



### International Case Study

**Project title:** Women farmers access value-chains and adapt to climate change in Lilongwe, Mchinji and Dowa (MAL08)

**Programme:** Malawi Development Programme

**Organisation:** Oxfam/ Catholic Development Commission in Malawi (CADECOM)

**Interview Date:** 5 February 2015

**Interview type:** Personal Interview

**Source:** Smallholder farmer

**Name:** [REDACTED]

**Age:** 40 years

**Anonymous?** No

### Project Summary

Oxfam in Malawi, with funding from the Scottish Government, is implementing a project titled "Women farmers access value-chains and adapt to climate change". The goal of the project is to improve poor women's economic, social and environmental resilience through participation in value chains, increased status and adaptation to climate change. Specifically, it aims at improving the capacity of 15,000 poor women smallholder farmers in Lilongwe, Dowa and Mchinji Districts. The project is being implemented by the Catholic Development Commission (CADECOM) and Churches Action in Relief and Development (CARD). The total budget for the project is £382,238 for the period April 2012 – March 2015.

## Case Study

Like many other village women, ██████████ never imagined that someday her thoughts would be occupied with business ideas. The married mother of two and grandmother of four, thought business is a “men’s issue” until October 2013 when she became part of “Women farmers access value-chains and adapt to climate change” project initiated by CADECOM with funding from Scottish Government through Oxfam in Malawi.

Soon after joining the project, ██████████ received 10kg of soybean seed which she planted on a three quarter acre land and harvested 150kg at the end of the season. However she said she could have harvested more if it weren’t for pest and diseases that attacked her garden. From the harvested yield, ██████████ has invested 75kg into a soybean fritters business, and kept 15kg to replant and approximately 60kg for household use.

With the profit generated from the business, ██████████ is able to take care of her four grand children whom she looks after. Despite the 2013/14 growing season’s setback due to drought and poor rains, ██████████ hasn’t given up. This growing season she has expanded to cultivate a bigger one acre plot and expects to harvest much more.

██████████ has her fingers crossed that this year, 2014/15, she is likely to harvest more despite the prolonged dry spell, she expects to invest more and she says this will boost her business further.

## Quotes

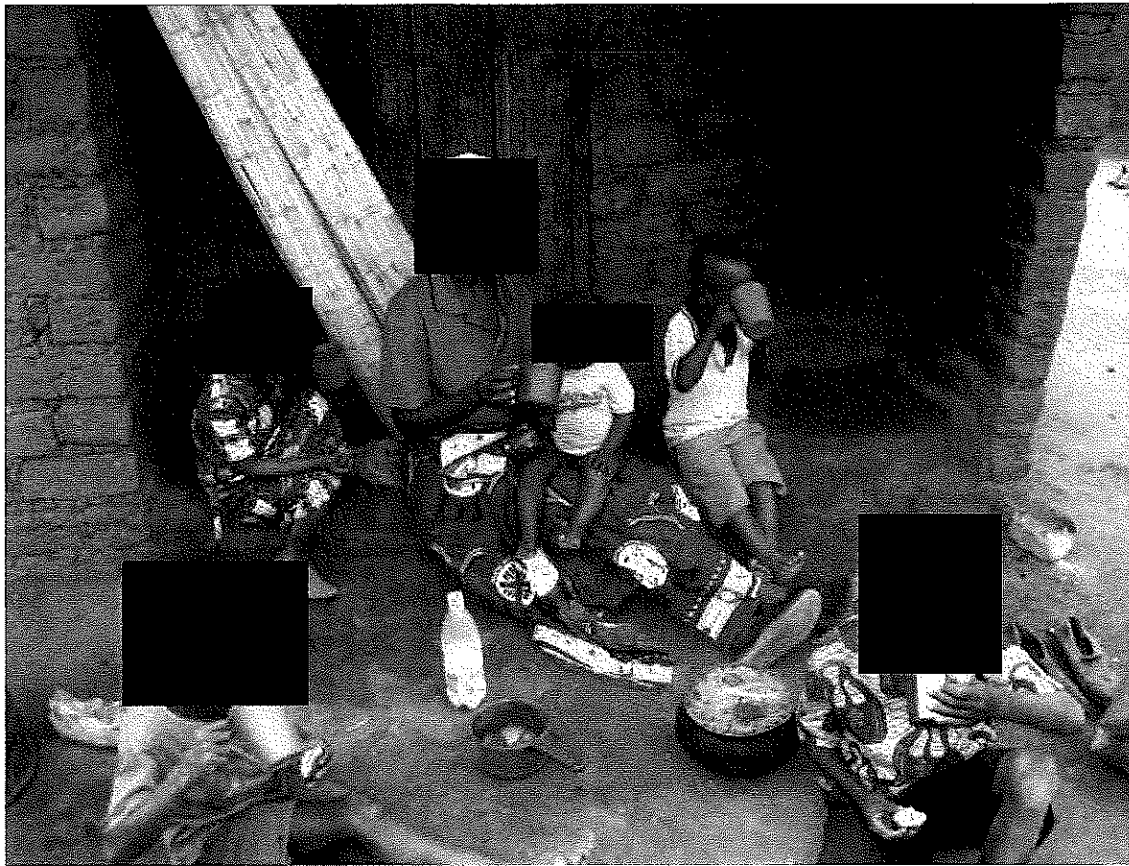
*“This year I have cultivated a one acre land of soybeans and I am expecting better yields. The unfortunate part of it is that we experienced dry spells for one and half months but I am still optimistic that I will harvest more.”*

*“I prepare fritters worth MK 1,500 (£2.28) every two days and make a MK1,000 (£1.52) profit. Most of the fritters are sold at home but sometimes I take them to nearby shops which are 500 metres away. Usually all of them are sold the same day.”*

