







ISSUE 22: FEBRUARY 2021

### **EDITORIAL**

**Growth Programme (ZAGP)** 

Yet another warm welcome to the 22<sup>nd</sup> issue of ZAGP News, the newsletter for the European Union funded Zimbabwe Agricultural Growth Programme (ZAGP). The newsletter brings you updates of project activities across Zimbabwe.

Following the <u>January 2021 issue of ZAGP News</u> which covered the key milestones achieved in 2020, this issue covers success stories from some of the major project achievements. We share inspirational stories across the six projects under ZAGP.

The main highlight is the <u>Beef Enterprise Strengthening and Transformation (BEST)</u> project, which is exploring an innovative beef value chain approach to deliver financial services to beef cattle producers in Zimbabwe. We also share BEST's case for irrigated pastures to alleviate hunger induced cattle deaths accessing to locally grown, improved nutritious feed. Finally, from BEST, we also explore the benefits of organising farmers into beef producer groups as a solution to ensure provision of high nutrient feed to cattle throughout the dry season.

Under the <u>Inclusive Poultry Value Chain (IPVC)</u> project, we highlight how the Poultry Business Units are transforming the production levels of poultry producers across the project's clusters.

In the quest to link agricultural research, extension and education, Zimbabwe Agricultural Knowledge and Innovation Services (ZAKIS) project is gaining ground in enterprises established within the Agricultural Centres of Excellence (ACEs) and District Agricultural Centres of Excellence (DACEs). We cover successes scored in Chegutu and Matobo districts.

From the <u>Transforming Zimbabwe's Dairy Value Chain for the Future (TranZDVC)</u> project, we feature the fodder production, processing and preservation initiatives being implemented to increase productivity and reduce the cost of production whilst ensuring increased returns.

We also feature progress to date, on the work of producing veterinary epidemiological units maps to assess and implement the correct measures to prevent and control disease threats by the <u>Transforming Zimbabwe's Animal Health and Food Safety (SAFE)</u> project. Finally, from the <u>Value Chain Alliance for Livestock Upgrading and Empowerment (VALUE)</u> project, we highlight how the smart subsidies initiative is enabling pig producers to invest to boost productivity.

Happy reading and please, stay safe!

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News

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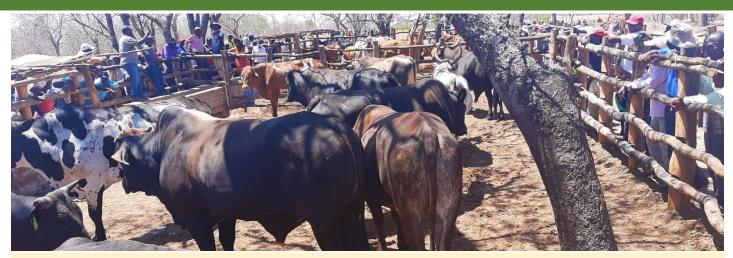


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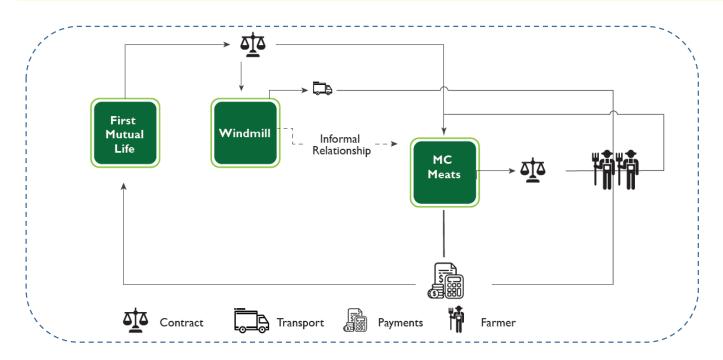
# Tripartite Beef Value Chain Financing Model Disrupts the Traditional Myth, "Small Holder Farmers are not Bankable."



