COOPERATIVE LEAGUE OF THE USA

(CLUSA)

AGRICULTURAL PRODUCTION RECOVERY

NORTHERN HUILA, ANGOLA

FINAL REPORT
April 2004 – September 2005

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Funded by OFDA under USAID Cooperative Agreement DFD-G-00-04-00084-00

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1.0 Introduction

The Cooperative League of the United States of America (CLUSA) was awarded a $599,438 cooperative agreement by the USAID Office of Foreign Disaster Assistance (OFDA) to implement an agricultural recovery project in Northern Huila, Angola. The dates of implementation were September 2001 – March 2005. The project was extended, without additional cost, through September 2005.

1.1 Objective and targets

The objective of Agricultural Production Recovery in Northern Huíla province was to improve the food security of 1,486 households affected by the civil war, in the communities of Uaba, Calepi and N`Gola. The project sought to increase the agricultural productivity through improving access to agricultural inputs, animal traction, and renovating small irrigation systems.

The goal was achieved by:

- Supporting 884 households where groups of 4 families received cattle and plows for animal traction along with a supply of seeds and tools.
- Supporting 521 households with 6 irrigation systems producing a surplus of maize, beans and vegetables on 251 ha during the dry season;
- Organizing households into 221 groups for animal traction;
- Establishing 4 revolving loan funds to support animal traction activities and 4 seed banks in each community of project intervention;

2.0 Administration

The original program completion date was 31st March 2005. CLUSA requested and received approval for a no-cost extension from 1st April - 30th September to complete the delivery of oxen and the training of beneficiaries in animal husbandry, as well as complete irrigation system repairs and improve Service Center management of the revolving fund and seed bank.

2.1- Program Funding Status

Table 1. Program Funding this Quarter

Project Title: Agriculture Recovery Program in Northern Huila, Angola				
Project Number: DFD-G-00-04-00084-00				
Funding	***Prior***	***This Period***	***Total***	***Percent***
Total Funding			$599,438	100%
Total Obligated as of March 31,2005			$599,438	100%
Expenditure of Obligated Funds	$597,694.64	$1,709.98	$599,404.62	100%
Current Balance of Obligated Funds			$33.38	100%
Percent of Total Funding Used				100%
Percent of Total Project Time Elapsed				100%

2.2 Staffing, Offices, Vehicles

A team of local staff composed of one provincial coordinator, one veterinarian/M&E adviser, two field extension agents, one administrative/accountant assistant and driver participated directly in the implementation of this agricultural recovery project. In addition, central staff of CLUSA hired under the RGE/AMOA program (country representative/program manager, agribusiness adviser, M&E/information adviser and administrative adviser) assisted the Huila provincial team in preparing and conducting baseline studies, planning project activities, training and orientating field staff on group formation and management of service centers, seed banks and revolving loan fund for oxen and equipment for traction.

A local office was established in Caluquembe, north of Huila, which served as lodging facility for field extension agents and guest house for provincial and central advisers visiting the project sites.

One Toyota Land Cruiser 4 x 4 was purchased and used to support project activities, as well as four motorcycles. This equipment was transferred to the RGE/AMOA program (EOP December 31, 05) and will continue to be used by the local team in caring out follow up activities in 2006. These activities have received on going financial support from the Dutch NGO NOVIB.

3.0 Project achievements

3.1- Farmers assisted

Household beneficiaries were selected during first quarter 2004. The criteria used in the selection were: households with limited access to food and drinking water, basic social services and other subsistence goods; signs of malnutrition and have low production capacity resulting from the scarcity of seed, tools and animal traction. In addition, CLUSA selected households based on their previous record of having repaid seed loans distributed in 2003 as a part of CLUSA's broader USAID mission funded program. Farmers involved at the end of the project (table 1) total 884 farmers (737 men and 147 women) participating in 221 groups from 4 communities.

Table 1 - Project Beneficiaries in Caconda and Caluquembe

Municipality	Commune	Sector	Assisted OFDA 2004-2005			
			Beneficiaries			Groups
			Planned	Received	% of accomplishment	
Caconda	Uaba	Yumbe	168	144	86	36
		Casseque	80	72	90	18
		Catanga	292	140	48	35
Sub total Caconda			***540***	***356***	***66***	***89***
Caluquembe	Sede	Cue	56	56	100,0	14
		Nazara	52	48	92	12
	Total		**108**	**104**	**96**	**26**
	N'gola	N'Gola		36		9
		Vila Branca	100	100	100	25
		Gando	100	96	96	24
	Total		**200**	**232**	**116**	**58**
	Calepi	Calepi		40		10
		Cahala	152	152	100	38
Sub total Caluquembe			**152**	**192**	**126**	**48**
REGIONAL TOTAL:			**1000**	**884**	**88,4**	**221**

We did not reach our goal of 1000 beneficiaries due to the fact that 58 cattle died during transportation and distribution. In 2004/05, each beneficiary of animal traction cultivated an average of 1.5 hectares of maize and 0.5 hectares of beans among other food crops such as sweet potato, groundnuts and vegetables.