*“I use the profit to buy household necessities like salt, soap, sugar, clothes and other household needs. I also save money; between MK600 and MK1000 (91p to £1.52) each and every week through Village Savings and Loans (VSL).”*

*“Taking care of my grand children is not a problem anymore as I prepare soybean porridge twice a day, hence their healthier look.”*

## Photos



**Above:** [REDACTED] [REDACTED]  
feeding her grandchildren  
and another local child,  
soybean porridge made  
from her plot funded under  
this Scottish Government  
project in Malawi

**Left:** [REDACTED] [REDACTED]  
standing in her soybean  
plot. She has expanded her  
plot to from  $\frac{3}{4}$  of an acre to  
one acre and with the profits  
has set up a business  
selling fritters

## Contact Details

**Contact Name:** [REDACTED]

**Contact Number:** +44 (0)141 285 8864 | +44 (0)7852 [REDACTED] |

**Address:** Oxfam Scotland |

Email: [REDACTED]@oxfam.org.uk

**Media List**

Agreed to media work: Y
Case Study signed off: Y
Pictures attached: Y
Group photos: Y

Used for media:



## Annex 1

### Malawi Development Programme 'Women farmers access value-chains and adapt to climate change in Lilongwe, Mchinji and Dowa Districts of Malawi' 2012 – 2015 (MAL08)

#### Issue with partner

In the end of financial year report, submitted to the Scottish Government in May 2013, we reported issues with one of our implementing partners, FAFOTRAJ. Because of reduced capacity, particularly in finance and management, we decided to downscale the operations of the partner to one district (Lilongwe). From May, the programme team have been committed to working with FAFOTRAJ, establishing the extent of the weaknesses within the organisation and building their capacity.

#### Oxfam support (May – August):

- Frequent monitoring and engagement. The Oxfam Finance Team travelled to their offices to offer financial and management training and delivered two Advocacy Strategy Development workshops at our own offices. We conducted one field visit and a meeting to review the project.
- There have been more than 50 phone calls to discuss aspects of the project, including how it was progressing and how the implementation could be improved.
- Three meetings were held at the Oxfam office with FAFOTRAJ to discuss progress and the delays in the implementation process. This included discussions about the TA in Lilongwe which had not been targeted.
- Mentorship and buddy programme with finance officers at FAFOTRAJ. This created a good rapport between the partner and Oxfam, enabling us to work as a team and assist them whenever possible.

#### FAFOTRAJ ASSESSMENT

Following the activities above, Oxfam chose to undertake a full assessment of FAFOTRAJ. The objectives of this was to assess the level of implementation of the project on the ground, the efficacy of FAFOTRAJ systems following additional support from Oxfam and to make recommendations to Oxfam on the way forward.

The assessment team included:

- [REDACTED] (Economic Justice Coordinator)
- [REDACTED] (Programme Officer Economic Justice)
- [REDACTED] (Accountant)

#### Key Outcomes

FAFOTRAJ did successfully deliver a series of training events on leadership, VSL management, agricultural production and post harvest management. In addition, both groups in Lilongwe have shown to have strong VSLs.

However, FAFOTRAJ has had continued turnover of finance staff members, leaving a significant gap in their capacity at times. FAFOTRAJ has been unable to link farmers to markets, leading to farmers selling their produce to vendors at a lower price than expected. Some of the farmers have expressed they felt a sense of vulnerability due to the lack of monitoring in place. This resulted in some of the



lead farmers demanding a larger return on borrowed soya seed, taking advantage of their position. FAFOTRAJ have only been implementing activities in one TA (target was two TAs).

### RECOMMENDATIONS BY THE TEAM

FAFOTRAJ has been supported in full to develop their capacity. However, the assessment shows that they have been failing the beneficiaries. For this reason, the team would like to end the relationship with them immediately. We would like to propose the following:

The team developed two scenarios on moving forward and assessed the risks for each:

Action	Pros	Calculated Risk
Discontinue the partnership with FAFOTRAJ and Identify new partner	<ul style="list-style-type: none"> <li>- Decision can be made quickly, meaning we can get the project back on track</li> <li>- Activities can start where FAFOTRAJ left off, meaning there is no loss of time or money</li> <li>- The transition process of working with another partner will only take two weeks. The partner has been identified and is prepared to start work in October.</li> </ul>	<ul style="list-style-type: none"> <li>- Farmers have already lost out in terms of production support and monitoring. This action will mean a further month delay</li> <li>- Oxfam will lose all the initial investments. This is not monetary in value, but the time we feel that has been wasted in working with FAFOTRAJ to develop their capacity</li> <li>- There may be a lack of trust in Oxfam as this partner did not deliver. Oxfam will manage this carefully. We will introduce the new partner to the communities and begin to build up the trust and belief in the project. If it is appropriate, we will highlight other projects implemented by the partner that have made a positive impact on other communities.</li> </ul>
Conditional continuation with FAFOTRAJ, fund per activity	<ul style="list-style-type: none"> <li>- Farmers will be supported by FAFOTRAJ, which is familiar to them</li> <li>- Oxfam will reduce the risk of losing donor support</li> </ul>	<ul style="list-style-type: none"> <li>- There is already a lack of trust with FAFOTRAJ and the beneficiaries have already been failed</li> <li>- Management will be heavy on Oxfam staff. The three months of intensive support has not had an impact</li> <li>- Risk of micro managing the partner</li> <li>- Delays will be inevitable as FAFOTRAJ will have to work on finance, monitoring and train new members of staff</li> <li>- Does not address the systematic challenges that led to this situation</li> <li>- Future issues to this project.</li> </ul>

We have already identified the Catholic Development Commission of Malawi<sup>1</sup> (CADECOM). If the Scottish Government are in agreement, we would be able to finalise a contract with them immediately and they will be able to start work in the next two weeks. This would involve picking up activities where FAFOTRAJ left off in one TA, and commencing activities in the other.

