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| Partnership Agreement between Catholic Relief Services Soya ni Pesa (SNP) Project and the IITA N2Africa Project |

**First Draft**

**TABLE OF CONTENTS**

Glossary of Acronyms 3

4. Partnership outline 5

4.1. Introduction 5

4.2. Reasons and ambition of the partnership 6

4.2.1. Reason 6

4.2.2. Situational Analysis 6

4.2.3. Priority needs in the poultry sector in Tanzania 6

4.2.4. Soybean production in Tanzania 7

4.2.5. Business case for soybean 7

4.2.6. Ambition 8

4.3. Methodology 8

4.4. Crops, varieties and farming systems descriptions 9

4.5. Detailed description of target areas and groups 9

4.6. Target clients 9

4.7. Farmer types and targets 10

4.8. Production targets 10

4.8.2. Method of Choosing Beneficiaries 10

4.8.3. Sub-recipients 11

4.8.4. Governmental or Non-governmental Entities 11

4.9. Coordination with Government Agencies and other Stakeholders 11

4.9.1. US Government investments 11

5. Goal 12

6. Capacity building 12

7. Dissemination 13

7.1. Demonstrations and business training 14

8. Input demand information and supply 14

9. Marketing and value addition 15

9.1. Demand 15

9.2. Supply 15

9.3. Working with buyers 15

10. Governance 16

11. Workplan N2Africa in the Partnership 16

12. Budget N2Africa in the Partnership 16

12.2. Other agreement conditions 17

13. Monitoring and Evaluation 17

13.1. Monitoring System 17

13.2. Learning M&E on adaptation and adoption 17

Annex i List of documents shared 18

Annex ii Results Framework 19

Annex iii Performance Indicators Table 20

FIGURES

Figure 1. CRS’s Five Skill Sets for Sustainable Market Engagement 8

TABLES

[Table 1. Number of 90kg bags produced / 1 acre and income in US $ 7](#_Toc404016048)

[Table 2. Target areas, partners and beneficiaries 9](#_Toc404016049)

[Table 3. Production of soybeans per year with 30% gain figures 10](#_Toc404016050)

[Table 4. Summary of the N2Africa budget contribution to the partnership 16](#_Toc404016051)

# Glossary of Acronyms

|  |  |  |
| --- | --- | --- |
|  | A&A | Adaptation and Adoption |
|  | ADP | Agricultural Extension and Delivery Services |
|  | BDO | Business Development Officer |
|  | BMGF | Bill and Melinda Gates Foundation |
|  | CCT | Conditional Cash Transfers |
|  | CSO | Civil Society Organization |
|  | D&D | Delivery and Dissemination |
|  | D2R | Development to Research  |
|  | CIAT | International Center for Tropical Agriculture |
|  | CLTS | Community-Led Total Sanitation |
|  | CRS | Catholic Relief Services |
|  | FFPr | Food for Progress |
|  | FLO | Field Liaison Officer  |
|  | M&E  | Monitoring and Evaluation |
|  | MFB | Micro Finance Bank |
|  | ICT | Information Communication Technology |
|  | INGO | International Non- Governmental Organisation |
|  | IOSIS | Input and Output Supply Information System |
|  | IPM | Integrated Pest Management |
|  | IYCF | Infant and young child feeding |
|  | LNGO | Local Non- Governmental Organisation |
|  | LoI | Letter of Intent |
|  | LEAD | Leadership, Empowerment, Advocacy and Development |
|  | MARKETS | Maximizing Agricultural Revenue and Key Enterprises in Targeted Sites |
|  | MEAS | Modernizing Extension and Advisory Services |
|  | N2Africa | Putting nitrogen fixation to work for Smallholder farmers in Africa |
|  | OVI | Objectively Verifiable Indicator |
|  | PERSUAP | Pesticide Evaluation Report and Safe-Use Action Plan |
|  | POU | Point-of-Use |
|  | PPP | Public Private Partnership |
|  | SAC | Scientific Advisory Committee |
|  | SHARE | Support to Vulnerable Households for Accelerated Revenue Earnings |
|  | SILC | Saving and Internal Lending Communities |
|  | SME | Small and Medium Enterprise |
|  | SMILER | Simple Measurement of Indicators for Learning and Evidence-based Reporting |
|  | SNP | Soya Ni Pesa |
|  | SOs | Strategic Objectives |
|  | SAGCOT | Southern Agricultural Growth Corridor of Tanzania |
|  | TL II | Tropical Legumes II |
|  | ToT | Training of Trainers |
|  | TSHIP | Target States High Impact Project |
|  | TOC | Theory of Change |
|  | USAID | United States Agency for International Development |
|  | VEA | Village Extension Agent |
|  | WOPATA |  |
|  | WUR | Wageningen University and Research Centre |

PARTNERSHIP AGREEMENT BETWEEN SNP AND N2AFRICA

# Partnership outline

# Introduction

N2Africa desires to engage with partners that have common objectives and to jointly strive achieving them. A partnership aims to address constraints as well as areas of synergies allowing for flexibility on activities and related resources to be allocated to the partnership.

