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The U.S. Government's Global Hunger & Food Security Initiative

Agricultural Development and Value Chain Enhancement Feed the Future Activity (ADVANCE II)

Annual Report February 5 – September 30, 2014



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Acronyms

ACDEP	Association of Church-based Development NGOs
ADVANCE	Agricultural Development and Value Chain Enhancement
APO	Agricultural Production Officers
APSP	Agricultural Policy Support Project
ATT	Agricultural Technology Transfer
COP	Chief of Party
DCA	Development Credit Authority
EPA	Environmental Protection Agency
FBEs	Farmer Based Enterprises
FBO	Farmer Based Organization
FIs	Financial Institutions
FinGAP	Financing Ghanaian Agriculture Project
FTF	Feed the Future
GAIP	Ghana Agricultural Insurance Pool
GAMSAP	Ghana Advanced Maize Seed Adoption Program
GCAP	Ghana Commercial Agriculture Project
GDA	Global Development Alliance
GGC	Ghana Grains Council
GAIDA	Ghana Agri-Input Dealers Association
ICOUR	Irrigation Company of the Upper Region
M4	Membership; Marketing; Money; Management
MoFA	Ministry of Food and Agriculture
NFs	Nucleus Farmers
OCAT	Organization Capacity Assessment Tool
RC	Regional Coordinators
SARI	Savannah Agricultural Research Institute
USAID	United States Agency for International Development

EXECUTIVE SUMMARY

The ADVANCE II Project, Cooperative Agreement # Aid-641-A-14-0001, was awarded to ACDI/VOCA on February 5, 2014 and is scheduled to end on September 30, 2018. The overall goal of ADVANCE II is to increase competitiveness of the maize, rice and soybean value chains. The intermediate results are; (i) increased productivity in targeted commodities, (ii) increased market access and trade, and (iii) strengthened local capacity.

The project startup was rapid, starting with staff recruitment, equipment and vehicle procurement, and the reopening of offices in Tamale, Bolga and Wa. This was followed by an aggressive technical program which started in March. In this reporting period, the project identified 173 Outgrower Businesses (151 NFs and 22 aggregators) working with 37,022 smallholder farmers (SHFs). Outgrower Businesses (OBs) are nucleus farmers and aggregators working with smallholder farmers and providing them with mechanized services, production inputs and market for their produce. Of the 173 OBs, 103 have already been supported to develop crop and enterprise plans and budgets to guide their business operations; the remaining OBs will be completed in the first quarter of 2015. These “quick plans” will be upgraded to full 5-year business plans before the end of the next year.

Beginning in June 2014, USAID approved the ADVANCE II work plan, which was inclusive of the DuPont Pioneer Ghana Advanced Maize Seed Adoption Program (GAMSAP) activity. The project has also implemented a rapid and successful startup of GAMSAP, recruiting staff, developing joint plans with Dupont Pioneer and its local agent, and preparing for immediate implementation. The GAMSAP activity will be officially recognized and promoted during the Northern Ghana Pre-harvest Agribusiness Forum to be held in October 2014.

Building on existing relationships from the ADVANCE project, ADVANCE II has been able to immediately facilitate investments by strengthening market and supply linkages and connecting producers and buyers. During the period under review, \$1,134,751 worth of maize, rice and soybean were traded through market facilitation by the project.

Crop demonstrations are a major means for extending good agricultural practices to farmers. The project partnered with 18 private sector input firms to establish 180 demonstration sites for maize, rice and soybean during the current period. Of the 180 demonstrations in the northern ADVANCE II operational areas, 29 of them showcased Pioneer seeds and are part of the GAMSAP activity. In the GAMSAP targeted areas in the Brong Ahafo and Ashanti Regions 82 demonstration sites have also been established in 18 districts by 51 OB leaders and/or their nominated lead farmers. Partnering with the private sector to establish these demonstrations is a sound strategy for sustainability as private supply firms promote and sell their products; and can easily continue the practice after the project ends.

The Small Equipment Grants (SEG) program was designed under ADVANCE I to provide incentive to farmers to purchase simple yet efficient production and harvesting equipment for soya, maize and rice to improve productivity. The ADVANCE II project is continuing this initiative, and requires an upfront payment of 30 percent cash leverage by approved beneficiaries on the agricultural equipment purchased from the selected vendors. During this reporting period, 222 applications were received from nucleus farmers, FBOs and some outgrowers for small equipment such as multipurpose shellers, tractor ploughs, planters, tarpaulins and seed drills. Additionally, a total of 18 applications were received from nucleus farmers for the provision of professional spraying services to their outgrowers at a fee. An in-kind grant of \$7,805 was established for the creation of a school garden for pupils of Kings Village School at Bontanga, with contributions of \$2,738 from the King's school toward the initiative. The objective of this project is to promote the increased involvement of youth in agriculture through the pupils' demonstration farm.

As part of the project's desire to provide equal opportunities for women, four female nucleus farmers and an aggregator were identified during the period and are being supported to develop viable outgrower businesses. A significant number of FBOs including those led by females were identified and profiled for capacity building in the coming year. Among the female led groups identified, 25 of them are in village saving and loans associations and are lending out money to their members. Out of the 25 groups, 22 were linked to Naira Rural Bank and three to the Agriculture Development Banks. A total of 5,900 female beneficiaries were supported to access loans to buy inputs for their farms.

As a deliverable, ADVANCE II submitted an environmental management and mitigation plan within 60 days of the award. Project management has diligently followed all the necessary steps required to ensure that project activities do not in any way impact negatively on the environment. The project has promoted the safe use of pesticides, monitored beneficiaries activities and their potential impact on the environment, and promoted climate smart strategies to minimize the negative impact of climate change.

During the reporting period project management completed and submitted a draft Performance Management Plan (PMP) to the Mission. The project team also reviewed and revised all data collection tools under ADVANCE and developed new ones to capture data for the new indicators under ADVANCE II. All the M&E staff have been trained and data collection is ongoing in the field.

1.0 INTRODUCTION

The ADVANCE II Project, Cooperative Agreement # Aid-641-A-14-0001, was awarded to ACDI/VOCA on February 5, 2014 and is scheduled to end on September 30, 2018. The overall goal of ADVANCE II is to increase competitiveness of the maize, rice and soybean value chains. The intermediate results are; (i) increased productivity in targeted commodities, (ii) increased market access and trade, and (iii) strengthened local capacity.

The project was designed around these three components and project management is ensuring that strategies adopted for implementation will lead to the establishment of sustainable systems and results.

This first annual report covers activities undertaken from project start up to September 30, 2014. Activities in the current quarter initiated several programmatic interventions aimed at addressing the seasonal needs of land preparation, planting, technology demonstration, farm planning, monitoring progress and reporting on achievements against set targets.

2.0 PROJECT MANAGEMENT

2.1 Offices and Staffing

In northern Ghana, ADVANCE II has established three regional offices in Tamale, Bolgatanga and Wa which are fully operational and working in 48 districts, including one district in the Brong Ahafo Region (see Annexes

Annex 1 for details). In addition, a project office has been opened in Kumasi and became operational on 1st September. The project is fully staffed with a total of 56 technical staff, five of whom are specific to the GAMSAP activity, and 41 support and logistics staff.

2.2 Collaboration with MOFA, FTF Projects, and Other Programs

Project management has engaged the Ministry of Food and Agriculture (MoFA) at all levels to ensure that project activities remain in line with the objectives stated in the Food and Agriculture Sector Development Policy II (FASDEP II). At the field level, the Regional Coordinators continue to engage the MoFA Regional and District Directors to collaborate with their staff in the field. The field level MoFA Officers have been engaged in providing technical support for training farmers and as resources for radio programs that educate farmers on best practices in the soya, maize and rice value chains

ADVANCE II and the other feed the future (FTF) implementing partners have continued to meet regularly under the auspices of the 'Collaborative Circle of COPs' (CCC) to discuss issues of mutual interest as a means of efficiently and effectively managing resources, reaching overall FTF program goals and reducing the risk of duplicating efforts. Through the CCC, the projects have also shared actor lists, survey data and weekly updates. The FTF projects have worked closely to develop a shared knowledge management and learning system which is led by the Monitoring and Evaluation Technical Support Services Project (METSS). In addition the M&E and PR&C units and the grant managers of all FTF projects have met to discuss and where possible harmonize some of their program strategies.

The project is also collaborating closely with the N2Africa project (IITA) to improve the productivity of soybean in northern Ghana. During the reporting period N2Africa trained five ADVANCE II field staff on proper handling and application of inoculants. The training has improved the knowledge and capacity of the staff to train farmers at the soybean demonstration sites. The N2Africa project also supplied inoculants for the soybean demonstration sites throughout the three northern regions and also sold the product to Outgrower Businesses (OBs) and their outgrowers.