All of the above information will be detailed in the Mid Year Report. We wanted to make the Scottish Government fully aware of this issue before submitting the report in order to be as transparent as possible.

<sup>1</sup> <http://episcopalconferencemalawi.wordpress.com/commissions/cadecom/>



## Email Correspondence

From: [REDACTED]@scotland.gsi.gov.uk>  
To: [REDACTED]@oxfam.org.uk>  
Cc: [REDACTED]@scotland.gsi.gov.uk>  
Date: 17/10/2013 11:57  
Subject: RE: MAL08 - Partner Update

[REDACTED]

This looks fine from our point of view.

Regards

[REDACTED]  
[REDACTED]  
*International Development  
Scottish Government  
3C North  
Victoria Quay  
Edinburgh  
Tel: 0131 244 1608*

**From:** [REDACTED] [mailto:[REDACTED]@oxfam.org.uk]  
**Sent:** 14 October 2013 16:37  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** RE: MAL08 - Partner Update

Dear [REDACTED],

Please find attached the information requested on the new lead partner, CARD and Lilongwe implementing partner CADECOM who will take over from FAFOTRAJ, with immediate effect.

As detailed in the previous partner report, the areas affected by this are two TAs in Lilongwe. CADECOM is already operational in these areas and is a current partner of Oxfam within our Rights and Crisis programme. This means the transition to the new partner will be smooth and we have already established good rapport and ways of working.

### Impact on Project

- The impact on the beneficiaries is that one TA has lost a growing season as FAFOTRAJ did not start work there. However, CADECOM is confident that they can begin training the farmers immediately, before the rains start. The team wanted to stress it is urgent that we make this partner change now to enable us to restart activities.
- In the TA where FAFOTRAJ was working, CADECOM can pick up where the activities left off, with little loss on time or productivity.
- In the longer term, the teams believe the TAs will recover and there will be no financial losses to the project.
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Please could you let me know if you agree to this partner change and the team will have the contracts signed as soon as possible. They are keen to enable CADECOM to get started in these TAs immediately.

With best wishes,



OXFAM

[REDACTED] | Fundraising Manager

Oxfam Scotland | Glasgow | +44 (0)141 285 8866 | +44 (0)7427 602671 | skype: [REDACTED]

[www.oxfam.org.uk/scotland](http://www.oxfam.org.uk/scotland) | [twitter.com/oxfamscotland](https://twitter.com/oxfamscotland)

From: [REDACTED]@scotland.gsi.gov.uk>  
To: [REDACTED]@oxfam.org.uk>  
Cc: [REDACTED]@scotland.gsi.gov.uk>  
Date: 02/10/2013 10:26  
Subject: RE: MA08 - Partner Update

[REDACTED]  
Thank you for informing us of the situation with your partner in Malawi.

As for your request re Scottish Government agreement to you working with a new partner. We are happy to agree this as long as the new partnership meets the criteria set out in the original application guidance and we receive the partnership information as set out in that guidance, as well as a letter of support from the new partner. Can you also please send me details of how the issues described below will impact on the project.

Please note - I'm not sure where the confusion originated re the reference but the SG reference for this project is **MAL08**.

Regards

[REDACTED]  
[REDACTED]  
*International Development*  
*Scottish Government*  
*3C North*  
*Victoria Quay*  
*Edinburgh*  
*Tel: 0131 244 1608*

**From:** [REDACTED] [mailto:[REDACTED]@oxfam.org.uk]  
**Sent:** 01 October 2013 10:11  
**To:** [REDACTED]  
**Subject:** MA08 - Partner Update

Dear [REDACTED]

On Friday I sent you details about the food crisis in Malawi - please feel free to call me at any point to discuss this.

I am emailing you today with some information on the 2012-2015 Malawi project (MA08). In the end of year report in May, I highlighted that the implementing partner, FAFOTRAJ, had some serious capacity issues. From May, Oxfam has been working closely with them to try and build their skills, to ensure the project can deliver in their area of Lilongwe. Unfortunately, we can no longer work with this partner. I have summarised this in the attached and I am sending this to you ahead of the report at the end of the month. The reason for this is to keep you informed of changes as soon as they occur. Secondly, the team have already identified another partner and can very quickly get the project back on track if the Scottish Government agree to the change.

Please find attached a summary of the issue with the partner. I hope you will agree, the team in Malawi have done everything they can to try and continue working with them. However, in order to best support the farmers and deliver on the project outcomes, we must move on. There will be no financial loss and only a slight delay in the activities.





**Scottish Government**  
**Malawi Development Programme 2012**  
**Mid Financial Year Report**

**PLEASE READ ATTACHED GUIDELINES BEFORE COMPLETING THE FORM**

Please tick the period to which this Mid Financial Year Report relates:  
**April – Sep 2013**

**Administrative Information**

<b>1. Your organisation name and the name of your project:</b>		<b>2. Project reference number:</b>	
Women farmers access value-chains and adapt to climate change in Lilongwe, Mchinji and Dowa districts of Malawi.		MAL 08	
<b>3. Project start date:</b>		<b>4. Report for financial year (yyyy-yyyy)</b>	
April 2012		2012 - 2013	
<b>5. Please tick which strand(s) of the Scotland-Malawi Co-operation Agreement your project aims to address.</b>			
Civil Society and Governance <input type="checkbox"/>	Sustainable Economic Development <input checked="" type="checkbox"/>	Health <input type="checkbox"/>	Education <input type="checkbox"/>

**Monitoring Objectives and Outcomes**

<b>6. Has the focus of the delivery of your project significantly altered since your last report? If so, please explain how and why and attach copies of all relevant correspondence with the Scottish Government.</b>
<p>As indicated in the previous two reports, the project has reduced its geographical targeting from thirteen Traditional Authorities (TAs) to six, two in each project district. This change does not affect the total number of beneficiaries (15,000), as indicated in the project proposal.</p> <p>It was reported in the End of Financial Year Report that the role of the implementing partner, FAFOTRAJ, had been reduced and would now only support activities in one district. This was mainly due to capacity issues, particularly in finance, management and challenges related to staffing. From May 2013, the programme team has been committed to working with FAFOTRAJ, establishing the extent of the weaknesses within the organisation and building their capacity. Activities included frequent monitoring and engagement, additional training, mentoring and various meetings. This resulted in a formal assessment of FAFOTRAJ in August.</p>

The assessment showed that despite Oxfam's capacity building and support, FAFOTRAJ were failing the beneficiaries. For this reason, the team have terminated the relationship, in agreement with the Scottish Government (Full details can be found in Annex 1).