The 521 beneficiaries of improved irrigation systems were selected based on the following criteria:

- Posses no less than three hectares of arable land;
- Be prepared to cultivate the land in 2004;
- Be committed to pay for land preparation services provided by other beneficiaries who have access to animal traction.

3.2- Farmers skills transfer

Throughout the project, a range of skills were transferred to the beneficiaries of Agricultural Production Recovery in Northern Huíla province:

- All farmers were trained in group formation to ensure cohesion, land preparation, planting and cultural practices;
- Group leaders were trained in leadership skills, farmer organization, production techniques, revolving seed and animal loans, irrigation systems maintenance and credit systems;
- All beneficiaries of oxen were trained in animal husbandry;
- Service Center leaders were trained in revolving seed and animal loan management;
- Service Center managers were trained in bookkeeping and preparation of business plans;
- Select oxen handlers were specially trained in animal support services to producers who received animals.

3.3- Oxen and farm equipment distribution

The process of purchasing and transporting oxen was slow, involving inspection, vaccination, quarantine and transport by foot from Chibia to central meeting areas in northern Huila. This method took about one week of travel time but was necessary to allow the oxen time to adjust to climatic and vegetation changes in the landscape.

Distribution of oxen and equipment are illustrated in Tables 2 and 3.

Table 2. Oxen distribution in Northern Huila

Location	Cattle distributed		% of accomplishment
	Nº Cattle	*Project Goal*	
Calepi	96	*76*	*126*
Caluquembe	52	*54*	*96*
N'gola	116	*100*	*116*
Uaba	178	*270*	*66*
TOTALS:	***442***	***500***	***88,4***

Table 3. Distribution of Farm Implements

Location	Farm implements distributed							
	Plows	Chains	Wheels	Plow Heel	Plow Blades	Earth boards	Wheel barrows	Plow Shovels
Calepi	38	38	8	8	8	4	4	4
Caluquembe	27	27	7	12	5	4	4	4
N'gola	50	50	22	17	24	9	7	8
Uaba	135	135	13	13	13	8	9	8
TOTALS:	**250**	**250**	**50**	**50**	**50**	**25**	**24**	**24**

3.4- Revolving Seed bank

Seeds were issued to the beneficiaries on credit and are to be repaid in one payment at the end of the agricultural season at a value of 2kg for every 1kg received to the seed bank. This credit scheme gradually increases the amount and local availability of quality seeds. In 2004/05 seed loans were distributed to 4,295 CLUSA assisted farmers in Northern Huíla. The total amount of maize and beans distributed was 104,599 Kg (80,275 kg of maize and 24,324 of beans). Globally, the repayment rate is around 80%.

Table 4. Seed Loans by Year and Projected Food Security

SEASON	DESIGNATION	CROP	Loan (kg)	Area (ha)	Projected yield (kg)	Repayment** (kg)	Food security (months)
2003-04	FAO seed loans	Maize	12.5	0.50	1000.0*	10.0	15
		Bean	10.0	0.25	62.5	8.0	5
2003-04	World Vision seed loans	Maize	15.0	0.60	430.0	24.0	6
		Bean	6.0	0.15	37.5	9,6	3
2004-05	Seedbank loans	Maize	37.5	1.50	1.200.0	60.0	17
		Bean	30.0	0.50	187,5	48.0	14

* Projected yields higher than for other loans because fertilizer included in seed loan packages.
** Repayment rate considered 80%.

Persons who take on responsibilities for receiving, treating and conserving the seeds in the seed banks receive compensation at the time of seed loan repayment.

3.5- Oxen Revolving fund

The two pairs of oxen, plow and chains were issued to farmers on credit at a value $700. This credit scheme is a key part of the project's farmer empowerment approach which provides resources for acquisition of new oxen. After the distribution the farmer has one year to start the repayment of loan for a period of 3 years. At the end of the project, animal loans were disbursed to 221 farmers. As of September 2005, 44% of the farmers reimbursed their loans at a value of $ 11,359, for the first repayment period (which began in August 2005). Animal loans should be repaid in 4 years with the first year being the grace period. During the follow up activities, new loans in oxen and traction equipment will be granted by respective service centers to new beneficiaries using the revolving loan fund scheme established for that purpose.

3.6- Irrigation systems

The final results on rehabilitation of irrigation systems are detailed in Table 6. A total of 251 ha under irrigated areas was achieved which represents 149% of the original target of 168 ha for all the municipalities.

