were:

- Seed and fertilizer distribution
- GAP demonstration plots establishment
- GAP and IPM training to Lead Farmers
- QDS production training for VBAs
- Fertilizer validation trials in Zanzibar
- Product knowledge training for agro-dealers
- Improvement of GAP training manuals
- Post-harvest technology needs assessment
- Mid-term review of Africa Rising

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

During this quarter, 40,939 (54% M / 46% F) farmers were trained on GAP by agro-dealer grantees, processor grantees, VBAs, and ZARI in 10 districts of Tanzania mainland and Zanzibar.

I.1.1. Build Capacity of Local Implementing Partners

While no specific activities took place this quarter, as local implementing partners, RUDI and MVIWATA

have been receiving capacity-building services from NAFKA on a regular basis through a combination of customized training workshops and on-site technical assistance. This enhanced capacity is especially important in NAFKA's new regions – Mbeya and Iringa – where these local partners will serve as key catalysts.

1.1.2. Producer Associations and Group Strengthening

NAFKA plans to reach 4,000 farmers in Mbeya and Iringa by building the capacity of associations to improve collective aggregation, collective sales, collective access to inputs, and access to credit. These activities will be implemented by local partners RUDI and MVIWATA, and four of their field officers have already been stationed Mbeya and Iringa. In Mbeya, MVIWATA has identified 20 existing associations in Mbarali and Mbozi districts.

1.1.3. Engaging Agricultural Research and Training Institutes

NAFKA continued its collaborative efforts with three research and training institutions: KATRIN, ZARI, and KATI.

NAFKA completed the work it began in FY 2012 on Urea Deep Placement (UDP) trials with KATRIN (Kilombero district) and Cholima Research Institute (Mvomero district). Last quarter, NAFKA and KATRIN drafted an MOU to outline collaboration on UDP validation trials now taking place in Ifakara. These validation trials are conducted to determine the benefits and suitability of UDP on Tanzanian soils and are required by the government prior to approve use by farmers.

The Ministry of Agriculture of the Revolutionary Government of Zanzibar has been an excellent partner for NAFKA in improving rice productivity in Zanzibar through activities implemented in collaboration with ZARI and KATI. ZARI and KATI both work with farmers to improve productivity – either through direct training or indirectly by training Lead Farmers and extension workers who pass the trainings along to farmers.

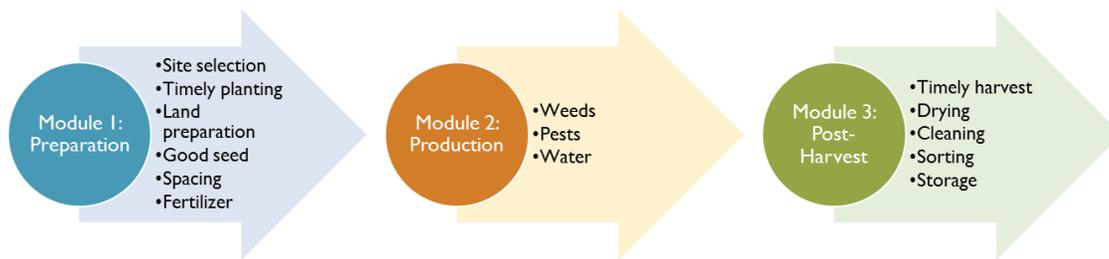
1.1.4. Training on Good Agricultural Practices (GAP)

NAFKA's agricultural productivity activities are designed to facilitate positive changes in farmer practices through the integration of core behaviors in farm activities. A combination of training approaches, including on-farm cascade training in GAP, demonstration plots, residential trainings, farmer exchange visits, and Farmer Field Days, is used to instill these key behaviors. The trainings are facilitated by NAFKA agronomists, Lead Farmers, VBAs, agro-input companies, agro-dealer agents, and government extension agents.

For farmers to achieve maximum impact on yield and quality improvement, NAFKA has designed a productivity training program – comprised of land preparation, proper spacing, use of fertilizer and improved seeds, water management, pest and disease control, and pre-harvest/harvest/post-harvest practices – intended to equip farmers with skills and knowledge in GAP. For producers, such training is the initial step in developing the knowledge and skills to build their capacity to adopt improved practices and, in turn, increase both yields and profit.

During the quarter, 349 Lead Farmers, 216 VBAs, and nine hub agro-dealers delivered some part of the GAP training program to 40,939 (54% M / 46% F) with technical support from NAFKA agronomists and district coordinating officers (DCOs). This quarter, most farmers were trained on GAP Module 2 – crop husbandry and pest management. Additionally, most of the VBAs were also trained on how to use spraying equipment properly, correct pesticide doses, the use of different nozzles, and other related application

information so that they can better train their own farmers.



Developing Extension Service Providers

NAFAKA has established a continuously growing sustainable network of VBAs, agro-dealers, and select Lead Farmers to increase farmer access to improved services and inputs, such as seed, fertilizer, and agro-chemicals. NAFKA builds the capacity of these individuals by facilitating ToTs that cover topics ranging from GAP to business management – and by creating market linkages amongst the service providers and between the service providers and customer farmers.

Village-Based Agricultural Advisors (VBAs)

VBAs are farmers based in rural areas who are selected by their community to provide training, extension services, and inputs to other farmers in the same village. The 216 VBAs (78% M / 22% F) who work through NAFKA are closely monitored by five DCOs who provide support and oversight. While VBAs are not certified agro-dealers, many serve as agents of agro-dealers, reselling inputs to farmers in their village for a small commission and providing valuable access in areas too remote for most agro-dealers to serve. The VBA network is comprised of 52 in Mvomero (81% M / 19% F), 21 in Mang'ula (60% M / 40% F), 23 in Ifakara North (72% M / 28% F), 18 in Mlimba (94% M / 6% F), 50 in Kiteto (66% M / 34% F), and 52 in Kongwa (77% M / 23% F).

In this quarter, 26,282 farmers (55% M / 45% F) received GAP training from VBAs in the six clusters of Kiteto, Kongwa, Mang'ula, Mlimba, Mvomero, and North Ifakara.

VBA Associations: NAFKA is encouraging VBAs to form associations in order to increase the number of sustainable economic agricultural enterprises that can provide inputs and services throughout the rice and maize value chains. As a registered association member, VBAs can access seed dealer and fertilizer stock list certificates for official distribution of seed and fertilizer inputs at the village level – rather than only being able to act as agents of agro-dealers. Additionally, an association structure allows VBAs to purchase inputs in bulk at a lower cost by leveraging collective effort. NAFKA is currently working with four VBA Associations in Kiteto, Kongwa, Mvomero, and Kilombero.

Lead Farmers

Of the farmer associations that have demonstration plots, one Lead Farmer is chosen by group participants to manage the plot and provide guidance to others. There are 349 Lead Farmers (59% M / 41% F) in the nine NAFKA clusters in Morogoro, Dodoma, and Manyara districts – as well as Pemba and Unguja.

This quarter, NAFKA continued to work with Lead Farmers to manage 453 demonstration plots (183 maize; 270 rice) used to train association members in GAP.

Table 3: Lead Farmers by Cluster

Cluster	Female	Male	Grand Total
Kiteto	20	24	44
Kongwa	10	35	45
Mang'ula	17	32	49
Mlimba	13	19	32
Mvomero	28	30	58
Ifakara North	27	34	61
Pemba	16	11	27
Kilombero Valley Teak Plantation	6	16	22
Unjuja	6	5	11
TOTAL	143	206	349

Agro-Dealers

Agro-dealers are generally based in semi-urban areas and are certified and registered as private inputs dealers. Although demand for improved seed, fertilizer, and agro-chemicals has increased at the field level due to NAFKA interventions, farmers in remote areas continue to lack access to affordable, high-quality inputs and the necessary technical knowledge to use them properly. This hinders their ability to increase productivity and to diversify into higher-value agriculture production. To address this, NAFKA is supporting a network of 126 certified agro-dealers – 28 of whom were newly recruited this quarter – by providing GAP training, encouraging the use of improved inputs to farmers throughout its zone of intervention, and creating linkages between agro-dealers and farmer customers. Out of 126 agro-dealers, 32% are female.

GAP Training: One of the major causes of low farm productivity is lack of familiarity by smallholder farmers regarding the proper use of various inputs. In order for agro-dealers to accurately and confidently pass along this information along to farmers, they must first have this technical knowledge themselves. NAFKA collaborates with input supply companies to regularly train agro-dealers on products with the understanding that the information is passed on to farmers before or at the point of sale.

Hub Agro-Dealers: Earlier this year, the Wholesale Agro-Dealer Grant Initiative identified nine hub agro-dealers to receive grant funds and technical assistance from NAFKA. NAFKA has linked these hub agro-dealers with VBAs, who bulk orders from their farmers and serve as agents for hub agro-dealers whose outreach often does not extend to the more remote areas. NAFKA also provides GAP and product knowledge training to enhance the hub agro-dealers' ability to build customer awareness. The grants allow grantees to acquire larger volumes of inputs from supply companies through credit contracts, to provide more timely delivery of inputs to smallholder farmers through well-established networks and organized transport, and to create demand for improved inputs through the use of demonstration plots for training.

Last quarter, hub agro-dealers began the establishment of demonstration plots. To date, a total of 142 demonstration plots – 25 more than the original goal of 117 – have been planted by the nine hub agro-dealers in Mlimba, North Ifakara, Mang'ula, Mvomero, Kongwa, and Kiteto in collaboration with VBAs and farmer groups. 10,213 farmers were trained in several GAP technologies (seed varieties, land preparation, weeding, planting, fertilizer application) by VBAs, Lead Farmers, and the agronomists employed by hub agro-dealers through their grant agreements.

Overall, excellent progress has been made by the nine hub agro-dealer grantees. Originally, the hub agro-

dealers made arrangements to sell inputs to VBAs on credit to increase access to inputs by farmers in the most rural areas. Although the process has been working well, VBAs are noting concern that they do not have enough capital to secure the growing volumes of inputs demanded. Most hub agro-dealers need a minimum deposit of 50% of the sales price to release inputs to VBAs; as sales volumes grow, this deposit requirement has also grown – often too large for what most VBAs are able to financially manage. While this marks an obvious success, it also highlights a significant challenge.

