

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

1. Your organisation name and the name of your project:		2. Project reference number:	
Women farmers access value-chains and adapt to climate change in Lilongwe, Mchinji and Dowa districts of Malawi.		MAL 08	
3. Project start date:		4. Report for financial year (yyyy-yyyy)	
April 2012		2012 - 2013	
5. Please tick which strand(s) of the Scotland-Malawi Co-operation Agreement your project aims to address.			
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

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.

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.

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>1.1.5 <i>To facilitate the formation of producer groups based on value chains of choice by the women</i></p>	<p>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.</p> <p>There has been a great deal of interest from other women in the project areas and we expect to surpass the target.</p> <p>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.</p>
<p>1.1.6 <i>To facilitate the formation of village market fora for accessing value chain services for producers</i></p>	<p>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.</p> <p>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.</p>
<p>1.1.7 <i>To facilitate the establishment of community based processing centres for adding value to produce in each of the three districts</i></p>	<p>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.</p>
<p>1.1.8 <i>To facilitate formation of Village Savings and Loan (VSL) groups for poor women and linkages to microfinance institutions</i></p>	<p>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>

<p>1.3 Link to specialised expertise</p> <p>1.3.1 <i>To facilitate links between producer groups and business development service providers (e.g. micro-finance institutions) and supporting the microfinance institutions to provide services</i></p>	<p>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.</p>
<p>1.3.2 <i>To facilitate links between producer groups and business development service providers (e.g. agricultural commodity markets)</i></p>	<p>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.</p>
<p>1.3.3 <i>To facilitate links with national farmer organisations and registrar of associations</i></p>	<p>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.</p> <p>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.</p> <p>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>

Improved enabling environment for poor women smallholders' integration into the profitable agro-based value chains through increased national awareness

3. Facilitate enabling environment for agribusiness

3.1 To facilitate agribusiness and market road shows.

3.2 To facilitate women farmers' participation in national trade fairs

3.3 To conduct advocacy and lobbying for improvements in the regulatory/ enabling environment for specific value chains based on evidence from the project.

this intervention this year.

This activity will take place in the next phase, after harvest.

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.

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.

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?

FAFOTRAJ Partnership

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.

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.

Accessing better markets

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.



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

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.

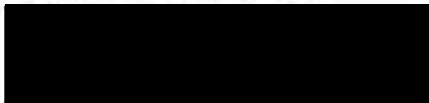
N/A

Signed by:



Date: 01/11/2013

Designation on the project:





Oxfam International Case Study

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

Programme: Malawi Programme

Organisation: Oxfam

Interview Date: 12th May 2014

Interview type: Personal Interview

Source: Smallholder farmer

Name: [REDACTED] and [REDACTED]

Age: [REDACTED], 30 and [REDACTED], 38

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 £400,000.00 for the period March 2012 – April 2015.

Link smallholder farmers to markets in Mchinji

Mchinji District in central Malawi has the most favourable climatic conditions for 'cash crops' including groundnuts, soya beans and sunflower. However, the majority of rural smallholder farmers cannot access good or sustainable markets for their produce, often selling to middlemen at very low prices. This means that farmers struggle to improve their livelihoods and cannot work their way out of poverty.

However, in 2013 Oxfam, in partnership with Churches Action in Relief and Development (CARD), began supporting 98 farmers within the Machichi Cooperative, linking them with private companies offering ready markets for their produce.

After one year, the members of the Cooperative are working together, grouping their produce and preparing it for processing into crude oil or peanut butter. Farmers have attended various training sessions, becoming skilled in post-harvest handling, agro-processing and markets. Using agro-processing machinery, the group have produced and sold more than 400 litres of crude oil from ground nuts to Cori Oil Limited, a leading cooking oil company in Malawi.

Promisingly, Cori Oil Limited has challenged the farmers to grow more groundnuts and sunflower in the next growing season to meet the 1,000 litres per month demand by the company. This will ensure that the farmers in the Machichi Cooperative have a sustainable income source and access to a stable market, which will continue after this project ends. In addition, the farmers have been linked to Sunfeed Oil Limited and Moni Oil, an Italian based cooking oil manufacturing company that would like to establish itself in Malawi.

With funding from the Scottish Government, 5,000 smallholder farmers in Mchinji will directly benefit from similar initiatives, supported to access reliable markets and become linked with private companies. This offers farmers the opportunity to a sustainable income and livelihoods, enabling them to work their way out of poverty.

