

Scottish Government

Malawian Development Programme 2012-2015

End of Project Report

PLEASE READ ATTACHED GUIDELINES BEFORE COMPLETING THE FORM

Administrative Information

1. Name of Project:	2. Project reference number:
Organization name: Oxfam in Malawi Project name: 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. District in Malawi that your Project was working in:	5. Report for financial year
1 st April 2012	Lilongwe, Dowa and Mchinji	2012-2015

6. Please tick which of the Strands 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"/>

Monitoring Objectives and Outcomes

<p>7. 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.</p> <p>Delivery of the project has not changed since the last report. Our two partner organisations, Catholic Development Commission of Malawi (CADECOM) and Churches Action in Relief and Development (CARD) have been implementing activities as planned in Lilongwe, Dowa and Mchinji districts respectively. As this is the final year of the project most of the project activities have been around consolidation and strengthening sustainability of the project outcomes.</p> <p>The project aimed at improving the livelihoods of small scale women producers through value chain approach, access to sustainable agricultural markets and access to finance through village savings and loans (VSL). The project successfully and significantly improved the livelihoods of women small scale producers through their participation in value chains, training and Village Savings and Loans associations. Overall, crop production has increased from 64,530 tonnes of soya beans/ ground nuts and beans to 280,020 tonnes realising an income from private sector buyers of £56,236 and a total income of £66,817 if local sales are included for all three value chains including beans.</p>
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8. Please summarise in one paragraph (no more than 300 words) the achievements of the Project. You should include figures for the total number of beneficiaries supported both directly and indirectly and broken down by gender where possible.

The project has managed to support and train 19,241 women small scale producers and 3,609 men in the three districts of Mchinji, Lilongwe and Dowa, exceeding the planned target of 15,000 women. Strategic partnerships have been established at district level with District Executive Committees (DEC) which have provided agricultural technicians, at community level through Area Development Committees (ADCs) and Village Development Committees, which will ensure sustainability of the programme once the project ends.

The project trained female farmers and supported them to establish six associations, five cooperatives and 42 farmers groups which increased their participation in three value chains – beans (2,621 women), soya beans (9,620 women) and groundnuts (7,000 women). 4,590 farmers (3,500 female) received training in climate smart crop production; 3,500 women accessed improved seed and six agro processing centres were established and equipped for value addition supporting 391 women with an income. These interventions resulted in the doubling of produce yields for ground nuts and soya beans, improved quality of produce and production of value added products such as crude oil for better returns.

Through the project, women small scale producers in the three districts were linked to sustainable agriculture markets in the commercial city of Lilongwe. Private stakeholders such as Sunseed Oil company, Group Trading Company (GTC) and Capital Oil Refining Industry are buying unprocessed raw soya and groundnuts and also crude oil from the six processing centres managed by the cooperatives. These are some of the major commercial companies in Malawi that buy produce and crude oil from the farmers at competitive market prices. Women small scale producers working in the three districts are now able to sell their processed produce in bulk at better prices and are able to fetch more income than before. A total of 150,900kg of Soya beans; 89,520kg of groundnuts and 39,600kg of beans were produced and MK 36,974,700 (£56,236) has been realised in crop sales to the private sector and value added products sales under this project.

The Village Savings and Loans (VSL) have been particularly successful with 446 associations formed with 17,800 women members who were able to collectively save £14,870 and borrow money for small scale business such as selling groceries and food. An example is a group of ten women in Lilongwe who have saved MK500,000 (£760) allowing their members to borrow small amounts for business.

9. Please detail the progress you have made towards the achievement of your Project Level Indicators over the course of the Project as outlined in Q38 of your application form.