3.0 SUMMARY OF RESULTS

In this section we summarize the results and achievements in the reporting year, and details of technical activities and how they were implemented are presented in section 4.0. Technical implementation of ADVANCE II is based on partnerships with the private sector, especially nucleus farmers, aggregators and large buyers/processors of maize, rice and soybean. The project works with these value chain actors and supports them to invest in various levels of the value chains with the aim of increasing productivity and incomes of all actors along these chains.

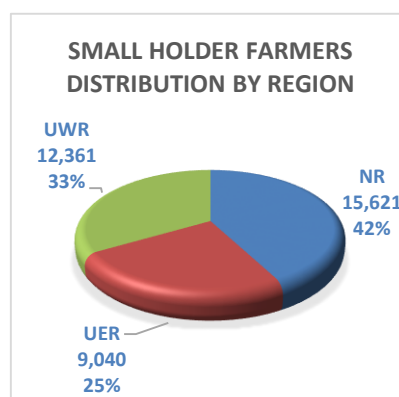
The project is designed around three main sub-purposes as follows:

Sub-Purpose 1: Increased agricultural productivity in targeted commodities

Sub-Purpose 2: Increased market access and trade of targeted commodities

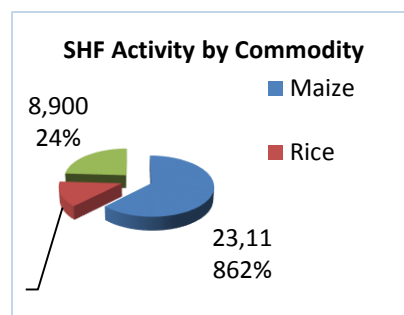
Sub-Purpose 3: Strengthened capacity for advocacy and activity implementation

After an intensive sensitization of farmers on the new ADVANCE II Project by regional teams, 37,022 smallholder farmers, 41% of whom are women, expressed interest and enrolled as part of the project. The farmers cultivate at least one of the three commodities; maize, rice and soy. Of the 37,022, 28,600 are affiliated to 173 outgrower businesses (OBs)¹ and are receiving various services including land preparation, seed and fertilizer to varying extents. The remaining 8,422 smallholders are affiliated to 353 Farmer Based Organizations (FBOs). These FBOs have been assessed to identify which ones can be supported and transformed into farmer based enterprises that will be capable of providing similar services to their members as the OBs.



The project has facilitated market linkages between the OBs and 22 aggregators as well as 40 processors for their produce. To ensure adequate input supplies, the project is also working with 55 input dealers and 25 financial institutions to deliver credit.

Details of achievement against targets are presented in Table 1.



¹ Outgrower businesses are either nucleus/commercial farmers or aggregators who are willing to provide services and inputs to smallholder farmers who may either pay cash or in kind. The OBs also act the link to major buyers and processors and provide a reliable link to the markets

Table 1: Performance indicators

ADVANCE II INDICATOR PERFORMANCE: February-September, 2014						
Indicator Source	Indicator Type	Indicator/Disaggregation	FY2014		% achievement	Deviation Narrative
			Target	Achieved		
CI	OP1	Number of direct project beneficiaries	35,000	37,022	106	The project was able to exceed this target due to the reputation earned through ADVANCE I and the marketing advantage this provides.
		<i>Male</i>	21,000	21,792		
		<i>female</i>	14,000	15,230		
FTF	OP2	Number of private enterprises (for profit), producers organizations, water users associations, women's groups, trade and business associations, and community-based organizations (CBOs) receiving USG assistance	300	353	118	Exceeding this target is largely due to the excellent recruitment of nucleus famers and FBOs. I
FTF	OP3	Number of individuals who have received USG supported short-term agricultural sector productivity or food security trainings	15,000	9052	60	Due to the delay in the planting season as a result of erratic rainfall patterns, planned trainings were not achieved. Trainings were mainly production related. More training will be conducted during the off season.
		<i>Male</i>		4,991		
		<i>Female</i>		4,061		
FTF	OP4	Value of agricultural and rural loans	\$500,000	553,232	110	This target was also exceeded due to existing strong relationships established under ADVANCE I. Financial Institutions demonstrated confidence in the ADVANCE II Model by lending more to farmers

FTF	OP5	Value of new private sector investment in agricultural sector or value chain (US\$)	\$800,000	Capital investment 210,214	26%	Capital investment did not reach targets. Many actors had no budget or plans for capital investment as they were more concentrated on production based on needs. The indicator for investment specifies only capital investment hence the 26% achievement
				Investment in production 1,408,332		
FTF	OP6	Number of MSME including farmers receiving USG assistance to access loans	10,000	16,759	167	Effective linkage of farmers to Finance (see OP4)
FTF	I	Per capita expenditure (as a proxy for income) of USG target Beneficiaries				To be measured by METSS
FTF	OC1	Gross margins per hectare for selected crops US Dollar under marketing arrangements fostered by the activity				To be collected through annual study
		<i>Maize</i>				
		<i>Rice</i>				
		<i>Soy</i>				

FTF	OC2	Number of hectares under improved technologies or management practices as a result of USG assistance	5,000			To be collected through annual study
		<i>Sex</i>				
		<i>Continue</i>				
		<i>New</i>				
		<i>Technology Type</i>				
FTF	OC3	Number of farmers and others who have applied new technologies or management practices as a result of USG assistance	14,000			To be collected through annual study
		<i>Sex</i>				
		<i>Continue</i>				
		<i>New</i>				
FTF	OC4	Number of private enterprises (for profit), producers organizations, water users associations, women's groups, trade and business associations, and community-based organizations (CBOs) that applied new technologies or management practices as a result of USG assistance	100			To be collected through annual study
FTF	OC5	Value of incremental sales (collected at farm-level) attributed to FTF implementation				To be collected through annual study
		<i>Maize</i>				
		<i>Rice</i>				
		<i>Soy</i>				

FTF	OC6	Number of firms (excluding farms) or Civil Society Organizations (CSOs) engaged in agricultural and food security-related manufacturing and services now operating more profitably (at or above cost) because of USG assistance	30			To be collected through annual study
FTF	OC7	Score, in percent, of combined key areas of organization capacity amongst USG direct and indirect local implementing partners				To be collected through annual study
CI	OC8	Number of organizations/enterprises identified as high potential for future awards				N/A
CI	OP8	Number of organizations/enterprises receiving capacity building support against key milestones				N/A
F	OP9	Number of awards made directly to local organizations by USAID				N/A
FTF	I2	Women's Empowerment in Agriculture Index				To be measured by METSS

4.0 PROGRESS WITH SPECIFIC TECHNICAL DELIVERY

In this section we present the activities implemented to show how the results summarised in section 3.0 were achieved. Although activities have been presented under specific sub purposes, most of these activities cut across the sub purposes.

4.1 SUB-PURPOSE 1: Increased agricultural productivity in targeted commodities

Increasing agricultural productivity in the targeted commodities of maize, rice and soybean is critical to enhancing the competitiveness of their value chains. The project strategy facilitates and encourages smallholders to invest in production, and strengthens the capacity of producers through the demonstration of good agricultural practices (GAP) and post-harvest handling (PHH) technologies and practices that are carried out with commercial private partners and outgrower networks.

4.1.1 Strengthened sustainable systems

During this period the project carried out key activities to strengthen sustainable systems for financial, advisory, input distribution, aggregation and on farm post-harvest service provision, including:

- i) Expansion of the beneficiary base
- ii) Linking new NFs to experienced mentors
- iii) Linking smallholders to distributors of certified seed, pesticides and fertilisers
- iv) Disseminating technologies through ICT
- v) Organising the pre-season event to provide the platform for building and expanding networks among the various value chain actors

Expansion of beneficiary base

The project had a target of reaching 35,000 smallholder farmers in the reporting period, however, we reached 37,022, exceeding the target by about 6%. By gender disaggregation, 15,230 representing (41%) of the total beneficiaries are female and 21,792 male. These were reached through 151 NFs (representing 66.7% of the LOP target of 225), 353 FBOs and 22 aggregators that are working with the project.

The distribution of smallholder farmers by commodity are 23,118 (62%) maize, 8,900 (24%) soya and 5,004 (14%) rice farmers respectively (see Figure 1). In addition to the above value

chain actors, the project also worked with 40 processors, 9 large buyers, 55 input dealers, 13 mechanized service providers, 25 financial institutions and 20 radio stations (see Table 2).

