

CORPORATE QUALIFICATIONS- MOZAMBIQUE



Founded in 1916, NCBA CLUSA is the oldest not-for-profit cooperative development and trade association in the United States, established with the mission of developing, advancing, and protecting cooperative enterprises. Internationally, NCBA CLUSA has designed and implemented development programs for a wide range of donors for sixty years. NCBA CLUSA is currently managing a portfolio of over \$230 million involving 22 programs in 15 countries throughout Africa, Asia, and Central America; it has a home office staff of 47 in Washington D.C., and 16 professional expatriate staff and some 700 host country national staff based in the field.

ORGANIZATIONAL HISTORY AND EXPERIENCE IN MOZAMBIQUE

Established in 1995, NCBA CLUSA was the first foreign development NGO to enter the North of the country after the civil war. Initial activities focused on the development of producer organizations to empower smallholders and promote market access through establishing themselves into formal entities (Regional Group Enterprises – RGEs – associations and, later cooperatives). Since 1995 NCBA CLUSA's previous agriculture/food security and market development activities has benefited over 100,000 small producers in 5 different provinces in Mozambique. In recent years our projects have gradually taken on a more market driven focus as an evolving agribusiness environment, particularly improved rural infrastructure and a subsequent increase in market access for farmers, has created conditions which demand a more system-wide, market-orientated approach to rural development. Whilst we continue to support farmers to empower themselves through the formation of groups, our current projects focus on simulating rural development through the application of business solutions which support all market actors - smallholders, rural entrepreneurs and local micro, small and medium enterprises alike - to collaborate and engage with each other all along the key agricultural value chains.

Key early NCBA CLUSA highlights (to around 2015)

Over the past 24 years NCBA CLUSA Mozambique has managed programs funded by United States Agency for International Development (USAID), the Government of Mozambique (GOM), International Fund for Agriculture Development (IFAD), the Bill and Melinda Gates Foundation, the Norwegian Embassy in Maputo, the Swiss Cooperation, the Netherlands and others. Below are some highlights over the past 24 years:

We have supported thousands of farmers to organize themselves into farmer owned trading companies and cooperatives – we were one of the pioneers of association development and cooperative development in Mozambique, supporting thousands of farmers to organize themselves into associations, fora (groups of associations), Group Enterprises (RGEs) and later cooperatives. We went on to support the strongest of these to establish their own for-profit cooperatives and trading companies such as Ikuru sarl in Nampula, which at its

peak had around 22,000 owner-members and suppliers who enabled the company to trade around 1,500 tons of seed and grains per year on local, regional and export markets (with an annual sales turnover of around \$1.5million/year), and, in 2009, ALIMI Limited Responsibility Cooperative (Coop. RL) in Niassa, representing 13,000 farmers organized into 50 zonal unions and 417 associations

We have lobbied for and helped to develop a more enabling environment for modern cooperatives – to create the necessary legal framework for profit-driven farmer enterprises to flourish, NCBA CLUSA supported civil society to improve the legal environment, culminating in the passage of the new association law by Mozambique’s Legislature in 2005 (ensuring the autonomy of associations and member-owned businesses, guaranteeing their right to democratic control and financial autonomy). We consolidated this through the USAID funded Cooperative Development Program (CDP) - establishing the AMPCM (Mozambican Association for the Promotion of Modern Cooperatives) and lobbying for the new Coop law in 2010, now one of the most modern coop laws in the world



We have promoted new, high value, value chains - between 2007 and 2012, with funding from the Norwegian Ministry of Foreign Affairs, we kick started the soya industry in Zambézia province by supporting 5,024 producers to cultivate soya, increasing soy production over 12-fold in Gurue, Zambézia, from about 500 to 6,000 tons. This laid the foundations to what is now one of the country’s biggest value chain success stories - an industry producing around 44,000 tons of soya per year and a key source of livelihood for over 38,000 smallholder farmers. Similarly, our projects have consistently focused on developing and

scaling up the sesame and groundnut industries – for instance, through ADIPSA, two USAID funded Global Development Alliances, the SANA and AgriFuturo Consortium we worked with farmers and farmer groups, small and medium agribusinesses and also a growing class of emerging farmer (a model which we piloted through AgriFuturo) to introduce new and improved sesame varieties from Nicaragua, Tanzania and Kenya and innovative inputs solutions (e.g. pre-treated seed and seed treatment kits for combatting the sesame seed flea beetle), promoting the use of improved groundnut drying technologies and mechanized sesame cleaning (cleaning to 99% purity), providing institutional support and capacity building for local aflatoxin testing services and facilitating high quality, Fairtrade/organic exports to Europe (confectionary grade, white sesame and aflatoxin free groundnuts).