Outcome (including indicator) (from your application form)	Baseline data (from your application form and add any new indicators used)	Progress made against each indicator Please also state whether your outcome has been fully/partially/not achieved.
Outcome: 1		

Improved capacity for 15,000 poor women smallholder farmers' groups to participate in profitable value chains

All indicators were reached and in the case of one exceeded in reaching 28% more people than planned, therefore this outcome has been achieved

<p>Indicators 15,000 women smallholder farmers trained in organisation management (governance; administration; financial management)</p>	<p>Dowa has 1,500; Lilongwe has 2,860 and Mchinji has 1,300 women farmers already participating in agribusiness (5,660)</p>	<p>19,241 small scale women producers have been trained in organisation management and now participate in agribusiness. Dowa has 6,124 Lilongwe has 8,089, Mchinji has 5,028. This is a 28% increase in women farmers trained in organisation management against a target of 15,000.</p> <p>487 (195 male, 292 women) lead farmers were trained under the Training of Trainers (TOT) process, who in turn trained a further 7,305 farmers. Each of these farmers subsequently trained at least 30 more farmers (total trained: 21,915 including male farmers).</p> <p>Women are now able to manage their associations, resulting in improved financial management and group cohesion. <u>This indicator has been achieved and exceeded by 28%.</u></p>
<p>80 per cent increase in average quantity commodities sold by participating women small holder farmers (relative to baseline and disaggregated by commodity)</p>	<p>Currently, women contribute ten per cent of cash crop commodities sold</p>	<p>There has been a 68% increase in quantity of crops sold by women farmers across all three value chains. 97% increase for ground nuts value chain, 84% for soya value chain and 60% for beans.</p> <p>This was less than planned due to underperformance in the bean value chain.</p> <p>Under this project, five cooperatives, Mando and Dzithandizeni in Dowa and Machichi, Mwaiathu and Kholoniin in Mchinji, with 120 members including 55 women. Six associations with 180</p>

		<p>members including 160 women and 42 farmers' groups including 600 female and 240 male members were formed and supported.</p> <p>These have linked over 90% (17,800) of the women smallholder producers to sustainable markets. The farmers were linked to four main buyers from Lilongwe city. Capital oil Refining Company (CORI) and Sunseed Oil Company buy crude oil from the farmers and the Export Trading Group company and Rab Processors buy soya and ground nuts from the farmers. Over the three years the project has sold 204,000 tonnes of crops including 33,300 tonnes of ground nuts, 150,900 tonnes of soya beans including 400kg of processed crude oil CORI and 19,800 tonnes of beans. Although farmers were linked to other processors such as ADMARC and Grain Producers Associations they preferred to deal with the former buyers as the price was higher.</p> <p><u>This indicator was partially achieved.</u></p>
	Currently, women farmers sell to middlemen within their locality	<p>The 19,241 women producers sold 73% of their produce in bulk through their associations or cooperatives. The remaining 27% of produce is sold locally.</p> <p><u>This indicator was achieved.</u></p>
15 VSL groups established and 60 per cent of participating women farmers accessing micro-credit through VSL and other micro-finance institutions.	None of the women participating in VSL 15,000 women smallholder farmers trained in organisation management (governance, administration and financial management) microfinance institutions	<p>446 functional VSL groups were formed by 17,800 women. 99% of the participating women farmers have accessed micro-credit in their groups.</p> <p>The Mando and Dzithandizeni</p>

		<p>Cooperatives in Dowa and Machchi Cooperatives in Mchinji have been linked to the Malawi Savings Bank, but no loans were taken up by the women due to the 40% interest rate compared to 20% rate offered by the VSLs.</p> <p><u>This indicator was achieved.</u></p>
<p>Outcome: 2</p> <p>Enhanced levels of productivity of agro based products among producers.</p> <p>All indicators were reached therefore this outcome has been achieved</p>		
<p>90% increase of women farmers adopting environmentally sustainable agricultural practices</p>	<p>Five per cent women farmers practise sustainable agricultural practices</p>	<p>100% of the 19,241 participating women farmers have adopted sustainable agricultural practices</p> <p>15 farmers' demonstration plots were established five in each district for soya and groundnuts where farmers were trained on conservation agriculture, agro-forestry and compost manure making. They were also trained on modern farming technologies for soya beans and groundnuts. 100% of the 19,241 participating women farmers adopted these sustainable agricultural practices in their fields. <u>This indicator was achieved.</u></p>
<p>60% increase in the number of poor women using climate related hazards early warning systems to adapt their production systems</p>	<p>None of the women farmers are using early warning systems</p>	<p>There has been a 76% increase in the number of women farmers using Traditional Early Warning Systems (TEWS) to adapt their production systems. 4,590 farmers have been trained in TEWS (590 men and 4,000 women). Three TEWS have been set up with 3,500 women participating.</p> <p>4,000 participating women farmers were trained and are now better able to adapt to climate change through use of conservation agriculture and, composting. 3,500 women have received early maturing varieties</p>