Since most of the relationships between hub agro-dealers and VBAs are new, as time continues, improved trust will build greater confidence between partners and potentially ease some of the payment terms. Additionally, one of the hub agro-dealer grantees – S. Majembe – has even loaded his truck and driven out to the villages of some of the VBAs he serves, allowing them to sell directly from the truck and pay immediately without the need to provide a deposit. Although this level of direct sales is not possible for all hub agro-dealers, it demonstrates the type of entrepreneurial ingenuity that builds a more robust input supply chain and more sustainable private sector.

Farmer Field Days

Farmer Field Days are held at the end of the cropping season during harvesting when farmers are best able to learn by observing activities at demonstration plots and hearing explanations from their fellow farmers. The events provide an opportunity for farmers to celebrate successes, share lessons with other farmers, and network with input supply companies, government officials, and other farmers. Farmer Field Days are also a good platform for sensitizing farmers who did not participate during demonstration plot establishment and management in their villages. 2,830 farmers attended farmer field days in Kilombero, Kongwa, and Kiteto that were organized by hub agro-dealers in collaboration with farmer associations, VBAs, and village governments.

1.1.5. GAP Behavior Change Communication (BCC) and Material Development

NAFAKA designs various BCC materials to foster behavior change and adoption of key agriculture practices and technologies that allow farmers to realize an increase in yields and/or incomes. Many behaviors and practices are socially or economically embedded, requiring a more nuanced understanding of the barriers to change and the adaptation of tools accordingly. During this reporting period, the NAFAKA BCC team continued to develop, disseminate, and monitor the effectiveness of materials designed to promote both GAP adoption and the benefits of association membership.

Campaign Print Materials: Two hundred posters and fliers promoting the value of association membership, two hundred posters promoting GAP techniques in maize and rice, and three hundred GAP calendars were distributed during this quarter’s Farmer Field Days in Kilombero, Kongwa, and Kiteto. The calendars have messages that correspond to each month within the growing season to reinforce best practices at each stage of the rice and maize production cycles. These materials were developed during the fiscal year in support of two campaigns: GAP adoption and association membership promotion.

Table 4: Distribution of BCC Campaign Materials during Farmer Field Days

District	Farmer Calendars		GAP Awareness Posters		Association Posters	Association Fliers
	Maize	Rice	Maize	Rice		

Kilombero	50	50	35	35	35	35
Kongwa	50	50	30	30	30	30
Kiteto	50	50	35	35	35	35
TOTAL	150	150	100	100	100	100

Review of GAP Training Manuals: Training manuals for GAP Modules 1, 2, and 3 for both paddy and maize production were reviewed and finalized this quarter. The modules are currently undergoing translation into Kiswahili. The training manuals include GAP technical information and visual aids that allow various trainers to deliver consistent messages to the farmers with whom they work.

BCC Training Video: Last quarter, initial preparation and filming equipment installation for a new training video showing proper application of GAP techniques for maize took place at the NAFKA Morogoro office garden. In collaboration with the NAFKA Productivity Team, the time-lapse video will document growth stages and the differences between the use of GAP and traditional farming techniques on maize. This quarter, the second filming covered the farming stages of weeding, top dressing, and disease/pest management with recommendations for each. Once the video is completed, it will be packaged with other NAFKA videos produced last reporting year and shown to farmers in project intervention areas to increase awareness of the benefits of improved farming practices.



*Above Left and Right:
Taking initial footage of disease and pest control for maize farming time-lapse videos at NAFKA Morogoro office.*

1.2. Enhanced Technology Development, Dissemination, Management, and Innovation

NAFAKA promotes the application of improved technologies to our targeted beneficiaries by using demonstration plots to showcase and popularize the use of improved seeds and fertilizers, ripping technology, UDP application and quality declared seeds (QDS).

1.2.1 Demonstration Plots for Improved Technologies and Management Practices

Through VBAAAs, Lead Farmers, and agro-dealers, NAFKA uses demonstration plots as a teaching and experimentation tool to allow farmers to visually observe the benefits of GAP application and to compare various combinations of GAP techniques. The demonstration plots promote up to 14 technologies and practices that include land preparation, proper spacing, appropriate use of fertilizer and improved seeds, water management, pest and disease control, intercropping with food security crops (pigeon peas, cowpeas, green grams, and soybeans) and pre-harvest/harvest/post-harvest techniques. This quarter, 453 demonstration plots were established (270 paddy; 183 maize) across NAFKA project districts. Since the

beginning of the reporting year, 844 demonstration plots (377 maize; 467 paddy) have been established.

Table 5: Number of GAP Demonstration Plots Established in FY 2015

Cluster	Maize	Rice	Total
Kilombero Plantation Ltd		104	104
Kiteto	159		159
Kongwa	135		135
Mang'ula		98	98
Mbarali		4	4
Mbeya Rural	8		8
Mbozi	8	8	16
Mlimba		37	37
Mvomero	65	38	103
North Ifakara		98	98
Pemba		20	20
Rungwe	2	7	9
Teak Plantation		33	33
Unguja		20	20
TOTAL	377	467	844

1.2.2 Private Sector Input Supply Engagements

NAFAKA recognizes that private sector investment in agricultural supply chains contributes to sustainable development. Through demonstration plots and TOTs, NAFKA has created a platform for input companies to showcase and demonstrate seeds, fertilizers, and agro-chemicals to build customer awareness and demand. This quarter, through stakeholder workshops, Farmer Field Days, and introductions to new customer networks, NAFKA continued collaborative efforts with the following input supply companies:

- **Crop Pesticide Production Companies:** Glycel Crop Care, Meru Agro-Tours and Consultancy, Monsanto, Suba-Agro Engineering, Tanzania Crop Care
- **Fertilizer Companies:** Mea Fertilizer, YARA
- **Seed Companies:** Bytrade, Kibo Seed Company, Meru Agro-Tours and Consultancy, Monsanto, Pannar Seed Company, Seedco, Suba-Agro Engineering, Tanseed International, Zam Seed Company
- **General Agro-Input Suppliers:** Arysta Life Science, ATG, China Pesticides, Minjingu, Positive International, Syngenta, TATA Africa

1.2.3 Quality Declared Seed (QDS) and Certified Seed Production

Quality Declared Seed (QDS): Local availability of high-quality seed is integral to increased yield potential of smallholder farmer crops. In rural areas that are challenging for agro-dealers to reach, QDS is produced by approved QDS farmers and sold to other farmers within the same village. NAFKA supports the efforts of QDS producers by providing GAP training for QDS production, as well as marketing strategies to distribute the seed they produce. Since VBAAAs have a ready customer base in the farmers they train,

becoming a QDS producer provides them both with a revenue source for their efforts and an incentive to sustain the VBAA model.

NAFAKA is working with trained VBAs who have started producing QDS in their fields – SARO 5 (TXD 306), NERICA 1, and Supa India rice varieties and Stuka and Staha maize varieties, although the lack of rain in Kongwa and Kiteto prevented most maize QDS from producing. In Mvomero, 11 out of 22 VBAs have been successful in producing rice and maize seed on 11 acres after experiencing production constraints related to drought, nursery flooding, and land conflicts between herders and sedentary farmers. In Kilombero, 22 out of 38 VBA's have been successful in producing rice seed on 22 acres, after experiencing production constraints related to drought.

Certified Seed: While QDS producers sell directly to local customers in their village area, certified seed producers sell directly to national seed companies that have contracted them in advance. Currently, NAFKA works with more than 50 certified seed producers by offering training and technical assistance. NAFKA will facilitate further market linkages between certified seed producers and the national seed company grantees Tropical Seeds East Africa and TANSEED International that purchase from them.

1.2.4 Verification Trials – Urea Deep Placement (UDP)

Consistent with our strategy to increase the availability of inputs to local producers, NAFKA continues collaboration with KATRIN to run trials on the use of Urea Super Granules fertilizer⁴. Last quarter, NAFKA completed the initial set of Urea Super Granules through UDP on-station trials, which were conducted to determine the benefits and suitability of Urea Super Granules on Tanzanian soils and rice lowland ecology by using the SARO 5 (TXD 306) rice variety. In general, Urea Super Granules proved significant superiority over both the normal form of Urea and the control, specifically in grain yield and grain weight.

In the quarter, NAFKA staff met with KATRIN to continue collaboration on Fertilizer Deep Placement (FDP) validation trials. It was agreed that new trials will be conducted in three sites – two in Ifakara North and one in Mvomero.

IR.2. Expanding Markets and Trade

To be competitive in today's agricultural marketplace, farmers – especially smallholder farmers – need to be integrated fully into the value chain. NAFKA market and trade activities are focused on fostering financial and relationship transactions all along the value chain that benefit from 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.

⁴ Urea fertilizer comes in the form of either prills, which are spherical in shape and about 1 or 2mm in diameter, or granules. UDP uses Urea in the form of a briquette (1.8 and 2.7 grams per briquette), which allows for placement deep within the soil, making it less likely to evaporate like prilled Urea or Urea granules.

2.1.1 Strengthening Producer Marketing Associations

Recruitment of New Association Members: During the quarter, three association registrations were completed in Kilombero. To date, 83 total associations have been registered, and documents for seven additional association registrations remain at the Ministry level.

Post-Harvest Handling Training: Post-harvest handling training was conducted for apex associations in Mang'ula, Ifakara, and Mlimba. Apex board members and two association leaders from each association attended the one-day training session.

Organizational Capacity Assessment for Associations: Over the last three years, NAFKA has supported rice and maize farmers in forming 125 associations, of which 83 are now formally registered. An additional 10 to 20 associations have joined together to form apex associations, intended to facilitate enhanced advocacy efforts and collective bargaining. This quarter, NAFKA contracted a consultant to conduct an assessment of 62 of these associations to gauge progress in governance, management, human resources development, financial management, business service delivery, and external relations/networking. A modified version of the Organizational Capacity Assessment Tool (OCAT) is being used. Assessment findings are expected in early September.

2.1.2 Storage, Warehouse Management, and Aggregation

Farmer associations have been continually aggregating paddy in anticipation of higher prices that usually come later in the season. Some associations use crop banking to provide members credit access by allowing the stored produce to be used as collateral.

This quarter, MVIWATA set an aggregation target for this season at 2,000 MT for rice and 3,350 MT for maize, all of which will be aggregated in warehouse storage. These targets were based on estimations from 33 associations working with NAFKA in Mvomero district.

