

Presentor

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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, in 15 countries throughout Africa, Asia, and Central America NCBA CLUSA has designed and implemented development programs for a wide range of donors for over sixty years. NCBA CLUSA has been active in Mozambique since 1995.

We began our work at a time when the country's infrastructure was still devastated after 17 years of civil war and market access was one of smallholder farmers' main challenges. Our initial activities therefore focused on the development of producer organizations to empower smallholders and increase their access to input and output markets. We consolidated these efforts by improving the enabling environment so that farmer groups could thrive both socially and financially – for instance, supporting them to become legal associations and, later, modern, dynamic and for-profit cooperatives legalized under the new cooperative law which came into effect (though ours and our partners' lobbying efforts) in 2010.

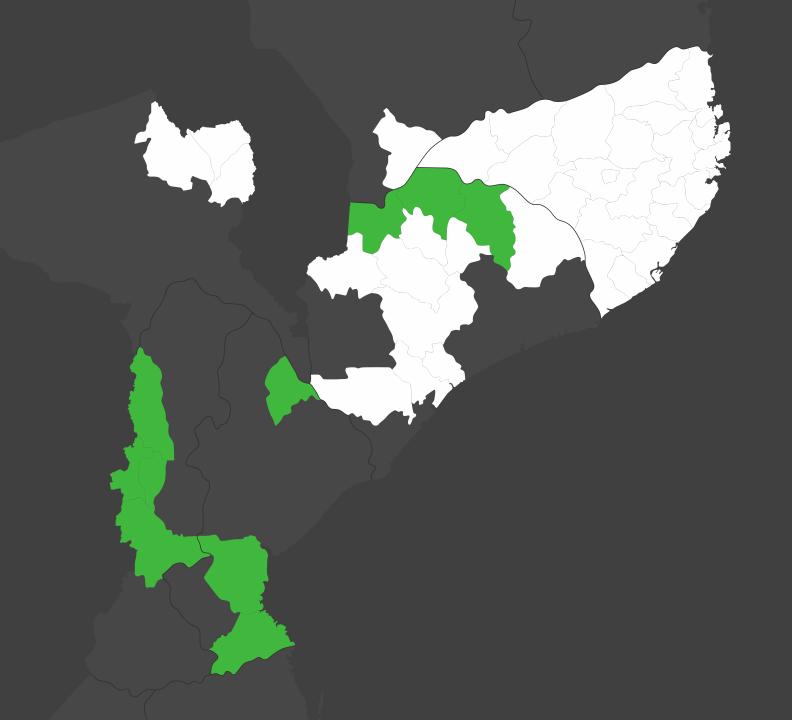
Today, CLUSA continues to support Mozambican farmers to prosper - yet as conditions have evolved, so our work has changed with the times. While rural infrastructure and smallholder market access have greatly improved, Mozambique in 2021 faces new challenges which include an increasing population to feed - compounded by an increased prevalence and severity of climate related natural disasters, a growing violent insurgency and, more recently, the acute challenges presented by a global pandemic. As such, our work has taken on a more resilience and food security focus which promotes farmers' and rural entrepreneurs' production, incomes and livelihoods through sustainable, market driven and local systems-based interventions. These include the promotion of conservation farming as a more sustainable methods of production which can withstand ever worsening climate shocks, the adoption of risk sharing mechanisms such as weather index insurance, and inclusive business approaches - such as last mile agrodealer networks and outgrower programs - which embed farmers and micro entrepreneurs in agricultural firms' business models.

Over the past 26 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. Divided into two sections - 1995 to 2010 and 2011 to present - this short write-up tells a very big story of our past and present work in Mozambique.