		<p>of maize, soya beans and groundnuts. Other measures used enable women to protect their fields from rain runoff through the use of agro-forestry trees like greccidia trees and vertiver grass and box ridges.</p> <p><u>This indicator was achieved.</u></p>
<p>70% increase in annual cash crop production</p>		<p>There has been at least a 100% increase in annual crop production. Soya bean yields increased by 100% and groundnut yields increased 150%. No bean yield information was gathered so we are unable to measure the annual increase.</p> <p>The average yields increased for soya beans from 500kg to 1,000kgs per hectare and for groundnuts from 600kg to 1,500kg per hectare.</p> <p><u>This indicator was achieved</u></p>
<p>90% of targeted households use high quality improved seed varieties and or planting materials</p>	<p>Ten per cent use high quality improved seed varieties and/ or planting materials</p>	<p>100% of targeted households are using hybrid, early maturity varieties of soya and groundnuts. 100% of the 6,242 farmers who received seeds have grown the improved varieties.</p> <p>6,242 farmers (3,500 women) were provided with 26 tonnes of hybrid Nasoko soya beans and 26 tonnes of CG7 ground nuts varieties from Chitedze Agricultural Research Station, paid for under this project. This was less than the 8,000 farmers we planned to reach therefore we only met 78% of the 8,000 planned farmers with seeds.</p> <p><u>This indicator was achieved</u></p>

Outcome: 3**Improved enabling environment for poor women smallholders' integration into the profitable agro-based value chains through increased national awareness.**

Two out of five indicators were fully met, however two indicators that were partially met focused on similar areas of offering women farmers more opportunities to learn from others and promote their goods at local roadshows and at the national trade shows, which weren't reached due to funding issues explained below. The third indicator focused on the number of advocacy issues tabled, seven were tabled against a target of nine. The team made the decision to focus resources only on seven keys areas linked to; access to seed, gender, markets and land in order to maximise impact over the last year. As a result our advocacy partners are formulating two agricultural policies which will support better access for women and men to land, seeds, expertise and value chains. Therefore this outcome has been partially achieved.

<p>Three agribusiness fairs and market road shows held</p>		<p>Three agribusiness fairs were held in all the three districts in 2012, 2013 and 2014 by local government. Over the three years, 180 farmers from this project (60 from each district) participated in the fairs.</p> <p>During the shows they showcased their produce and how they add value to soya and groundnuts, making products such as soya flour and pressing crude oil from groundnuts and soya beans.</p> <p>We planned to conduct four roadshows in 2014/15 one each in Dowa and Mchiniji and two in Lilongwe. These were cancelled as the local fairs were deemed sufficient by the farmers for the last six months of the programme. The project responded to beneficiary feedback and facilitated participation in the local fairs.</p> <p><u>This objective was achieved</u></p>
<p>5% of women farmers participating in national trade</p>	<p>None of the women participate in national trade shows</p>	<p>Less than 1% of women farmers participated in national trade fairs.</p> <p>No women attended national trade shows in 2012 or 2013 due to increased costs of transport and accommodation to reach the shows held in Blantyre</p>