We have supported farmers and MPMEs to add value through processing, quality control and certification – our technical, business and institutional support enabled Ikuru sarl to shift its strategic focus from conventional commodities to niche, value added markets through certified seed production and Fairtrade and organic certification. As Mozambique’s only certified as Fairtrade and organic producer and exporter of cashew nuts, sesame, soya and peanuts, Ikuru generated exported around 500 tons of certified produce to Europe, stocking major UK supermarkets Sainsburys and Tescos as well as Scandinavia’s top confectionary nut company. This was made possible through our technical and business support the Unilurio Aflatoxin testing laboratory, which improved the enabling environment for quality control and exports by becoming the country’s first accredited, commercial aflatoxin testing laboratory and enabled Ikuru to overcome the largest hurdle for African peanut producing countries by assuring that its peanut exports to Europe arrived aflatoxin free.

Promoting an emergent class of smallholder – through the USAID funded, Abt Associates led, AgriFuturo consortium NCBA CLUSA was one of the first organizations in Mozambique to focus on the Emergent class of

smallholder farmer – market orientated smallholders with the capacity to produce on a commercial scale, mentoring and acting as a stimulus for others in the region. We piloted this model to promote technical farming practices, access to financing, financial planning and a strategic market vision for 20 selected pioneer emergent farmers who showed potential to: produce at least ten hectares and steadily increase their farm size over time; adopt new production, business and marketing practices to at least double their yields; obtain and repay commercial production finance; mentor other farmers and act as a resource for inputs, technology, and business knowledge in the community. The Emerging Farmers program was small in group size but intensive in approach, designed to prove that by focusing resources it is possible to tackle, head on, all of the most common facing smallholders, which can be summed up as a lack of: information and support to implement GAPs (our field team provided intensive one on one mentoring), access to inputs (we promoted partnerships with input suppliers such as Ikuru and AgriFocus), access to production finance (we supported each farmer to prepare a business plan and obtain on average \$5,200 in commercial credit from Banco Terra) and access to output markets (we facilitated direct linkages with buyers and processors including ETG and OLAM). In Year 1 alone the group of 20 produced 388ha of maize, sesame, cowpea and corn (an average of nearly 20 each) and generated total sales revenues of over \$153,000, with each earning a final net income of on average \$3,600 and mentoring at least three other smallholder farmers. As a result of this and other interventions the Emergent Farmer model has now been adopted by various development organizations and is widely considered to be the most successful approach for stimulating agricultural development in Mozambique.

We have promoted improved food security and nutrition – the USAID-funded SANA consortium (2008 -2013) promoted smallholder access to new production technologies, structured producer organizations under the new cooperative law, linked farmers to financial services, agricultural production services and inputs and output markets - ultimately helping to organize over 77,105 producers in associations and groups in 14 districts, 42% of whom were women.

We have empowered women and youths to participate in agricultural value chains – as part of the Strengthening Communities through Integrated Programming (SCIP) project from 2009-2015, a USAID funded program managed by a consortium including Pathfinder International, NCBA CLUSA, PSI, CARE and World Relief, we supported the establishment of 826 Youth Farmer Clubs (YFCs) training 27,403 youths (half of which were female) in conservation farming, financial literacy, leadership and basic business skills and engage in farming and savings and loans activities while integrating into existing agricultural value chains.

