

**Scottish Government International Development Programme
End-Year Report**

General project information		
1.1	Project reference Number	MAL 1811-CW
1.2	Name of organisation	Challenges Worldwide
1.3	Lead partner(s) organisation	Challenges Malawi
1.4	Project title	CROPS Project (Creating Robust Opportunities for Crop Production and Sale)
1.5	Reporting period	From: 01/04/2019 To: 31/03/2020
1.6	Reporting year	Year 2.
1.7	Project start date	01/10/2018
1.8	Project end date	31/03/2023
1.9	Total project budget*	£998,074
1.10	Total funding from Scottish Government*	£998,074
1.11	Provide a brief description of the project's aims, highlighting which of the Sustainable Development Goals (SDGs) your project is working towards? (200 words)	CROPS Project aims at improving livelihoods of over 6200 rural farmers in Nkhotakota, Salima, Machinga and Chikwawa. The project seeks to increase household incomes of rural farmers in the 4 districts by 10% by 2023. The project contributes to SDG 8 (Decent work and economic growth) through economic growth demonstrated by 10 % increase in household incomes attributed to increased productivity, profitability of value added crops and sustainable local capacity to add value to crops.

Project progress and results
Please use this section to give an update on the progress the project has made during this reporting period.

2.1	<p>Provide an update on the progress your project has made over the past 12 months. Use this space to update us on what has gone well and any challenges you have experienced, detailing how you have overcome these. (Max 500 words)</p> <p>CROPS Project implemented over 95 percent of the activities in the 2019 -2020 work plan in both agricultural productivity and VAC business development components of the project, which enabled the project to achieve the following outcome and output indicators:</p>
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1.0. Percentage increase in agricultural yield among farmers involved in the project.

During the reporting period, the project increased rice yield from 2.5 tonnes per hectare in the baseline, to 4 tonnes per hectare. This represents 60% increase in yield. The project implemented the following activities which contributed to increase in the agricultural yield.

- i. The project conducted specialist agricultural training to 4 Agricultural extension officers (3 males, 1 female) to enable them deliver agricultural trainings to farmers.
- ii. The project conducted agricultural production training to 3,613 farmers (2127 males, 1486 females) out of which 552 were youth, 20 were elderly, and 16 were disabled. These trainings resulted in 63 percent adoption rate of recommended agricultural practices by farmers.
- iii. The project promoted the making of organic fertilizer by farmers which resulted in 219 tonnes of organic fertilizer being made, and applied to 67 hectares of rice fields. The organic fertilizer increases fertility of the soils, is cheaper and environmentally viable than inorganic fertilizers, and contributed to the increase in yield.
- iv. The project established 37 field demonstration plots in all the districts for farmers to learn new technologies in crop production. One of the new technologies demonstrated is the System of Rice Intensification (SRI) which allows farmers to increase productivity while using less water and less organic fertilizer, and one seedling per station.
- v. The project trained 150 lead farmers (63 males, 52 females, 35 youth) who were capacitated to conduct farmer to farmer extension services. The lead farmers managed to reach out to 2,638 farmers with extension messages in the reporting period.

2.0. Number of Water User Associations operating effectively

During the reporting period, the project strengthened the capacity of 7 WUAs (out of 10) who are now operating effectively. The following activities were carried out to achieve this:

- i. The project enhanced capacity of WUA leadership through trainings in leadership, governance and financial management. The project trained 260 WUA executive members from all the 10 WUAs under the project. These trainings have resulted in good water management and distribution to farmers in the 7 WUAs, which has led to increased production of rice.
- ii. The project conducted constitutional review to 9 WUAs under the project with a purpose of improving governance of WUA members.
- iii. The project supported the WUAs with scheme maintenance activities which resulted in 620 hectares of land being irrigated efficiently.

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- iv. The project supported the WUAs with flood resilience activities by constructing 6 medium dykes to divert water from flooding crop fields and homes.