		<p>which is 300km away.</p> <p>In August 2014, 17 women farmers attended the National trade fair in Blantyre where they showcased how they added value to soya and groundnuts through making flour and crude oil from soya and ground nuts. The women farmers also linked up to the Agricultural Commodity Exchange system named ESOKO to receive price information through SMS, which they are using in their negotiations.</p> <p>In October 2014 20 women attended a World Food Day meeting and in August 2014 15 women attended the UN Women Gender Symposium to showcase their products.</p> <p>Through these fairs, the women had an opportunity to learn how to link to commercial buyers and make organic fertilizer by using soya waste and chicken droppings. On return, the participating women trained 54 of their fellow female farmers on what they had learnt from these fairs.</p> <p><u>This indicator was partially achieved</u></p>
<p>Nine advocacy issues tabled</p>	<p>One advocacy issue tabled by previous partner FAFOTRAJ (partner removed from project in October 2013)</p>	<p>Seven different advocacy issues were tabled over the project term. The Ministry of Agriculture and Ministry of Trade officials were targeted with advocacy efforts through the Farmers Union of Malawi annual convention. Furthermore 188 members of parliament including the current president, leader of the opposition, and leaders from two other political parties were approached with advocacy asks. They include</p>

		<p>policies on:</p> <ul style="list-style-type: none"> • access to agriculture extension systems • access to markets for small holder farmers (particularly women) • development of a National Agriculture Policy (NAP) • development of a Agriculture Marketing Policy (AMP) • input into the national climate change policy on gendered concerns and use of Early Warning Systems • Input into the national seed policy • Promotion of gender equality in agriculture <p>In Feb 2014 in the run up to the election held in May 2014, Oxfam launched an advocacy campaign targeting potential MPs and existing MPs to support policies for women farmers. The four actions tabled included increasing access to agricultural markets, access to productive land, access to improved seed and challenging gender discrimination against women farmers. 188 MPs signed our pledge. We also tabled two motions at the National Farmers Union conference in 2013/14 on access to markets and agricultural extension services</p> <p>Oxfam in partnership with its advocacy partners; the Civil Society Networks on Agriculture (CISANET) and Civil Society Network on Climate Change (CISONECC) lobbied the government to devise and implement a National Agricultural Policy (NAP), Agriculture Marketing Policy</p>
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		<p>(AMP) and National Climate Change Policy (NCCP). The NAP is being devised with Government and Civil Society Organisations (CSO) and will be sent to the Cabinet in August 2015. The AMP is also being devised with our partners but has been put on hold until the NAP has been completed and ready for Government to pass. In the interim the AMP Technical Committee has suggested an Agricultural Marketing Strategy is devised. In a bid to not hold up our lobbying efforts under this Scottish Government project. Oxfam with CISANET are leading on developing an Agricultural Marketing Strategy funded as part of another Oxfam project.</p> <p>This will help to create an enabling environment for all farmers, especially women, to have good quality seed which can adapt to the climate change and also to have a say on their rights to crop production.</p> <p>The issue of gender was raised at the local level in relation to low male participation. Interventions were put in place to ensure that male participation in the project increased from 2% to 15% with 3,069 trained on market linkages in the five cooperatives.</p> <p><u>This objective was partially achieved.</u></p>
Three annual national stakeholder policy meetings held	None at present	Three annual national stakeholder policy meetings were held in 2012, 2013 and 2014 with 250 farmers, private sector buyers and local government officials attending each year.

<p>Two new agribusiness related policies developed and existing ones reviewed to enhance women participation in agro-based value chains</p>	<p>None at the moment</p>	<p>The main object was to push for the three policies above to be devised in consultation with CSO and submitted and agreed by the Cabinet. The NAP and AMP policies are still being formulated and the government is spearheading the process with consultations from civil society. We expect the NAP to be ready to be submitted to the Cabinet in August 2015.</p> <p>The NCCP was submitted to the Cabinet in 2014 and is being reviewed. We are awaiting comments and expect some revisions before it is agreed.</p> <p><u>This objective was achieved.</u></p> <p>The NAP and AMP policies currently being devised are the new agribusiness related policies for this objective</p> <p><u>This objective was achieved.</u></p>
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10. Please detail the progress you have made against the relevant Programme level indicators as set out in Q39 of your application form.