The partnership between (I) the Soya ni Pesa Project which is a Food for Progress (FFPr) Program awarded to Catholic Relief Services (CRS) to be implemented in Tanzania The program is funded by U.S. Department of Agriculture (USDA) with a total value of $10.5 million.

And (II) the Bill and Melinda Gates Foundation (BMGF) funded Wageningen University and Research Centre (WUR), International Institute for Tropical Agriculture (IITA) and the International Livestock Research Institute (ILRI) implemented N2Africa Project is founded on mutual recognition of complementarities and synergies to achieve both projects objectives through their joint implementation as described in the document at hand.

The SNP project started on Oct, 2012 and will run for 4 years until Sept, 2016 or 48 months. The N2Africa project duration is also 60 months starting Jan 2014 and ending Dec 2018.

Leading in the partnership is the SNP project which in its design is detailed and focussed around specific target areas, groups and activities in Tanzania. N2Africa is hereby in support of SNP following its project implementation strategy to seek leverage from SNP to promote N2Africa technologies and approaches while both projects strive to meet their common objectives.

The partnership at hand was initiated through several e-mails, workshops, meetings and exchange of documents where key elements of collaboration were identified on 2 Objectives (SOs):

1. Increase agricultural productivity in the soybean and poultry value chains by promoting improved production techniques, facilitating access to improved inputs, and linking agricultural producers to financial services and agro-dealer networks and
2. Expand trade of agricultural products in the soybean and poultry value chains by training agricultural producer groups, facilitating access to storage facilities, and facilitating market information and linkage.

There are four intermediate results, two for each Strategic Objective (SO). SO1 focuses on Increased Agricultural Productivity and SO2 focuses on Expanded Trade of Agricultural Products. The intermediate results to be evaluated under each Strategic Objective are:

1. Intermediate Results under Strategic Objective # 1

a) FFPr 1.2 – Increased Use of Improved Agricultural Techniques and Technologies;

b) FFPr 1.3 – Improved Farm Management (Operations and Financial).

2. Intermediate Results under Strategic Objective # 2

c) FFPr 2.1 – Improved Quality of Post-production Agricultural Products;

d) FFPr 2.2 – Increased Access to Markets to Sell Agricultural Products.

The project results framework is presented in Annex ii.

It was agreed that a joint Monitoring and Evaluation (M&E) framework, methodology and reporting will be implemented. A list of documents shared that form an integral part of the agreement and are seen in Annex i. The partnership document at hand is considered a ‘living’ document initially as an annex to a Letter of Intent for reference. Further planning meetings and interactions will put more details to the partnership agreement and a final version is expected in November 2014.

# Reasons and ambition of the partnership

# Reason

# Situational Analysis

Despite its rich resource base, Tanzanian agriculture suffers from low production levels, limited investment leading to poor competitiveness and weak trade linkages. Most farmers are smallholders, with approximately 70% of farmers in Tanzania working on less than 3 acre plots. This is sufficient land to produce the required 15 bags of maize required to feed the family using low input farming. Improving productivity is slow as farmers have limited access to technology, skills training and infrastructure (roads, irrigation, and storage).

As most agricultural production is rain-fed, and farmers sell into informal markets, banks are reluctant to invest in crops that fail due to extreme weather conditions and where marketing is opportunistic. The financial services which support agriculture, only target larger commercial farms with title deeds and some form of sales agreements with formal buyers. Following the collapse of Government extension, input supply and warehousing systems in the 1970-90’s the private sector has been slow to fill these opportunities beyond the highest value products sector. Consequently most farmers work as individuals, they use retained seed, no fertilizer and receive no market information or market linkage support. Significant investments in training and technology combined with consistent trade policies are required to address these issues on a product-by-product basis.

To upgrade specific value chains, farmers need access to extension services that not only demonstrate technical inputs, but also help to link farmers to input and output markets and improve both their business capacity and business relations with traders and processors.

Millions of farmers in Tanzania are keen to try new technologies, but they need production and market support if they are to take on higher levels of investment and risk and work towards building more durable investments plans.

# Priority needs in the poultry sector in Tanzania

The poultry sector in Tanzania has been slow to emerge due to limited investments. Lack of scale leads to high costs of operations compared with alternative suppliers such as India and Brazil. Unlike most countries, the cost of poultry in Tanzania is higher than beef. This is unusual as the feed conversion to meat is typically 2.5 kg of feed to produce 1 kg of poultry meat, compared with between 7-11 kg of feed to produce 1 kg of beef.