3.0. Number of tonnes processed by VACs

During the reporting period, the project facilitated processing and packaging of crops by all VACs. A total of 30 tonnes of rice, 1 tonne High Quality Cassava Flour and 1 tonne Toor Dhall from Pigeon Peas was processed and packaged during the reporting period. The project conducted the following activities in order to achieve this tonnage:

- i. The project trained 8 machine operators (7 males, 1 male) in machine operation and maintenance in order to equip them with processing and machine maintenance skills.
- ii. The project trained 660 farmers (317 males, 343 females) in post-harvest handling to reduce losses in crop quantity and quality for processing.
- iii. The project conducted crop aggregation campaigns during the reporting period which resulted in 30 tonnes of rice and 1 tonne of pigeon pea being aggregated.
- iv. The project supported the VACs with maintenance of processing machines to allow continuous processing of crops in all VACs.

4.0. Percentage increase in price per tonne of crops following VAC processing and packaging:

During the reporting period, the project conducted marketing activities for VAC products to be sold at better prices with reliable markets. This resulted in the increase in price per tonne of processed crops by 27 percent (from £588 to £749 per tonne). The following activities were implemented to achieve this:

- i. The project conducted business development trainer training to 4 Business Development Officers (3 males, 1 female) to enable them effectively deliver business and cooperative management trainings to VAC members. The training was conducted by 2 trainers from Challenges Rwanda.
- ii. The project trained 660 farmers (317 males, 343 females) in post-harvest handling to reduce losses in crop quantity and quality for processing which resulted in high quality.
- iii. The project conducted market search and linkages for the VACs which resulted in each VAC identifying 4 new buyers for their processed crops.
- iv. The project supported all the 4 VACs to attend district and national agriculture trade fairs where they clinched business deals with new buyers.

5.0. Percentage of VAC costs covered by farmers:

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	<p>During the reporting period, 57 percent of VAC costs were covered by VAC members due to the following activities which were implemented in all VACs:</p> <ul style="list-style-type: none"> i. The project trained 20 board of directors (all males) in leadership, governance and financial management which allowed them to provide oversight role in VAC operations, and increase transparency and accountability within the VACs. This resulted in all (4) VACs having functioning Board of Directors who are able to conduct quarterly board meetings. ii. The project trained 80 members (50 males, 30 females) of VAC executive committees in leadership, governance and financial management which enhanced their skills in day to day management of VAC activities, and increased transparency and accountability within the VACs by setting up accounting and administration systems. iii. The project facilitated development of 3 VAC constitutions with bylaws regarding operations of the VAC which has improved transparency and accountability in all the 4 VACs.
2.2	<p>Has the focus or plans for delivery changed significantly during the last year? Please highlight what issues or challenges prompted this change and how you anticipate any changes in focus will impact on the previously agreed outcomes (Max 500 words).</p> <p>The plans for delivery have not changed during the reporting period. The project is still focussed on improved crop productivity, value addition and processing, marketing and access to finance by VACs.</p>
2.3	<p>Taking into consideration what you have achieved during the last 12 months, along with any challenges you have experienced, please highlight to us what lessons you have learned, and how these will be applied in the project in the future. (Max 500 words).</p> <p>The project management team has learned that there is high willingness and motivation by farmers (beneficiaries) to participate in project activities. This was indicated by the high number of farmers attending the trainings (3,613) which was quite high than planned figures. Furthermore, farmers have been inviting project staff to monitor their crop fields to assess if they are following the recommended practices. The project has also noted a change in the mindset of VAC members who are now taking part in VAC activities every day which has improved transparency and accountability in VAC transactions and led to increased percentage (57) of VAC costs covered by farmers.</p> <p>The project management team will continue to build this positive relationship with project beneficiaries and take advantage of it to achieve project objectives.</p>

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i. Partnerships and collaboration		
<i>This section allows you to discuss how partnership working is progressing on the project, as well as wider collaboration and sharing of learning.</i>		
3.1	<p>Provide an update on how partnership working has gone in the past 12 months. Let us know about any highlights, challenges or changes to roles and responsibilities. (Max 350 words)</p> <p>The project is being implemented in partnership with Opportunity International who are responsible for the access to finance activities of the project. The partnership has been working smoothly as operations are guided by the MOU which was signed by both organisations. The two partners held 4 steering meetings during the reporting period to discuss project implementation progress. Business plans for the VACs are in place and extensive work has been done to get sign off from First Capital Bank (FCB) to issue loans to the 4 VACs from May 2020. However, we have recently heard that FCB have now cancelled the issuing of any loans to any business as a result of the coronavirus pandemic therefore we are quickly looking into alternative options as this financing is important to activities for 2020/21.</p>	
3.2	<p>Have any Scotland-based staff visited the project in the past 12 months? Give details including key activities and outputs of these visits.</p> <p>The project was visited by Nicole Cogan on 18th October 2019</p>	
Date of visit		
Key achievements / outputs of visit		
Follow-up actions		
18 October, 2019	Meeting with Challenges staff to discuss project progress. Visit at Salima VAC to appreciate VAC achievements.	Recommended speedy processing of loans for VACs to facilitate crop aggregation.
Conducts	Please tell us about any dissemination and learning throughout this reporting period. How have you promoted effective learning across the project? Please explain what processes you have used both internally and externally to share	