The last five years - current and most recent projects

Promoting famers' and MSMEs' access to off-take and inputs markets through the AgriBusiness Unit – central to all of our current projects is our Agribusiness Unit (ABU), an umbrella entity created in 2017 to connect all NCBA CLUSA project supported farmers and micro, small, medium entities (MSMEs) with key private sector partners such as inputs suppliers, output traders and financial institutions. The ABU is responsible for keeping all value chain actors talking to one another, sharing information and spotting opportunities and advantages for more inclusive business models. One of the ABU's key roles is supporting rural MPMEs and entrepreneurs to establish themselves as last mile seed and inputs retailers or Community Based Service Providers (CBSPs) who, with ABU support, connect with inputs producers/distributors and farmer clients, serving the bridge between suppliers and consumers in an environment in which distribution/logistics costs and a lack of local knowledge often prohibit enable firms from reaching smallholders directly. The ABU also serves as central information hub for all NCBA CLUSA Mozambique projects, collecting and sharing market data regarding commodity prices, market intelligence, commodity buyers and their requirements, off-take availability and relevant financial products for the agricultural sector.

Providing its services to corporate clients, enabling them to make a positive impact in the communities where they operate. Through Portucel funded **Agricultural Extension Provision Services in Zambézia** program (2015-2017) NCBA CLUSA worked with families in the Portucel DUAT area in the Ile, Mulevala and Namarroi Districts

of Zambézia. NCBA CLUSA trained 3,416 registered producers (1846 men and 1570 women) and 149 groups, with the same number of lead producers registered (123 men and 26 women). These trainings focused on establishing and managing demo plots by Lead Farmers and enabling them to continue training other farmers to further scale up the adoption of CA practices. In consultation with Portucel, the soy, maize, sesame and pigeon pea and cassava value chains were selected for increasing yields and reducing post-harvest losses. Though the use of conservation agriculture practices, farmers saw an increase in production of between 27-62% in their crops. Under the Forest Investment Program (PIF) and with resources from the Climate Investment Fund, NCBA CLUSA implemented the **Forest Friendly Agriculture Program** (2017-2018) in Zambézia province. The project focused on land-use management and income-generating activities for 12,000 smallholder families on the fringes of private forestry plantations in under-developed districts in the Zambézia Province and elsewhere. An established network of nine extension agents, 125 Lead Farmers and 3,000 smallholder farmers were engaged in the program. Through this pilot, NCBA CLUSA successfully introduced locally produced models of efficient wood-burning stoves, established demonstration plots promoting Climate-smart Agriculture practices, distributed 27,705 seedlings of new cassava varieties to 2,511 families, planted improved mango varieties, promoted the use of improved locally-made grain storage silos.

Promoting access to certified seeds and inputs through networks of rural microentrepreneurs – between 2015 and 2017 NCBA CLUSA's Smallholder Effective

Extension Driven Success (SEEDS) project laid the foundations for a 280+ strong network of Community Based Service Providers or CBSPs in Nampula, Zambézia and Manica provinces. This cadre of small and micro entrepreneurs selling seeds, inputs other goods and services in their communities forms the backbone of many of our current projects, since they represent access to vital goods, services and information at the last mile but many also responsible for off-take aggregation for re-sale to larger commodity traders, representing a class of local entrepreneur able to compete alongside the many foreign national intermediaries who now proliferate in rural areas. Through SEEDS, NCBA CLUSA supported 283 CBSPs (36% of which were women) sold 132 tons of full-price certified seeds to 10,780 smallholder farmers in their communities during the 2015/7 and 2016/7 campaigns, disproving the notion that seeds and inputs must be subsidized for farmers to take them up and suggesting, instead, that access the greatest challenge to the uptake of improved seeds.



Phoenix Seeds with some of its NCBA CLUSA supported CBSP network

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Providing remote extension and market information services to smallholders – with less than 5% of smallholders able to access traditional agricultural extension services through government of private extension staff, ICT platforms such as radio, video and mobile phone services increasingly present as cost-effective alternatives for reaching smallholder farmers who are often excluded from traditional extension models. Between 2016 and 2019 NCBA CLUSA's USAID funded **Extensão MultiMédia project**, together with AGRA's New Alliance Scaling Seeds and Technology Partnership (SSTP), the Ministry of Agriculture and Food Security, Human Network International (HNI), Farm Radio International and Vodacom, tested the use of remote ICT-enabled extension services for disseminating extension and market information. **Cellphone services** (SMS, IVR and USSD) were disseminated nationwide and free of charge to Vodacom subscribers via HNI's 321 information platform, enabling nearly 69,000 farmers (around 40% women) to access digital information regarding Good Agricultural