Figure 1: Distribution of smallholders by commodity and region

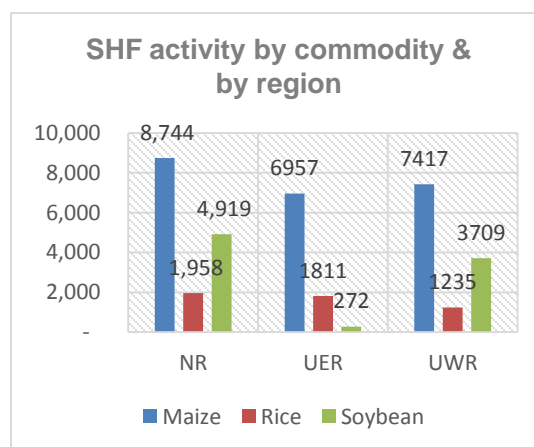
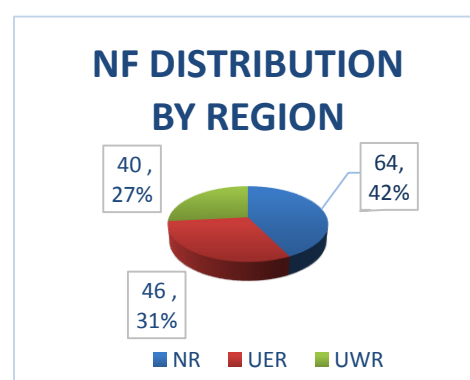


Table 2: Actors identified as at September 30, 2014

ADVANCE II ACTORS									
Region/Sub-Office	NFs	FBOs	Out-growers	Aggregators	Large Buyers	Input dealers	Radio stations	Financial institutions	Processors
Tamale	65	42	15,621	11	0	31	10	10	28
Bolgatanga	46	86	9,040	10	8	13	5	9	9
Wa	40	225	12,361	4	1	11	5	6	3
ADVANCE II	151	353	37,022	25	9	55	20	25	40

NF mentoring of new actors

A key strategy for expanding the project beneficiary base is to identify potential NFs and build their capacity to perform the roles of OBs. To achieve this, the project has adopted a pilot mentorship and networking strategy, where successful NFs are invited to mentor emerging NFs by coaching and advising them during visits facilitated by the project. In the reporting period, 31 visits, above the planned 30, were facilitated. This involved 9 successful NFs and 33 emerging ones. The mentees visited demo sites and warehouses and also discussed the OB operations of the mentors. More visits and discussions were encouraged between them.



Linkage facilitation for wider distribution of certified seeds, chemicals and fertilizers

Enhanced productivity, an important factor for value chain development, is contingent on accessibility and use of appropriate inputs by farmers. Facilitating linkages for distribution of inputs was more critical in the 2014 cropping season due to the sudden discontinuance of *the government fertilizer and certified seed subsidy facility*. Project staff facilitated linkages between the 151 NFs registered to a network of 58 input dealers. Input access, in particular for SHFs to certified seeds, chemicals and fertilizers was facilitated by the program:

- Using the demonstrations and other meetings to encourage OBs to use recommended inputs on their farms as well as by their outgrowers; also worked with input industry players including importers like Wienco, YARA, Dizengoff, AMG, and Chemico as well as distributors and retailers like Antika and Simple Prince in the regions. Other partners were ATT, N2 Africa/SARI, Africa Rising and MoFA.
- Input/equipment credit models, input promotions, farmer sales days and radio sales promotion.

These linkages facilitated between agro inputs dealers and out-grower businesses and FBOs resulted in Kharma Farms (an OB), increasing the number of his outgrowers from 881 to 1700 (a 92.9% increase) as a result of the acquisition of two new tractors valued at \$44,218 from John Deere through Sinapi Aba Savings and Loans through the project's facilitation. Also, 15,645 SHFs accessed ploughing services for a total of 30,932 acres (12,372.84 ha), 5,911 farmers accessed 1,066 mt of fertilizers and 1,669 accessed 91.3 mt of improved seed through the OBs.

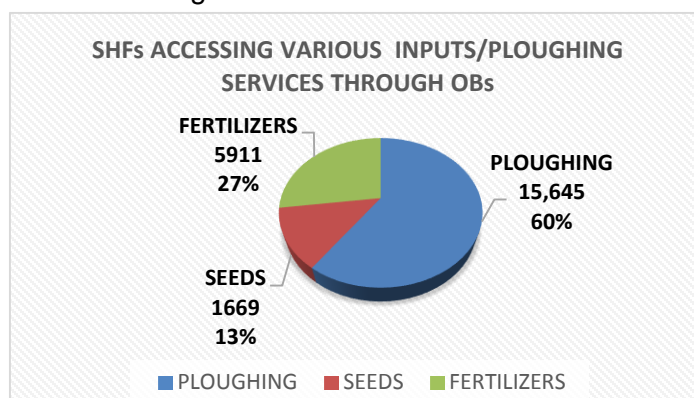


Table 3 summarizes the investments/services provided by various actors in support of smallholder production during the reporting period.

Table 3: Summary of actor investment in SHF production

	NR	UER	UWR	TOTAL
Ploughing-(ac)	13,121.5	9,576.6	8,234.0	30,932.1
Seeds-(mt)	22.3	27.6	41.5	91.3
Fertilizers (50kg/bag)	3,369.0	4,622.0	13,334.0	21,325.0
NPK	1,744.0	3,204.0	9,580.0	14,528.0
SOA/UREA	1,399.0	1,418.0	3,754.0	6,571.0
TSP	226.0	-	-	226.0
Other Actors (Processors, Aggregators, Input dealers)			19	19
Total acreage of SHFs farms where tractor services, improved seeds, fertilizers and other agrochemicals were invested	13,121.5	9,584.6	10,335	22,656
No. of SHF beneficiaries	7,049	4,411	5,300	
Total value of investment in Ghana Cedis	939,045.08	1,210,700	1,990,751.5	4,140,496.58
Total value of investment in USD (1USD=GHC2.94)	319,403	411,803	677,126	1,408,332

Already, beneficiary smallholder farmers are acknowledging the impact of these linkages and the resultant access and use of the inputs and ploughing services.

Use of ICTs to disseminate technologies

To promote the use of improved seed, other production inputs and good agriculture practices, the project collaborated with 20 radio stations in the three northern regions to produce agricultural shows using resource persons from the Ministry of Food and Agriculture (MoFA), the Savannah Agricultural Research Institute (SARI), the Environmental Protection Agency (EPA) and the Irrigation Company of the Upper Region (ICOUR). During the period under review, North Star FM created 28 more Radio Listenership clubs in Savelugu, Nanton, Tolon and Kumbungu; bringing their total number of dedicated listenership clubs to 75 comprising 2,150 farmers (M920, F1,220) in seven districts of the Northern Region. The total number of listenership clubs for the three northern regions is 150.

Zentili, Guhegu Farmers Testify to Benefits of Linkages

"I want to come to my field every day to look at my farm because it is fantastic" Abudu Azendow,

"I am happy with my field and hope to replicate this on my farm come next year with the surplus income after paying my debt" Amina Alhassan.

The project, in partnership with Farm Radio International and MoFA, organized three regional planning workshops for the agricultural broadcasters to improve their knowledge and skills in developing programs suitable for farmers. Participants discussed the crop calendar as pertaining to their locations and the major constraints in soya, maize and rice production and developed radio programs for the 2014 cropping season. Additionally, the project is sponsoring 20 agricultural broadcasters to undertake a 3-month on-line course being organized by Farm Radio International to help them develop engaging, entertaining and informative farmer radio programs. By the end of the e-course, the broadcasters will have learned how to identify audience information and communication needs and how to best serve women and men's needs and to incorporate audience feed back into their programs.

Promoting input use through radio

To promote new production technologies and safe pesticide use, two agrochemical companies; Antika in Upper West and Heritage Seeds in Northern Region, invested \$2,721 in radio airtime on W93.5 and North Star Radio to run sales promotions and educational campaigns for 3 months.

Mr Abdulai Antiku Seidu remarked, *"The radio program has had a very big impact on my business. Last year (2013 season), we sold all our seeds and other inputs that used to be locked up in our stores. This has encouraged me to increase my investments in this radio promotions. It works excellently. It helps me to sell."*

Pre-season and pre-harvest agribusiness fora

The 3rd Northern Ghana pre-season planning and networking forum was held on April 24th, 2014 at the University for Development Studies International Conference Center in Tamale and was attended by over 400 agricultural sector stakeholders. Participants at the agribusiness forum and exhibition event included nucleus farmers, input dealers and importers, equipment dealers, seed growers, mechanization service providers, ICT firms and financial institutions from across the country and USAID representatives.

Hosted by the Ghana Agri-Input Dealers Association (GAIDA) in collaboration with USAID's ATT and ADVANCE projects as well as IFDC and AGRA, the value chain actors interacted to establish direct market linkages prior to the 2014 planting season. With the theme "*Technology Applications for Improved Production*", the event exposed the participants to new agricultural machinery and other inputs for agricultural production; agricultural credit; an overview of banned pesticides and agrochemicals; and ICT applications for disseminating agricultural information.