Geographic Coverage of NCBA CLUSA Projects in Mozambique

Ongoing Projects

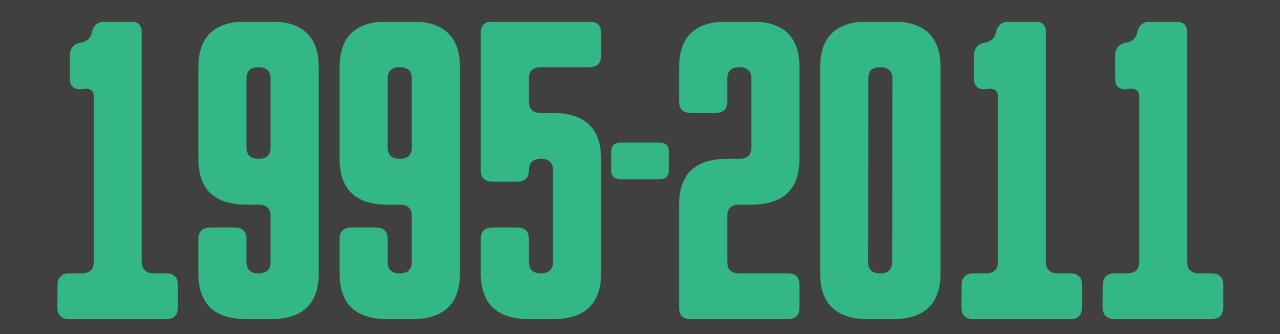
Completed Projects





early days

(1995 to 2011)

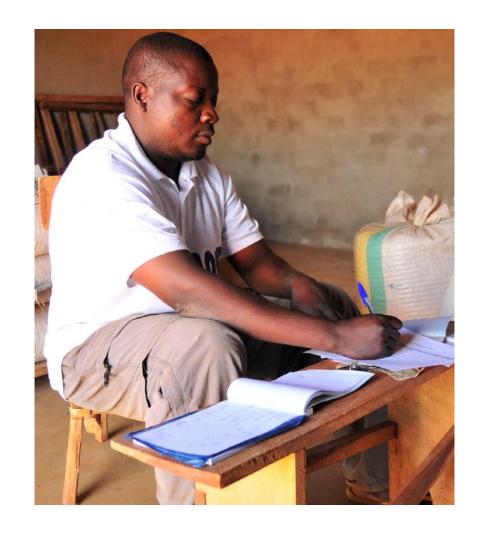


We supported thousands of farmers to organize themselves into formal groups

1995 to 2009

Manica, Tete, Zambezia and Nampula

To increase their access to inputs and off-take market, and take advantage of economies of scale, we supported thousands of farmers to organize themselves into associations, forums, unions, cooperatives, youth farmers' clubs and credit and savings groups. In 2003, together with Gapi SI and Oxfam Novib, we supported 554 of the strongest farmer fora in Nampula province to form their own producer owned trading company, Ikuru sarl, whose owners were its own producer suppliers owning a 10% share of the company. With funds from two USAID Global Development Alliances, between 2007 and 2012 we helped Ikuru to buy, process and sell around 1,500 tons of its members' produce, to the value of 1.5 million dollars.



We lobbied for and helped to develop a more enabling environment for modern cooperatives

2003 to 2010

Manica, Zambezia, Nampula and Niassa

To create the necessary legal framework for profit-driven farmer enterprises to flourish, we supported civil society to improve the legal environment, culminating in the passage of the new association law by Mozambique's Legislature in 2005. 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 supported 18 cooperatives to legalize themselves under this new law – the most notable being ALIMI in Niassa, which reached 13,000 members.







We created groups of farmers so that together they could prosper through cooperation We supported civil society in the development of the business environment through the creation of the laws of Associations and Cooperatives We legalize groups of farmers as modern and legal cooperatives, in the new Law on Cooperatives

Our legacy continues today in the north and center of the country through local organizations dedicated to agricultural development - such as Miruku business cooperative, the Technical Assistance Unit for Functional Education, or UATAF (building communities' capacity through

education and social mobilization), and OLIPA-ODES (promoting socioeconomic development through associativism). These organizations were created with our institutional support and to this day continue to be led by ex-NCBA CLUSA staff and collaborators.





We kick started new, high value, value chains with the power to transform communities