In mid-October we signed new partnership agreements with Churches for Action in Relief and Development (CARD) to continue the implementation of activities in Dowa and Mchinji, and the Catholic Development Commission (CADECOM) to re-start work in Lilongwe. Oxfam selected the partners based on assessments of their previous experience, the long-standing relationships they have with Oxfam and how quickly they could re-start the activities. Because the rainy season starts in November, it was essential that both partners could take over the implementation of the project immediately and minimise the impact on the overall outcomes.

Although the farmers have faced a delay in training provision, we are confident that the two partners are now mobilising and registering these farmers and offering production support and extra training before they have to start planting next month. CARD has experience in building the capacity of farmers on value chain analysis, market access and crop production and is a member of several civil society platforms, meaning it is well connected in Mchinji and Dowa. CADECOM already works with the target communities in Lilongwe and is active within the existing local networks and structures.

**7. Please consider your original Objectives as given in your application, and comment on your progress towards achieving them since your last report.**

Objective	Progress to Date
<p><b>Improved capacity for 15,000 poor women smallholder farmer groups to participate in profitable value chains.</b></p> <p><b>1. Community mobilization activities</b></p> <p><b>1.1 To conduct meetings on value chain development and climate change adaptation at district and community levels.</b></p> <p><b>1.1.2 To conduct training in gendered participatory market mapping and value chain analysis for district partners and community representatives</b></p> <p><b>1.1.3 To facilitate gendered market mapping with women smallholders to identify potential value chains</b></p> <p><b>1.1.4 To register 15,000 women interested in different value chains</b></p>	<p>Overall, 14,109 farmers (of which 9,509 are women) have been mobilised, registered and trained, representing 94 per cent of the project target.</p> <p>1,855 farmers attended meetings to assist them in choosing the most appropriate value chain, depending on their environment, and raising awareness of climate change adaptation.</p> <p>Oxfam worked with FAFOTRAJ initially, changing to CARD in October, to train 860 women in group dynamics as a step towards their effective participation in decision making positions. This type of training develops leadership skills, defines roles and responsibilities and will ensure that the groups are cohesive.</p> <p>Gendered participatory market mapping will be conducted in the next reporting period.</p> <p>It was detailed in the previous report that the major value chains have been identified and seeds distributed within the project areas. Groundnuts will be used in Mchinji, soybeans and beans in Dowa and groundnuts and soybeans in Lilongwe. There is also growing interest in sunflower, particularly in Mchinji.</p>

**1.1.5** *To facilitate the formation of producer groups based on value chains of choice by the women*

During the reporting period, a total of 1,855 farmers were mobilized, registered and trained (1,113 of which are women). This brings the total number of farmers to 14,109, representing 94 per cent of the project target.

There has been a great deal of interest from other women in the project areas and we expect to surpass the target.

The groups formed in this reporting period are: Machichi Producers and Marketing Group (95 members), Dzithandizeni Women's Group (860 members), Mduwa Bulking Group (120 members) and Mkanda Bulking Group (78 members). Members of the groups have been trained in business management, women's empowerment and gender analysis, value chain approach, seed multiplication, climate change and crop diversification.

**1.1.6** *To facilitate the formation of village market fora for accessing value chain services for producers*

In this reporting period, four more Bulking Group Centres (BGCs) were formed Mchinji, bringing the total to 27 across the three areas. The same BGCs are also used as village market fora and agricultural training, to enable the women farmers to access value chain services and assistance and allow them to negotiate a better price from buyers.

The 27 established BGCs provide a space for farmer groups to congregate and sell their produce in bulk, adding value in each of the three districts. Essential information on markets and prices are shared within the groups. The BGCs support farmers in ensuring a better quality of produce – low quality produce will not be accepted. It is expected that the groups will evolve into cooperatives after a series of training sessions on cooperative formation and management.

**1.1.7** *To facilitate the establishment of community based processing centres for adding value to produce in each of the three districts*

No community based processing centres have been established in this reporting period. However, by the end of this financial year, six will be established, two centres per district.

**1.1.8** *To facilitate formation of Village Savings and Loan (VSL) groups for poor women and linkages to microfinance institutions*

The project intended to establish 15 VSL groups, however 241 have now been formed in the three districts, involving 4,820 women. This large