2.1.3 Developing the Rice Council of Tanzania

The Rice Council of Tanzania (RCT) was established in June 2014, prompted by the detrimental effects of the importation of rice into Tanzania that should have been levied with the Common External Tariff (CET) – but was not. The rice industry's private sector felt the need to develop a common voice with which to enter into dialogue with the Government of Tanzania (GoT) on governance issues relating to the industry. This move was supported by the GoT.

Previously, NAFKA supported RCT by providing a third country national Rice Value Chain Coordinator and local-hire Executive Director whose contract ended last quarter. This quarter, NAFKA continued to house RCT in its Dar es Salaam office and to support board meetings, although support and management of the newly recruited Executive Director and a program officer position were transferred to RUDI.

This quarter, RCT conducted a rapid assessment of rice stocks across the country, done in collaboration with the Feed the Future SERA project and the Ministry of Industry and Trade. Findings were presented to USAID and used in the stakeholder meeting. Additionally, RCT prepared a position paper on the impact that the illegal importation of duty-free rice has had on the local rice industry and organized a rice stakeholder advocacy workshop to launch the position paper "Rice for Health, Rice for Wealth: Say 'NO' to Smuggled Rice." A press release on the negative impact of smuggled rice on Tanzanian rice producers was published on fourteen mainstream media sites (*Tanzania Daima, Daily News, The Guardian, The Citizen, Nipashe,*

Mwananchi, Radio Clouds, EA Radio, Radio Free Africa, Azam TV, Radio One, ITV, Channel 10, and Capital TV).



RCT Chairperson, Julius Wambura, is interviewed by the media after the rice stakeholder advocacy workshop

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

2.2.1 Increased Access to Agricultural and Rural Loans

This quarter, NAFKA continued collaboration with Opportunity Tanzania Limited (OTL) for disbursement of loans in Mvomero and Kilombero. Additionally, the CRDB loans under the Private Agriculture Sector Support (PASS) guarantee continue to proceed well at UWAWAKUDA in Dakawa with plans to scale up. Collaboration with VESTFARM – a private sector company specializing in farmer management platforms for payment systems, aggregation, and procurement of inputs - kicked off with scoping surveys in Kongwa, targeting approximately 5,600 farmers for input aggregation and output marketing services. A scoping survey was also done in Mbeya and Iringa by VESTFARM to identify potential millers and traders who could be assisted to increase access to markets for smallholder farmers.

Opportunity Tanzania Limited: Input credit loans amounting to ██████████ were disbursed to 799 (55% M / 45% F) farmers in Kilombero and Mvomero. Farmers from the two districts received a package of agricultural inputs on credit including certified seeds, herbicide, Yara Mila fertilizers, and Thunder insecticide. The loan term is six months, and farmers are required to pay back directly after harvesting at an interest rate 3% per month.

CRDB Loans: CRDB/PASS loans were disbursed to 56 farmers (71% M / 29% F) who are members of the UWAWAKUDA cooperative in Dakawa. The total value of the loans is ██████████.

University of Iringa / Iringa Hope: Through new grantee University of Iringa / Iringa Hope SACCOs, 119 beneficiaries received loans for farming activities. The total loan value was ██████████.

⁵ Tsh 2,050 = 1 USD

2.2.2. Increased Access to Business Development Services (BDS) for Micro, Small, and Medium Enterprises (MSME)

During the quarter, NAFKA facilitated access to business development services (BDS) for 12,553 (38% M / 62% F) Micro, Small, and Medium Enterprises (MSME), including individual farmers. NAFKA supports the delivery of BDS in three primary activity areas – business-related trainings, facilitation of agricultural service provision, and access to formal or informal finance.

- **Training Related to BDS** (e.g. Marketing, Accounting)
 - 70 VBAs and 30 farmers were trained on marketing and business skills – budgeting, distribution and selling of agriculture **inputs** that include: seed, fertilizer and agro-chemicals
- **Agricultural Services** (e.g. Spraying, Ripping, Input Supply)
 - 946 farmers purchased inputs from VBAs
- **Access to Formal or Informal Finance** (e.g. Bank Loan, SILC Loan, Inputs Purchase on Credit)
 - 974 farmers accessed formal loans
 - 799 from Opportunity Tanzania Limited
 - 56 through CRDB/PASS
 - 119 through University of Iringa / Iringa Hope SACCOs
 - 10,533 farmers accessed saving and lending services through SILC groups

Table 7: Number of MSMEs Receiving BDS

Type of Service	Male	Female	Number of Farmers
Marketing and Business Training	71	29	100
Purchase of Inputs from VBAs	644	302	946
Access to Formal Loans	430	544	974
Savings and Internal Lending Community Members (SILC)	3,611	6,922	10,533
TOTAL	4,756	7,797	12,553

IR.3. Increase Private Sector Investment in Agriculture

3.1. Develop Strategic Partnerships with Lead Private Sector Firms

NAFAKA continues to work with KPL and KVTC in mutually developing outgrower programs that promote private sector involvement in the provision of agricultural inputs and crop marketing within the rice value chain. KPL outgrowers continue to experience increases in paddy yields using System for Rice Intensification (SRI) technology, compared to previous yields using more traditional practices.

Additionally this quarter, NAFKA continued to monitor grants provided to private sector partners, leveraging private investment to strengthen the maize and rice value chains. NAFKA continued to work with Kibaigwa Flour Supplies Co. Ltd in Kongwa, KINNAPA Development Programme in Kiteto, KPL in Kilombero, nine agro-dealers – Babu Agro-Dealer, Gabe Milling Enterprise, Kiteto Agro-Business Company Ltd, S. Majembe Agro-Vet and Agro-Chemical, Michael Agro-Business and General Supply, NOKWIM Investment Company Ltd, PALUKI Agro-Dealer and General Supply, TVC Agro-Chemicals Input Investment, William Agrichem; two national certified seed companies – TANSEED International and Tropical Seeds East Africa; five enterprises in Mbeya and Iringa – Kilawa Enterprises, Khebhandza Marketing Co. Ltd, Mtenda Kyela Rice Supply Co. Ltd, Raphael Group Ltd, and University of Iringa; and ZARI and KATI in Zanzibar.

3.2. NAFKA Innovation and Capacity-Building Grants

Innovation and Capacity-Building Grants leverage funds to support innovation and private sector investment. During this quarter, NAFKA continued to monitor progress on 21 existing grants amounting to \$1,933,662. In addition, 81 completed grants were closed out. The details of the grants are as follows:

3.2.1 Ongoing Grants

This quarter, NAFKA continued to monitor the implementation of signed grant agreements in the geographic districts of Morogoro, Manyara, Dodoma, Mbeya, Iringa, and Zanzibar.

BABU Agro-Dealer: In January 2015, NAFKA committed ██████ to BABU Agro-dealer with grantee contribution of ██████ to strengthen and enhance the efficiency of the maize value chain through the commercially sustainable sale of farm inputs to 1,500 farmers in Kiteto district, Manyara region. During this quarter, BABU collected farm inputs demand from 1,528 farmers and trained 1,508 farmers through 21 maize demonstration plots.

GABE Milling Enterprises: GABE Milling Enterprises is an agro-dealer and processor based in Kiteto district, selling inputs to farmers and buying maize to mill. In January 2015, NAFKA committed ██████ to GABE with grantee contribution of ██████ to facilitate the sale of farm inputs and to expand market linkages for 1,800 smallholder producers. This quarter, GABE trained 40 Lead Farmers on GAP technologies, trained 21 staff on financial management and monitoring and evaluation, prepared a maize business plan, and trained 623 farmers through 18 maize demonstration plots.

Kiteto Agro-Business Co. Ltd: Kiteto Agro-Business Co. Ltd. is an agro-dealer and processor based in Kiteto district. In January 2015, NAFKA committed ██████ to Kiteto Agro Business with grantee contribution of ██████ to strengthen the maize value chain in Kiteto district through the commercially sustainable sale of farm inputs and improved market linkages. This quarter, Kiteto Agro Business collected farm

inputs demand from 2,538 farmers, trained 1,335 farmers through 15 demonstration plots for maize, and purchased an additional of 250MT of farm inputs.

Michael Agro-Business and General Supply: In January 2015, NAFKA committed [REDACTED] to Michael Agro-Business with grantee contribution of [REDACTED] to strengthen and enhance the efficiency of the maize value chain through the commercially sustainable sale of farm inputs to 1,500 farmers in Kongwa district. During this quarter, Michael Agro-Business collected farm inputs demand from 1,423 farmers and trained 1,543 farmers through 18 demonstration plots.

NOKWIM Investment Co. Ltd: In January 2015, NAFKA committed [REDACTED] to NOKWIM with grantee contribution of [REDACTED] to strengthen the rice value chain through the establishment of demonstration plots, farmer trainings, provision of extension services, and the commercially sustainable sale of farm inputs in Kilombero district. During this quarter, NOKWIM collected farm inputs demand from 1,000 farmers, trained 1,020 farmers through 10 demonstration plots, organized a Farmer Field Day for 236 farmers and input suppliers, purchased an additional of 190MT of farm inputs, and established a network of 10 sub agro-dealers and VBAs.

PALUKI Agro-Dealer and General Supply: In January 2015, NAFKA committed [REDACTED] to PALUKI Agrodealer with grantee contribution of [REDACTED] to strengthen and enhance the efficiency of the rice value chain through the commercially sustainable sale of farm inputs to 1,200 farmers in Mvomero district. During this quarter, PALUKI collected farm inputs demand from 1,229 farmers and trained 1,212 farmers through 13 demonstration plots.

S. Majembe Agro-Vet & Agrochemical: In January 2015, NAFKA committed [REDACTED] to S. Majembe with grantee contribution of [REDACTED] to strengthen and enhance the efficiency of the rice value chain through the commercially sustainable sale of farm inputs in Kilombero district. During this quarter, S. Majembe collected farm inputs demand from 2,056 farmers, trained 2,064 farmers through 17 demonstration plots, organized a Farmer Field Day for 305 farmers and input suppliers, purchased an additional 384MT of farm inputs, and established a network of 30 sub agro-dealers and VBAs.

TVC Agrochemical Input Investment: In January 2015, NAFKA committed [REDACTED] to TVC with grantee contribution of [REDACTED] to strengthen the rice value chain in targeted areas through the establishment of demonstration plots, farmer trainings, extension services, and the provision of farm inputs. During this quarter, TVC collected farm inputs demand from 2,651 farmers and trained 1,622 farmers through 14 demonstration plots.