2007 to 2012

Zambezia

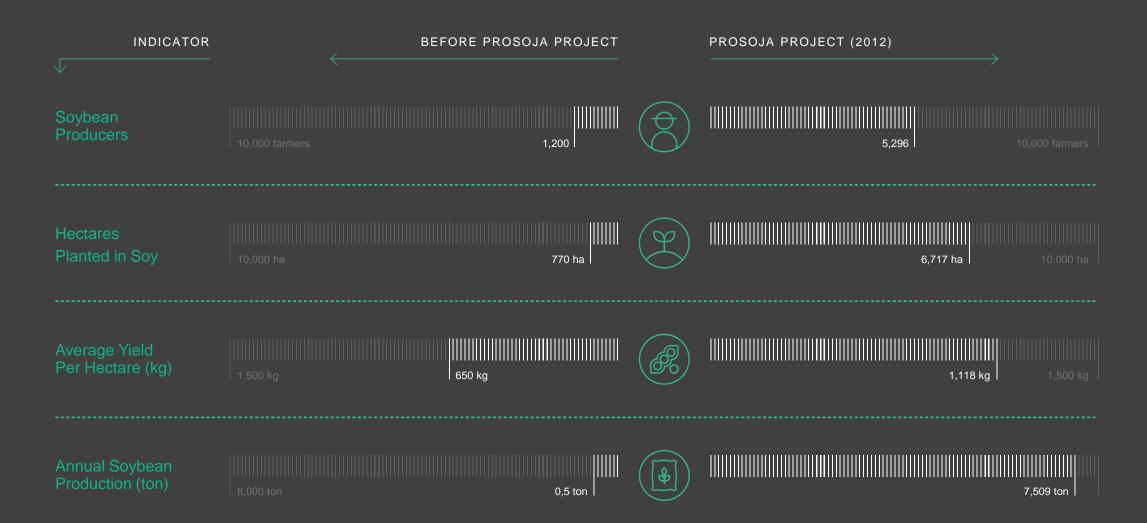
In the 1980s soya was cultivated in small scale in pockets of northeast of Zambézia province, but with little success. Spurred by Norwegian interest in purchasing non-GMO soya from Mozambique, and with finance from the Norwegian Development Agency (NORAD), we spotted an opportunity to take advantage of soya's potential for generating thousands of jobs, increasing smallholder income and enabling the expansion of other strategic local industries. In 2007 our **ProSoja Project** reintroduced soya in Zambézia, marking the beginning of what has been one of Mozambique's biggest agricultural success stories in recent years.

We supported more than 5,000 smallholders to make the transition from subsistence to commercial agriculture by taking up soya - sky-rocketing production from just 500 tons to 6,000 tons per year and transforming the social and economic conditions of districts like Lioma and Ruace. Our intervention laid the foundations for an industry which today produces around 44,000 tons per year, generates income for around 38,000 soya producers and has been essential for supporting the growth of the local poultry industry – another of the country's major successes.





ProSoja Results



We supported farmers and small and medium companies (SMEs) to add value through processing, improved quality and processing

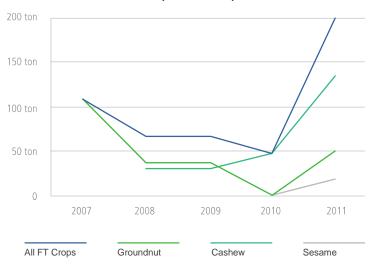
2003 to 2012

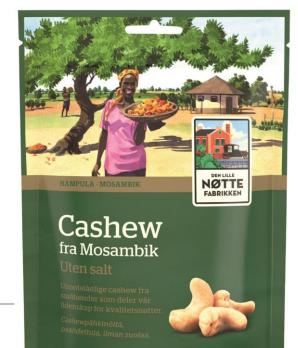
Manica, Zambezia, Nampula and Niassa

With funds from USAID through two **Global Development Alliances**, we connected Ikuru sarl with niche international markets for Fairtrade and Organic certified product by supporting 4,000 of its producer-members to become certified as Fairtrade (FLO-cert) and organic (EcoCert) for soya, sesame, cashew nut and peanut. With our technical support in packing, quality control, export logistics and marketing, Ikuru became Mozambique's first ever exporter of Organic/Fairtrade product, exporting around 500 tons of certified product worth two million dollars to Europe and Norway and putting Mozambican product on the shelves of major UK supermarkets *Sainsburys* and *Tesco*. On top of achieving higher sales prices, Ikuru's certified farmers earned more than 100,000 dollars in Fairtrade social premiums.