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	<p>learning from the project so far, and how this learning is being used. (Max 500 words).</p> <p>The project has been conducting quarterly review meetings with all project staff with the aim of sharing achievements and challenges encountered during project implementation.</p> <p>The project also conducted end of year strategic meeting with all project staff and district stakeholders in order to review progress and challenges faced during the reporting period, and plan for the next coming year.</p> <p>The project has been updating district council stakeholders by presenting project progress reports in District Agriculture Extension Coordinating Committee (DAECC) meetings in the 4 project districts.</p> <p>The project conducts fortnight catch up meetings with all project staff through Skype calls. The project also has whatsapp group where project staff share progress on activity implementation and any other emerging issues regarding the project.</p>
3.4	<p>Has the project completed a mid-term project evaluation in the past 12 months (or is one planned for the next 12 months)? Please provide detail of the outcome of the evaluation. (Max 500 words).</p> <p>Not yet. The project is expected to conduct mid-term evaluation in December 2020.</p>
3.5	<p>Please highlight how you are maintaining an awareness of others working in this region, giving details of collaboration, joint working or partnerships with others. (Max 500 words)</p> <p>The project is working in close collaboration with coffee project in Rwanda being implemented by Challenges Rwanda and funded by Scottish Government.</p> <p>The project used Rwanda staff to train 4 Business Development Officers in business development and cooperative management. The project also used training content developed by Rwanda project such as cooperative leadership and governance content.</p> <p>The project is also working in collaboration with Nandolo Farmers Association of Malawi (NFAM) in Machinga District who are supporting pigeon pea farmers in the district. In this collaboration, the two organizations are working together to improve livelihoods of pigeon pea farmers through increased productivity and access to reliable markets. The CROPS project offers its expertise in crop aggregation models, value chain development and marketing to NFAM.</p>

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4. Safeguarding and fraud	
<i>Please ensure you complete questions 4.1 and 4.2 even if you have no incidents to report.</i>	
4.1	<p>Have there been any safeguarding incidents, either relating to staff/volunteers or beneficiaries of the Grant or the Project, in the last 12 months?</p> <p>No safeguarding incident was reported during the reporting period.</p>
4.2	<p>Have these incidents reported at 4.1 been reported to relevant authorities, and if so, to whom?</p> <p>No safeguarding incident was reported during the reporting period.</p>
4.3	<p>Describe what action has been taken, and highlight any lessons learned.</p> <p>The project has a safeguarding policy and orients all staff and beneficiaries in safeguarding processes.</p>
4.4	<p>Have there been any incidents in the last 12 months of financial mismanagement, theft, fraud etc, either relating to the Grant or the Project or which affects the organisation?</p> <p>No incident of financial mismanagement, theft or fraud was reported in the last 12 months.</p>
4.5	<p>Have these incidents reported at 4.1 been reported to relevant authorities, and if so, to whom?</p> <p>No incident of financial mismanagement, theft or fraud was reported in the last 12 months.</p>
4.6	<p>Describe what action has been taken, and highlight any lessons learned.</p> <p>No incident of financial mismanagement, theft or fraud was reported in the last 12 months.</p>