On 23rd October, the pre-harvest networking business forum will be held in Tamale where outgrower businesses and major buyers will interact and make business deals and contracts prior to the harvest of produce. This annual event, which will be hosted by the Ghana Grains Council (GGC), provides a platform for value chain actors to meet, interact and expand their business networks.

4.1.2 Strengthen incentives for investment in productivity enhancing technologies

To strengthen incentives for smallholders to invest in new technologies and productivity enhancing practices, the project implemented these strategies and activities:

- i) Encourage and support OBs to work with smallholders
- ii) Develop crop and enterprise budgets for OBs
- iii) Facilitate linkages between OBs and financial institutions to access loans
- iv) Identify competitive market opportunities for OBs and FBOs

Encourage and support OBs to work with smallholders

To access services and benefit from the outgrower business model that the project follows, smallholder farmers profiled during the period were encouraged to strengthen their links with either NFs, aggregators, processors or FBOs, whichever they are affiliated to. To ensure that OBs operate with a clear business vision and focus, the project supported 103 OBs to develop crop and enterprise budgets during the reporting period. The objectives are to enable the OBs to;

- i) have a better understanding of how to cost their production activities per crop (maize, rice and soy)
- ii) know the real cost of providing services (ploughing, input credit, shelling and threshing) to OGs and how to charge for them reasonably but profitably
- iii) determine their working capital requirements for each activity and understanding the cost of accessing commercial credit where necessary

To enable OBs have a better understanding of their businesses, to have a better working relationship with the project staff and to determine if they require financial assistance through commercial credit or support through a project grant, 76 business plans were developed with the OBs. Eight OBs who already had business plans also had them reviewed and updated to reflect current economic changes. Ninety-three OBs were trained on business management which covered topics like cost and budget for ploughing services, cash flow analysis and determination of the profitability of their activities.

Twelve OBs who had not registered their farms as legal business, were assisted to register with the Registrar General's Department and the Regional offices of the National Board for Small Scale Industries (NBSSI). This will enable them to operate as legal entities and also be able to meet the requirements of organisations such as financial institutions and/or formal buyers. In addition to providing ploughing services, OBs are also encouraged to support SHFs with inputs such as seeds and fertilizer to enable them increase their productivity. Eleven OBs and two processors have been assisted to access credit from financial institutions at an average interest rate of 30% per annum. The project facilitated loans of \$553,232 for actors from Sinapi Aba Savings and Loans Ltd (SASL), Ecobank, Toende Rural Community Bank, Sissala Rural Community Bank, Kintampo Rural Community Bank and the Wa Credit Union (see details in Annex 2).

Competitive market opportunities for NFs and FBOs contracted deals

In total, 100 contracts were facilitated during the year between various buyers and farmers, achieving 100% of the year's target (see Table 4).

Table 4: Number and type of contracts made

Type of Contract	Number of contracts	Quantity (mt)	Value (\$)
Closed	7	2,298	503,171
Purchase and supply agreements	64	***2	***
Outgrower	12	766	***
Closed Sales	17	1,780	631,580
Total	100	4,844	1,134,751

The types of contract are explained below.

- **Closed Contracts** are definitive and binding purchase and supply agreements between buyers and producers for the exchange of a specified quantity of produce at a specified price within a specified period. An example is a contract signed in March 2014 between WFP and Gundaa Produce Company of Tamale in the Northern Region for the delivery of white maize in August 2014.
- **Purchase and supply agreements** are agreements between buyers and farmers with key terms for quantities, price and delivery period to be agreed between the parties at a later date, typically at harvest time. This type of contract has been a key feature of the trade missions facilitated during the period where buyers from southern Ghana visited the northern Ghana production zone to engage with farmers. An example is an agreement entered in August 2014 between United Edibles Ltd, a Kumasi based soybean processor and Dori

²² Yet to be determined. The value will be known at harvest

Farms Co. Ltd of Bulenga in the Upper West Region for the supply of soybean. The parties will agree on a price, quantity and delivery dates at harvest time in late October 2014. Similar contracts signed by Royal Danemac Ltd, a Kumasi based soybean processor, with two nucleus farmers in the Northern Region (Bogu Seeds and Kharma Farms) were used by the farmers to secure loans from Sinapi Aba Savings & Loans Company.

- **Outgrower Contracts** are purchase and supply agreements where the buyer provides input credit to the farmer in the form of ploughing services, fertilizer, etc. In exchange the farmer pays back with a specified quantity of produce at the time of harvest. For instance, Premium Foods, a Kumasi based foods processor signed such contracts for maize with farmers in the Upper West Region.
- **Closed Sales** are sales and purchase deals that have been concluded by various buyers and farmers. These transactions were not covered by formal contracts and were cash based. Thirteen of these deals were purchases of paddy rice by various aggregators and rice processors from rice farmers in the ICOUR Tono irrigation scheme in the Upper East Region.

4.1.3 Technologies, services and practices

Technologies, services and practice involves the development and dissemination of standard protocols and training modules for demonstration sites, OBs providing extension services, training on GAP using demonstration sites and adopting weather forecasts as a climate mitigation strategy.

Development and dissemination of standard protocols and training modules

Standard protocols for the production of maize, rice and soybean under recommended crop management practices have been developed with technical support from agricultural input businesses including Dupont Pioneer, Dizengoff Ghana, Wienco Agricultural services, YARA and CHEMICO. These form the basis for training in GAP during field activities at the demonstration sites. These protocols will be further fine-tuned through a broader stakeholder participation involving, MoFA, SARI/CSIR, ATT, some selected input dealers and farmers. The work is expected to be enriched with lessons being learned from demonstration planning, resourcing and management this season.

Outgrower businesses' technical services (extension)

Technical services including training/coaching sessions, field-based technical advice and demonstrations help outgrowers to produce the crops according to end market specifications and achieve yields and quality that benefit both outgrower and the OBs. Technical services also aim at increasing outgrowers' productivity, make OB operations more cost effective, improve farmer profitability, and ultimately build mutual trust and loyalty which contribute to sustaining farmer – OB relationships.

A target of 20 NFs was planned for the reporting year, however, 33 NFs have begun providing OG technical services. Their investments to date include engaging 40 agents (university interns as well as university graduates/national service persons some permanent and others

temporary), opening 12 offices to facilitate consultations, business transactions and technical service delivery and investments in four motor bikes to aid mobility.

The project facilitated identification and linkage between NFs and some of the agents and provided training in community extension service to 9 agents and over 25 of the agents were trained on GAP. All together, these NFs have over 10,000 OGs who are benefiting from the technical services.

GAP training by NFs and MoFA

GAP training covered the following topics; seed selection and germination testing, proper land preparation, row planting, right use of agro-chemicals, fertilizer application (timing and rates to apply), integrated pest management, proper weed control, and right time to harvest all three commodities. In addition the GAP trainings also covered nursery management, transplanting and water management for rice farmers and use of inoculants for soybean farmers. A total of 9,052 farmers including 4061 (45%) women were trained in GAP.

Private sector supported demonstration plots

The crop demonstrations are the major means for extending recommended GAP to NFs and their smallholder out-growers and this is done in collaboration with private sector firms who fund and/or provide all the inputs used.

Table 5: Demonstrations established

	NR	UER	UWR	TOTAL
Maize	33	31	27	91
Rice	35	9	1	45
Soybean	20	12	12	44
Total	88	52	40	180

During the period under review the project planned to collaborate with about ten (10) private sector partners to carry out 170 demonstrations with NFs. These targets were exceeded reaching at least 18 private sector partners supporting the program (see Annex 4) to carry out a total of 180 demonstrations in the three selected commodities of maize, rice and soybean (see Table 5).

Weather Forecast

More than 2,500 farmers in the three northern regions have signed on to Ignitia weather forecasts and are receiving daily weather alerts on their mobile phones. Using trained meteorologists and geostationary satellites, Ignitia provides forecasts for specific locations in Ghana.

To train farmers to use their product, Ignitia and the project organised 12 training sessions for 194 participants including nucleus farmers, FBO leaders and lead farmers within the rice, soybean and maize value chains in the three northern regions.

Mahama Amadu of Yong, Hassan Alhassan of Kpatinga, and Sachibu of Gaa are three of the trained farmers that are now acting as volunteer weather agents for their communities. Using the information received from Ignitia, these farmers are interpreting weather alerts on mobile phones for more than 90 other farmers.



A farmer explaining to others the weather forecast

Generally, farmers receiving the rain forecast service agree that it is helping them to plan their production activities and be more efficient with their use of agricultural inputs. Fuseini Issah, a maize farmer in the Gushegu District, had this to say: *“If there are indications [from Ignitia] that it will rain then I won’t go and spray because it will waste the chemical. It will not be effective if the spray period is not long before the rain.”*

“Everyday farmers come to me asking whether my people have any good news on weather” said Mahama Amadu.