Den Lille Nøttefabrikken packaging, brand that imports Mozambican cashew nuts from Ikuru

Ikuru Market Sales (2007 - 2011)









None of this would have been possible without our support to Ikuru in establishing its own aflatoxin testing laboratory at the University Lúrio in Nampula, the first commercial aflatoxin laboratory in the country, which ensured that all of its exports were aflatoxin free. The laboratory has since not only provided commercial testing services to a range of other

local producers and exporters - addressing on one of the biggest barriers to peanut exports from Mozambique - but has also contributed to the improved health of thousands of Mozambicans who unknowingly put their health at risk every day through the consumption of aflatoxin contaminated basic food stuffs.

We were one of the pioneers of the emerging farmer concept in Mozambique

2009 to 2012

Manica, Zambezia and Nampula

With the **AgriFuturo Project**, a USAID financed consortium led by Abt Associates, we selected 20 smallholders with a more strategic market vision and supplied them with a tailor-made technological package including intensive technical assistance and mentoring, connection with inputs suppliers and local/international markets, and support in accessing production credit via Banco Terra. Our technical team introduced new varieties of sesame from Tanzania and Nicaragua, developed innovative market-based solutions for managing pests and diseases (e.g. sesame seed treatment kits and foliar feed fertilizers), and introduced processing and quality control techniques to meet exigent export standards. In the first year alone, this group of pioneering farmers cultivated 400ha of crops and generated over \$153,000 in income, spurring on farmers around them by the fact that each emergent farmer obtained on average \$3,600 in net profits after repaying back their loans.





We promoted improved food security and nutrition by strengthening producer groups

2008 to 2013

Nampula

Through the USAID funded **SANA Project**, a consortium between NCBA CLUSA, Save the Children and AfriCare, we promoted conservation agriculture practices, introduced new sesame varieties, trained farmers in improved post-harvest techniques and financed the construction of five new warehouses, produced smallholder appropriate reference manuals for the all the principal crops, linked farmers to inputs and output markets and supported their access to credit services - enabling over 300 groups to open bank accounts and farmers to organize themselves into 1,500 credit and savings groups. We also trained farmer groups in governance so that, with our support, 2,200 associations (involving 77,000 smallholders) could become legalized and 12 cooperatives legalized themselves under the new cooperative law.





We empowered youths to participate in agricultural value chains and markets

2009 to 2015

Manica, Zambezia and Nampula

With the Strengthening Communities through Integrated Programming (SCIP) project, a consortium led by Pathfinder International and financed by USAID, we created 826 young farmers clubs and trained over 27,000 youths (50% women) in conservation agriculture, financial literacy, business and leadership so that they could view agriculture as a lucrative activity and more fully integrate into existing agricultural value chains.

recent projects

(2012 to 2020)



We support our corporate partners to have a more positive impact in the communities in which they operate

2015 to 2018

Zambezia

Through the Forest Investment Program and with funds from the Portucel Mozambique's Climate Investment Fund, we implemented the **Agricultural Extension Provision Services in Zambézia** and the **Forest Friendly Agriculture Programs** (2015-2017) in the buffer zone around Portucel's plantations in the Ile, Mulevala and Namarroi districts of Zambézia province. We trained 16,000 farmers in conservation agriculture and diversified income generation via farmer managed demonstration plots, distributed 28,000 mandioca seedlings for 2,500 families, introduced new mango varieties, and promoted the use of locally made improved silos and fuel efficient stoves. Using this suite of practices, target farmers increased their harvests by between 27 and 62%.





We champion Information Communication Technology (ITC) tools for remote extension

2017 to 2019

Manica, Sofala, Zambezia and Nampula

Because less than 5% of farmers receive technical assistance in the provinces where we work, ICT (Information Communication) tools are an becoming increasingly viable way of reaching large volumes of farmers, many of whom would otherwise be excluded from traditional extension services. Not only that but, faced with the COVID-19 pandemic, they are now a necessity.

Our **MultiMedia Extension Project**, funded by USAID, the Bill and Melinda Gates Foundation and Dfid, tested the use of community radio, cellphones (SMS, IVR and USSD) and video for rural extension. Through the Vodacom and VIAMO managed 321 platform, we disseminated SMS, IVR and USSD messages regarding good agricultural practices, commodity price information and information regarding goods and services to 69,000 smallholders.

With Farm Radio International, we supported seven community radio stations to produce and air interactive, agriculture-based radio programs to 700,000 listeners. As a result, 365,000 farmers adopted at least one of the promoted technologies, corresponding to around 485,000ha of land under cultivation with improved techniques.