<p><b>1.2 Capacity building</b></p> <p><b>1.2.1</b> <i>To conduct training sessions on farmer producer group dynamics; governance; administration; and financial management</i></p> <p><b>1.2.2</b> <i>To facilitate strategic planning for respective farmer producer groups (leading to associations for specific value chains)</i></p> <p><b>1.2.3</b> <i>To conduct training sessions in agribusiness development, value addition and marketing for specific value chains</i></p> <p><b>1.2.4</b> <i>To conduct exchange visits for farmer organisations</i></p>	<p>increase is a result of the popularity of VSL groups. Women would learn from the established groups and go on to set up their own, resulting in a multiplication of groups.</p> <p>The 241 VSLs require training and support to enable them to start up, as well as help in linking them to banking institutions. Oxfam and partners are unable to offer direct support to all of the VSLs, therefore community VSL facilitators received training and can provide this service. During this reporting period, the groups had regular visits from facilitators and Oxfam partners to monitor their activities.</p> <p>The VSLs are already having a positive impact on women's lives - they are now able to save and get loans to start up small businesses, pay school fees for their children and buy essential household items. The VSL initiative is very popular and self-sustaining among the women as it requires minimal support from Oxfam and the partners once the groups have received the initial training.</p> <p>Oxfam and partners (initially FAFOTRAJ and then CARD) have trained 33 farmers (17 of which are women) in cooperative management. Additionally, 36 lead farmers (17 are women) have received training in business management. It is expected that each lead farmer will train at least 30 other farmers within their own villages.</p> <p>Through the training on group dynamics, beneficiaries learned about developing different tools which would assist them in managing their groups. This training included how to come up with constitutions and strategic plans. These plans will be developed by the groups in the next reporting period.</p> <p>As indicated above, 36 lead farmers have been trained in business management and are also expected to train their fellow farmers. For Mchinji, the farmers have identified crude groundnut oil production as one way of adding value to the groundnut value chain. Value additions will take place in the other locations in the next reporting period.</p> <p>In this reporting period, one exchange visit was</p>
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**1.3 Link to specialised expertise**

**1.3.1** *To facilitate links between producer groups and business development service providers (e.g. micro-finance institutions) and supporting the microfinance institutions to provide services*

**1.3.2** *To facilitate links between producer groups and business development service providers (e.g. agricultural commodity markets)*

**1.3.3** *To facilitate links with national farmer organisations and registrar of associations*

conducted. In total, 23 farmers (12 women) from Mkanda, Nkhunguyembe, Mduwa and Machichi Cooperatives from Mchinji District travelled to the Zuwe Cooperative in Mzimba District, to exchange skills and experiences. The farmers found this to be extremely useful as the Zuwe Cooperative is successful in agro-processing. The farmers gained skills in farmer organisation, group dynamics and marketing skills, which they will use to strengthen their own cooperatives.

No links with micro-finance institutions were made in this reporting period because the groups have not yet saved enough money. This activity will take place in the next reporting period.

During the reporting period the project has concentrated on linking the smallholder producers to better markets for their commodities. 33 farmers (17 women) in Mchinji who belong to Tithandizane Farmer Association have been successfully linked to Capital Oil Refinery Industries (CORI), one of the largest vegetable oil refining companies in Malawi. An initial meeting has taken place, during which the farmers and the company signed an agreement stating that CORI will buy raw groundnuts from the producer groups and prices will be negotiated between the two.

The same 33 farmers have also been linked with CAMCO who are the leading agricultural equipment supplier in Malawi, specialising in the provision of groundnut processing equipment. CAMCO will be able to provide technical services to the farmers on any machines the farmers buy from them.

In the current reporting period, the project facilitated meetings with the Farmers Union of Malawi which is the umbrella union for all farmers in Malawi. From these meetings, one farmer organisation, the Machichi Cooperative, became registered with the body. They have since started benefitting from this and in August they attended an annual meeting for farmers. This will enable the farmers to speak collectively and have more influencing power over the government to formulate and implement policies that are more favourable to their specific needs.

<p><b>Enhanced levels of productivity of agro-based products among producers</b></p> <p><b>2. Integration of climate change adaptation in agro-based value chain development work.</b></p> <p><b>2.1.1</b> <i>To facilitate climate-related hazard risk analysis for the project areas as an entry point for climate change adaptation work with the producers.</i></p> <p><b>2.1.2</b> <i>To facilitate the development of community based climate change adaptation measures.</i></p> <p><b>2.1.3</b> <i>To develop community managed early warning systems based on the identified hazards</i></p> <p><b>2.2 Support Sustainable agricultural practices (incorporating climate change adaptation plans)</b></p> <p><b>2.2.1</b> <i>To train producer groups in sustainable agricultural practices related to specific value chains and specific climate related hazards for the specific areas.</i></p> <p><b>2.2.2</b> <i>To provide start-up seeds and assets to producer groups for specific value chains.</i></p>	<p>Training on climate change was conducted for a total of 1,855 farmers (of which 1,113 are women). This included a session for communities to identify the major climate-related hazard risks that affect them, such as droughts, flash floods and pest infestation.</p> <p>The project continues to assist the 1,855 farmers to develop adaptation plans for climate change. Key activities, which are ongoing, include promoting different techniques to prevent soil erosion and conserve water. Communities have been trained to create box ridges and plant 'vertiver' grass. This method creates ridges for water between plants, restoring soil fertility and preventing flooding and erosion.</p> <p>The adaptation plans will also include early warning systems which the farmers will be able to use to identify the climate related risks they are likely to face. This will consequently help them design activities to assist them in adapting to the effects of climate change.</p> <p>Between April 2012 and March 2013, 72 producer groups were trained in best agronomic and sustainable use of soya, beans and groundnuts. Within this reporting period, the producer groups were trained to follow the recommended agronomical practices that will enable them to produce more from their fields. This included the importance of preparing their fields early, planting with the early rains and following conservation agriculture methods. Lead farmers have been trained and are currently training their fellow farmers.</p> <p>Improved seeds to enhance production are currently being sourced and will be provided in the next reporting period, once the rainy season begins in November 2013. It is expected that more than 1,500 households will benefit from</p>
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<p><b>Improved enabling environment for poor women smallholders' integration into the profitable agro-based value chains through increased national awareness</b></p> <p><b>3. Facilitate enabling environment for agribusiness</b></p> <p><b>3.1 To facilitate agribusiness and market road shows.</b></p> <p><b>3.2 To facilitate women farmers' participation in national trade fairs</b></p> <p><b>3.3 To conduct advocacy and lobbying for improvements in the regulatory/ enabling environment for specific value chains based on evidence from the project.</b></p>	<p>this intervention this year.</p> <p>This activity will take place in the next phase, after harvest.</p> <p>Women farmers in Mchinji were taken to Blantyre where they participated in the 10th Annual Trade Fair. They were able to speak with other fellow farmers, share ideas and create links with possible buyers of agriculture produce.</p> <p>Five farmers were linked to the Farmers Union and were able to participate in the annual general meeting which raised several policy issues to government, including access to markets and finance for farmers. Oxfam and the Farmers Union have since created an advocacy strategy focusing on three key policy areas; national agriculture to ensure that farmer's voices are respected and heard; national climate change; and access to markets for small holder farmers, with a specific focus on gendered access to markets.</p>
<p><b>8. Have you experienced any constraints or difficulties since your last report? If so, what action have you taken to overcome them and what effect have they had on your project?</b></p>	
<p><b><u>FAFOTRAJ Partnership</u></b></p> <p>Since the last report, Oxfam has provided thorough and consistent support to FAFOTRAJ with the aim of increasing their capacity enough to enable them to properly support farmers in Lilongwe. However, it was found that the partner was still unable to fulfil their obligations and offer support and training to the farmers, therefore we ended this partnership in October 2013.</p> <p>This has had an impact on the project and implementation. The budget reflects our caution in allocating funds to FAFOTRAJ, whilst they were only operational in one district. To ensure that the project is restarted quickly, we have since signed new agreements with CARD in Mchinji and Dowa and with CADECOM in Lilongwe. Both organisations are current partners of Oxfam with experience of operating and working in these areas. It is expected that the project activities can re-start quickly with minimal impact on the farmers and result in no financial losses overall. The spend will be reflected in the next reporting period.</p> <p><b><u>Accessing better markets</u></b></p> <p>It has been difficult and slower than expected to link farmers to markets. This is due to the complex policy and legal frameworks in place, which do not support farmers. The Malawi Government is in the process of developing a policy which will enable farmers to sign contracts with buyers to guarantee prices for their commodities. However, this legal framework has not yet been finalised.</p>	