Although beef prices maybe lower due to their free range feeding, there are critical problems in the broiler market (poultry meat). These challenges include limited chick production and virtually no support services outside of the urban centers. The feed sector is particularly poorly served and producers complain that existing feed is expensive and of poor and variable quality. Given the high costs, poultry meat is being imported into Tanzania from Brazil and some de-fatted soy meal feed is being imported from India and South Africa.

Feed manufacturers, who do not import (soy meal) directly, meet their protein needs through buying sardines, or small lake fish. Although fish is high in protein, it is often adulterated with sand and waste materials, which damages feed manufacturing equipment. Fish quality is highly variable and has a very short shelf life. The use of high fish content in feed rations taints the taste of the poultry meat, making it unacceptable for more lucrative formal markets. Use of fish also comes with a high risk of salmonella poisoning which has already affected local feed manufacturers.

As the feed and poultry industry expands over the next 2-3years, to supply growing demands from fast food chains, tourism, and commercial grocery stores, there will be insufficient fish to supply the feed needs. If the domestic feed situation is not supported, the local poultry feed industry is likely to stagnate and businesses with international connections will expand through imported soybean meal.

# Soybean production in Tanzania

At present, soybean is mainly grown in the southern highlands of Tanzania in Ruvuma region. The highest concentration of production is in Songea, where at least 3,000 farmers produce 1,500 Mt per year. This region is supported by research from Uyole research station. Additional research from Sokoine University supported farmers in the Morogoro region, led by Drs. Laswai and Lekule. This work helped form a limited number of farmer groups producing soybean for the local market.

Although soybean production is concentrated in the south, soybean can be grown throughout the maize growing areas of Tanzania. The advantage of growing soybean for the maize farmers is that the legume builds soil fertility over time. In the SAGCOT target area there is a large potential to intensify this maize-legume farming system through demonstration of best practices and improved access to agricultural inputs, improved production practices, access to micro financing, and links to commercial markets. Farmers like to expand soybean production but are concerned about markets.

# Business case for soybean

There is strong evidence to show that farmers, who invest in new technologies, such as improved seed, inoculants and fertilizer, will improve their production significantly. The information in Table 1 compares the production and income gains that farmers can achieve when they use technologies to grow maize and soybean. The data shows that although yields / acre are lower for soybean compared with maize, the higher market price US$550 / Mt soybean compared to US$ 230 for maize, and lower costs of production costs of soybean means that soybean provides a much better return than maize. Soybean is also a cash crop, which complements maize as a food crop.

If maize farmers can increase their productivity of maize, it will free up land for them to grow more soybean over time. However, farmers will only try new farming mixes and use best production practices when they understand how new methods will improve their production and income. To upgrade to a more sustainable production system, farmers must work together and invest, and they can only do this when they have the funds or access to loans, to pay for these new technologies.

For many farmers, it is lack of access to technologies combined with lack of encouragement, poor levels of organization and weak market knowledge that have frozen production levels.

##### Number of 90kg bags produced / 1 acre and income in US $

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | no of 90 kg bags with no fertilizer | no of 90kg bags with fertilizer | Income no fertilizer  | Income with fertilizer  | Profit without fertilizer | Profit with seed and fertilizer |
| Production local  | 5 | 7 | $99.83 | $139.77 |  $69.84  |  $83.78  |
| Production OPV | 7 | 12 | $139.77 | $239.60 |  $83.78  |  $119.63  |
| Production hybrid | 9 | 16 | $179.70 | $319.46 |  $107.72  |  $127.50  |
| Soya beans | 3 | 5 | $148.50 | $247.50 |  $127.50  |  $207.50  |

Supporting village level egg production will also raise rural levels of demand for soybean and provide new employment opportunities for women. Increased domestic soybean production will support the local feed industry and excess will increase export earnings.

Soybean linked to the poultry feed industry will support the Tanzanian production and processing sectors for the following reasons:

|  |  |
| --- | --- |
| Soybean is a higher value grain product that fits well with maize. | The market for soybeans is growing regionally and globally with strong private sector support.  |
| The crop can be grown profitably by smallholders, as well as medium and large-scale farmers | The product has strong internal demand and for the future has excellent export potential. |
| Soybean is a better and more sustainable source of quality protein for feed manufacturers than local fish and increasing production of this crop will not affect the food markets. | For smallholders, the production of soybean also has a number of important spill over effects. According to Sokoine University researchers, farmers who become accustomed to soybean production are interested to learn how to use this high protein crop in their diets, and village use of soybean will contribute towards reducing malnutrition rates. |
| The introduction of more robust village level poultry schemes will support new employment options for women that will increase income and improve local nutrition through sales of eggs and meat. | A village level poultry industry, will provide employment and increase both egg and meat availability to the rural communities, which can transform local diets.  |
| Tests show that average soybean nitrogen fixation is 100-200kgN/ per Hectare. Therefore crop rotation and relay cropping with soybean can significantly improve soil fertility and reduce fertilizer cost. |

# Ambition

The ambition of the partnership is, in cooperation and coordination with other prospected partners listed in Table 3; to remedy the above described inter-related problems and constraints. The methodologies adhered to are described below and are a combination of the SNP and N2Africa original technical approaches where the latter complements the former and vice versa.