We continued the use of ICT tools for agriculture though our partnership with **Future Water**, an organization which specializes in the use of flying sensors (drones). The use of flying sensors allows us to monitor crop production, evaluate our activities and detect crop stress three weeks before the naked eye and, as such, they have become integral part of the PROMAC project monitoring toolkit.

^{*} PROMAC fields compared to conventional fields

We promote inclusive business approaches which promote access to inputs markets

2015 to today

Manica, Sofala, Zambezia and Nampula

Our USAID Partnering for Innovation funded **SEEDS Project** (2015-17) project laid the foundations for a 280+ strong network of last mile entrepreneurs selling certified seeds and inputs in their communities. This cadre of entrepreneurs forms the backbone of most of our current projects and is a perfect example of how agribusinesses can successfully engage rural SMEs and smallholders in their business models, generating mutual incentives while at the same time improving farmers' access to quality goods and services. Through SEEDS, NCBA CLUSA supported 283 last mile entrepreneurs to sell 132 tons of full-price certified seeds to over 20,000 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 - suggesting, instead, that access is the greatest challenge to the uptake of improved seeds.

In 2020 the **SEEDS+ Project**, also funded by USAID Partnering for Innovation, took this one step further by increasing farmers' resilience to climate shocks, and decreasing the risk of deepening their investments in production, through promoting weather index insurance as a risk transfer mechanism.

Individually, it is difficult or impossible to extend insurance to smallholders, yet at the meso level - with an actor who "bundles" insurance together with other products and services - this becomes viable. Our strong and ongoing partnership with Phoenix Seeds provided just this opportunity. Together with Hollard Seguros, Phoenix has become the first seed company in Mozambique to automatically include weather index insurance in all of its product as standard, at no extra cost to the consumer. This was made possible by pioneering the use of a two-way SMS platform for digital insurance registration and issuing claims and weather alerts. Through our one-year pilot, Phoenix Seeds sold 805 tons of insured seeds to 27,000 smallholder beneficiaries, proving that it is technically and financially viable to market insurance to smallholders via purely commercial channels, and demonstrating to Phoenix the clear value proposition in continuing to blaze a trail in smallholder insurance by including insurance in its product, as standard, for the 2021 season and beyond.



Recent Projects 2012 to 2020 NCBA CLUSA Highlights, 1995 to 2020

We develop farmers' resilience to climate change through Climate Smart Agriculture

2012 to today

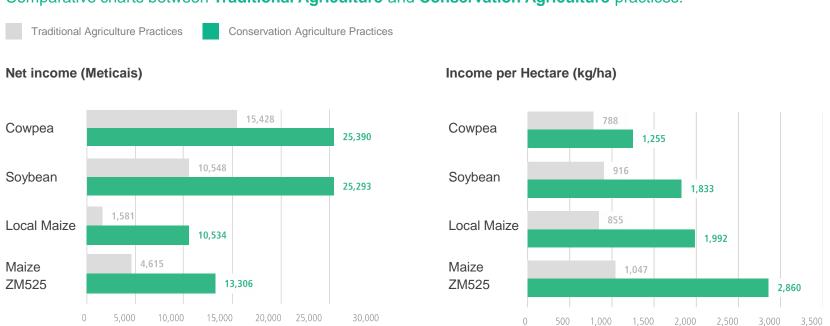
Manica, Zambezia and previously Tete

The Climate Smart Agriculture Program for Smallholder and Emerging Farmers in Mozambique (PROMAC) Project aims to increase food security and farmer incomes for 31,500 smallholders in Manica and Zambézia provinces through the adoption of Climate Smart Agriculture (CSA) practices through a Lead Farmer Extension System involving 900 Lead Farmer managed demonstration plots. PROMAC has four pillars: conservation agriculture, improved nutrition, functional adult literacy and land tenure, combined with increased famer engagement in off-take and inputs markets (including an inputs discount program known as the Green Discounts). With support from our Agribusiness Unit, Promac stimulates the entire market system in which smallholders operate and since 2012 PROMAC supported farmers have sold 5,000 tons of commodities (to the value of \$1,139,426).