A survey conducted by the Ignitia Help Desk in September, 2014 with 60 farmer recipients of the service who were selected randomly from across 25 districts indicated that about 82% of recipients see the service as reliable and useful for planning their farm activities. Also, 80% stated that they were able to apply their fertilizers and pesticides timely because they relied on the weather alerts.

4.1.4 Increased adoption of improved productivity-enhancing technologies

As part of their strategy to capture a significant share of the heavy farming equipment market, John Deere Financial has signed an MOU with Sinapi Aba Savings and Loans (SASL) to facilitate credit for any farmer that wants to acquire a John Deere tractor. In collaboration with AFGRI Ghana Limited, John Deere’s local dealer, John Deere Financial will buy down 4% of the interest rate SASL offers if the farmer/OB is introduced by the ADVANCE project. So far, three OBs have, through this offer, acquired three John Deere tractors at the cost of \$63,306 with an annual interest rate of 14% (instead of 18%) repayable over 5 years. Also under this scheme, John Deere will offer periodic tractor operations and management trainings to OBs.



SUCCESS STORY

Helping Nucleus Farmers become Profitable Businessmen



Photo credit: ADVANCE

Mutara Alhassan, an intern from UDS working with Nucleus Farmer Ben Awuni on business planning

“I realized for the first time that I was making losses for ploughing on credit and I will plead with the ADVANCE project to provide me an intern for the 2015 season to support me to consolidate what I have learned”

Azizu Sumaila, an Outgrower Business owner

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For any commodity value chain to be competitive, it has to be efficient and profitable at all levels of the chain. In Ghana, yields obtained by smallholder maize, rice and soybean farmers remain very low, sometimes only a third of potential yields. At the upper end of the chain, buyers face challenges with unreliable quality supply of grains. From a management perspective, most nucleus farmers have never managed their business from a budget or business plan approach – operating instead from simple notes or their memory. Little is known about cost accounting, profit centers and marginal revenues.

The USAID-ADVANCE II project addresses these challenges by supporting the establishment of outgrower businesses (OBs) that are either commercial farmers or aggregators willing to provide services (plowing and shelling) and inputs to smallholder farmers who usually repay in kind at harvest.

To ensure that they operate with a clear business vision and focus, the project supported 103 OBs to develop crop and enterprise budgets during the reporting period. This enabled them to:

- i) have a better understanding of how to cost their operations and know the real cost of providing services (ploughing, input credit, shelling and threshing) to OGs and how to charge for them reasonably but profitably
- ii) determine their working capital requirements for each activity and understand the cost of accessing commercial credit where necessary

Seventy six of the enterprise budgets were developed into full business plans. The OBs were trained on business management covering topics like cost and budget for plowing and shelling services, cash flow analysis and determination of the profitability of their activities.

A popular part of the program was the provision of University interns to assist the OBs. The project trained 23 interns from the University for Development Studies on record keeping and business management. The interns were then placed with the OBs to help them to keep proper records and to effectively manage the business using the new crop enterprise budgets or business plans designed by the project. As a result, the records keeping skills of these OBs have greatly improved and six OBs have set up offices to continue with this intervention after the interns returned to school.

4.2 SUB-PURPOSE 2: Increased market access and trade of targeted commodities

To increase market access and trade, the project has tried to establish incentives by identifying end market opportunities for lead firms, trade associations, and other service providers to invest in the value chains. The project has also worked continuously to build the capacity of these value chain actors to deliver services more effectively and efficiently.

4.2.1 Increased availability and use of affordable/sustainable services

To ensure that ADVANCE II leaves behind a system that provides affordable and sustainable services, the project continued to work with the Ghana Grains Council (GGC) to develop it into a strong private sector service provider for the grains value chains in Ghana. The project also recognises the critical role of the transport sector in produce marketing and therefore conducted an assessment in the three northern regions during the reporting period and facilitated linkages between the transport owners and buyers.

Warehouse receipt system

The GGC operates the first warehouse receipt program in Ghana, having issued the first receipt in December 2012 for maize. During the reporting period, the GGC's warehouse receipting software was upgraded to receipt two additional grains, rice and soybeans. It is expected that soybean would be receipted in the next harvest season. In May 2014 GGC engaged a two member team of consultants (comprising one international and one local consultant) to review the warehouse receipt program (WRP), recommend operational improvements, and prepare manuals covering warehouse operations, warehouse inspection, warehouse operator training and risk management. The consultants submitted the final report in mid-September 2014. It is pending the approval of the management and Board of GGC for implementation.

Ghana Commodity Exchange (GCX)

In June 2014, GGC met in Accra with Eleni LLC, the promoters of the Ghana Commodity Exchange (GCX). The GGC made specific proposals to Eleni on GCX's working relationship with GGC, and is yet to receive feedback. The key points in the proposal are:

- GGC be made a founding member of the Ghana WRS and GCX
- GGC certified warehouses be integrated as part of the GCX delivery sites where grains can be deposited and GCX warehouse receipts issued
- GGC could independently issue its own warehouse receipts under license with the Securities and Exchange Commission (SEC)
- GGC warehouse receipts should be transferable or convertible as GCX warehouse receipts
- GGC members be given the opportunity to buy a seat as a member of the GCX.

The project will continue to support the GGC to enable it engage with Eleni, the Ministry of Trade and Industry (MOTI), and other interested players to further develop the warehouse receipt program in Ghana.

Marketing Information Services (MIS)

The GGC has been working with ESOKO to establish a bids and offers feature that delivers market information to buyers and producers. Subject to concluding financial negotiations in October 2014, the parties have agreed on the following features and enhancements to the existing Esoko MIS.

- ESOKO will provide a link from GGC's website to the ESOKO platform
- GGC will approve sales offers for grains deposited in the certified warehouses
- GGC's price alert system will be revised to include prices of graded grains traded within the GGC WRS
- ESOKO's price alert feature will be used to disseminate prices of graded commodities at specified warehouses
- The websites of GGC, ESOKO and SMS will be used to disseminate market information to GGC members, ESOKO subscribers and the general public.

Capacity building training will be conducted for designated GGC and certified warehouse staff on how to use the ESOKO platform for the placement of sales offers. Timely market information is key for WRS depositors who are paying for storage services in order to effectively price their commodity.

Policy and Research support to GGC

The project has seconded a policy specialist to GGC to support the council to play an active policy and advocacy role for the grains sector in Ghana. A draft framework for assistance on policy and research has been developed and is under review.

During the reporting period, GGC also commissioned a consultant to assist them develop a five-year strategic plan to guide its operations over the medium term. The assignment is in progress and is expected to be concluded by the end of November 2014.

Transport assessment

ADVANCE II engaged cargo transport operators in the Northern, Upper East and Upper West regional branches of the Ghana Private Road Transport Union (GPRTU) to explore transport linkages to nucleus farmers and buyers for the haulage of commodities from aggregation centres in northern Ghana to buyers in southern Ghana.

Through this engagement some preliminary interventions have been established for further development by ADVANCE in 2015, possibly in collaboration with the West African Trade Hub (WATH). They include supporting the GPRTU branches in the three northern regions to develop a database of cargo transporters and their vehicles for dissemination to nucleus farmers and buyers. In the interim a list of GPRTU contacts and phone numbers is being compiled for circulation. The project is also supporting the GPRTU branches in the production zones (North and GAMSAP South) to establish a system to identify and disseminate back-haulage opportunities for carting commodities (and agricultural inputs) to cargo transporters, nucleus farmers, aggregators and buyers. The transporters have also been invited to the upcoming pre-harvest events as part of efforts to integrate them more closely with farmers and buyers.

4.2.3 Increased private sector investment and innovation in value chain development

End market survey

The project conducted an end market survey for maize, rice and soybean. Staff from the project visited 144 commodity buyers in 7 regions comprising aggregators, poultry farms and processing firms. Almost half of these buyers were poultry farms. Over 74% of the buyers visited are located in the Ashanti, Brong-Ahafo, Greater-Accra and Central Regions (see Annex 5).

From the survey, 127 firms were identified as prospective buyers; 126 firms have been profiled with their purchase volume requirements for the 2014 calendar year, existing commodity supply sources, key markets, and constraints to their business growth established; and 91 of the firms have expressed interest in undertaking trade missions to meet with farmers in northern Ghana. Of the 91, 20 of these firms, mostly from the south, undertook trade missions to northern Ghana during the reporting period. With the commencement of GAMSAP below the 8th parallel, trade missions by maize buyers to farmers in the maize production belt will be carried out in 2015.

The key findings from the end market survey for the three commodities are as follows.