Indicator	Baseline	Current value
<p>D9</p>	<p>Most women in Dowa, Mchinji and Lilongwe (15,000 women farmers across three districts) engaged in farming are unable to generate secure income from the agricultural value chain as they are undermined by the lack of viable enterprises that would enable them to operate in the formal competitive commercial sector.</p>	<p>68% increase in average quantity sold by women small holders.</p> <p>280,020kg of crops have been harvested, with 204,000kg sold at a value of MK 36,974,700 to the private sector (£56,236). Weights grown and sold to the private sector are as follows: Soya beans increased</p>

	<p>Indicators</p> <ul style="list-style-type: none"> • 80 per cent increase in average quantity commodities sold by participating women small holder farmers (relative to baseline and disaggregated by commodity) • 600 women farmers trained in business management (governance; administration; financial management) and engaging with commodity buyers • Three value chains mapped and participated in by the women smallholder farmers. • 5,000 women registered for each value chain 	<p>from 60,360kg to 150,900kg and were sold on at a value of MK 29,425,500 (£44,754). Groundnuts increased from 1,075kg to 33,300kg and were sold on at a value of MK 5,371,200 (£8,169) and beans increased from 3,095kg to 19,800kg at a value of MK 2,178,000 (£3,313). The three value chains were selected following recommendations from Accenture who undertook the value chain analysis and mapping. If we include the 27% remainder produce sold on locally using estimated local prices the total income was £66,817.</p> <p>19,241 women farmers were trained under the TOT system in business management (governance; administration; financial management) and engaging with commodity buyers.</p> <p>446 VSL have been created with 17,800 members. 99% of all members have accessed loans through VSLs for petty trade and agriculture.</p> <p>Three value chain crops for soya, beans and groundnuts were mapped and 19,421 women are participating. By registering in each value chain women receive a week of training on agribusiness including organisation management, agricultural production, post-harvesting and agro-processing and marketing.</p> <p>Of the 19,241 women registered, 9,620 women registered for the soya bean value chain; 7,000 for</p>
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		groundnuts and 2,621 for beans. 28% above the target of 15,000 women.
D10	<p>Of the 5,000+ women farmers who participate in agribusiness, most sell to passing traders.</p> <p>Indicators</p> <ul style="list-style-type: none"> • 70 per cent increase in the number of women farmers competing effectively in agro-based value chains • 30 women's producer groups in each of the three districts • 20 village market fora formed in each district • Women farmers interact with Agriculture Commodity Exchange; (ACE), NASFAM, MACE among 	<p>The project targeted 15,000 beneficiaries, aiming to engage 5,000 women smallholder farmers in each of the three value chains. In fact the project engaged 19,241 women smallholder farmers (28% more than our original target) although the numbers were not spread evenly amongst the three agro-based value chains. 100% of farmers engaged with the project are now competing effectively in agro-based value chains.</p> <p>125 women producers' groups have been established, including 40 in Dowa, 43 in Mchinji and 42 in Lilongwe. All are linked and selling to cooperatives and associations.</p> <p>A total of 94 village market fora were formed (30 in Dowa, 30 in Mchinji and 34 in Lilongwe) and 8,460 women are participating. They provide a meeting place to buy and sell produce to local buyers for the 27% of produce that isn't sold direct to the five cooperatives.</p> <p>320 women farmers are linked up to the Agricultural Commodity Exchange (ACE) system named ESOKO to receive price information through SMS, which they are using in their negotiations.</p>