The gravity of activities and resources allocated, roles and responsibilities will be further ironed out in future planning meetings and formalized through a MoU with an updated partnership agreement stipulating these in more detail for the first year of implementation (2014) and in broader sense for the remaining years (3) of the partnership, hence to be similarly detailed on an annual basis.

# Methodology

CRS’ comprehensive Five Skill Sets (see Figure 1) enable very vulnerable HHs to engage effectively in local economies. The partnership will add nutrition skills and services for additional impact. Extremely vulnerable HHs will benefit from the added support (vouchers, conditional cash transfers (CCT), etc.) needed to allow them to capitalize on project activities.

#### CRS’s Five Skill Sets for Sustainable Market Engagement

1. Group Management

2. Savings & financial

3. Natural Resource Management

4. Business & Marketing

5. Innovation & learning

N2Africa will contribute to the partnership on all the major project components from building the capacity (ToT) of key partner staff on agronomic practices, dissemination – learning M&E to progress from Best Bet to Best Fit farmer recommendations that will ensure farmer improved practices are sustained. The projects’ approaches and methodologies towards the farmers and other chain actors will be integrated, whilst for more details reference is made to the project documents.

# Crops, varieties and farming systems descriptions

The crop of focus is Soybean and the resulting oil and cake for the poultry feed sector (eggs and meat). Availability and accessibility of improved soybean seeds is a major constraint to the Soybeans subsector development in Tanzania. Only three varieties were released until recently (2 additional varieties were released in 2014), and only one among the three varieties was available in limited quantity for production in the first season of Soya ni Pesa.

However, the performance of the variety was not good compared to the local varieties grown in Ruvuma. Soya ni Pesa took the initiative to coordinate efforts among concerned stakeholders in the seed system such as NARS, ASA, TOSCI, IITA, N2Africa, SEEDCO and the Local Government Agriculture Departments, in order to identify better performing varieties for different zones.

Once the best performing varieties are identified and/or released, it could be feasible for farmers to adopt the varieties and scale up production.

# Detailed description of target areas and groups

In total, the partnership will benefit 13,750 households in 4 years. Details on the project targets are provided in Table 1.

##### Target areas, partners and beneficiaries

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Implementing Partners** | **Diocese of Njombe**  | **Archdiocese of Songea**  | **WOPATA** | **MUVEK** | **Total** |
| Beneficiaries | 3,000 | 5,250 | 3,000 | 2,500 | 13,750 |
| Region | Njombe | Ruvuma | Morogoro | Njombe and Ruvuma | 3 |
| District | Njombe, Wanging’ombe and Ludewa | Songea and Namtumbo | Mvomero and Kilosa | Njombe and Songea Rural | 8 |
| Number of villages | 25 | 47 | 26 |  | 98 |

The project works with MUVEK to provide technical and business training to establish 2,500 women in poultry micro-enterprises. This work will secure demand for soybean from local feed processors, to feed the layer production groups and offer a new source of employment for rural women, who will both consume eggs and sell surplus eggs and cocks.

# Target clients

The partnership will support farmers and partners across the value chain over a four year period. Up to 11,250 farmers will be supported. Traders will include agro-dealers, local aggregators, warehouse managers and key market managers. Processors will include leading feed millers and poultry hatcheries. It will also work with service providers in soybean breeding and utilization research, a range of public and private extensions services to support existing and prospective soybean farmers, input supply networks, financial services and equipment manufacturers.

# Farmer types and targets

To upgrade the soybean production system, the project will work with three farmer segments: approximately 7,500 farmers with a size farm of less than 2 acres, 3,450 farmers with a farm size of 2-10 acres and 300 farmers with more than 10 acres. The partnership will work with a range of farmers so that it can build different scales of producers to supply the formal market. The smaller farmers will be provided with vouchers to assist them to access inputs, the larger farmers will be assisted to access loans through local financial service providers.

# Production targets

The project will work to upgrade production of maize and soybean farmers. Technical support will be given to farmers to upgrade productivity of both crops, by at least 30%. This improvement in productivity will increase maize production from 0.54 Mt / acre up to 0.7 Mt / acre, equivalent to increasing from 21.5 bushels / acre up to 27 bushels / acre.

Similarly soybean production levels will be raised from 0.29 Mt / acre up to 0.38 Mt / acre. It is expected that farmers will fully realize these increased production levels in their second year, after they have taken note of the demonstrations and had time to build their savings to afford the necessary investments. As farmers take on the new technology package, they will work towards the production and value gains shown in Table 2.