To overcome this, Oxfam and CARD have been working to link the farmers with private companies which can buy their produce at fair rates and provide a stable market. For example, a strong link has been established between the farmers and Capital Oil Refining Industries which is expected to buy the farmers produce at the next harvest. Such linkages will continue in the next reporting period.

**9. Please include a short narrative or case study demonstrating the positive impact your project is having. Please make any further comments you feel might illustrate your progress.**



██████████ is ready to train her fellow farmers.

██████████ is 59 years old and lives in Mayesa village within the Zulu TA in Mchinji district. For the past 20 years she has become well known for mobilising groups of women and engaging them in agriculture activities.

██████████ of the Zithandizeni Women's Group, which brings together more than 800 women from various agricultural clubs to work together to empower their lives economically.

██████████ has always believed that agriculture is among the solutions for women living in poverty in Malawi. However, with a lack of knowledge around agricultural methods, markets and new technologies means that women are struggling to grow economically:

*"A lot of things in the agriculture sector have changed. What used to work two decades ago is no longer working today. As a group of women, we used to grow tobacco and generate enough income, but the story is totally different today due to instability of tobacco prices. My methods that used to work haven't been effective in finding a lasting solution to women's economic woes - until I started working with CARD".*

With

the support of Oxfam and through funding from the Scottish Government, CARD is implementing a project in the district of Mchinji that will improve poor women's economic, social and environmental resilience through participation in value chains, increased status and adaptation to climate change.

*"CARD has trained us. And particularly me, as a leader, on cash and food crops that would enable women to generate more income, as opposed to labour-intensive tobacco. From the knowledge I have acquired in the trainings, I am geared up and ready to train my fellow women farmers on how cash and food crops such as ground nuts and maize could be among the solutions to the economic challenges we face".*

██████████ said that women farmers are very excited about the project and the fact that CARD is also linking them to sustainable markets – something which has been a challenge in the past:

*"As women farmers, we struggled to find sustainable markets – we were forced to sell our produce to middle men at very low prices. However, this will no longer be challenge and we are confident that our lives will change for the better" ██████████*



Women gather in Mchinji district to receive training from [redacted] following the sessions she attended with CARD on agri-business and value chains.

## Financial Reporting

10. Please provide a detailed breakdown of actual expenditure for the financial year to which this mid financial year report relates, compared to the programmed expenditure detailed in your original application form.

Budget Headings	Programmed Expenditure	Actual Expenditure
Staff	52,405.80	11,219.86
Running Costs	12,787.12	1,460.09
Travel and Subsistence	4,417.33	0
Programme Delivery	94,947.79	17,751.62
Audit	3,900	0
Small additional funding available (from reduced admin costs)	1,037.00	0

Administration	8,700	0
<b>TOTAL</b>	<b>178,194.24</b>	<b>30,431.57</b>

**11. Please comment on the breakdown of expenditure in Q10 above, particularly explaining any significant disparities between programmed expenditure and actual expenditure within the relevant financial year.**

This budget is based on the 'Proposed Budget Reallocation for year 2013-2014', taking into account adjustments made in the last End of Year Report in May 2013.

The under-spend across the budget reflects the ongoing issues with the main implementing partner, FAFOTRAJ. The team and the new partners are confident that these costs will be allocated and activities quickly restarted during the next reporting period.

**Salary, Running and Travel Costs**

Between May and September, FAFOTRAJ scaled down its support to only one TA, in Lilongwe. Because they are already based there, there was no spend on travel, whilst running costs were also minimal. In addition, the programme team were aware that FAFOTRAJ had serious capacity issues in terms of financial management, and became extremely cautious in allocating funds for the implementation of activities. It had been hoped that following our capacity building drive, FAFOTRAJ would then be able to continue working, however we ended this partnership in October 2013.