	others	<p>One cooperative has received training from NASFAM on branding and packaging. The focus of this project has been on making links between farmers and private sector buyers to provide a steady and sustainable market for the farmers' crops. Links have successfully been made with Capital oil refining company, Sunseed oil company and Export Trading Company and Rab processors.</p> <p>The cooperatives have steady and sustainable markets from these companies and linkages to smaller bulk buyers.</p> <p><u>This Indicator was achieved</u></p>
	<p>Three per cent of women farmers have been trained in agribusiness and business management.</p> <p>Indicators</p> <ul style="list-style-type: none"> • 100 per cent of women farmers trained in agribusiness (production, post-harvesting and processing; marketing) • 130 partnerships with agricultural commodity markets developed 	<p>19,241 participating women were trained in agribusiness (production, post harvesting and processing and marketing) 28% above the project target of 15,000.</p> <p><u>This Indicator was achieved</u></p> <p>125 producer groups developed 150 partnerships with agriculture commodity markets either through associations or cooperatives. 73% produce is sold through these partnerships to associations or cooperatives. This is a 15% increase above the target of 130 partnerships.</p> <p><u>This Indicator was achieved</u></p>
	<p>Five per cent of women farmers practise sustainable agricultural practices</p> <p>None of the women farmers are using early warning</p>	

	<p>systems</p> <p>Indicators 90 per cent increase of women farmers adopting environmentally sustainable agricultural practices.</p> <p>60 per cent increase in the number of women using climate-related hazard early warning systems to adapt their production systems.</p>	<p>100% of the 19,241 participating women farmers adopted sustainable agricultural practices in their fields.</p> <p>In the three project areas, 15 farmers' demonstration plots were established where farmers were trained on conservation agriculture, agro-forestry and compost manure making. They were also trained on modern farming technologies for soya, beans and groundnuts.</p> <p><u>This Indicator was achieved</u></p> <p>76% increase in the number of women farmers using Traditional Early Warning Systems (TEWS) to adapt their production systems. 4,590 farmers have been trained in TEWS (590 men and 4,000 women. Three TEWS have been set up with 3,500 women participating.</p> <p><u>This indicator was achieved.</u></p>
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11. Discuss the progress of your project in relation to contributions your project has made to the aims and objectives of the Scottish Government's International Development Policy (maximum 300 words).

Gender equality and economic empowerment of women:

The project has promoted the social and economic empowerment of women in an integrated manner with the aim of improving the status and position of women in society; contributing to the achievement of Millennium Development Goal (MDG) 3 *'Promote gender equality and empower women'*.

The project has built individual and collective power amongst women to deal with socio-cultural barriers and gender stereotypes which lead to the marginalisation of their economic rights and lack of access to seeds, land and markets. Women have been trained in leadership and assertiveness, and provided with platforms for mobilisation and engagement with various duty bearers to claim social and economic rights.

The project has promoted gender sensitive economic empowerment models, whilst maximising

women's contribution to the household, local and national economy. This is evidenced by increased production, value addition, finance mobilisation through the 446 VSL and also increased bargaining power by selling 73% of produce through their cooperatives and associations for a higher price.

Enterprise development:

The focus on enterprise development contributed to the achievement of MDG 1. 'Eradicate extreme poverty and hunger'. 19,241 farmers were trained in climate smart agricultural techniques and value addition to run viable income-generating enterprises. In addition to providing resource inputs for six agro processing centres and facilitating linkages to microfinance services for 19,241 beneficiaries through VSLs and local banks, the project has created a logistics system through 46 bulking centres where crops are stored and sold on. Additionally it has developed 19 marketing zones (selling points without storage) to enable farmers to sell direct to cooperatives and access price information through partnerships with national bodies such as Agricultural Commodity Exchange. It has also facilitated smallholders into 125 producer associations and linked them to five cooperatives, which has strengthened their access to markets. Moreover the project supported the development of 150 viable partnerships between local producers and the private sector. Three products were certified by the Governments Standards Agency for sale including ground nut oil, ground nut powder and crushed groundnuts; these products can now be sold both locally and nationally.

As with other projects funded through the Malawi Development Programme, this project also contributes to the Scottish Government's objective to 'develop Scotland's special relationship with Malawi, working with the Government of Malawi to achieve sustainable outcomes'.

12. Have any of the risks identified in your original application been realised? If so, which ones and what actions have been taken in response?