Maize:

- The Techiman maize market (the largest in the country) attracts buyers from southern Ghana and neighbouring countries like Burkina Faso. Trade in maize is managed by the Techiman Maize Traders Association with a membership of 250 aggregators (some of whom are farmers). The Association's records indicated that 29,000mt of maize was physically traded in the market from January to May 2014.
- Poultry farmers and high end food processors like Premium Foods and Yedent prefer maize from northern Ghana because it has a low moisture content and is low in aflatoxins.
- Food traceability is a major concern for high end processors like Premium Foods and Yedent
- Yellow maize was preferred by the poultry industry. However white maize is also widely used

There are poultry farmers in the northern production zone (Northern, Upper West and Upper East Regions) who have no business relationships with nucleus farmers who producing maize in their respective regions.

Rice:

- Rice millers cannot obtain enough supplies of paddy to meet the capacity of their mills
- Rice millers indicated that paddy sourced from northern Ghana is too dry for straight milling hence they parboil before milling. They are unable to meet the market demand for straight milled rice.

- Paddy rice supply from the north is made up of mixed varieties. This makes it difficult for millers to brand the milled rice

Soybean:

- There is a ready market for soy cake and soy oil produced by soybean processors. Azaar Chemicals Industries, an Accra based paints manufacturer, is a key buyer of crude soy oil
- There is an acute shortage of soybeans as the crop has not been harvested yet. Most plants visited had temporarily ceased operations
- Ghana Nuts Ltd (located in Techiman in the Brong-Ahafo region) is the largest soybean processor in Ghana with an annual requirement of 20,000 mt. The company was expecting a consignment of soybeans from Brazil at the time of our visit in June 2014. Their preference is to buy locally as imports have become more expensive
- Poultry farmers are not satisfied with the quality of soy cake produced by local soybean processors except for that produced by Ghana Nuts Ltd of Techiman.
- Soybeans processors have plans to increase their plant capacity and acquire new equipment and technology notwithstanding the inadequate supply of soybean.

Poultry:

- All poultry farmers visited (small and big) formulate and produce their own feed. The farms prefer to do this to guarantee the quality of feed and to lower their costs.
- Most poultry farms in Kumasi and Dormaa Ahenkora sell their spent layers to buyers from Cote d'Ivoire.
- Some poultry farms in Techiman sell eggs to the Burkina Faso market through Ghanaian and Burkinabe traders.

Trade Missions

During this year, 20 firms undertook 24 trade missions, representing 80% of the year's target (see Table 6) and mostly (67%) involving buyers from southern Ghana travelling to northern Ghana to meet with farmers. Twenty buyers met with more than 100 nucleus farmers and FBO representatives in various communities across the production zone in northern Ghana. Four buyers undertook multiple trade missions across two regions.

Table 6: Number of Trade Missions

Commodity	Origin of Buyers					Total
	Ashanti	Brong-Ahafo	Central	Greater Accra	Northern	
Maize	1	1	2		6	10
Soybean	4			1		5
Paddy Rice	4			1	2	7
Maize and Paddy Rice	1					1
Maize and Soybean				1		1
Total	10	1	2	3	8	24

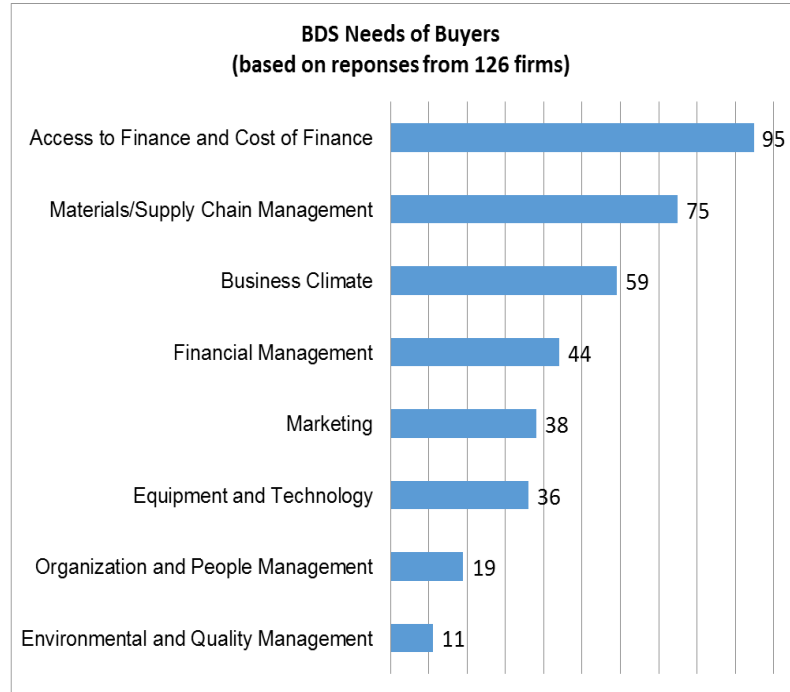
Engagement/Development Plans for Market Lead Firms

The project makes a buyer's participation in at least one trade mission a pre-condition for further engagement and support. The project makes a buyer's participation in at least one trade mission a pre-condition for further engagement and support.

A buyer who commits time and money to travel to meet with farmers in the production zone, and further expresses interest to develop business relationships with those farmers, is deemed to be a good candidate as a market lead firm and subsequent engagement by ADVANCE. The focus in the reporting period therefore was to convince buyers to participate in trade missions and explore direct supply linkages with farmers.

The end market survey provided important findings on the business constraints of buyers and their associated business development service needs. This provides a focus to further engage the market lead firms in 2015 to improve their competitiveness.

Figure 2: BDS needs of buyers





SUCCESS STORY

South-North Trade Missions proving Popular with Private Sector



Photo credit: Theophilus Nii Adjei, Tamale Office

Abhijit Konar, Financial Controller of AVNASH Industries, a rice miller based in Nyankpala, explaining to farmers at a trade mission forum in Tamale on the company's purchase requirements for paddy rice for the 2014 crop season.

"This has been an eye opener. I did not know there were such opportunities in the North. I have been working with aggregators for the past 15 years, and did not think it was worth it meeting farmers personally"

Gideon Aboagye, Managing Director, Inter-Grow Ltd, Tema based soybean processor

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Do South Ghana processors know their suppliers from the North? Not necessarily. ADVANCE II market staff undertook a survey of lead market firms in Ghana. Of the 126 firms interviewed and profiled, more than 90 expressed an interest in visiting Northern Ghana to see where their commodity supply chains start. In PY 2014 twenty 20 of these firms were assisted by ADVANCE II to travel to the North and visit large scale producers and aggregators of maize rice and soy beans.

•**New business relationships between farmers and buyers.** Inter-Grow Ltd, a Tema based soybean processor and animal feed miller, had purchased soybean and maize from northern Ghana for more than five years mainly through aggregators, but had never visited the North. For the first time, the company visited Chereponi, Gushegu and Bimbilla in the Northern Region; and Bolga, Garu and Zebilla in the Upper East Region to engage directly with farmers.

•**Existing business relationships between farmers and buyers were strengthened.** Royal Danemac Ltd, a Kumasi based soybean processor, had purchased soybeans from a nucleus farmer, Abdulai Inusah of Bolga in Upper East Region for two years, but the two parties had never met until the trade mission; they had always conducted business on phone.

•**Buyers obtained a better understanding of the constraints of farmers.** A recurring theme from buyers, after listening to farmers, was that they will in future consider supporting farmers with their production on the basis of a satisfactory business relationship.

Two buyers that undertook a trade mission to the Upper West Region, G. Bosomtwe Ventures, a Kumasi based soybean processor; and Vims Farms, a Gomoa Manso (Central Region) based poultry farmer have indicated their willingness to support two NFs, Abdulai Nuhu and James Bawa respectfully with finance to pay for the farmers leverage (30% of cost) for the Small Equipment Grant (SEG).

Major buyers like Premium Foods Ltd, which has a strong presence in the production zone have expanded their supply sources. During a trade mission to the Upper East Region, the company's representative met two new nucleus farmers, Martin Arik Company Limited of Bazua, and Mahamadu Asaki Farms Enterprise of Zebilla.

Contracts and sales. Over 60 sales agreements (open contracts) were signed during these trips.

4.3 SUB-PURPOSE 3: Strengthened capacity for advocacy and activity implementation

To achieve the expected productivity increases and market access, there had to be a business-friendly environment with respect to policies, regulations and laws. During the reporting period, the project started the process that will build capacity of value chain actors to engage in advocacy activities aimed at improving the business environment and promoting investments.

4.3.1 Strengthened advocacy capacity of value chain actors and their associations

The project used the first year of activities to identify institutions, assess their existing capacities and identify any gaps that need to be addressed to make them effective and efficient. This information will be used in the strengthening of the advocacy capacity of value chain actors in subsequent years of the project.