William Agrochem Centre: In January 2015, NAFKA committed [REDACTED] to William Agrochem with grantee contribution of [REDACTED] to strengthen and enhance efficiency in both the rice and maize value chains through the commercially sustainable sale of farm inputs to 1,200 farmers in Mvomero district. During this quarter, William collected farm inputs demand from 1,098 farmers and trained 1,305 farmers through 18 demonstration plots (10 maize; eight paddy).

Tropical Seeds East Africa Co. Ltd: In March 2015, NAFKA committed [REDACTED] to Tropical Seeds with grantee contribution of [REDACTED] to improve maize and rice productivity of 4,850 smallholder farmers in Kongwa, Kiteto, Mvomero, and Kilombero districts by training outgrowers on rice and maize certified seed production. Through this agreement, Tropical Seeds will supply outgrowers with rice and maize basic seeds, train farmers on GAP technologies through crop demonstrations, and purchase raw certified rice and maize seed from outgrowers. This quarter, Tropical Seeds prepared a maize and rice business plan, conducted radio sessions to sensitize farmers on the use of certified seeds, trained 54 outgrowers on rice and maize seed production, finalized contracts with and distributed 2MT of rice and maize basic seeds to the 54 outgrowers, supervised the

performance of 167 acres of rice and maize seed, and maintained 12 demonstration plots (four maize; eight paddy).

TANSEED International Ltd: In February 2015, NAFKA committed ██████ to TANSEED with grantee contribution of ██████ to improve rice productivity of 10,870 smallholder farmers through certified seed production in Mvomero and Kilombero districts by training outgrowers on certified rice seed production. Through this agreement, TANSEED will supply outgrowers with rice basic seeds; train agro-dealers, ward seed sellers, and VBAs on strategic seed sales; and purchase raw certified rice seed from outgrowers. This quarter, TANSEED continued to negotiate contracts with and supply 1.75MT of rice basic seed to 46 outgrowers, maintain 70 hectares of rice seed, and maintain four demonstration plots.

Kilombero Plantations Limited (KPL) Grant: The overall objective of the KPL outgrower program is to increase rice productivity and profitability among smallholder farmers surrounding KPL through improved farming practices, adoption of suitable inputs, and expansion of these improved practices. Activities through the life of the grant include provision of extension activities to 10 villages with an agronomist assigned to each village; access to finance for smallholder farmers; increased availability of agricultural inputs for local purchase; and building the capacity of newly formed associations comprised of members who have received SRI training. A total of ██████, NAFKA has contributed ██████, and KPL has committed ██████. During this quarter, KPL maintained a total of 106 demonstration plots with a total of 4,282 smallholder farmers in 10 villages. They also purchased five hermetic cocoons that have a storage capacity of 60MT for paddy aggregated from farmers.

Zanzibar Agricultural Research Institute (ZARI) Grant: In December 2014, NAFKA committed ██████ to ZARI's contribution of ██████ to build the capacity of 2,000 new farmers (37% M / 63% F) in both rain-fed and irrigated paddy production in Zanzibar. The grant will increase rice productivity and profitability amongst smallholder farmers through the provision of GAP training to farmers and extension staff, contributions towards scientific trials, and the production and distribution of improved seeds. This quarter, ZARI took and tested 150 soil samples, conducted a sensitization meeting with 40 local extension officers, and trained 2,000 smallholder farmers in GAP Modules 2 and 3 through demonstration plots.

Kizimbani Agricultural Training Institute (KATI) Grant: In December 2014, NAFKA committed ██████ to KATI's contribution of ██████ to build the capacity of 80 Lead Farmers and 40 extension workers who will train 2,000 farmers in Pemba and Unguja. This grant will increase the productivity and profitability of smallholder farmers in Zanzibar by developing a network of extension services and Lead Farmers. This quarter, KATI trained 40 Lead Farmers on GAP Modules 5 and 6⁶, provided refresher residential training to 40 Lead Farmers on GAP Modules 1 and 2, and trained 1,002 smallholder farmers (48% M / 52% F) on GAP adoption through demonstration plots.

KINNAPA Development Program Grant: In June 2014, NAFKA committed ██████ to KINNAPA's contribution of ██████ to increase maize productivity and profitability among smallholder farmers in Kiteto district. KINNAPA will focus on aggregation and service provision, development of linkages with market actors and financial institutions, promotion of improved practices and technologies at all harvest stages, quality processing, and marketing. The program will also work with farmers and agro-pastoralists in Kiteto to strengthen livelihoods and community development. This quarter, KINNAPA trained 102 farmers on the warehouse receipt system, met with 75 members from 25 associations on advocacy for the warehouse receipt system, and held meetings with 25 SILC groups to link them with financial institutions.

⁶ Note that the GAP training program used in Zanzibar differs slightly from the one used in the mainland, and there are differences in module numbers and titles.

Kibaigwa Flour Supplies Limited (KFS): In November 2014, NAFKA committed ██████ to Kibaigwa's contribution of ██████ to strengthen the maize value chain by training 2,500 smallholder farmers in Kongwa on GAP techniques and promoting access to input and output markets through input provision and contract farming. This quarter, KFS trained 100 Lead Farmers on harvest and post-harvest handling; conducted maize flour market research in Dar es Salaam, Congo DRC, and South Sudan; and developed a new brand to promote fortified maize flour.

Khebhandza Marketing Co. Ltd: In February 2015, NAFKA committed ██████ to Khebhandza with grantee's contribution of ██████ to strengthen the maize value chain and to ensure access to a sustainable and profitable market for 1,000 smallholder producers in Mbeya and Mbozi districts. Through this agreement, Khebhandza will train farmers on GAP, support access to both input and output markets by engaging in contract farming, training group leaders on leadership and records management, and improve quality and quantity of maize products offered by Khebhandza Marketing Co. Ltd. This quarter, Khebhandza trained 234 Lead Farmers on GAP, contract farming, and farming as business; prepared a maize marketing plan and quality assurance manual; entered contracts with 20 farmer groups; and trained 1,078 farmers through 20 demonstration plots.

Kilawa Enterprises: In February 2015, NAFKA committed ██████ to Kilawa with grantee contribution of ██████ to strengthen the rice and maize value chains in Mbozi, Rungwe, and Mbeya districts through the commercially sustainable sale of farm inputs, GAP training, and contract farming with 1,440 maize and paddy smallholder farmers to purchase produce to mill. This quarter, Kilawa trained 95 Lead Farmers on GAP; trained nine staff on record-keeping, customer service, sales, and marketing; prepared a company strategic plan; printed 300 T-shirts, 300 caps, and 2,000 brochures for GAP advocacy; advertised through Bomba FM (Mbeya region) and Chai FM (Rungwe district) radio stations; trained 504 farmers through 15 demonstration plots; and maintained 12 farm input centers for input distribution.

Mtenda Kyela Rice Supplies Ltd: In February 2015, NAFKA committed ██████ to Mtenda with grantee contribution of ██████ to strengthen the rice value chain through farmer training, provision of extension services, enhanced input access, and strengthened market linkages for 1,290 paddy contract farmers in Mbozi and Mbarali districts. This quarter, Mtenda trained 48 Lead Farmers on GAP, contract farming, and farming as a business; prepared a rice marketing strategy; entered contracts with 12 farmer groups; and trained 1,298 farmers through 12 demonstration plots.

Raphael Group Limited: In February 2015, NAFKA committed ██████ to Raphael with grantee contribution of ██████ to increase income and food security for 1,025 paddy contract farmers in Mbozi and Rungwe districts through improved productivity and access to markets. Through this agreement, Raphael will train farmers on GAP and support access to both input and output markets. This quarter, Raphael trained 15 staff on processing, hygiene, and machine maintenance; prepared a rice marketing and strategic plan; entered contracts with 16 farmer groups; maintained 25 paddy collection centers; and trained 1,027 farmers through 10 demonstration plots.

University of Iringa – Micro-Finance Institute: In February 2015, NAFKA committed ██████ to University of Iringa with grantee contribution of ██████ to increase access to finance for 770 smallholder paddy and maize farmers in Iringa and Kilolo districts. Through this agreement, University of Iringa will provide loans to existing SACCOS; establish three new SACCOS; train 150 SACCO leaders from 38 SACCOS on record-keeping, financial management, business planning, and business expansion skills; and identify and register 20 AMCOS. This quarter, University of Iringa trained 152 SACCO leaders on record-keeping and leadership skills; provided loans totaling ██████ to seven SACCOS; printed 100 T-shirts, 100 caps, and 6,000 brochures; advertised services through Furaha FM radio station; and facilitated the registration of three new SACCOS.

3.2.2 Close-Out of Completed Grants

This quarter, NAFKA officially closed 81 completed grants – 56 Progressive Farmer grants (eight from March 2012 – December 2012 and 48 from January 2013 – January 2014); 19 association warehouse upgrade grants (four from September 2012 – September 2013 and 15 from November 2013 – November 2014); the original batch of five agro-dealer grants (November 2012 – November 2013); and one grant to UWAWAKUDA for institutional capacity building (January 2012 – July 2014).

IR.4. Increased Resilience for Vulnerable Smallholders

NAFKA is increasing incomes for vulnerable smallholders and enhancing rural household nutrition by promoting activities specifically tailored to more vulnerable members of communities in NAFKA target districts. Sub-contractor CRS implements NAFKA activities that target vulnerable populations by organizing members into SILC groups. Through these groups, members are trained and supported by SILC Field Agents (FAs) and Private Service Providers (PSPs) in group savings and lending principles, group fund collection and distribution policies, record-keeping, responsibilities of members, member self-selection criteria, and leadership selection. These same SILC groups are trained in nutrition and organic gardening to improve nutrient uptake at the household level.

The SILC methodology ensures sustainability by graduating Field Agents to Private Service Providers, who provide support to more mature SILC groups on a fee-for-service basis. NAFKA currently has 36 SILC Field Agents (74% M / 26% F) and 59 certified SILC Private Service Providers (86% M / 14% F).

New Member Mobilization: During this reporting period, a total of sixty new SILC groups with 1,062 new members were formed and trained in SILC methodology. This brings the total number of SILC groups supported by NAFKA to 588. A total of 10,533 members (34% M / 66% F) have been reached by SILC FAs and PSPs who work directly with SILC members to organize and educate their groups.

Savings and Lending: This quarter, the savings portfolio of all SILC groups reached \$484,094, an increase of \$43,194 with 68% of that belonging to women. A total of \$363,355 in informal agricultural loans have been issued to 5,114 SILC group members with the average loan value for men at \$89, and the average loan value for women at \$80.