Risk realised	Action taken
The Malawian kwacha depreciated by approximately 50% leading to substantial exchange rate gains between 2013/14. The price of commodities also rose at this time.	Oxfam and its partners had to make adjustments and consultations were undertaken to make sure that programme delivery was not affected. The exchange rate gains, (31,869 GBP) were duly returned to Scottish Government in March 2015 at their request.

13. Have you experienced any other issues/problems during the course of the project? If so, what actions have been taken in response?

Issues/problems	Action taken
Termination of the FAFOTRAJ implementing partnership in Year 2 due to some contractual disagreements.	FAFOTRAJ was replaced by CADECOM and CARD in October 2013 who have since successfully implemented the project.
Late release of government	Under AMP currently being devised by Government and

<p>minimum buying price of produce</p> <p>In 2014 the minimum prices were released late and in 2015 they were released on time. In both instances the pricing information is usually accessed by the vendors before the farmers receive it and the farmers lose out by selling at a lower price.</p>	<p>CSO, we are looking at pricing as part of the wider issues on which we are lobbying on. One option is that farmers devise their own minimum price taking in the costs of actual production which could remove the current issue of annual pricing.</p> <p>Generally, in 2015 minimum prices were released on time but vendors usually get to the farmers before they receive the relevant information. The proposed comprehensive AMP which is being developed includes regulations around minimum prices, the policy will regulate whether the government releases minimum price information or not.</p>
<p>Slowness by the Government to approve and adopt the policies being lobbied by Oxfam</p>	<p>Lobbying efforts will continue to make sure that the proposed policies are approved and adopted.</p> <p>As detailed above in Section Nine, Oxfam and its advocacy partners are pushing on seven main topics across three main policies, such as AMP and NAP on agriculture and NCCP on climate change. The NCCP is currently being reviewed by the Cabinet and NAP will be ready for submission to the Cabinet in August 2015. The AMP is currently on hold until the NAP has been agreed, but in the interim an agricultural marketing strategy is being devised. The Land Bill is currently being reviewed for presentation to Parliament. Our partners including local CSOs and local leaders made submissions to the Ministry of Land and Justice to be included in the new bill. This is the second time the bill has been reviewed for discussion by Parliament.</p> <p>With regards to the pledges to support the MAP and NAP policies by 188 MPs, we are planning a follow up campaign in 2015 called 'Keep The Promise'. Campaigners will revisit all 188 members to ensure they support all three policies both nationally and locally.</p>
<p>The agri-processing component of the project was completed later than planned due to the partner change in year two. This meant the building of the five new centres was delayed as we focused on the agricultural training. The processor housing was completed a year late at the end of 2014.</p> <p>In addition two of the centres were built to access new electricity lines being installed by Electricity Supply Corporation of Malawi Limited</p>	<p>During that time however the processing equipment bought under this project was being used in local leader homes under the management of the five cooperatives.</p> <p>ESCOM have still not installed the electricity system despite agreements and fierce lobbying. The processing equipment is all being used and powered by diesel generators at present in the six centres. Oxfam and partners are looking at alternatives such as installing solar power generators which will bring production costs down and increase the volume processed in 2015/16.</p>

(ESCOM) and agri-processing equipment was bought for use with electricity. However the electricity connection was substantially delayed and still outstanding.	
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Response to Previous Progress Reports

14. What progress has been made in response to comments made on previous progress reports?	
Comments	Progress to the response
<p>*In Years 1 and 2 we have detailed all responses to Scottish Government feedback to our Mid Year and End Year reports in this section.</p> <p>In Year 3 we did not receive any feedback to the Mid Year Report submitted in October 2014 so have therefore left this section blank.</p>	

Financial Reporting

15. Please provide a detailed breakdown of actual expenditure for the last financial year, compared to the Programmed expenditure detailed in Q40 of your original application form.		
Budget Headings	Actual Expenditure	Programmed Expenditure
Salary Costs	£39,225.57	£36,960.00
Running costs	£10,787.05	£9,800.00
Travel and subsistence	£3,617.66	£2,940.00
Project Delivery	£81,203.56	£97,302.00
Audit	£2,557.00	£2,100.00
Additional funding*	£0	£131
Administration	£8,834.00	£8,820.00
TOTAL	£146,224.84	£158,053.00

16. Please comment on the breakdown of expenditure in Q15 above, particularly explaining any significant disparities between Programmed expenditure and actual expenditure within the relevant financial year.