Policy and advocacy capacity assessment

A survey was conducted to identify key actors and issues that require policy intervention as well as Civil Society Organizations (CSOs) and Non-Governmental Organizations (NGOs) to assess their capacity to carry out policy advocacy in maize, rice and soybean. The main objectives of the scoping study were:

- Introduction of ADVANCE II to district assemblies
- Identification of value chain actors including maize, rice and soybean farmers, aggregators, and processors as well as input dealers and related service providers in the three value chains
- Identification of existing and potential platforms for advocacy at the district level
- Identification of policy issues that affect the value chains for the maize, rice and soybean in the district
- Identification of other agricultural related projects, NGOs in the project's zone of influence

The study was conducted in the three northern regions and at the national level. The project team held consultations with 87 value chain actors and stakeholders (see Table 7).

Table 7: Consultations at District, Regional and National Levels

Region	Feed the Future project	District Assembly	MOFA	Agric-NGO	NF	Farmers	FBOs	Total
National (Accra)	1	0	3	4	0	0	0	7
Upper West	0	6	6	7	5	0	3	27
Upper East	0	2	11	8	4	0	0	26
Northern	0	5	9	5	0	2	6	27
Total	1	13	29	24	9	2	9	87

Agricultural Policy Events (Farmer Forums)

A total of 31 farmer forums were organized across the ADVANCE zone of influence. The main objectives of these forums were to bring together various actors to discuss ways of working together to present a strong front and effectively advocate for an improved agricultural business environment. Most participants were drawn from identifiable groups within the value chain including District Value Chain Committee (DVCCs) members and executives; nucleus farmers and their outgrowers; tractor service operators; input dealers; non-governmental organizations; staff from the Ministry of Food and Agriculture, including district directors; representatives of various rural banks and cooperative unions; farmer based organization and smallholder farmers.

In addition to the farmer forums, two meetings with nucleus farmers were organized and attended by 75 nucleus farmers. These meetings were to introduce the ADVANCE policy and advocacy component to the NFs and encourage them to participate in policy processes at the local and national levels. The meeting emphasized the effect of policy outcome on their business and the need to get involved in order to influence these outcomes.

Table 8: Number of Forums and participation

Region	Forums conducted	Target	Variation	Participation			
				Male	Female	Total	% Female
Northern	13	15	-2	351	105	456	23.0
Upper East	9	5	4	236	71	307	23.1
Upper West	9	10	1	182	63	245	25.7
Total	31	30	1	769	239	1008	23.7

4.3.2 Strengthened local institutions to implement inclusive value chain development

The project team surveyed and identified 32 local institutions in four regions of Ghana i.e. Northern; Upper East; Upper West and Volta Regions. Out of this, 30 institutions have been assessed using the Organization Capacity Assessment Tool (OCAT). The tool assesses the institutions based on a number of capacity elements which include: governance, administration, human resource management, financial management, organizational management, program management and performance management. The assessment showed that about 60% of the institutions lacked capacity in at least two or more management areas. Twenty-eight institutions were assessed with the pre-award survey tool to assess their preparedness for partnership and to measure the risk levels of these institutions.

Table 9: Local institutions identified in the various regions

Region	# of Institutions Identified	# of Institutions Assessed with OCAT	# of Institutions Assessed with Pre-award Survey	# Proposed for Partnership
Northern	13	11	11	1
Upper East	9	9	9	1
Upper West	9	9	7	1
Volta	1	1	1	1
Total	32	30	28	4

4.4 Cross Cutting and Special Programs

ADVANCE II has four cross cutting areas and a special program. The cross cutting areas are environment, gender, grants, and public relations and communications. The special program under ADVANCE II is the Ghana Advanced Maize Seed Adoption Program (GAMSAP) which is a GDA partnership between USAID and DuPont Pioneer and managed under ADVANCE II.

4.4.1 Ghana Advance Maize Seed Adoption Program

The Ghana Advanced Maize Seed Adoption Program (GAMSAP) is a Global Development Alliance (GDA) initiative between the USAID and Dupont Pioneer and is implemented by ACDI/VOCA, as part of the USAID-ADVANCE II Project. GAMSAP was approved and awarded on 12th June 2014 as part of the ADVANCE II program. The geographic coverage of GAMSAP includes all the ADVANCE II Project areas in northern Ghana, as well as selected high maize producing areas in the Brong-Ahafo (BAR) and Ashanti, (AR) Regions.

The objectives of the GAMSAP are:

Objective 1: Increased adoption of hybrid maize seed and related good agricultural practices [to increase productivity and profitability]

Objective 2: Improved input supply chain [to improve farmer access to improved technology]

Objective 3: Improved post-harvest handling practices

Objective 4: Increased market linkages with end buyers

Startup activities

Immediately following project approval, a Program Director, three senior agronomists (who are stationed in Sunyani, Techiman, Ejura), within the southern maize production belt of Ghana, one business services officer (BSO), one M&E officer (both based in Kumasi) and four drivers were recruited and posted in all four field operational areas. An orientation program was organized for all contracted staff on procedures and policies of USAID and ACDI/VOCA by senior officials of ADVANCE at the Accra office. This was followed by another three-day training on the protocols and reporting requirements for the demonstrations with Pioneer hybrids by agronomists from Pioneer. Senior agronomists and the business services officer for the new areas in the south took posts on 18th August, 2014.

Five new vehicles (three pick-ups and two Nissan Patrols) have been procured and allocated to the SAPOs for their field work. All SAPOs have also been provided with working tools and equipment, (including laptop computers, printers, cameras, and GPS handsets, moisture testing equipment, protective clothes and rain gauges).

Start-up activities for fieldwork have been in respect of the program’s first objective and this ensured that demonstrations on hybrids were established during the 2014 minor cropping season. The rest of the section on GAMSAP will provide some achievements in the first three months since it commenced.

Objective 1: Increased adoption of hybrid maize seed and related good agricultural practices to increase productivity and profitability

The key strategy for the achievement of this objective was to establish demonstration plots for Pioneer hybrid maize managed by out-grower businesses and their lead farmers to compare with their usual seed. Four hundred and thirty one kilograms (431kg) of hybrid seed was received from Pioneer Seed for the establishment of demos in the targeted areas across the country.

During the reporting period, 111 half-acre sized demonstration sites for Pioneer hybrids (P30Y87 or

P30F32) were established in 36 districts by 108 OB and their lead farmers, across the GAMSAP target areas. These OBs and lead farmers are providing direct opportunity for a total of 2,450 out-growers to learn innovations on growing maize. In addition to

Locations	Hybrid type			Districts Covered	# of farmers directly managing sites		
	Total No.	30F32	Adikanfo		Total	M	F
Bolgatanga	11	6	5	7	11	11	0
Wa	11	3	8	5	11	11	0
Tamale	9	5	4	6	9	9	0
Sunyani	27	14	13	5	25	20	5
Ejura	25	9	16	6	24	22	2
Techiman	28	14	14	7	28	25	3
Totals	111	51	60	36	108	98	10

using the pioneer hybrid seeds, these farmers have been trained on agronomic practices at these demonstration sites including: the advantages of planting one seed per stand, planting in rows and at a spacing that will give a plant stand of 50,000 plants per hectare, basal fertilizer application when seeds are planted, weekly field inspection for early detection and correction of pests and disease situations.

Some early observations/comments from participating farmers include commendations of the Pioneer hybrids on plant vigor, high germination percentage, and uniformity of emergence. More than ninety percent of farmers engaged on demos reported emergence within four to seven days after planting. Some of such emergence have occurred under situations of little or no rainfall after planting and in more than 90% of these cases, germination has preceded the farmers own seed.

Business Services Support to OBs

As part of the project intervention, four OBs participating in demos with Pioneer hybrids were supported to undertake a profitability analysis of using hybrids versus their current seed. The analysis include costs of production per acre, profit margins, breakeven price and breakeven quantities. 'Farmers own projections' of increased margins from 30-86% if hybrids are used in combinations with other yield enhancing inputs have emerged.

Objective 2: Input supply chain improved

Pioneer has appointed Dizengoff Ghana Ltd. as their local seed dealer and ADVANCE – GAMSAP is working closely with them to establish a seed distribution network. Dizengoff has also contributed 30kg of basal fertilizer for use on some of the demonstration sites. They intend to introduce this fertilizer on the local market in the near future for the cultivation of hybrid maize. To publicize the pioneer hybrid seeds, an information handout on GAMSAP has been produced and circulated. A similar guide on the agronomy of Adikanfo (P30Y87) for farmers is being produced in collaboration with agronomists from Pioneer.