In 2020 alone PROMAC supported last mile entrepreneurs to sell 279 tons of inputs in their communities. 3,000 families have received DUATS and more than 5,200 adults have graduated from functional adult literacy classes. PROMAC beneficiaries have seen average yields increase by 116% and net income increase by 240% in compared with using traditional agriculture.

Comparative charts between **Traditional Agriculture** and **Conservation Agriculture** practices:









Recent Projects 2012 to 2020 NCBA CLUSA Highlights, 1995 to 2020





200 last mile sellers

connected with suppliers and buyers



29.000 ton

surpluses sold by the groups we support



290,5 ton

of seeds sold by last mile sellers



5.910.000,00

USD sold of seeds and surpluses

We promote access to off-take and inputs markets through the AgriBusiness Unit

2017 to today

Manica, Zambezia and Nampula

The Agribusiness Unit (ABU) is our umbrella entity linking all NCBA CLUSA smallholder and SME beneficiaries with the private sector. Primarily responsible for promoting inclusive business models, the ABU supports rural SMEs to establish themselves as last mile entrepreneurs; collects weekly prince and market information during the sales period and shares this with smallholders via community radio, WhatsApp and SMS; links smallholders and SMEs to inputs and off-take markets; and promotes inclusive finance mechanisms such as outgrower schemes, pre finance and formal credit. The ABU also produces an annual survey of financial products for the agricultural sector (shared with our partners and stakeholders) and works with research institutions to conduct studies and research that further our own work and that of others - such as the 2021 Intermediary Study, produced together with the University of Eduardo Mondlane and Boston College Carroll School of Business.

We design and deliver technical, vocational education and training for the agricultural sector

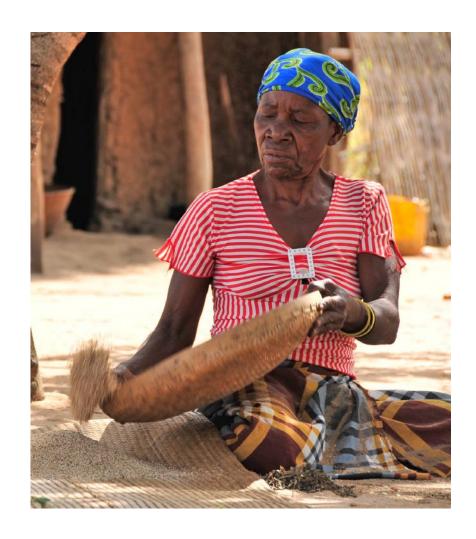
2017

Manica

The Mozambican Agricultural Sector project (TVET), a partnership with the Bandula Technology Transfer Center, provides short, technical and skills specific courses to the agricultural sector - specifically agribusinesses in Manica province who, due to the lack of trained Mozambican staff, have up to now have been forced to recruit staff from nearby Zimbabwe. TVET established the Manica Agribusiness Centre (MAC) that has since trained 690 people in courses which are designed and delivered together with private sector partners including Lonagro Mozambique (John Deere representatives, running tractor operator training), Yara Fertilizers (crop nutrition training), A.A.U (Global Gap



and SMETA certification) and Phoenix Seeds (seed production and certification). Uniquely in Mozambique, courses are all short (under a week), permitting employers to release their staff for trainings. Students put their learning into practice on the CAM's 20 ha Model Farm - a practical classroom and demonstrational space for private sector partners that also provides a space for the CAM's AgriBusiness Youth Incubator Program (providing the keenest 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).



We increase resilience to climate shocks through an intersectoral approach involving food security, water and energy

2020 to 2024

Sofala

Using a nexus approach integrating food security, water and energy sectors, the Austrian development Corporation funded **Climate Smart Agriculture and Water Sofala (CSAW Sofala)** is supporting smallholders in Caia, Buzi and Machanga districts of Sofala province to increase their resilience to future climate shocks after Cyclone Idai hit the province in early 2019.

CSAW Sofala, which is implemented in partnership with district government through its District Services for Economic Development (SDAE) and District Services for Planning and Infrastructure (SDPI), will reach 7,800 smallholders (50% women), focusing first on basic WASH provision and promotion of conservation agriculture techniques

as farmers recuperate their livelihoods post-cyclone, then moving on to the promotion of more market orientated production (such as horticultural production using solar pumps) and other forms of rural commerce (e.g. input sales and commodity aggregation).





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