##### Production of soybeans per year with 30% gain figures

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Years | Mt | US$ | Mt | US$ |
| Year 1 | 2,677 | 1,472,350 | 2,677 | 1,472,350 |
| Year 2 | 5,354 | 3,091,935 | 6,157 | 3,533,640 |
| Year 3 | 8,031 | 4,858,755 | 9,621 | 5,733,331 |
| Year 4 | 16,062 | 9,423,040 | 18,455 | 10,739,320 |

# Method of Choosing Beneficiaries

The partnership will operate in four geographic areas within three regions (Iringa, Ruvuma and Morogoro) of Tanzania to carry out its activities under this project by using information from the following sources:

* Direct quantitative and qualitative field surveys conducted by CRS;
* Value Chain assessment for soybean cultivation;
* Seed system assessment;
* Secondary source consultation with soybean processors, poultry industry actors, and farmers associations; and
* Official Tanzanian government statistics.

The partnership will work with local partners to select the most needy producers and families for participation. After surveying farmers to determine their income and asset situation, CRS will give priority to those producers who meet all or most of the following criteria:

* Are members of food insecure households;
* Live in the target community and demonstrate family stability;
* Have access to land and a water source;
* Demonstrate knowledge and ability to participate in a sustainable program;
* Hold small farms and are involved in agricultural production of two to ten acres;
* Farm as a primary source of household income;
* Have the capacity through labor or access to capital to implement improved farming practices;
* Will voluntarily participate in the project activities;
* Will work collaboratively and collectively with other farmer families, especially in the marketing of farm produce; and
* Will adopt innovative practices and produce targeted integrated agricultural commodities for marketing.

# Sub-recipients

The partnership will select one or more sub-recipients from among local organizations that have the following:

* Experience operating in the targeted region;
* Experience working with Catholic Relief Services-United States Conference of Catholic Bishops;
* Demonstrated experience in agricultural projects; and
* Demonstrated management experience in handling financial matters.

It will enter into an agreement with each sub-recipient selected that will define the responsibilities of both parties.

# Governmental or Non-governmental Entities

CRS will work directly with the following and other entities:

* Diocese of Njombe;
* Diocese of Songea;
* Agricultural Seed Agency (ASA);
* Ministry of Agriculture, Food Security, and Cooperatives.

# Coordination with Government Agencies and other Stakeholders

# US Government investments

USDA

Through this project the partnership will work to strengthen business links between US soybean producers through the American Soybean Association and help to strengthen links with US soybean manufacturers. It will work with the companies planning to expand feed manufacturing and companies such as Insta-Pro to help Tanzanian feed manufacturer’s to upgrade their ability to handle and process full fat soybean and produce high quality soy oil and meal that can find markets in Tanzania and neighbouring countries.

Agricultural Growth Corridor of Tanzania (SAGCOT)

The Soya ni Pesa project will build on new USAID investments in the SAGCOT corridor by complimenting Feed the Future projects strengthening crop production and food processing. CRS is a partner on the Nafaka project working to upgrade maize and rice value chains and establish savings and internal lending groups in Kilombero District. It intends to build on this work with local partners in Ulanga District, by supporting soybean and egg production activities.

The project will enhance the SAGCOT strategy, which indicates that current demand for soybean in Tanzania is approximately 50,000 Mt / year, but has potential for much larger expansion. The Government’s SAGCOT plan highlights soybean production and processing as a key investment opportunity. The Government of Tanzania is actively supporting farmers to grow maize and rice for food production but also to diversify part of their production into other higher value crops.

Soybean offers maize and rice farmers with a complementary crop that increases per unit area incomes by 50% up to 100% compared with maize and boosts soil fertility. In addition to production the Government is also seeking ways to add value to primary agricultural produce. Linking soybean production to the formal poultry sector achieves both improved production systems and processing opportunities to supply the food, oil and feed markets.

In the future, as production increases, there is a large regional market opportunity for soybean and additional options for exportation to Asia. The target project districts for this project are Morogoro and Iringa, which are in the heartland SAGCOT investment area and Ruvuma district which is tributary to the SACGOT investment zone in the Zambia – Mbeya corridor.

Comprehensive Africa Agricultural Development Program (CAADDP)

The project will support all pillars of the CAADDP:

1. Land and water resources management;

2. Infrastructure and market access;

3. Food security and nutrition;

4. Science, technology and human resource development.

Government objectives

One of the program objectives of the GOT Agriculture Sector Development Program (ASDP) is to enable farmers to have better access to and use of agricultural knowledge, technologies, marketing systems and infrastructure, all of which contribute to higher productivity, profitability, and farm incomes. In addition, the GOT operational plan of the Agricultural Marketing Strategy (AMS) of 2010/11-2015/16 calls for the involvement of Public, Private sector and Civil Society Organizations in Agricultural Marketing activities.