**Programme Delivery Costs\***

The mobilisation of farmers and communities has been successfully completed and training and capacity building has also begun. The new partners have started activities already and have been allocated £60,000. Although this amount has been transferred, it has not yet been captured in our financial monitoring and will be detailed in the next reporting period.

\*Please note that there was a calculation error in the last report. The total budget for programme delivery costs for the period 2013-2014 is forecast to be £94,947.79 (not £93,979.79)

**Further Information**

**12. What lessons have you learned during this reporting period?**

**1. Continuous monitoring of partners is essential**

The experience with FAFOTRAJ reinforced Oxfam's policy view that continuous monitoring of partners is essential. Through continuous reviews and monitoring, Oxfam observed that the project was lagging behind in terms of implementation and took swift remedial measure to change the partner. It is expected that the new partners will restart activities quickly and we will continually monitor and support them frequently.

**2. Use of Lead Farmers enables helps to reach more farmers easily**

Oxfam and its partners have been using the Lead Farmer Concept where one progressive farmer in a community is selected and trained in different interventions of the project. Later on these Lead Farmers cascade the knowledge to their fellow farmers. This approach has seen

the project reach more farmers in a short period.

**3. Learning tours help farmers learn easier and faster**

Through the exposure visit the farmers in Mchinji made to Zuwe Agro processing in Mzimba, the visiting team were able to learn and understand what their fellow farmers are doing. Zuwe Agro-processing farmers are processing crude vegetable oil which is later sold to processing companies. The visiting farmers were encouraged by this and are now ready to try similar things in their areas.

**13. Please make any further comments you feel might help illustrate your progress.**

Despite the serious issue we faced with FAFOTRAJ, important elements of the project have progressed well. Happy to say this when spend is only 20% of that planned? Within the reporting period, farmers have increased access to stable markets through becoming linked with CORI. A successful exposure tour also took place which will build the capacity of farmers through knowledge-sharing and participation in trade fairs. We are confident that now our partners are in place, activities will progress rapidly.

**14. Please let us know if any of your contact details have changed.**

N/A

Signed by:

[Redacted Signature]

Date: 01/11/2013.

Designation on the project:

[Redacted Designation]



## Annex 1

### **Malawi Development Programme 'Women farmers access value-chains and adapt to climate change in Lilongwe, Mchinji and Dowa Districts of Malawi' 2012 – 2015 (MAL08)**

#### **Issue with partner**

In the end of financial year report, submitted to the Scottish Government in May 2013, we reported issues with one of our implementing partners, FAFOTRAJ. Because of reduced capacity, particularly in finance and management, we decided to downscale the operations of the partner to one district (Lilongwe). From May, the programme team have been committed to working with FAFOTRAJ, establishing the extent of the weaknesses within the organisation and building their capacity.

#### **Oxfam support (May – August):**

- Frequent monitoring and engagement. The Oxfam Finance Team travelled to their offices to offer financial and management training and delivered two Advocacy Strategy Development workshops at our own offices. We conducted one field visit and a meeting to review the project.
- There have been more than 50 phone calls to discuss aspects of the project, including how it was progressing and how the implementation could be improved.
- Three meetings were held at the Oxfam office with FAFOTRAJ to discuss progress and the delays in the implementation process. This included discussions about the TA in Lilongwe which had not been targeted.
- Mentorship and buddy programme with finance officers at FAFOTRAJ. This created a good rapport between the partner and Oxfam, enabling us to work as a team and assist them whenever possible.

#### **FAFOTRAJ ASSESSMENT**

Following the activities above, Oxfam chose to undertake a full assessment of FAFOTRAJ. The objectives of this was to assess the level of implementation of the project on the ground, the efficacy of FAFOTRAJ systems following additional support from Oxfam and to make recommendations to Oxfam on the way forward.

The assessment team included:

- [REDACTED]
- [REDACTED]

#### **Key Outcomes**

FAFOTRAJ did successfully deliver a series of training events on leadership, VSL management, agricultural production and post harvest management. In addition, both groups in Lilongwe have shown to have strong VSLs.

However, FAFOTRAJ has had continued turnover of finance staff members, leaving a significant gap in their capacity at times. FAFOTRAJ has been unable to link farmers to markets, leading to farmers selling their produce to vendors at a lower price than expected. Some of the farmers have expressed they felt a sense of vulnerability due to the lack of monitoring in place. This resulted in some of the



lead farmers demanding a larger return on borrowed soya seed, taking advantage of their position. FAFOTRAJ have only been implementing activities in one TA (target was two TAs).

**RECOMMENDATIONS BY THE TEAM**

FAFOTRAJ has been supported in full to develop their capacity. However, the assessment shows that they have been failing the beneficiaries. For this reason, the team would like to end the relationship with them immediately. We would like to propose the following:

The team developed two scenarios on moving forward and assessed the risks for each:

Action	Pros	Calculated Risk
Discontinue the partnership with FAFOTRAJ and Identify new partner	<ul style="list-style-type: none"> <li>- Decision can be made quickly, meaning we can get the project back on track</li> <li>- Activities can start where FAFOTRAJ left off, meaning there is no loss of time or money</li> <li>- The transition process of working with another partner will only take two weeks. The partner has been identified and is prepared to start work in October.</li> </ul>	<ul style="list-style-type: none"> <li>- Farmers have already lost out in terms of production support and monitoring. This action will mean a further month delay</li> <li>- Oxfam will lose all the initial investments. This is not monetary in value, but the time we feel that has been wasted in working with FAFOTRAJ to develop their capacity</li> <li>- There may be a lack of trust in Oxfam as this partner did not deliver. Oxfam will manage this carefully. We will introduce the new partner to the communities and begin to build up the trust and belief in the project. If it is appropriate, we will highlight other projects implemented by the partner that have made a positive impact on other communities.</li> </ul>
Conditional continuation with FAFOTRAJ, fund per activity	<ul style="list-style-type: none"> <li>- Farmers will be supported by FAFOTRAJ, which is familiar to them</li> <li>- Oxfam will reduce the risk of losing donor support</li> </ul>	<ul style="list-style-type: none"> <li>- There is already a lack of trust with FAFOTRAJ and the beneficiaries have already been failed</li> <li>- Management will be heavy on Oxfam staff. The three months of intensive support has not had an impact</li> <li>- Risk of micro managing the partner</li> <li>- Delays will be inevitable as FAFOTRAJ will have to work on finance, monitoring and train new members of staff</li> <li>- Does not address the systematic challenges that led to this situation</li> <li>- Future issues to this project.</li> </ul>