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5. Risk assessment			
5.1	<p>Have any issues materialised during this reporting period? If so, how were they addressed?</p> <p><i>Please refer to risk assessment provided at application stage.</i></p>		
Assumption	Risk	Action taken	Was this included in the Risk Assessment Table in your application?
There will be favourable weather for crop production	Flash floods affecting crop fields	The project implemented the flood resilience activities in all VACs to mitigate impacts of flooding on project objectives.	Yes
6. Inclusion & accountability			
<p><i>Thinking specifically about the past 12 months, please use this section to tell us how you are mainstreaming through your project, ensuring that you are aware of and actively working to reach vulnerable and marginalised groups.</i></p>			
6.1	<p>Is the project still relevant for the beneficiaries you are working with? Please highlight how you ensure accountability on the project, ensuring beneficiaries have the opportunity to feedback on the project and influence its development? (max 350 words)</p> <p>The project is still very relevant for the beneficiaries.</p> <p>The project conducted beneficiary sensitisation meetings at the start of the project where all activities planned for implementation were presented to the farmers for approval. The farmers approved the activities and were very willing to participate in the project activities.</p> <p>The project field staff work with WUA and VAC committees on daily basis, which includes planning on activities to be implemented with farmers. This approach enables farmers to be involved and influence activity planning.</p>		

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6.2	<p>Do you have an awareness of particularly vulnerable or marginalised groups within the community in which your project is working? Please give details on how you are disaggregating data to recognise these groups across the project. (Max 350 words)</p> <p>The project has a tool that tracks participation of the vulnerable and marginalised groups in the project. The vulnerable and marginalised groups participating in the project include youth, disabled and elderly. During the last 12 months, 552 youth, 20 elderly and 16 disabled beneficiaries participated in various activities.</p>
6.3	<p>How is your project working to actively meet the needs of these vulnerable and marginalised groups, ensuring they are benefiting from the project? Please outline any mechanisms you are using. (Max 350 words)</p> <p>The project deliberately encourages inclusion of vulnerable and marginalised groups in all activities such as trainings, value addition and marketing. For example, 7 out of the 8 machine operators are youth. The project ensures that these groups are safeguarded when participating in project activities.</p>
6.4	<p>Taking into consideration some of the challenges of mainstreaming, please describe any challenges you have faced in reaching vulnerable and marginalised groups, how you have overcome these or plans you have developed to support inclusion on the project. (Max 350 words)</p> <p>Most elderly and disabled beneficiaries are illiterate and therefore have low confidence to attend trainings. The project overcomes this challenge through use of vernacular languages during training. The project staff also use more demonstrative ways of training which enables these groups to understand the training material.</p>
<p>7. Financial information</p> <p><i>This section will be reviewed alongside your budget report, which should be included alongside your narrative and logframe. Please ensure this spreadsheet is completed with both a detailed breakdown of expenditure for this financial year, along with your projected spend for the next financial year.</i></p> <p><i>Please note carry-over of funds to the next financial year should have been agreed with the Scottish Government by January 31st of the current financial year.</i></p>	

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7.1	<p>With reference to your budget spreadsheet, please give a detailed explanation of any variances between planned and actual expenditure, including reasons for the variances and whether these are as a result of timing issues, price achieved, quantity etc. If these are temporary variances, please outline plans for expenditure. (Max 500 words)</p> <p>There is an underspend of £9,200 from the last 12 month due to a delay in purchasing mobile rice threshers for VACs which are not supplied by companies in country. The plan is to carry this underspend forward to Year 3 and use it on farmer trainings in order to improve quality of crops being processed. There is also an underspend of £2499 on access to finance which was caused by delays. Given the situation with the First Capital Bank now not issuing loans due to the pandemic we'd like to use this underspend to pursue alternative options.</p>
7.2	<p>Please give details of any capital expenditure in this reporting period. (Max 350 words)</p> <p>The project incurred the following capital expenditures during the reporting period:</p> <p>Packaging material for VACs - £7000 Computers for VACs - £2000 Phones for staff - £2209</p>
7.3	<p>Please explain how you have worked to ensure cost effectiveness on the project in the past 12 months, whilst maintaining the quality of delivery. (Max 350 words)</p> <p>The project used the following strategies to ensure cost effectiveness of project activities:</p> <p>The project encouraged implementation of activities closer to beneficiary communities in order to save on transport costs, hall hire and lunch allowance costs.</p> <p>The project used farmer to farmer extension methodologies by training 150 lead farmers who reached out to fellow farmers with extension messages to save on lunch allowances and transport costs.</p>
<p>8. Any other information</p> <p>Use this section to tell us any other relevant information regarding your project. (Max 500 words)</p>	

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