Quotes

██████████ is from Matimba village is one of the members of the Machichi Cooperative: *"I have been a groundnut farmer all my life but I have little or no assets to show as a result of my lifelong farming. Profitable markets were unavailable and vendors were my only option and the prices they offered were very pathetic."*

"The prices of crude oil offered by Cori and others are promising as opposed to vendors. With our current prospective buyers, chances are high that we can sell 4kg of groundnuts at MK 1,900 after value adding as opposed to MK 1,000 or less that vendors were offering."

██████████, another member of the Cooperative spoke about the impact that this increased demand for oil is having: *"When demand goes up, prices go up as well and as farmers we are happy,"* he says

Photos



██████████ (second from left) and her fellow farmer, ██████████ (left) visit the CORI refining plant in Blantyre. During this visit the farmers asked questions about processing and manufacturing of oil, quality control and how to sustain links with buyers.



Two smallholder farmers from the Machichi Cooperative begin processing crude oil from their groundnut produce in May 2014, using new machinery. Thanks to the links made with CORI Limited, they hope to produce 1,000 litres per month during the next harvest season. Farmers will have a sustainable and secure income

Contact Details

Contact Name: [REDACTED]
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Media List

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

Used for media: [insert date and media]



International Case Study

Project title: Social and Economic Empowerment of 19,200 smallholder producers in rural Malawi

Programme: International Development Fund, Malawi

Organisation: Oxfam GB

Interview Date: 18th April 2015

Interview type: Oral

Source: Field reviews

Name: [REDACTED]

Age: 30

Anonymous? N

Project Summary

The overall objective of the project is to support 19,200 poor smallholder producers, 70 per cent will be women, to become resilient by earning a decent living from farming and new enterprise activities around horticulture and/or livestock. The project addresses the inter-related problems of economic and social insecurities faced by poor households, particularly those living with or affected by HIV and AIDS (including child-headed households) as they are more vulnerable to shocks and marginalization.

The project is helping producers to access market information through improved communication infrastructure, contract farming policies and services, and the formation, and strengthening of Producers' Associations. Farmers will increase their production levels using 'climate smart agriculture' and will become linked to better markets to develop sustainable livelihoods.

Oxfam is implementing the project in partnership with the Centre for Alternatives for Victimised Women and Children (CAVWOC); Malawi Interfaith Aids Association (MIAA) and Circle for Integrated Community Development (CICOD). The total budget for the project is £400,000.00 for the period May 2013 – March 2016.

Case Study Background

██████████ is 30 years old and lives in Sumani I Village within Likoswe Traditional Authority in Chiradzulu. ██████████ is one of the smallholder farmers whose life has changed for the better thanks to the support received from the Scottish Government.

Before joining the project, ██████████ was like many other subsistence farmers. From the age of 20 she started growing tomatoes and cabbages on a very small piece of land earning between MK 10,000 to MK 15,000 annually (approximately GBP 14 – 25). Due to her limited skills and knowledge of horticulture farming her annual yields kept dwindling, mainly due to pests and diseases. In addition, she could not afford the fertiliser which could have potentially boosted her yields.

Since agriculture was the biggest source of income for her husband and three children, dwindling yields resulted in less food and income for her family. It made their lives a misery. ██████████ recalls the countless occasions that her family used to go to bed on an empty stomach. She worried about the future prospects of her children and could not dare to dream of someday being able to build a decent home, let alone afford decent clothes for her children.

However, thanks to this project which was introduced to her community in 2013, life began to change for the better. With funding from the Scottish Government, ██████████ was trained in business management and horticultural skills that have enabled her to transform her farming activities into a more sustainable business. Using seeds, fertiliser and her new found skills Agnes is now a fully-fledged small-scale commercial farmer growing cabbages, tomatoes, onions and other vegetables on a one acre piece of land compared to the 0.2 acre patch she was cultivating before joining the project. She is now able to sell her crops throughout the year to different markets, including Chiradzulu Government Secondary School and other markets within her area. Her sales now range from MK 200,000 to MK 400,000 every three months (approximately GBP 300 – 600). Agnes says that the project has completely changed life.

Quotes

“Life in our family has completely changed since 2013 and this has been made possible because of the support we received from Oxfam through CAVWOC. As a family, we are now making a lot of money from horticulture farming. Using this money we have built a burnt brick and iron sheet roofed house, bought a bicycle, kitchen utensils, bedding and furniture. We are now food secure throughout the year and are able to adequately feed and dress the children and ourselves. With the money I have been saving through village savings and loans, I am planning to start dairy farming soon.”