In the final year of the project there were no significant under or over expenditures. The budget above is based on our reallocation which was agreed with the Scottish Government following the 2013-2014 annual report.

The report for financial year 2014-2015 reflects an under-spend of £11,828 (which accounts for 7% per cent of the Year 3 budget). A breakdown of individual budget lines exceeding + or – 10% is as follows:

TRAVEL AND SUBSISTENCE - £678 (23%) Over spend

Over spend due to additional visits by staff (every two months) to monitor delayed activities linked to the building of five new agri-processing centres. To date, four out of the five new centres have been completed.

PROGRAMME DELIVERY - £16,099 (17%) Under spend

The under spend is due to delays in implementation of some project activities or areas where target numbers were not fully reached

- £11,767.93 under-spent - the 'bean value chain' activities were under-spent as we planned to support and train 5,000 female farmers however, the bean value chain wasn't as popular as soya and ground nut so only 2,621 farmers joined.
- £3,959.61 under-spent -we planned to build five new agri-processing centres, of those five all are complete except one in Lilongwe for the Masulu Farmers Association. The materials have been bought but the build is still in progress. Partners are currently holding £3,959.61 to complete construction by end of August (subject to donor approval).
- £371.46 under-spent - the cost of peanut processing machines had altered since the budget was profiled at the beginning of the project so there is a slight underspend on this line.

AUDIT – £457 (22%) Over spend

Auditors gave a quotation which was more than the originally budgeted amount.

17. Please provide a detailed breakdown of actual expenditure for the full project, compared to the Programmed expenditure detailed in Q40 of your original application form.

Budget Headings	Actual Expenditure	Programmed Expenditure
Salary Costs	£84,576.76	£99,180.00
Running costs	£27,609.92	£27,399.96
Travel and Subsistence	£8,230.33	£8,820.00
Project Delivery	£189,138.79	£214,670.00

Audit	£4,969.00	£7,168.00
Administration	£25,014.00	£25,000.00
TOTAL	£339,538.80	£382,237.96

18. If there are any funds remaining unspent, please provide an explanation below and details of how you intend to spend them. (Using a separate sheet if needed.)

Full programme expenditure lies at 89% indicating a cumulative under spend of £42,699.16. However this includes an exchange rate gain of £31,869 (8%) which was repaid in March 2015. Therefore total spend is £371,407.80. This leaves an overall under spend of **£10,830.16** (2.8% of total grant)

	Spend	Budget
Spend	339,542	
Exchange rate gains	31,869	
Total	371,408	382,238
Underspend	10,830.16	
Planned spend for processing centres	3,959.61	
Remaining under-spend	6,870.55	

The summarised under spends are on:

STAFF COSTS - £14,603 under-spend

Due to exchange gains as explained and returned to the Scottish Government in March 2015.

PROGRAMME DELIVERY - £25,531.21 under-spend

- In year two we changed our partners which delayed some activities such as the establishment of the agri-processing centres.

In year three, £3,959 remains with partner, to be spent on completing the fifth agri-processing centre detailed above. £11,767 under spend on activities related to the low uptake on the bean value chain as well as a slight under-spend on processing equipment.

AUDIT - £2,199 underspend

- Audit charges varied from original budget allocations, we did not audit in year 1 of the project

We are requesting that the £6,870.55 under-spend is used to provide agro-processing equipment to the six processing centres. We request that £1,065 is used to buy a peanut butter processing machine- the project supplied five of the centres with this machine but due to price increases on equipment could only fund five of these machines with the original budget allocation. We propose that the remaining underspend is used to cover the purchase of additional processing equipment detailed in the budget below, to be split between the six centres.

Proposed budget for under-spend	Cost per unit	Cost in GBP
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