Table 8: SILC Group Members to Date

Cluster Name	Female		Male		Total
	Number	Percent	Number	Percent	
Kilombero Plantation Ltd	932	64%	520	36%	1,452
Kiteto	1,590	68%	765	32%	2,355
Kongwa	863	66%	453	34%	1,316
Mang'ula	1,009	62%	609	38%	1,618
Mlimba	1,215	64%	696	36%	1,911
North Ifakara	1,313	70%	568	30%	1,881
TOTAL	6,922	66%	3,611	34%	10,533

Home Gardening for Improved Nutrition: To help improve nutritional intake and to increase incomes for vulnerable households, NAFKA promotes home vegetable gardening activities. Selected SILC members are trained in planting home gardens and improving the nutrition portfolios of their households. Beginning FY

2015, methodology for reporting home garden activities changed. NAFKA now collects data on each home garden planted, then uses its cluster-level, household-size multipliers to estimate the number of beneficiaries who have access to home gardens as a proxy for improved nutrition.

Establishment of home gardens is on-going throughout the year, dependent upon weather conditions and other agricultural priorities. This quarter, 338 farmers have received training on organic vegetable production (34% M / 66% F), and 3,717 beneficiaries now have access to improved nutrition because their households have established gardens in areas close to or around their homes. Additionally, 27 FAs in Kongwa and nine in Mvomero received refresher training on organic vegetable production to support this initiative.

Table 9: Home Gardens – FY 2015 Q3

Cluster Name	Beneficiaries with Access to Home Gardens
Mang'ula	75
Kiteto	65
Kongwa	2,161
Kilombero Plantation Limited (KPL)	148
Mlimba	98
Mvomero	919
North Ifakara	251
TOTAL	3,717

4. ACTIVITIES IMPLEMENTED IN ZANZIBAR (UNGUJA AND PEMBA)

IR. I. Improved Value Chain Productivity

NAFAKA's main objective in Zanzibar is to improve the productivity of rice cultivation to raise the incomes of smallholder farmers and to support the Revolutionary Government of Zanzibar's rice development strategy. During the quarter, the ZARI and the KATI completed Milestone 2 activities of the grants signed with NAFKA last quarter.

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

Developing Extension Service Providers

NAFAKA has established a continuously growing sustainable network of government agriculture extension officers and Lead Farmers to increase farmers' access to improved services and inputs, such as seed and fertilizer. NAFKA will continue to build the capacity of these individuals by facilitating ToTs that cover topics ranging from GAP to business management.

GAP⁷ Training to Farmers: ZARI conducted GAP Module 2 training (sowing, spacing, number of seeds per hill, basal fertilizer application, and rice varieties) and Module 3 training (weed, pest, and disease control; water and fertilizer management) to 2,000 farmers (1,000 in Unguja; 1,000 in Pemba) on 40 demonstration plots.

Government Agriculture Extension Officers and Lead Farmer Training: KATI conducted two GAP refresher trainings to 40 government extension workers and two residential trainings to 40 Lead Farmers. The trained farmers will cascade the knowledge, information, and technologies to other farmers in order to increase and sustain productivity in their respective villages. Through extension officers, KATI conducted monitoring activities to track 1,002 farmers who adopted GAP technologies after receiving training on demonstration plots.

Enhanced Technology Development, Dissemination, Management, and Innovation

NAFAKA promotes and demonstrates the application of improved technologies to our beneficiaries. The key technologies targeted under the strategy in Zanzibar include popularizing improved seeds, fertilizers, UDP application, and production of QDS.

Demonstration Plots for Improved Technologies and Management Practices

Demonstration Plots: This quarter, ZARI established 40 rice demonstration plots (20 in Unguja; 20 in Pemba) to use as a training platform for farmers. However, due to low rainfall during this quarter, the demonstration plots did not do well.

Fertilizer Validation Plots: UDP and Yara Mila validation trials have been conducted annually in Zanzibar. Based on the results of on-station fertilizer trials in 2014 that indicated improved productivity of rice up to 5.7 tons/ha using UDP and Yara Mila fertilizers, ZARI decided to conduct fertilizer validation trials under various ecological zones in Unguja and Pemba in the 2015 season.

This quarter, five fertilizer plots for this year's trial were selected: three in Unguja – Kizimbani, Uzini, and Mtwango and two in Pemba – Pujini and Mangwena. The trial will provide justification for use of UDP and Yara Mila against conventional fertilizer Urea on three rice varieties. Results from the trial, which is required to take place for two to three years by the Revolutionary Government of Zanzibar, will influence the decision by the Ministry of Agriculture and Natural Resources on whether to allow the technologies to be officially registered and used by farmers in Zanzibar.

Quality Declared Seed (QDS) Production: NAFAKA has engaged in a partnership with ZARI and the Zanzibar Seed Production Unit to increase availability and adoption of improved rice seed by selecting thirty smallholder farmers from Unguja to participate in the QDS production program. The selected seed variety for the program is SUPA BC (SUPA Basic Cross), developed by ZARI for its high yields, drought resistance, semi-aromatic nature, high tillering ability, and consumer preference in Zanzibar. Note that the mainland focuses on improved rice variety SARO 5 (TXD 306), which also produces high yields and matures early but lacks the aromatic qualities preferred by the majority of Tanzanians.

This quarter, farming sites for QDS production were established by selected farmers in the rice irrigation schemes of Bumbwisudi (five sites), Cheju (eight sites), Kibokwa (10 sites), and Mtwango (seven sites). The crops are at different stages depending on time of establishment, determined by availability of water in the schemes. Cheju and Kibokwa sites were established earlier than the other sites, and the crops are now at flowering and grain filling stages.

⁷ Note that ZARI and KATI use their own GAP training protocols. Although the practices are similar to GAP curriculum used on the mainland, the modules and some terms are slightly different.

Soil Sampling: 150 soil samples were collected from all GAP demonstration plots and fertilizer validation sites in Unguja and Pemba. A team comprised of ZARI staff and soil laboratory staff from Government of Zanzibar took part in the collection exercise with staff from the government soil laboratory leading the team.

5. ACTIVITIES IMPLEMENTED IN EXPANSION REGIONS IRINGA AND MBEYA

In December 2014, the NAFKA Task Order was officially modified to expand activities into Mbeya and Iringa regions. During this reporting period, NAFKA focused on identifying new field offices and personnel for satellite offices in Mbeya and Iringa; initiating activities under the recently awarded enterprise grants in Mbeya and Iringa; and integrating the work of sub-contractors to re-calibrate and sustain activities in existing geographic project areas.

Mbeya and Iringa Baseline Survey: NAFKA conducted a baseline survey in new regions Mbeya and Iringa in May to collect comprehensive, reliable, and comparable household-level data that will be used as a basis of comparison for future changes. NAFKA staff conducted the survey in Mbeya Rural, Mbarali, Mbozi, and Rungwe districts in Mbeya region and Iringa Rural and Kilolo districts in Iringa region. The baseline survey data entry into the system, data compilation, and analysis will be done in this coming quarter. The final baseline report is expected to be finalized by mid-August. Mbeya and Iringa

IR.2. Expanding Markets and Trade

2.2. Increased Market Efficiency

‘Know Your Market’ Campaign: Building on the rapid baseline assessment conducted in Mbeya and Iringa, this quarter, the BCC team designed the “Know Your Market” campaign to target maize and rice farmers in new project regions Mbeya and Iringa. Through fliers and radio spots, the campaign encourages farmers to actively seek market information for best sales prices and best market locations before selling their crops. It also suggests that farmers can plan to jointly store part of their harvest if necessary in anticipation of better prices.

The campaign is an efficient and effective vehicle for introducing project interventions to farmers in these new regions, in addition to bringing awareness to the services provided by NAFKA grantees, such as storage, purchasing, processing, and additional market linkages. The campaign will be implemented in July and August 2015.

IR.3. Increase Private Sector Investment in Agriculture

3.3. Develop Strategic Partnerships with Lead Private Sector Firms

Improving Access to Finance and Markets through Public-Private Partnerships: In February 2015, NAFKA signed grant agreements with one agro-inputs supplier and three processors in Mbeya and one micro-finance institution in Iringa. This quarter, planned activities are well underway. Specific progress can be

found under *Section 3.2 – NAFKA Innovation and Capacity-Building Grants*.

- **Khebhandza Marketing Co. Ltd:** In February 2015, NAFKA committed ██████ to Khebhandza with grantee's contribution of ██████ to strengthen the maize value chain and to ensure access to a sustainable and profitable market for 1,000 smallholder producers in Mbeya and Mbozi districts. Through this agreement, Khebhandza will train farmers on GAP, support access to both input and output markets by engaging in contract farming, training group leaders on leadership and records management, and improve quality and quantity of maize products offered by Khebhandza Marketing Co. Ltd.
- **Kilawa Enterprises:** In February 2015, NAFKA committed ██████ to Kilawa with grantee contribution of ██████ to strengthen the rice and maize value chains in Mbozi, Rungwe, and Mbeya districts through the commercially sustainable sale of farm inputs, GAP training, and contract farming with 1,440 maize and paddy smallholder farmers to purchase produce to mill.
- **Mtenda Kyela Rice Supplies Ltd:** In February 2015, NAFKA committed ██████ to Mtenda with grantee contribution of ██████ to strengthen the rice value chain through farmer training, provision of extension services, enhanced input access, and strengthened market linkages for 1,290 paddy contract farmers in Mbozi and Mbarali districts.
- **Raphael Group Limited:** In February 2015, NAFKA committed ██████ to Raphael with grantee contribution of ██████ to increase income and food security for 1,025 paddy contract farmers in Mbozi and Rungwe districts through improved productivity and access to markets. Through this agreement, Raphael will train farmers on GAP and support access to both input and output markets.
- **University of Iringa – Micro-Finance Institute:** In February 2015, NAFKA committed ██████ to University of Iringa with grantee contribution of ██████ to increase access to finance for 770 smallholder paddy and maize farmers in Iringa and Kilolo districts. Through this agreement, University of Iringa will provide loans to existing SACCOS; establish three new SACCOS; train 150 SACCO leaders from 38 SACCOS on record-keeping, financial management, business planning, and business expansion skills; and identify and register twenty AMCOS.