Practices (GAPs), weekly commodity price updates and a marketing platform for suppliers of goods and services. With project support, seven community radio stations in Nampula, Manica and Tete provinces broadcast **interactive agricultural extension radio programs** to an audience of around 700,000 listeners. Furthermore, over 2,000 smallholder farmers and extension (33% women) accessed audio-visual extension services through **instructional videos** on topics such as GAPs, post-harvest technologies, Climate Smart Agriculture and pressing current issues such as the Fall Army Worm. The pilot showed that there is huge appetite amongst farmers to access remote extension services via the technologies that are now becoming commonplace in homes and communities. Not only this, but farmers go on to practice what they hear about - around 365,000 farmers (44% women) went on to apply at least one of the techniques promoted via the project's three extension channels, corresponding to nearly 483,000 ha under improved production technologies.

Tackling climate change and low yields by promoting the adoption of Climate Smart and Resilient Agriculture

– the Climate Smart Agriculture Program for Smallholder and Emerging Farmers in **Mozambique (PROMAC 1 and 2)**, now in the second year of its five-year extension that runs to 2022, aims to increase food security and farmer incomes for 13,500 smallholders in Manica and Zambézia provinces through the adoption of Climate Smart Agriculture (CSA) practices. PROMAC's methodology of "learning-by-doing", utilizing a Lead Farmer Extension System with 450 Lead Farmer managed demonstration plots, enables cost effective training and technology transfer to 13,500, resulting in an expected increase in crop yields by at least 30% in comparison to traditionally cultivated crops. Promac field staff are trained in a behavior change approach to promoting the adoption of improved production practices amongst smallholders, taking in account the cultural, social, knowledge related and other barriers to behavior change. With support from NCBA CLUSA Mozambique's Agribusinesses Unit, Promac stimulates the entire market system in which smallholders operate, for instance by through a network of 200 Community Based Solution Providers (CBSPs) selling agricultural inputs and linking both CBSPs and smallholders and with suppliers and markets. In order to increase and Promac is also supporting 1,890 families to secure land tenure rights by obtaining DUATS and providing Functional Adult Literacy Education for 5,400 farmers.



Tractor operator training run by TVET partners Lonagro Moçambique at the Manica Agribusiness Centre

Supporting the enabling environment for agribusinesses through technical, vocational education and training

– according to the World Bank, only 6 percent of the Mozambique workforce reaches the level of vocational or tertiary education. This causes a large employment recruitment gap for the agriculture sector, which drives many firms to bring in foreign labor, especially in Manica province due to its close ties with Zimbabwe. NCBA CLUSA together with the Instituto Superior Politécnica de Manica (ISPM) Manica province, Mozambique, is implementing the TVET for the **Mozambican Agricultural Sector project (TVET)** which aims to equip the

Mozambican Agricultural workforce with the skills, knowledge and experience required to generate increase agricultural production in the areas in which they operate. TVET has established the Manica Agribusiness Center (MAC), a vocational training institute and information sharing point for the growing number of agribusinesses located in Manica province, located within the ISPM facilities. The CAM offers market driven offers short, skill-specific courses to private and public sector clients. Courses are accessible both in terms of price and duration (lasting under a week) and are delivered by specialized trainers from private sector partners such as Lonagro

Mozambique (John Deere representatives, running tractor operator training), Yara Fertilizers (crop nutrition training), Fair-Mark (Global Gap certification) and Phoenix Seeds (seed production and certification). Students put their learning into practice on the CAM's 20 ha Model Farm - a practical classroom which also enables private companies to demonstrate their products, as well as providing a space for the CAM's AgriBusiness Youth Incubator Program (providing the keenest ISPM students with the land and start-up funds to kick-start their own production schemes, supported every step of the way by the CAM's team of experienced agronomists and Farm Manager).

Contact Information:

Carolina Reynoso Pieters
Country Director, Mozambique
NCBA CLUSA

Rua Araújo de Lacerda, nº 637, Cidade de Chimoio
Rua Dar Es Salaam N 296 *Edifício Lotus Business Hub * Bairro Sommershield* Maputo
Telefax: 26 21 58 26 | C: 87 248 1618

Cpieters@ncba.coop | www.ncba.coop