Photos



██████████ in her plot of land tending to cabbages.



██████████ and her family's new home that they were able to build thanks to increasing crop yields and revenue.

Contact Details

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Contact Number: +265 1 770 525
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Email: ██████████@oxfam.org.uk

Media List

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

Used for media: [insert date and media]

Scottish Government

Malawi Development Programme 2013-2016

Mid Financial Year Update (October 2013)

Administrative Information

1. Name of Project	2. Project reference number
Social and economic empowerment of 19,200 smallholder producers in rural Malawi	MW28 (2013-2016)

3. Project start date	4. Report for financial year (yyyy-yyyy)
May 2013	2013-2014

5. Please tick the box next to the development priority/priorities that your block grant aims to address.			
Health	<input type="checkbox"/>	Education	<input type="checkbox"/>
Sustainable Economic Development	<input checked="" type="checkbox"/>	Civic Governance	<input type="checkbox"/>

Progress Update

Although a full Mid Year Report is no longer required for this project, we have included a short summary of progress to date.

The project activities started well in May 2013, with a lot of momentum from the partners and government officials. Currently, the project is running smoothly and there are no issues which may impact on the delivery of the project. The budget reflects spend on the start-up activities and targeting of communities through our partners. We expect the project will be on course to meet the proposed outcomes and look forward to submitting the End of Year Report.

For the first reporting period, Oxfam and its partners have achieved the following:

1. Staff recruitment

- a. One Oxfam Programme Officer has been recruited and inducted.

2. Inception activities

- a. An inception workshop was conducted in July, with participation from Oxfam, Centre for Alternatives for Victimised Women and Children (CAVWOC), Malawi Interfaith AIDS Association (MIAA) and Circle for Integrated Community Development (CICOD). The workshop is essential at the beginning of projects and enables all of the stakeholders to discuss the project and agree on the logframe, implementation plan and reporting

criteria for the Scottish Government. During the inception workshop, a monitoring and evaluation framework is also put in place.

- b. The project was introduced to other stakeholders including district assembly officials and communities in the targeted districts. The Government of Malawi Strand lead, [REDACTED] also received an update on the project implementation and start-up activities. The project team will be developing a schedule in order to provide the Government with regular updates on the progress of the project.

3. Partner Grants

- a. Annual plans and budgets for the 2013/14 year were finalised and agreed with partners.
- b. A total of £66,726 was disbursed as grants to partners: £25,662 to CAVWOC, £26,634 to CICOD and £14,430.00 to MIAA

4. Baseline Survey

- a. The project baseline survey is underway.

Financial Update

	Year 1	
	Programmed Expenditure (Total for financial year)	Expenditure to date
Staff Costs		
Total for Scottish Staff	8,100	-
Total for National Staff	19,450	910.39
Total for Other Staff	3,100	-
Sub-Total Staff Costs	30,650	910
Running costs in Country		
Overheads	4,260	-
Office Costs	950	-
Other	-	-
Sub-Total Running costs in Country	5,210	-
Travel - International		
International Airfares	1,250	-
International staff other travel costs	-	-
Sub-total international travel	1,250	-
Travel – National		
in-country airfares	-	-

In country travel (all other)	11,750	-
Sub total National travel	11,750	-
Subsistence		
International staff	-	-
National staff	8,575	-
Sub-total subsistence	8,575	-
Direct Project Costs for Implementation		
Output 1: 19,200 poor smallholder producers, including women affected by HIV and AIDS, participate in profitable value chains by 2016 in Chiradzulu and Kasungu districts	14,839	14,461
Output 2: 19,200 women improve their crop and livestock production through climate smart agriculture by 2016 in Chiradzulu and Kasungu	41,793	26,634
Output 3: 7,500 smallholder producers including women affected by HIV/AIDS have access to finances through Village Savings and Loans (VSLs) and linkages to microfinance institutions by 2016 in Chiradzulu and Kasungu districts	18,800	25,662
Output: 4 Conduct advocacy campaigns at all levels (community, district and national) on women's access to health and agribased services	9,100	-
M&E&L	6,500	398.4
Dissemination Costs	3,000	-
Sub-total Implementation	94,031	67,155
Capital Costs		
Sub-total Capital	6,561	-
TOTAL	158,028	68,065

Signed by



Date

30/10/13