We have already identified the Catholic Development Commission of Malawi<sup>1</sup> (CADECOM). If the Scottish Government are in agreement, we would be able to finalise a contract with them immediately and they will be able to start work in the next two weeks. This would involve picking up activities where FAFOTRAJ left off in one TA, and commencing activities in the other.

All of the above information will be detailed in the Mid Year Report. We wanted to make the Scottish Government fully aware of this issue before submitting the report in order to be as transparent as possible.

<sup>1</sup> <http://episcopalconferencemalawi.wordpress.com/commissions/cadecom/>



## Email Correspondence

From: [REDACTED]@scotland.gsi.gov.uk>  
To: [REDACTED]@oxfam.org.uk>  
Cc: [REDACTED]scotland.gsi.gov.uk>  
Date: 17/10/2013 11:57  
Subject: RE: MAL08 - Partner Update

Kathryn

This looks fine from our point of view.

Regards

[REDACTED]  
*International Development  
Scottish Government  
3C North  
Victoria Quay  
Edinburgh  
Tel: 0131 244 1608*

**From:** [REDACTED]@oxfam.org.uk]  
**Sent:** 14 October 2013 16:37  
**To:** [REDACTED]  
**Cc:** Nicol I (Ian)  
**Subject:** RE: MAL08 - Partner Update

Dear [REDACTED]

Please find attached the information requested on the new lead partner, CARD and Lilongwe implementing partner CADECOM who will take over from FAFOTRAJ, with immediate effect.

As detailed in the previous partner report, the areas affected by this are two TAs in Lilongwe. CADECOM is already operational in these areas and is a current partner of Oxfam within our Rights and Crisis programme. This means the transition to the new partner will be smooth and we have already established good rapport and ways of working.

### Impact on Project

- The impact on the beneficiaries is that one TA has lost a growing season as FAFOTRAJ did not start work there. However, CADECOM is confident that they can begin training the farmers immediately, before the rains start. The team wanted to stress it is urgent that we make this partner change now to enable us to restart activities.
- In the TA where FAFOTRAJ was working, CADECOM can pick up where the activities left off, with little loss on time or productivity.
- In the longer term, the teams believe the TAs will recover and there will be no financial losses to the project.
- 

Please could you let me know if you agree to this partner change and the team will have the contracts signed as soon as possible. They are keen to enable CADECOM to get started in these TAs immediately.

With best wishes,



██████████ Manager  
Oxfam Scotland | Glasgow | +44 (0)141 285 8866 | +44 (0)7427 ██████████ | skype: ██████████

[www.oxfam.org.uk/scotland](http://www.oxfam.org.uk/scotland) | [twitter.com/oxfamscotland](https://twitter.com/oxfamscotland)

From: ██████████@scotland.gsi.gov.uk>  
To: ██████████@oxfam.org.uk>  
Cc: ██████████@scotland.gsi.gov.uk>  
Date: 02/10/2013 10:26  
Subject: RE: MA08 - Partner Update

██████████  
Thank you for informing us of the situation with your partner in Malawi.

As for your request re Scottish Government agreement to you working with a new partner. We are happy to agree this as long as the new partnership meets the criteria set out in the original application guidance and we receive the partnership information as set out in that guidance, as well as a letter of support from the new partner. Can you also please send me details of how the issues described below will impact on the project.

Please note - I'm not sure where the confusion originated re the reference but the SG reference for this project is **MA08**.

Regards

██████████  
*International Development  
Scottish Government  
3C North  
Victoria Quay  
Edinburgh  
Tel: 0131 244 1608*

**From:** ██████████ [mailto:██████████@oxfam.org.uk]  
**Sent:** 01 October 2013 10:11  
**To:** ██████████  
**Subject:** MA08 - Partner Update

Dear ██████████

On Friday I sent you details about the food crisis in Malawi - please feel free to call me at any point to discuss this.

I am emailing you today with some information on the 2012-2015 Malawi project (MA08). In the end of year report in May, I highlighted that the implementing partner, FAFOTRAJ, had some serious capacity issues. From May, Oxfam has been working closely with them to try and build their skills, to ensure the project can deliver in their area of Lilongwe. Unfortunately, we can no longer work with this partner. I have summarised this in the attached and I am sending this to you ahead of the report at the end of the month. The reason for this is to keep you informed of changes as soon as they occur. Secondly, the team have already identified another partner and can very quickly get the project back on track if the Scottish Government agree to the change.

Please find attached a summary of the issue with the partner. I hope you will agree, the team in Malawi have done everything they can to try and continue working with them. However, in order to best support the farmers and deliver on the project outcomes, we must move on. There will be no financial loss and only a slight delay in the activities.





I have been in close contact with the field team and can answer any questions you may have on this.

With best wishes,

[Redacted]

[Redacted] | [Redacted] Manager

Oxfam Scotland | Glasgow | +44 (0)141 285 8866 | +44 (0)7427 602671 | skype: [Redacted]

[www.oxfam.org.uk/scotland](http://www.oxfam.org.uk/scotland) | [twitter.com/oxfamscotland](https://twitter.com/oxfamscotland)