The <u>Beef Enterprise Strengthening and Transformation (BEST)</u> project is promoting access, delivery and usage of retail financial services among smallholder farmers in a transparent, inclusive, and equitable fashion. The project started with a research study to understand the demand and supply side of the evolving financial landscape. This has resulted in a shift from a narrow focus on the financial institutions and their performance to a much broader focus on clients i.e. understanding their behaviour, financial service needs, and how various providers can better meet these needs.

This recognition (supported by significantly better data and more robust research under the project) that outreach and, perhaps more important, impact have not been as good as expected has pushed the project to develop a "Tripartite value chain financing model" for smallholders with guaranteed support throughout the value chain. The tripartite model allows farmers access to feed, which they need to add value to their cattle, the feed supplier with business for which he gets paid up front, the off-taker with good quality cattle for his market, and the financier with guaranteed loan repayment by the off-taker on behalf of the farmers.

Under the Tripartite Financing Model, BEST brought in First Mutual Microfinance (FML) as the financier, Windmill Private Limited as the input supplier and MC Meats as the off-taker, under a common agreement to work with smallholder cattle farmers who wanted to pen fatten their cattle.





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### Tripartite Beef Value Chain Financing Model Disrupts the Traditional Myth, "Small Holder Farmers are not Bankable."



In Chiredzi and Buhera districts, 72 farmers accessed loans from First Mutual Microfinance (FML) to finance pen fattening. First Mutual Microfinance made advance payments to the stock feed supplier (Windmill).

This advance is taken as a loan to farmers as they have signed loan contracts with the lender. Windmill then delivered the stock feed to farmers for pen fattening under the MC Meats feeder finance scheme.

On delivery of fattened cattle to MC Meats, the off taker deducted the loan repayment to FML and made a lump sum repayment on behalf of the farmers. The net balance was paid to cattle producers.

The cattle producers in Buhera and Chiredzi received a total of 118 tonnes of stock feed for a 45-day pen fattening cycle from November through December to target slaughter at peak demand for meat during the festive season.

A total of 223 cattle belonging to 72 farmers went through the pen fattening cycles at Cattle Business Centres (CBCs).

Total sale value of cattle was US\$117,002, cost of feed was US\$35,270, so net income realized was US\$ 81,732. Thus the average sale value/head was US\$525, and farmers received an average of US\$ 366/ head after feed cost deductions, compared with average pre-induction values of < US\$150 - 200/head offered by middlemen.



#### Benefits derived from the Tripartite Model

- Creation of linkages between value chain actors (cattle producers; financiers, off-takers)
  Increased private sector footprint in Zimbabwe rural districts
  Breaking barriers (small holder farmers are not bankable)

- Reduction in transaction costs
- Elimination of the "middlemen" who offered low prices to farmers

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### Irrigated Pastures the Panacea to Poverty Cattle Deaths in Masvingo Province

Mwenezi district is generally considered to be among the top five high cattle density areas in Zimbabwe. As a result, there is a high volume of cattle business activity, ranging from large scale commercial production and marketing to small scale production.

The district lies in natural regions four and five which means that the rainfall is generally low. The rangelands are overgrazed and pastures start to deplete around June of each dry season. Many cattle die each year as a result of shortage of pastures.

Find out more about how the establishment of a 35-hectare centre pivot of irrigated pastures at Lapache Estate is a welcome relief to save the national herd in Masvingo Province.

http://bit.ly/2Owt05m



#### Irrigated Pastures the Panacea to Poverty Cattle Deaths in Masvingo Province

Use of high nutrient feed among beef farmers is not easy to implement, because it is very costly for a farmer with an average of 10 head of cattle to buy feed from commercial stock feed manufacturers. The only way for such a farmer to derive discounted prices, guaranteed supply and convenience in procuring livestock inputs is when they become part of a producer group.

In 2020, BEST project Midlands team in collaboration with government stakeholders embraced this as a solution to ensure provision of high nutrient feed to cattle throughout the dry season.