6. KEY ACHIEVEMENTS AND RESULTS

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

- **Outreach:**
 - NAFKA worked with 52,777 direct beneficiaries during the quarter. 20,603 direct beneficiaries were new; 32,174 were continuing from a previous reporting period.
 - NAFKA scaled up in Mbeya and Iringa – reaching an additional 78 new villages – and continued to work with the 300 villages from the previous quarter. In total, NAFKA has reached 378 villages in 20 districts including, Unguja and Pemba islands.
- **Productivity:**
 - GAP training was provided to 40,939 farmers by VBAs, agro-dealer grantees, processor grantees, and ZARI.
 - 453 demonstration plots were established.

- **Service Provision and Sustainability:**
 - NAFKA added 28 agro-dealers to its current service provider network of 126 agro-dealers and 216 VBAs and continued to provide new opportunities to more fully integrate them into the input supply chain through QDS production training and hub agro-dealer grants that build linkages between larger agro-dealers and VBAs, producer associations, and more rural agro-dealers.
 - Mbeya and Iringa grantees – Kilawa Enterprise, Khebandza Marketing Co. Limited, Rafael Group Limited, Mtenda Kyela Rice Supply Co. Limited, and University of Iringa – began activities to improve productivity, market access, and access to finance.
- **Association Development:** NAFKA continued to build the capacity of the 125 associations with which it works, 83 of which are now fully registered. NAFKA also continued its work with its nine apex associations in Kilombero and Kongwa.
- **Grants:** During this quarter, NAFKA monitored the progress of 21 grants amounting to [REDACTED]. The grants were provided to Kilombero Plantations Limited (KPL), Warehouse Upgrading Grants to 15 Farmer Associations, Zanzibar Agricultural Research Institute (ZARI), Kizimbani Agricultural Training Institute (KATI), KINNAPA Development Program, Kibaigwa Flour Supplies Limited (KFS), BABU Agro-Dealer, GABE Milling Enterprises, Kiteto Agro-Business Co. Ltd, Michael Agro-Business and General Supply, NOKWIM Investment Co. Ltd, PALUKI Agro-Dealer and General Supply, S. Majembe Agro-Vet & Agrochemical, TVC Agrochemical Input Investment, William Agrichem, Tropical Seeds East Africa Co. Ltd, TANSEED International Ltd, Khebandza Marketing Co. Ltd, Kilawa Enterprises, Mtenda Kyela Rice Supplies Ltd, Raphael Group Limited, and University of Iringa.

7. PROBLEMS/CHALLENGES

Weather Conditions: Uneven distribution and unreliable rainfall contributed to delays in demonstration plot establishment and/or failure of those already established, especially in northern maize areas.

Access to Finance for VBAs: With the large volumes of inputs being requested by farmer customers, VBAs do not have the capital needed by hub agro-dealers to secure such large orders.

Vast Geographic Coverage: Expanded distribution of project sites has made it challenging for technical staff to monitor activities across the various districts and villages.

Crop Disease: The outbreak of Rice Yellow Mottle Virus infection (RYMV) is causing harvest loss for many paddy farmers.

8. PLANNED ACTIVITIES FOR THE NEXT REPORTING PERIOD

The following activities have been planned for next quarter and align, where relevant, with the PMP indicators listed.

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)

- GAP demonstration plots establishment and management
- GAP training to Lead Farmers, VBAAAs, and youth groups
- GAP training to agro-dealer grantee customers
- Farmer Field Days
- Continue with SILC expansion and Field Agent/Private Service Provider Certification
- Continue with Private Service Provider network promotion and formation in Kiteto and Kongwa
- Encourage women's leadership in Mbozi district
- Link SILC members to VBAAAs and agronomists to access GAP training
- Include 10 SILC PSPs and FAs as peer educators in the Human Rights training
- Conduct Integrated Pest Management training to project staff

FtF 4.5.2-29 Value of Agricultural and Rural Loans (RiA) (WOG) (OUTPUT)

- Collaborate with PASS and UWAWAKUDA on KPL outgrower business plans
- Collaborate with VESTFARM on implementation of Farmer Management Platform in Kibaigwa, Mvomero, and Kilombero
- Collaborate with EAGC on regional marketing, information systems, and access to finance

FtF 4.5.2-30 Number of MSMEs, including farmers, receiving USG assistance to access loans (S) (OUTPUT)

- Continue supporting OTL to provide input loans in Mvomero and Kilombero
- Follow up on KPL grant deliverable for access to loans (NMB feedback meeting at KPL)
- Follow up on Iringa University grant implementation, targets, and achievements on rural loans in Iringa Rural and Kilolo

FtF 4.5.2-37 Number of MSMEs, including farmers, receiving business development services from USG assisted sources (S) (OUTPUT)

- Continue Supporting OTL to provide input loans in Mvomero and Kilombero
- Follow up on KPL grant deliverables for access to loans (NMB feedback meeting at KPL)
- Monitor agro-dealer and processor grantees who are providing BDS to beneficiaries

FtF 4.5.2-38 Value of new private sector investment in the agriculture sector or food chain leveraged by FtF implementation (RiA) (OUTCOME)

- Facilitate the 2015/2016 grants process and submit to HQ for final review and USAID approval
- Monitor all on-going grants
- Close out completed grant with KINNAPA
- Build grantee capacity on financial management and USAID rules and regulations

Value of savings accumulated by SILC groups under NAFKA (OUTCOME)

- Continue with SILC expansion and FA/PSP certification
- Study the use of income for promoting healthy actions

- Continue with PSP network promotion and formation in Kiteto and Kongwa

Cross-Cutting Activities:

- **Communications:** Participate in Nane Nane 2015
- **BCC:** Update and develop farmer calendars for Mbeya and Iringa for 2016
- **BCC:** ‘Know Your Market’ campaign implementation in Mbeya and Iringa
- **BCC:** Dissemination of four project videos to the community (road show and during Nane Nane)
- **M&E:** Conduct annual outcome survey in all project areas
- **Gender:** Provide support and oversight to ensure grantees are not only reaching women but also helping them to equitably access and benefit from project resources
- **Gender:** Participate in community inception meetings with component leads

9. SPECIAL ISSUES

NAFAKA Participation in Nane Nane Agricultural Fair

This year, National Farmers Day, or Nane Nane, will be held from August 1 – 8, 2015 at Nane Nane grounds in Morogoro. NAFAKA will have demonstration plots for maize and rice at the Nane Nane exhibition site, all planted in mid-May in preparation for the event. Maize plots have been planted with three different types of seed from Monsanto Corporation – DK 9089, DK 8031, and DK 8053. The maize area has raised beds with tied ridges to display the rainwater conservation agriculture approach, all planted at a spacing of 25cm from plant to plant and 75cm from row to row.

NAFAKA’s two rice plots will display two planting/sowing practices. One plot was planted using a single row practice where the spacing is 20cm from plant to plant and 20cm between rows. The other plot demonstrates a double row practice with a spacing of 40cm from the double rows and a 20cm space inside the two rows with a space of 10cm between plants, altogether creating a 10 x 20 x 40 arrangement.

Collaboration with FtF Partners and Other Partners

NAFAKA and AFRICA RISING are in partnership to demonstrate improved varieties of maize, rice, groundnuts, beans, and soya beans and to promote good agricultural practices in intercropping systems in Mvomero, Kongwa, Kiteto, and Kilombero districts. The program aims to fast-track delivery and scaling of agricultural technologies in order to increase productivity and to improve nutritional intake by farmers and their households. The program is scaling six improved maize and three legume (soybean, groundnuts, and beans) varieties. For common beans, Jeska, Uyole Njano, and SUA Njano with high yield averages were selected; Line 8, an improved soybean variety, was selected; and for groundnuts, Pendo and Mnanje were selected.

NAFAKA and Mwanza Bora projects are working with the World Bank Gender Innovation Lab to share geographic locations of new village locations in Mbeya and Iringa, and to facilitate future surveys to measure gender impact among FtF project activities.

NAFAKA field activities are carried out in collaboration with District level agriculture advisors a cooperative development specialists. In the present reporting period district and regional advisors of the GOT in Mbeya and Iringa have been particularly helpful in assisting project staff in the identification of eligible village level

partners and existing NGO's .

This quarter, a draft M&E framework for the project was developed. The maize, rice, and vegetable projects continued to oversee the demonstration plots with improved crop varieties and management practices. In addition to the nine sites in three districts already established for the vegetable team, five more sites were selected in Kilosa (1), Mvomero (1), and Kilombero (3) districts in Morogoro region.

Collaboration 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 outgrowers.
- Activities under grant agreements with nine hub agro-dealers are well underway: Babu Agro Dealer, Gabe Milling Enterprise, Kiteto Agro Business Company Limited, S. Majembe Agrovet and Agrochemical, Michael Agro Business and General Supply, NOKWIM Investment Co. Ltd, PALUKI Agrodealer and General Supply, TVC Agro Chemicals Input Investment, and William Agrichem.
- Three processors in Mbeya – Khebhandza Marketing Co. Ltd, Kilawa Enterprises, and Raphael Group Limited – and one agro-inputs supplier in Mbeya – Mtenda Kyela Rice Supplies Ltd – have also begun activities under their collaborative agreements with NAFKA.
- TANSEED and Tropical Seeds East Africa are working through their grant agreements to increase the production and distribution of certified seed by training certified seed producers.
- Crop pesticide production companies that collaborated with NAFKA during the quarter include: Glycel Crop Care, Meru Agro-Tours and Consultancy, Monsanto, Suba-Agro Engineering, and Tanzania Crop Care.
- Seed companies that collaborated with NAFKA during the quarter include: Bytrade, Kibo Seed Company, Meru Agro-Tours and Consultancy, Monsanto, Pannar Seed Company, Seedco, Suba-Agro Engineering, Tanseed International, and Zam Seed Company.
- Fertilizer companies that collaborated with NAFKA during the quarter include: Mea Fertilizer and YARA.
- General agro-input suppliers that collaborated with NAFKA during the quarter include: Arysta Life Science, ATG, China Pesticides, Minjingu, Positive International, Syngenta, and TATA Africa.

10. CROSS-CUTTING ISSUES

Gender and Youth Integration

To ensure that men, women, and youth have equal opportunities to participate in and benefit from the rice and maize value chains, gender and youth considerations are streamlined into all NAFKA activities. Among the farmers supported by NAFKA this quarter, 50% were women, and 27% were youth.