# Goal

The project goal is to increase the production of soybean from 3,500 Mt per year to 11,000 Mt, over four years as part of a program to upgrade the Tanzanian poultry feed sector.

Production of poultry meat is one of the fastest growing protein sources world-wide and Tanzania lacks competitiveness in both broiler and layer markets, which is leading to increased imports from Latin America and Asia. As the Tanzania population grows and the country urbanizes there will be increasing demand for low cost protein and poultry meat and eggs are the most efficient forms of animal protein production.

The value of poultry can only be realized in-country if there is an efficient feed industry to support domestic poultry production. The partnership will upgrade the feed component of the poultry sector with emphasis on building a competitive supply of soybean, for oil and meal production.

# Capacity building

CRS developed the curriculum of the SMART skills which Learning Objectives of the Course Suite is that after participating in this set of courses, the field agent will be able to plan and implement a series of inter-related trainings to build farmer and other rural actors’ skills in 5 critical areas for successful engagement with markets. The five SMART skills include:

1. Organizing democratically for collective decision-making;
2. Managing savings and lending to protect key assets, smooth consumption and encourage investment;
3. Selecting, establishing and growing an enterprise;
4. Managing natural resources for sustainable agricultural production; and
5. Managing knowledge to innovate and maintain competitiveness in a changing market.

The N2Africa contribution on Capacity Building (CB) links in with ‘*Managing knowledge to innovate and maintain competitiveness in a changing market*’. N2Africa will train key CRS and partner staff on soybeans. Within the partnership a joint ToT program will be designed which will also require bio fertilizers or inoculants to boost nitrogen fixation.

Within the SMART Skill number 5 key complementary areas are identified being:

1. Agronomy of the focus crops;
2. Dissemination models and approaches;
3. Learning M&E and data collection.

The above will provide a solid technical background (agronomy). It is to get a better understanding of dissemination and to implement an effective learning M&E and data collection plan. This is to generate recommendations from Best Bet to Best Fit farmer practices to enhance adoption and obtain a realistic picture of the market demand for inputs and other services. The will be the basis of the capacity development program N2Africa can provide for its partners on a non-degree ToT basis.

More specifically N2Africa will contribute the following related to capacity building:

1. Facilitate development of protocols for the establishment of demonstration and adaptation trials by farmers, including plan for data collection;
2. Train CRS and partner field staff on handling and use of inoculants and mineral fertilizers on legumes and to identify and manage pests and disease of soybean;
3. Conduct ToT on soybean utilization at household and cottage levels;
4. Recommend informed integrated soil fertility management (ISFM) to improve productivity and sustainability maize - soybean based farming systems;
5. Recommend informed integrated pest management (IPM) strategies to avert epidemics of soybean pests and diseases;
6. Monitor and inform about potential risks of pest and disease spread to the new CRS project sites;
7. Support development of soybean extension materials.

*Details on a capacity building program design will be developed with a CB specialist*

# Dissemination

A dissemination implementation plan and exit strategy will be formalized with the outcomes that the partnership will reach 13,750 households in a phased approach whereby they, other chain actors and stakeholders are expected to continue engaging in crop intensification post-projects. The partnership will foster that partners involved integrate effective and efficient dissemination approaches for focus crops technologies in their future development and-or commercial initiatives.

Throughout the project, a strategic M&E framework provides timely feedback to learning and future planning and this will be supported by effective ICT tools. The improved crop production recommendations will be integrated in the dissemination campaigns.

Within the dissemination activity domain farmers, manufacturers and last mile delivery companies’ demand for inputs is quantified, explained and conditional parameters and their levels determined. This will achieved by conducting market research on promoted inputs among the target farmers, manufacturers and last mile delivery companies towards aligning demand with supply.

# Demonstrations and business training

Production in Africa is typically one fifth as productive as farmers in China, see graph. If farmers are to adopt basic technologies they need to see that it works, and understand that investing in production will provide an increased return. Farmers need to see the effects of new technologies and gain a better understanding of the business framework in which it needs to be applied.



Where targeted groups are located within ten kilometres of one another, the partnership will establish one demonstration plot for every three to four producer groups. Where groups are not located within ten kilometres of one another, it will establish one demonstration plot for each group.

The extension workers will work from this plot to explain to farmers, the types of technology options they can purchase and where they can get it. They will assist farmers to develop basic business plans that allow the farmers work through costs and be more confident to taking small loans to buy seed, fertilizer and agro-chemicals from the input supply merchants.

The extension works will also help farmers to market their produce together by bulking their small individual yields. In this way farmers can negotiate bulk sales prices with traders and over time build more robust trading relations. It will train extension workers in a 5 skills set approach so that farmers learn how to manage a group, how to save and work with small loans, sustainable production, marketing and innovation. The partnership also provides extension agents with profitability calculators to provide farmers with an analysis of their investments and likely returns. These innovations are important, so that farmers can learn to work as a business team and adjust their plans to their dynamic production and marketing situation.