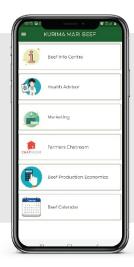
Learn more about how BEST organised farmers into beef producer groups in Kwekwe, Gokwe South and Shurugwi districts. http://bit.ly/3pmu88n

#### BEST Launches the Kurima Mari Beef Mobile Application

The BEST project is introducing the Kurima Mari Beef App through which beef farmers can get quick access to all matters related to beef farming. Features include tips on Marketing, Animal Health, Production, Access to Finance, Policy Matters, as well as a Farmers' chat room. Download from Google Playstore using the following link:



https://play.google.com/store/apps/details?id=com.geointel.kurima mari beef







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#### **Poultry Business Units: A Boon for Poultry Producers**

The Inclusive Poultry Value Chain (IPVC) project's Poultry Business Units (PBUs) are transforming the production level and incomes of Small to Medium Producers (SMPs) across the five clusters in Bulawayo, Gweru, Harare, Masvingo, Mutare. Each cluster acts as an administration and coordination unit for the collective action of Small to SMPs. The PBUs are enabling poultry farmer groups to gain economies of scale and scope to access extension, inputs, financial and market services in a more convenient and profitable manner.



### Pauline Tauro - Poultry Producer, Seke District, Mashonaland West Province

Pauline joined IPVC while rearing 200 broilers and was selected to be a lead farmer, making her also benefit from the seed distribution for own feed formulation facility. After attending her first IPVC business development services and financial literacy trainings held in October 2019, she understood the importance of taking poultry rearing as a business, through learning how to manage her business and finances competitively and profitably.

"After the trainings, I invested towards the growth of my business by buying 500 Sassos (Dual Purpose breeds) in February 2020 as day old chicks. The Sassos started laying eggs in August the same year and I scaled-up my project to 2,000 Sassos by end of 2020.

I recently obtained a 500 eggs capacity incubator from the IPVC's Green Technology for Poultry pilot program and I'm now hatching my own eggs while also assisting the community with chicks and fertilized eggs."

### Tafadzwa Charumbira – Goromonzi District, Mashonaland East Province

Tafadzwa joined IPVC with 3,000 broilers and has moved up to rearing 5,000 birds. He piloted the IPVC localized Feed Formulation program in 2020.

"From my first batch of 3,000 broilers, I formulated 10.5 tonnes of feed. On the second batch of 4,000 broilers, I increased to formulate 14 tonnes of feed. Finally, for the third batch of 5,000 broilers, I formulated 17.5 tonnes of feed. Included in the ingredients used were crushed maize, sunflower seed, and milled soybean"

The formulated feed was both for starter, grower and finisher for the said batches. Samples of the formulated feed were sent for laboratory testing at FeedMix and were approved.

"I am now able to make a saving of US\$160 per every tonne of feed formulated. Currently, I am training about 30 farmers in my community to formulate their own feed with available resources/crop around the homestead.



#### PROJECT UPDATE - WORKING UNDER COVID-19

**Gweru Cluster:** The Platinum Poultry Business Association main hub located at Gweru Showground has further reduced transport costs and limited movement under COVID-19 restrictions, by opening a satellite hub at Mkoba 12 Shopping Centre. The satellite hub is offering all services offered by the main hub, which include bulk purchase of feed, day old chicks and poultry equipment at lower cost. 80 farmers located in Mkoba are set to benefit from this newly established hub.

Mutare Cluster: Farmers in Mutare ward 15 have been finding it difficult to access feed at lower costs before the IPVC project. For them, it was expensive to travel to Mutare Centre to buy a bag of feed. Through the Manica Poultry Business Association, farmers were organised to benefit from the decentralisation of selling points. In January 2021, a total of 24 farmers ordered 3 tonnes of feed to be delivered at their ward 15 Centre. This initiative has helped farmers to access feed during this lockdown period.