‘Human Rights’ Trainings: In the first two quarters of this fiscal year, the gender team launched the “Human Rights” training curriculum to peer educators after consultations that combined Tanzanian and international best practices. The Human Rights curriculum is intended to equip individuals with knowledge and awareness of gender and human rights issues within their communities by discussing topics such as the definitions of human rights and gender, their origins, their cultural significance, and their impacts on communities.

This quarter, peer educators continued to roll out Human Rights trainings to their groups and community members in existing project sites including Mbeya and Iringa; to date, close to 4,000 community members have been trained. Focus groups with peer educators and participants of the first round of training were

carried out in the villages of Alabama, Igota, Kikwawila, Kanolo, and Sagamaganga in Kilombero district to capture successes and lessons learned. A one-day refresher workshop for the 38 top performing peer educators from the four current project districts was conducted in Morogoro to share experiences and challenges, as well as to recommend suggestions for improving the training program.

Initial feedback from the focus groups and peer educator workshop shows that women do understand their rights and are able to access land and other resources. With a stronger understanding of these rights, women are also taking on leadership positions in farmer groups and government committees. It appears that this training intervention does have the potential to contribute to a decline in gender-based violence and child marriage and an increase in more collaborative household decisions. It has also created a sustainable network of human rights advocates who will continue to inform community members going forward.

Gender Integration Workshop to Grantees in Mbeya and Iringa: This quarter, a two-day gender integration training workshop for the local implementing partners in Iringa and Mbeya was implemented to develop a common understanding of USAID requirements and gender issues in NAFKA activities. The workshop raised awareness of gender-related human rights issues and enhanced the capacity of grantees to monitor and to report on gender issues and dynamics.

Pre-Constitutional Training to Youth Groups: This quarter, a total of 126 member representatives (56% M / 44% F) from 12 youth groups in Mang'ula and Ifakara were given pre-constitutional training to develop their own constitutions as a condition for receiving formal registration status with the district council.

Gender and Youth Strategy: In June, the gender team facilitated mini-workshops with each technical lead that will serve as the basis of a Gender and Youth Strategy that will guide NAFKA's gender and youth activities and intended results for the remaining life of the project. The results of the baseline assessment recently conducted in new project regions Mbeya and Iringa will also be considered in the development and finalization of the strategy.

Behavior Change Communication

Training Video: As part of an ongoing activity, the BCC team has been working closely with two US videography consultants on developing video products to showcase innovations, share NAFKA successes, and demonstrate teaching modules that can be used for visual training.

This quarter, the consultants – together with the BCC Team and NAFKA Productivity Team – continued to work on the development of a time-lapse video to document growth stages and the differences between the use of GAP and traditional farming techniques on maize. The first set of footage was shot in February to cover the initial stages of farm preparation and planting, and the second filming covered the stages of weeding, top dressing, and disease/pest management. The video will demonstrate proper techniques and discuss product selection and timing issues. The final video will be used to show maize farmers the impact of quality inputs and good farming practices as a visual supplement to GAP trainings. It will be packaged with other videos produced last reporting year and shown to farmers in project intervention areas through the RUDI rural movie van to increase awareness of the benefits of improved farming practices.

'Know Your Market' Campaign: Building on the rapid baseline assessment conducted in Mbeya and Iringa, this quarter, the BCC team designed the "Know Your Market" campaign to target maize and rice farmers in new project regions Mbeya and Iringa. Through fliers and radio spots, the campaign encourages farmers to actively seek market information for best sales prices and best market locations before selling their crops. It also suggests that farmers can plan to jointly store part of their harvest if necessary in anticipation of better prices.

The campaign is an efficient and effective vehicle for introducing project interventions to farmers in these new regions, in addition to bringing awareness to the services provided by NAFKA grantees, such as storage, purchasing, processing, and additional market linkages. Two radio spots were produced by the popular Tanzanian comedians known as “Orijino Komedi” and deliver the same message but with different dialect styles reflective of regional differences. Live radio talk shows will also air on the identified radio stations and will give listeners a chance to learn more about better market information. In addition to the radio products, 10,000 printed fliers that provide key steps on profitable market decisions and contact details of the available marketing services partners will be distributed. The campaign will be implemented in July and August 2015.



Orijino Komedi crew during production of the radio spots for the “Know Your Market” campaign

Environmental Compliance and Natural Resource Management

NAFAKA’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 agro-chemicals 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.

Integrated Pest Management (IPM) Training of Trainers: NAFKA has introduced an IPM training module that provides farmers with best practices for effective and environmentally sensitive approaches to controlling pests in rice and maize farming. During the quarter, the NAFKA Environmental Compliance Specialist – in collaboration with the Agro-Input Specialist and Seed Specialist – conducted TOTs for youth groups and hub agro-dealers on Integrated Pest Management (IPM) and Pesticide Product Knowledge in Ifakara and Morogoro.

Youth Group Pesticide Safety Training: In December 2014, during the Input Stakeholders Workshop, participants noted that youth groups engaged in farming and provision of farming services in their communities were a good model to cascade technology and increase farm input sales since many youth groups provide spraying and other services to farmers. Excel Crop Care, Syngenta, Tanzania Crop Care, and other crop protection companies showed interest in developing a youth group program. This quarter, 40 youth from seven youth groups in Ifakara attended a training on the safe handling and application of pesticides so that they can more knowledgeably use and teach other farmers to use pesticides safely.



Youth attending IPM training in Ifakara

Monitoring, Evaluation, and Learning

Market Survey: Data collection for the Market Survey, a follow-up to the Annual Outcome Survey, was conducted in late March. The Market Survey re-collects sales data on volumes sold and prices in order to update key indicators originally reported at the end of the previous fiscal year, such as gross margin and value of incremental sales. Findings of the Market Survey were finalized this quarter and included in the full Annual Outcome Survey report.

Mbeya and Iringa Baseline Survey: NAFKA conducted a baseline survey in new regions Mbeya and Iringa in May to collect comprehensive, reliable, and comparable household-level data that will be used as a basis of comparison for future changes. The specific objectives of the survey were to:

- Collect socio-economic and demographic data for each district in the newly proposed intervention areas;
- Conduct mapping for the sampled villages, and establish baseline values for key outcome agricultural indicators against which project performance will be measured (average yield, gross margin, hectares cultivated, number of farmers using improved technologies, quantities of produce sold, and value of sales);
- Measure availability of business development and financial services and ease of access to these services by smallholder producers;
- Set realistic performance targets based on current status of the indicators;
- Identify available opportunities and challenges for promoting maize and rice production and marketing in the two regions; and
- Identify constraints that might pose risks to achievements of desired results.

NAFKA staff conducted the survey in Mbeya Rural, Mbarali, Mbozi, and Rungwe districts in Mbeya region and Iringa Rural and Kilolo districts in Iringa region. The baseline survey data entry into the system, data compilation, and analysis will be done in this coming quarter. The final baseline report is expected to be finalized by mid-August.

Mapping Project Activities: To improve project activity mapping, ArcGIS mapping software packages were ordered this quarter to provide geographic data visualization, mapping, management, and analysis capabilities. These will allow M&E to update existing maps – last revised by TMG and M&E regional office – and to create new maps for expanded project areas. ArcGIS will enable NAFKA to record and store large quantities of information on agriculture, land environment, and people; analyze locational distributions and spatial patterns through maps; and present information that is complex to express verbally.

Two IT staff attended a three-week course on Geographical Information Systems (GIS) at the Center for Information and Communication Technology (CICT) at the University of Dar es Salaam. One IT staff attended the course in May, while the other attended in June.

ACDI/VOCA Mid-Term Evaluation Visit: In advance of the mid-term evaluation, Malika Magagula, Executive Vice President for Quality and Compliance, and Lynn McCoy, Senior Vice President – Regional Support – Quality and Compliance, visited NAFKA to review technical and administrative procedures in April. M&E staff met with them to discuss SharePoint system effectiveness, constraints on database management, reconciliation of grants files and M&E datasets, and preparation of documents for the Mid-Term Evaluation that took place in June.

Feed the Future Mid-Term Evaluation: The mid-term performance evaluation for three Feed the Future projects – NAFKA, Mwanzo Bora, and Tuboreshe Chakula – was conducted from June 1-26. This was a formative evaluation that was intended to provide an independent examination of the overall progress and achievement of three of the FtF activities in Tanzania. For NAFKA, the evaluation team interviewed project beneficiaries in Mvomero, Kongwa, and Kiteto districts. M&E prepared comprehensive learning pieces for each component outlining key results of our work of four years in operation. These learning pieces were shared to the evaluators for their review. The evaluation team provided their preliminary observations on July 3.

M&E Recruitment: The project expansion into Mbeya and Iringa, as well as the resignation of some M&E staff, has necessitated the recruitment of three new M&E field staff for Mbeya, Iringa, and Ifakara. Nine prospective candidates were interviewed on June 25, and three were selected as prospective M&E Field Officers.

USAID M&E Meeting: On June 11 and 12, one M&E staff attended the second USAID Economic Growth Implementing Partners' quarterly monitoring and evaluation meeting held at TAHA offices in Arusha. The main agenda for the meeting was conducting a routine data quality assessment (RDQA) for TAHA and learning how to prepare good success stories that can be published on the USAID website. A follow-up to the first meeting held at NAFKA offices in Morogoro, these newly organized M&E meetings are a platform for M&E personnel from different implementing partners in Tanzania to meet one another, learn, and share experiences, challenges, and ways to improve their M&E systems.