Table 6. Status of rehabilitation of irrigation systems

Zone	Location	Beneficiary families	Area for Irrigation (Há)
N'gola			
N'gola sede	N'gola Sede	91	16
Vila Branca	Tien tien 1	81	35
	Tien tien 2	73	33
Uaba			
Catanga	Catanga 1	89	78
Yumbi	Yumbi	67	32
Calepi			
Calepi sede	Calepi Sede	120	57
Total		**521**	**251**

The number of beneficiaries reached is 107% of the original target (468).The average area per farmer is 0.48 ha which will provide each beneficiary family with an average surplus of around 385 kg for the 2006 dry season.

3.7- Facilitation of Marketing

Service Centers were set up to work with producers to sell production surpluses when possible. The sales of agricultural surplus marketed by Service Centers have been insignificant. During 2004 and

2005 the total amount of products (maize and beans) sold by Service centers totaled 60 tons at a value $37,297.94. Maize sold varied in sale price between 0.16-0.38 USD per kilo and bean between 0.44-1.00 USD per kilo depending on fluctuations in the market, and quality and variety of seed.

4.0- Project evaluation

4.1- Baseline survey

The baseline was designed to evaluate the impact of the project on food security, agricultural practices and household income. The baseline survey was conducted in September 2004. A total of 122 producers were randomly selected for participation in the survey, taken from the population of CLUSA beneficiaries in the four communities involved in the OFDA project.

Food security was measured by the number of months households experienced food available after the rainy season harvest for two main crops, maize and beans. The results indicate an improvement in the food security for maize (a staple product) from 6 months in 2004 to 17 months in 2005. This improvement is due the combination of good rainfall in 2004/2005 season, and area cultivated due to the increase in animal traction and access to a good quality of maize and beans seeds.

The household income will be assessed in 2006 by comparing the change in household assets and livestock ownership one year after the end of the project.

5.0 Conclusion

The accomplishment of Agricultural Production Recovery in Northern Huíla targets in terms of producers assisted and organized in solidarity groups, oxen and seeds distribution, oxen and seed revolving funds were achieved.

In terms of Food security the majority of the beneficiaries in 2004/05 cultivate un average of 1,5 ha of maize and 0,5 ha of beans among other food staples which improve the food security for the first time after the end of the civil war in 2002.

221 groups of farmers in the North of Huíla are now better in conditions for production development than at the start of the project.

The credit repayment performance was excellent for seeds (over 80 %) and there are positive signs that the oxen revolving funds will be successfully managed with proper follow up activities to be

carried out by the local organization, Agromarket, created by former CLUSA employees in Huila. This will ensure the benefits of the credit program will go on beyond the project life.

6.0 Lessons learned

The successful implementation of this OFDA-funded project in locations severely affected by nearly 3 decades of civil war proves that by using adequate participatory approach to group formation and assisted self-help initiatives, it is possible to undertake development activities in a context of post-war emergency and rehabilitation. Effectively, instead of free distribution of seeds, tools and animals for traction, these production means provided by a relief organization were converted into development capital expressed in terms of seed banks and revolving loan fund scheme. Per one kilo of maize and beans distributed, beneficiary households committed themselves to reimburse two kilos to seed banks run by their respective cooperative service centers that use reimbursed seeds to benefit other impoverished farmers develop their farming capacities. To achieve 80 % of repayment rates is remarkable considering the lack of repayment culture in the war-stricken Angola and the logistical difficulty in collecting, transporting and storing seeds in rural areas with bad road access. This success is to due to the fact that communities understood that reimbursed seeds will remain with them to benefit new community members. In addition, a percentage of reimbursed seeds are used to compensate group animators and seed bank managers, which give them an incentive to perform better.

Each par of animals for traction was distributed to a group of 4 families with one selected to own privately the oxen once the repayment is completed. The other 3 members receive traction services against a portion of payment ($100.00 each for 3 years). The receiver pays $400.00 in three years. Taking out the first year of grace period, a group of 4 beneficiaries are expected to reimburse $700.00 in three years and this some is used to benefit new families selected based on the criteria of having past experience and being able of well maintaining oxen in order to provide services to other group members and repay loans. In principle, each group of beneficiaries of animal traction means has a kind of control group formed by neighbors who are seeking loans to purchase oxen and equipment to develop agriculture.

Key factors to the success of both seed banks and revolving loan fund, as well as the proper management of irrigation systems, are cohesion among group members, dedication and motivation of group leaders and transparency in the entire management system with little or no outside political interferences. For this to occur, there is a need for additional donor resources to support follow up activities that include additional training in producer organizations and sound management of cooperative service centers with particular emphasis on sound and transparent management of collective resources.

Finally, there is an indication that over time, in kind loans in seeds and animals might be replaced by cash loans allowing producers more flexibility in bargaining for those means of production assuming own responsibility for their choices. As it is now, if animals die or seeds do not produce their intended results, CLUSA or other intermediary organization is the one to bare much of the responsibility. This situation needs to change for the sake of a more sustainable credit mechanisms.