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# Chegutu District Agricultural Centre of Excellence (DACE) in Successful Green Mealies Venture



In the last quarter of 2020 the Chegutu DACE planted one hectare of maize for the green mealies market. In line with the private sector partnerships that were facilitated by the <u>Zimbabwe Agricultural Knowledge and Innovation Services (ZAKIS)</u> during the year, SeedCo and Superfert supplied the seed and the fertilizer respectively.

The centre hosted a green mealie production field day in November 2020 to share technical knowledge. The event was attended by farmers from the surrounding wards as well as representatives from the centre's private sector partners which include SeedCo, Syngenta and Cottco.

"We sold the green mealies to venders and consumers in Chegutu town and realized a gross revenue of USD1 200.00. This has allowed us to move forward with our business ventures as we have invested the proceeds in setting up new aquaculture and apiary business units where we have constructed of two fish ponds and commissioned the production of some beehives. These units will also be used as learning sites for farmers around the district." said Chegutu DACE coordinator Collen Machingambi.



### Matopos Research Institute Agricultural Centre of Excellence (MACE) Expands Solar Powered Irrigation

The MACE expanded its horticulture area under drip irrigation from 0.6 hectares to two hectares which are now completely powered by solar energy. MACE produced green maize and butternuts were sold in December 2020; realising a gross income of USD762.00.

Commenting on the development, the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) Research and Evaluation Associate, Angeline Mujeyi said, "Research for development needs a lot of funding. The revenue generated from the plot will compliment Government's efforts to fund research. The solar powered drip irrigation allows us to produce all year round without interruptions due to the Zimbabwe Electricity Supply Authority (ZESA) power cuts. This presents a great opportunity because horticultural products are in short supply in Bulawayo where a lot of products are coming from as far as Nyanga. Also, upmarket shops that import products from South Africa have expressed an interest in buying fresh produce from MACE."

The irrigation system will allow the centre to demonstrate efficient utilisation of scarce water and precision inputs application to farmers.



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# Matching Grants Financing Investments in Dairy Productive Assets and Infrastructure





(Left) John Crawford from Portlet Farm showing the solar system installed at Portlet Farm. (Right) Milk collection in progress at the Chitomborwizi Milk Collection Centre at the same farm.

Through the <u>Transforming Zimbabwe's Dairy Value Chain for the Future (TranZDVC)</u> project's Matching Grants Facility (MGF), Portlet Farm in Makonde district in Mashonaland West province, installed a 30kva solar system to power the milk cooling tanks.

"When the country was facing excessive power cuts, we were running a 30kva generator which consumed 35 litres of diesel per day, translating to over US\$40 per day. Even when electricity supplies improved, we began to experience faults leading to prolonged power cuts. With this solar installation, operations are now more efficient and we're maintaining the quality of our milk. There has also been a major reduction in operational costs. What's more, milk loss has dramatically declined thanks to scaled up hygiene practices, reducing the amount of rejected milk", said John Crawford from Portlet Farm.

Portlet Farm is working with 21 farmers under the Chitomborwizi Dairy Network. The farm also benefitted from a silage cutter and three solar powered boreholes that are being used by three of its members on their demonstration plots in their different clusters. This is enabling the farmers to irrigate maize to be used for silage.

#### Lead Farmer-based Forage Fodder Demonstrations and Seed Multiplication Transforming Dairy Farming



"Thanks to TranZDVC and its partners, we have learnt and increased production of home- grown nutritious feed and during the lean season, our cattle will not starve or have decreased milk production. I have plans to use the harvested crop to make low-cost feed formulations which will lead to reduced cost of production and increased incomes through dairy farming," Dorica Hwengwere, Sadza Dairy Cooperative Chairperson.