N2Africa will hereby:

1. Provide good quality inoculants for demonstration and adaptation trials
2. Support analysis and interpretation of data collected from the demonstration and adaptation trials

# Input demand information and supply

The partnership is expected to achieve that local agro-dealers and-or other last mile delivery companies marketing fertilizer, seed, and inoculants (soya bean), other inputs and services are aligned with grass root producer groups, wholesalers and manufacturers.

N2Africa will hereby:

1. Introduce and evaluate new improved soybean varieties from the region and contribute to the development of soybean seed system;
2. Introduce the Input and Output Supply Information System (IOSIS) once it is awarded for funding under an AGRA, SSTP application and is expected to start in January 2015.

# Marketing and value addition

N2Africa will conduct ToT on soybean utilization at household and cottage levels as mentioned under Capacity Building. In synergy the partnership will further address the following.

# Demand

Expansion in poultry market is fuelled by the growing number of fast food restaurants frequented by the urban middle class, and the over 700,000 tourists visiting Tanzanian’s hotels and resorts each year. The lead companies in the poultry sector include Seaboard international through its newly acquired subsidiary African Poultry Development Ltd (APDL), Inter-chick, MUVEK, Tanfeed and other smaller feed millers in the Tanzanian Feed Millers Association.

There has been indication that APDL intends to expand its poultry production from 20,000 chicks per week up to 400,000 chicks per week over the next three years. This expansion alone will require 50,000 Mt of maize and up to 5,000 Mt of soybean by 2013-14, with a current value of US$15 million. MUVEK is securing loans to expand feed production from 800 Mt per month to 850 Mt per week to supply its network of 13 hatcheries across the country.

MUVEK’s feed operation can use 1-2000 Mt soybeans per year, by 2013. APDL and Tanfeed are procuring extrusion equipment to process full fat soybeans for oil and defatted soy-meal. The partnership will work with these and other poultry producers and feed millers to increase the use of soybean as a safe, high quality protein source in their regular feed mixes. The planned expansion of ADPL and MUVEK would potentially buy up to 70,000 Mt of maize, which will place additional pressure on domestic maize prices. The new feed formulations will reduce feed costs, create demand for alternative crops and reduce pressure on the maize market, which is the main food crop.

# Supply

The partnership will work through partner, private sector and Government extension services to strengthen the productivity and market linkages of up to 11,250 soybean farmers. Farmers will be supported through business focused farmer groups who will produce and sell soybean at competitive prices. Target farmers include at least 5,000 farmers who grow soybean and 6,250 new farmers. These farmers all grow maize as their staple food and the project will work to improve the adoption of best practices for both soybean and maize crops. This dual approach will increase the productivity of maize and assist farmers to diversify into the production of soybean as a cash crop.

To support women in agriculture the project will work with MUVEK, a progressive domestic poultry producer, to provide technical and business training to establish 2,500 women in micro-enterprise poultry layer groups. This work will secure local village level demand for soybean, to feed the layer production groups and offer a new source of employment for rural women, who will both consume eggs and sell surplus into their local communities.

# Working with buyers

As soybean is a new crop for many of the farmers, it is important that farmers groups organize themselves, write basic business plans and undertake a market analysis through which they can identify a buyer. For the medium sized and larger farmers, the market linkage work will be most detailed, as they will need to obtain larger loans from formal financial services. Improving the marketing capacity of farmers and links to buyers is important, as farmers need to be reassured that buyers are interested to buy local produce if they meet quality specifications and prices are internationally competitive.

# Governance

A team of representatives from the SnP and N2Africa projects will coordinate and govern the partnership by e-mail, telephone, ad-hoc meetings and site or field visits to oversee the partnership’s implementation. They will meet twice a year formally on findings, progress, challenges and a way forward including an annual workplan and budget.

The composition of the team and terms of reference will be further detailed in the MoU.

# Workplan N2Africa in the Partnership

|  |  |
| --- | --- |
| **Activity**  | **timing** |
| Establishment of demo plots on soybean-maize rotation | January (2015/2016) |
| Data collection on the demonstration and adaptation trials | February -June (2015/2016) |
| Conduct ToT on soybean processing  | May (2015/2016)  |
| M&E regular data collection | February- June (2015/2016) |
| Conduct field days | April-May (2015/2016) |
| Conduct case studies on adoption of soybean technologies | July (2015/2016) |
| Conduct 2 media events each year on disseminated soybean technologies | March-July (2015/2016) |
| Purchase of 1 motorcycle | December 2014 |