ANNEXES

Annex 1: Performance against PMP Indicators

Annex 2: Success Story submitted to USAID Mission during the Quarter

Linked to Indicator: FtF 4.5.2-37 *Number of MSMEs, including farmers, receiving business development services from USG assisted sources (S) (OUTPUT)*

Annex I: Performance against PMP Indicators

NAFAKA Quarterly PMP Data Matrix											
SR/ NO	FtF/ NAFAKA	Performance Indicator	FY 2015 Actuals					Percent Achieved	FY 2015 Target	Cumulative To-Date	LOP Target
			Q1	Q2	Q3	Q4	Year-To-Date				
IR_1.1: Enhanced Human and Institutional Capacity Development for Increased Sustainable Agriculture Sector Productivity											
1	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)	4,065	7,903	43,597	0	52,243	80%	65,641	144,908	207,175
<p>Abbreviated Indicator Definition: 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., as well as training to extension specialists, researchers, and others who are engaged in the food, feed, and fiber system and/or natural resources and water management. Farmers that receive training via input supplies, agro-business, processors, or through NAFAKA supported training of trainers (TOT) rather than directly with farmers themselves are considered direct beneficiaries.</p>											
2	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)	875	901	1,074	0	1,074	106%	1,016	2,274	3,430
<p>Abbreviated Indicator Definition: Total number of private enterprises, producer associations, cooperatives, producer 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 period. 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.</p>											

NAFAKA Quarterly PMP Data Matrix

SR/ NO	FtF/ NAFAKA	Performance Indicator	FY 2015 Actuals					Percent FY 2015	FY 2015 Target	Cumulative To-Date	LOP Target
			Q1	Q2	Q3	Q4	Year-To-Date				

IR_1.2 Enhanced Technology Development, Dissemination, Management, and Innovation

3	FTF-4.5.2-13	Number of rural households benefiting directly from USG interventions (S) (OUTPUT) ⁸	29,239	35,760	51,035	0	79,470	108%	73,435	191,418	207,363
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Abbreviated Indicator Definition: A household is a beneficiary if it contains at least one individual who is a direct beneficiary. An individual is a direct 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 direct beneficiary. See indicator “Number of beneficiaries reached (direct and indirect)” for a comprehensive definition of a beneficiary. This indicator includes vulnerable households. To prevent double-counting of households that may contain more than one direct beneficiary, total direct beneficiaries are adjusted by .967 (derived from internal estimates based on the NAFKA Annual Outcome Survey).

4	NAFAKA	Number of beneficiaries reached (OUTPUT)	140,348	162,304	230,224	0	365,483	104%	352,487	846,530	1,151,234
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Abbreviated Indicator Definition: Direct beneficiaries are those individuals within the target area who receive direct benefits (i.e., goods or services) from the program (including where applicable, families receiving food rations). For NAFKA, direct beneficiaries include individuals who receive training, participate in demo plots, benefit from grants/loans, receive small packs of technologies, receive technical assistance from VBAs, participate in SILC groups, receive support to improve business operations, or receive technical assistance from a variety of BDS providers with whom NAFKA has worked. Farmers (and other primary producers) that work directly with input suppliers, agro businesses, processors, or through training of trainers (TOT) with whom NAFKA works will still be direct beneficiaries. For this indicator, NAFKA also includes indirect beneficiaries at the household level. After multiplying the total number of direct beneficiaries by .967 to adjust for potential double-counting of beneficiaries living within the same household (derived from internal estimates based on the NAFKA Annual Outcome Survey), a cluster-level household multiplier (based on official census data) is then applied to account for family members indirectly impacted. Therefore, this indicator totals all direct and indirect beneficiaries reached by NAFKA.

IR_2: Expanded Market and Trade (Corresponds to NAFKA Component 2 Activities)

R_2.1: Improved Market Efficiency

R_2.2 Improved Access to Business Development and Affordable Financial and Risk Management Services

5	FTF-4.5.2-29	Value of agricultural and rural loans (RiA) (WOG) (OUTPUT)	\$0							\$	
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Abbreviated Indicator Definition: Total value of formal loans disbursed during the reporting period to producers (farmers, fishers, etc.), input suppliers, transporters, processors, and 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 formal financial institution from micro-credit through national commercial bank, and includes any type of micro-finance institution, such as an NGO. This indicator does not include informal loans made by village savings groups.

⁸ The single household-level multiplier used to calculate total beneficiaries was adjusted in Q3 FY 2014 to 10 unique cluster-specific, household-level multipliers representing each cluster in which NAFKA works. As clusters increase, new cluster-specific, household-level multipliers will be added.

⁹ Exchange rate of 2,050 TSh : 1 USD was used for FY 2015 Q3.

NAFAKA Quarterly PMP Data Matrix

SR/ NO	FtF/ NAFAKA	Performance Indicator	FY 2015 Actuals					Percent FY 2015	FY 2015 Target	Cumulative To-Date	LOP Target
			Q1	Q2	Q3	Q4	Year-To-Date				
6	FTF 4.5.2-30	Number of MSMEs, including farmers, receiving USG assistance to access loans (\$) (OUTPUT)	3,872	4,730	6,118	0	6,374	58%	10,899	15,301	30,233

Abbreviated Indicator Definition: Total number of micro (1-10), small (11-50), and medium (51-100) (parentheses = number of employees) enterprises (MSMEs) that 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, with repayment in cash or in kind. USG assistance may include partial loan guarantee programs or any support facilitating the receipt of a loan.

7	FTF 4.5.2-37	Number of MSMEs, including farmers, receiving business development services from USG assisted sources (\$) (OUTPUT) ¹⁰	9,603	9,788	12,553	0	13,853	45%	30,930	29,845	95,873
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Abbreviated Indicator Definition: Total number of micro (1-10), small (11-50), and medium (51-100) enterprises (parentheses = number of employees) receiving services from FTF-supported enterprise development providers. Services may include, among other things, business planning and training, 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 NAFKA Component 5 Activities)

8	FTF- 4.5.2-38	Value of new private sector investment in the agriculture sector or food chain leveraged by FtF implementation (RiA) (OUTCOME)									
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Abbreviated Indicator Definition: 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.), or to improve water or land management etc. – in 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 formal, for-profit company.

¹⁰ The FY 2015 Quarter 1 BDS figure has been updated in this PMP matrix to reflect inclusion of all SILC members – not only those who took loans – since all SILC members do have access to informal finance.

NAFAKA Quarterly PMP Data Matrix

SR/ NO	FtF/ NAFAKA	Performance Indicator	FY 2015 Actuals					Percent FY 2015	FY 2015 Target	Cumulative To-Date	LOP Target
			Q1	Q2	Q3	Q4	Year-To-Date				
R 5: Increased Resilience of Vulnerable Communities and Households (Corresponds to NAFKA Component 4 Activities)											
9	FTF-4.5.2-14	Number of vulnerable households benefiting directly from USG assistance (S) (OUTPUT)	8,617	8,877	10,185	0	10,185	93%	10,967	21,519	31,727
<p>Abbreviated Indicator Definition: As a proxy for vulnerable households, NAFKA uses the total number of SILC group members and applies its .96 7 multiplier to account for the potential of more than one beneficiary living in the same household.</p>											
10	NAFAKA	Value of savings accumulated by SILC groups under NAFKA (OUTCOME) ¹¹									
<p>Abbreviated Indicator Definition: Through the SILC methodology, community members self-select into groups of 15 to 25 people who receive intensive capacity building to strengthen their skills in group and financial management through internal savings and lending. SILC groups focus on vulnerable populations.</p>											
11	NAFAKA	Number of beneficiaries with home gardens or alternate crops as proxy for access to nutritious foods and income (OUTCOME)	1,529	0	3,717	0	5,246	60%	8,717	14,276	20,350
<p>Abbreviated Indicator Definition: A home garden generally emphasizes staple crops and horticultural products and is in close proximity to the household. 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 an individual household – not by an entire community. Each household with a home garden is used as the base number for this indicator. Then, the NAFKA cluster-specific, household-level multipliers are applied to represent the number of beneficiaries with access to a home garden during the reporting year.¹³</p>											

¹¹ The FY 2015 Quarter 1 SILC Savings figure has been updated in this PMP matrix to reflect correct data for Quarter 1. Previously, the LOP cumulative figure had inadvertently been displayed as the quarterly total.

¹² Exchange rate of 2,050 TSh : 1 USD was used for FY 2015 Q3.

¹³ The definition and methodology for this indicator were updated in October 2014. Previously, the indicator tallied only one count per garden or per household.

Annex 2: Success Story Submitted to USAID during the Quarter



SUCCESS STORY

Innovative Grants Increase Profitability of Smallholder Rice Farmers in Mbeya

Timely access to farming inputs and assured markets increase productivity and profitability of smallholder farmers



Photo by: Hectory Chibele

Mwajuma Mussa, harvesting paddy from her three-acre plot in Majengo village, Mbarali district in Mbeya.

The Tanzanian rice subsector is constrained by low productivity levels caused by limited awareness and weak adoption of Good Agricultural Practices (GAP), poor availability and use of quality farm inputs, and unassured markets after harvest. These factors significantly impact smallholder farmers, faced with low profits and lack of motivation to invest in agriculture.

As a solution, the USAID Feed the Future Initiative's NAFKA Staples Value Chain Activity has designed enterprise grants that leverage investment from eligible private sector entities to strengthen the rice and maize value chains through farmer training, provision of extension services, enhancement of input supply chains, and development of market linkages for smallholder rice and maize producers. In Mbeya region, NAFKA has awarded four enterprise grants to maize and rice value chain companies in Mbozi, Mbarali, Rungwe, and Mbeya rural districts.

In Mbeya, grant recipient Mtenda Kyela Rice Supplies Ltd. (MKRS) contributed \$52,094 – leveraged by \$103,971 from NAFKA – to support over 1,290 smallholder rice farmers (780 females) in Mbozi and Mbarali districts by training them in GAP techniques, facilitating access to farm inputs, and providing market linkages by guaranteeing the purchase of future paddy harvests from these farmers. MKRS, a rice processing and marketing company, is successfully implementing this grant through a business consortium known as MTAYArF, comprised of MKRS itself; TANSEED International Ltd., a quality rice seed technology company; YARA Tanzania Ltd., a fertilizer company; and Mbeya rice farmers. Through MTAYArF, MKRS has been able to strategically enhance farmer access to quality rice seeds and recommended fertilizers, as well as act as the sole buyer of paddy from contract rice farmers.

Mwajuma Mussa is a smallholder rice farmer from Majengo village in Mbarali district and one of the MKRS beneficiaries of the NAFKA enterprise grant. For her three-acre plot, she purchased 9 bags of fertilizers and 60 kg of improved rice seed on credit with an agreement to repay the loan after harvest. She explained that her involvement with MKRS has made it easy to receive GAP training and to acquire inputs in her village in a timely manner. Mwajuma harvested 13.5 bags (160 kg each) per acre, doubling the volume she usually harvested prior to the interventions. She also fully repaid her loan. Since MKRS has guaranteed purchase of her rice at market price when she is ready to sell, she is not worried about the risk of excess produce. "When farmers have assured access to quality inputs and markets, success in agriculture is inevitable," she commented.

This grant initiative promotes partnerships with the private sector, encouraging private investment by mitigating risk and providing a sustainable model that encourages innovation. In turn, smallholder farmers have access to timely inputs and sustainable markets that will substantially increase their productivity and profitability.

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