Follow the link below to learn how the TranZDVC project is promoting fodder production, processing and preservation to enable farmers to increase productivity and reduce the cost of production while ensuring increased returns: <a href="http://bit.ly/2NamFf">http://bit.ly/2NamFf</a>



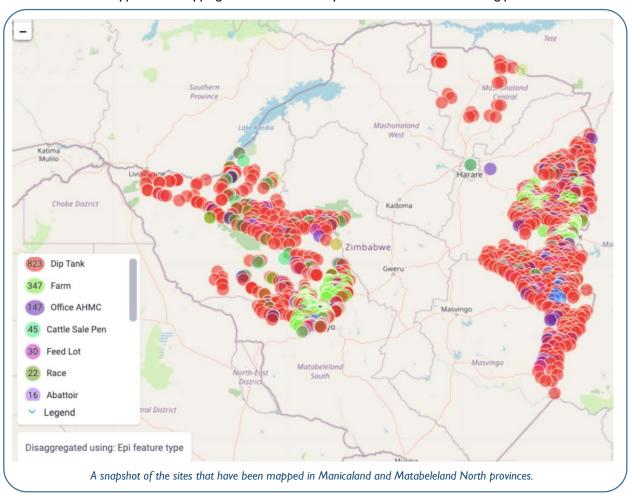
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### Epidemiological Mapping for Improved Animal Health and Food Safety

Epidemiology is the study of how often diseases occur in different areas and why. For the <u>Transforming Zimbabwe's Animal Health and Food Safety Systems (SAFE)</u> project, this applies to livestock diseases and animal food borne related illnesses. The epidemiological information is important for planning and evaluation of strategies to prevent disease spread and help in the management of disease outbreaks that may have already developed

SAFE is working on producing veterinary epidemiological units' maps to assess and implement the correct measures to prevent and control disease threats. Epi units mapping forms the basis for all animal disease surveillance and control work in the country and other ZAGP projects are also going to tap into the database for mapping of secondary beneficiaries.

To date, Manicaland and Matabeleland North provinces have completed mapping of epidemiological units following a training of trainers on epidemiological units mapping conducted in July 2020. A total of 1,456 epidemiologically important locations have been mapped. The mapping exercise is underway to cover the other remaining provinces.





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#### Matching Grants Spur Investments for Goat and Pork Producers

In 2020, the <u>Value Chain Alliance for Livestock Upgrading and Empowerment (VALUE)</u> availed financial support to 43 pork and goat-oriented, farmer-led/managed enterprises in the form of smart subsidies/sub-awards with a matching contribution component. The funding supported animal housing, breed improvement, water reticulations, green technologies amongst others.



Sibongile Musaimura is a goat producer based in Ward 20 of Chipinge district in Manicaland province. She started rearing goats in 2015 with 5 does, after venturing into the trade, she faced numerous challenges including poor animal housing structures, limited knowledge on good husbandry practices and depleted grazing land.

From 2015 her goat herd grew putting pressure on her goat pen which was no longer fit for purpose, she desired to improve the pens but was hamstrung by lack of resources. Having joined the VALUE project, Sibongile was part of the farmers who applied for the livestock matching grants to upgrade her pens. Much to her delight, she was among the successful candidates awarded grants to improve their enterprises.

The project support Sibongile to the tune of 70% of total costs and she managed to build a standard goat pen with technical assistance from the Department of Veterinary Services and Agritex.



"The project has made a huge difference in our lives, we are grateful for the support we received to build new goat pens which have better air circulation and have raised floor which make it difficult for predators to kill our goats," said a jubilant Sibongile.



#### VALUE imports Additional Goat Breeding Stock from Namibia

VALUE imported 86 goat breeding stock from Namibia in December 2020 in addition to the 224 imported in 2019 from the same country. The stock consists of Kalahari Red, Boer, Saanen and Toggenburg breeds.

"We imported the top-quality goat genetics which are set to improve the quality of genetics we currently have in the country. The goats are currently in quarantine at four different stations namely Zvikomborero farm in Chivhu, Michview Enterprises in Matopos as well as at Matopos and Grasslands Research Stations," said VALUE Team Leader, Newton Chari.

After the quarantine period, the goats will be put in production to join the stock imported in 2019 to ensure supply of improved breeds to farmers across the districts.

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