# Budget N2Africa in the Partnership

##### Summary of the N2Africa budget contribution to the partnership

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Category** | **2014** | **2015** | **2016** | **Total** | **Notes** |
| Staff position and % of time |  |  |  |  |  |
| Establishment of demo plots on soybean-maize rotation | 4,000 | 2,000 |  | 6,000 |  |
| Data collection on the demonstration and adaptation trials |  | 3,000 | 3,000 | 6,000 |  |
| Conduct ToT on soybean processing  |  | 5,000 | 3,000 | 8,000 |  |
| M&E regular data collection |  | 3,000 | 3,000 | 7,000 |  |
| Conduct field days |  | 4,000 | 3,000 | 7,000 |  |
| Conduct case studies on adoption of soybean technologies |  | 2,000 | 2,000 | 4,000 |  |
| Conduct 4 media event of disseminated soybean technologies |  | 1,000 | 1,000 | 1,000 |  |
| Purchase of 1 motorcycle | 3,000 |  |  | 3,000 |  |
| **TOTAL** | **7,000** | **20,000** | **15,000** | **42,000** |  |

*The budget summary in Table 4 will be further detailed for year 1 of the partnership following actual activities, tasks, roles and contributions to be determined in future planning meetings.*

# Other agreement conditions

*To be detailed in future planning meetings and incorporated in the MoU annex in Nov-2014.*

# Monitoring and Evaluation

# Monitoring System

CRS monitors the program progress towards achieving its annual indicator targets through Soya ni Pesa partners’ monthly reports and project semi-annual reports. As part of the project management tool CRS has established comprehensive and standard monitoring and evaluation system called SMILER (Simple, Measurement of indicators for learning and evidence based reporting).

The SMILER system has comprised of many tools such as performance monitoring plan (PMP), and detail implementation plan (DIP), data collection and reporting forms/formats, regular performance tracking database called indicator performance tracking table (IPTT) and data flow maps. To improve the capacity of implementing partners to create common understanding on the system implementation and use, CRS has provided initial training on the system and conducted SMILER implementation review which has helped to collect feedbacks and lessons for progressive improvement and revision of the system based on existing practice.

# Learning M&E on adaptation and adoption

The partnership will evaluate the effectiveness and efficiency of various D&D approaches for legume intensification and the sustainability of crop interventions for smallholder farmers through impact assessment studies. Further planning meetings will elaborate on the following.

* *Details on learning M&E data collection tools and methods, roles and responsibilities*
* *Details on Partnership M&E data collection tools and methods, roles and responsibilities*

ANNEXES

# Annex i List of documents shared

* SnP detailed project brief;
* N2Africa approved project proposal;
* CRS – M&E Manual;
* Minutes of the planning workshop in Morogoro;

# Annex ii Results Framework





# Annex iii Performance Indicators Table

| **Activity** | **Indicator** | **Target for 2013** | **Target for 2014** | **Target for 2015** | **Target for 2016** |
| --- | --- | --- | --- | --- | --- |
| Promote Improved Poultry Production  | Number of chicken coops built  | 600 | 1,400 | 500 | 0 |
| Number of farmers trained in poultry husbandry | 600 | 1,400 | 500 | 0 |
| Number of poultry enterprises established | 600 | 1,400 | 500 | 0 |
| Promote Improved Soybean Production | Number of soybean demonstration plots established | 15 | 75 | 60 | 0 |
| Number of farmers trained on improved agricultural techniques and technologies | 400 | 3,000 | 3,925 | 3,925 |
| Number of farmers trained in quality seed production | 400 | 3,000 | 3,925 | 3,925 |
| Volume (KG) of seed produced by farmers for subsequent season | 0 | 30,000 | 285,000 | 285,000 |
| Facilitate Access to Storage Facilities | Number of storage facilities renovated  | 0 | 75 | 75 | 75 |
| Volume (MT) of storage space made available | 0 | 4,000 | 4,000 | 4,000 |
| Form and Train SILC and Producer Groups | Number of SILC groups formed | 200 | 200 | 200 | 0 |
| Number of soybean producer groups formed | 30 | 120 | 150 | 0 |
| Number of Community Field Agents certified as Private Service Providers | 0 | 32 | 16 | 0 |
| Number of soybean farmers trained in marketing and agro-enterprise development, innovation, and sustainable production | 400 | 3,000 | 3,925 | 3,925 |
| Link Farmers to Agro-dealer Networks | Number of agro-dealer networks identified and strengthened | 0 | 4 | 4 | 4 |
| Number of soybean producer groups receiving services from agro-dealers | 0 | 30 | 120 | 150 |
| Link Farmers to Financial Services | Dollar value of loans facilitated  | 0 | 50,000 | 50,000 | 100,000 |
| Facilitate Market Information and Linkages | Number of soybean producer groups accessing market information | 30 | 120 | 150 | 150 |
| Number of soybean producer groups selling directly to formal buyers  | 0 | 60 | 120 | 120 |
| Number of written agreements between soybean producer groups and buyers  | 0 | 4 | 6 | 10 |