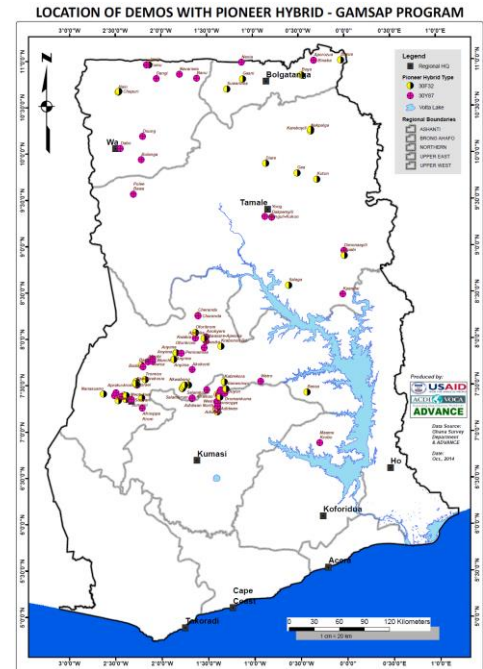


Figure 3: A demonstration plot planted with Adikanfo hybrid variety under GAMSAP

4.4.2 Grants Program

The Grants program is designed to increase efficiency along the value chain by leveraging private investment in infrastructure, technology, value-added processing and marketing for agribusinesses, service providers, financial institutions, OBs and FBOs in select value chains. The \$5m grant program targets two major areas: providing innovation and investment incentives and supporting local partnership institutions to upgrade their capacity to implement projects. The

grants team in the first year of the project was able to carry out activities in both areas mentioned.

Innovations and Investment Incentives (I-3)

The Small Equipment Grants (SEG) program was designed to provide incentives to farmers to purchase simple yet efficient production and harvesting equipment for soya, maize and rice to improve productivity. A discount of 70 percent on the cost of equipment is granted by the project towards the purchase of the small and medium size agricultural equipment by our value chain actors from identified vendors. ADVANCE II requires an upfront payment of 30 percent cash leverage by approved beneficiaries on the agricultural equipment purchased from the selected vendors. The applicable equipment includes, but is not limited to dibblers, planters, animal traction equipment, threshers and shellers. Nine vendors were identified by the program in the first year and MOUs signed with them for the supply of the small agricultural equipment and after sales services for actors.

For this reporting period, 222 applications were received from nucleus farmers, FBOs and some outgrower s for small equipment such as multipurpose shellers, tractor ploughs, planters, tarpaulins and seed drills (see details in Table 11). Additionally, eighteen applications were received from nucleus farmers for the provision of professional spraying services to their outgrower s at a fee. This is intended to increase awareness on appropriate use of chemicals, and limit the misapplication of weedicides and pesticides by some farmers.

Table 11: Applications for Grants

Type of Equipment.	Applications Received	Applications Approved	Application being processed	Equipment delivered
Northern Region				
Multi-purpose Threshers	9	-	9	-
Tarpaulins	71	-	71	-
Planter	2	1	-	1
Ploughs	3	3	-	3
Spray Service Equipment.	18	-	18	-
Total	103	4	98	4
Upper East Region				
Multi-purpose Threshers	10	10	-	-
Tarpaulins	55	8	47	-
Weighing Scales	2	2	-	-
Ploughs	2	2	-	-
Seed Drill	1	1	-	-
Power tiller	1	1	-	-
Planter	1	1	-	-
Total	72	25	47	-
Upper West Region				
Multi-purpose Threshers	29	23	-	-
Tarpaulins	34	34	-	-
Weighing Scales	2	2	-	-
Total	65	59	-	-

An in-kind grant for the establishment of a school garden for pupils of Kings Village School at Bontanga in the Northern Region was approved and the procurement of the necessary items has commenced. A total amount of \$7,805 will support this activity, of which ADVANCE is providing \$5,067 and a cost share of \$2,738 coming from the Kings School. The objective of this project is to promote the increased involvement of the youth in agriculture through pupils' demonstration farm.

A request for applications for tractor grants was made a few weeks ago to nucleus farmers and applications are being submitted through the field offices. This is the project's strategy of leveraging the high cost of inputs, particularly ploughing service, to farmers in the Project's catchment area. Applications for the tractor grants from value chain actors are being received, and processing will commence soon.

Local Partnerships Grant (LPG)

An important aspect of the ADVANCE grants program is to build the capacity of local institutions (non-governmental organizations and farmer-based organizations) to enable them to implement USAID funded projects. The Ghana Grains Council, which worked with the ADVANCE I project to implement the warehouse receipt program was awarded a grant of US\$318,448 to build on the initial success of the first phase of the WRS to achieve the strategic vision of establishing a viable regulated warehouse receipts program to support an efficient grains sector.

The key objectives of this grant are:

- i. Enhance grains market development by up scaling grain actors' participation in the GGC WRS to trade in graded grain.
- ii. Optimize GGC members' benefits through the development of diversified service delivery packages.
- iii. Influence policy through advocacy on major issues that limit the efficiency of the grains sector/WRS.

ADVANCE has also initiated plans to collaborate/partner with the Ghana Agricultural Insurance Pool (GAIP) to provide agricultural insurance for value chain actors in the project's catchment area. A proposal for support from GAIP has been received and a pre-award survey has been conducted to this effect. The proposed amount for this activity is \$27,245 and will be used to acquire office equipment, transport and salary for staff to enable the organization set up an effective marketing network and to expand its current coverage significantly.

4.4.3 Gender Program

ADVANCE II has in place a gender strategy which seeks to integrate gender into all program activities rather than a stand-alone gender program. The goal of the strategy is to create equitable and sustainable opportunities for women and men along the target value chains.

Targeting women beneficiaries

Four female NFs and an aggregator were identified during the period and are being supported to develop viable outgrower businesses. A significant number of FBOs including those led by females were identified and profiled for capacity building in the coming year. Among the female

led groups identified, 25 of them are in village saving and loans associations and are lending to their members. Out of the 25 groups, 22 were linked to Naira Rural Bank and three to the Agriculture Development Bank

The project has built on evidence from ADVANCE I which showed that women were reliable business partners. During the celebration of the international women's day organized by the project, male NFs who had successfully worked with women outgrowers shared their positive experiences working with women with their fellow NFs. Following this program, three male NFs (Nicholas Lambini, Ernest Ansoi and Kharma Farms) have increased their women outgrower numbers from 1,050 to 1,515 in 2014.

Including Women in Training Activities

The program supports women and men to increase productivity and improve the management of their farm based enterprises. To achieve the full inclusion and participation of women, the project staff were not only aware of the need to organize trainings at times but also venues conducive to women. The content of training and approaches were appropriate for the roles performed by women, and also sought to minimize the effect of existing gender and power dynamics thus, enabling them to participate and benefit from the training. Field trainings such as GAP were practical in nature and encouraged easy transfer of learning given the low literacy levels among farmers, especially females. Again, trainings were organized either in mixed groups or single sex groups.

Facilitating Women's Access to Production Resources

Project wide, 5,900 (35% of those who accessed loans) female beneficiaries were supported to access loans during this reporting period.

From the Upper West Region, 15 women in Gindabour have accessed 21 acres of productive lands close to their homes through ADVANCE's facilitation. From the Upper East Region, four OG businesses (Iddrisu Akolbire, Alhaji Mumuni Atipaga, Maxwell Akandem and Samuel Baba-Yarful) made available 74.5 acres of productive lands to 71 women smallholder farmers in response to the project's sensitization efforts on the need to provide women adequate production resources.

"I am a member of the value chain multi stakeholder group and use this space to share with members on the benefits of engaging with women, I am working with one of the Chiefs to convince his people to release productive lands for women" Richard Akoka, a nucleus farmer in Navrongo.



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SUCCESS STORY

Women Smallholder Farmers Access Fertile Land Close to their Homes



Photo credit: ADVANCE II Wa Office

Esther Wier is one of the beneficiaries of USAID/ADVANCE II interventions.

“After the training, I decided to give two acres of land closer home to my wife for her maize farm. Now I realize she gets home early from farm to prepare my evening meals and takes care of our two children when they return from school,” said Mark Adams, outgrower in Tuna.

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According to FAO, “Women own less than two percent of all land in Africa.” FAO estimates that “if women had the same access to productive resources as men, they could increase yields on their farms by 20–30 per cent. The gains in agricultural production could lift some 100–150 million people out of hunger.”

The path to land ownership for women is not direct since most owned land is inherited by males from their families. Equal opportunities are not naturally created within Ghana’s two main land governance systems. A majority of land is either public or owned by the government, and managed by tenants. These lands are governed under customary practices of prevailing lineage or inheritance systems.

Due to the patrilineal systems in North Ghana, males dominate property inheritance, including ownership and control over land. Women’s access to land is therefore tied to their marriage and husband’s lineage. Women often receive land that is less fertile and far from their homes. Land distant from the home makes it difficult for women to both farm and care for their families.

More than two years ago, USAID’s Agricultural Development and Value Chain Enhancement Project, (ADVANCE II) started its intervention in the Gindabuor community in the Sawla-Tulna Kalba district to work with John Mulnye, a nucleus farmer who works with 650 female and 150 male smallholder farmers.

The ADVANCE II project and John Mulnye established a demonstration plot in the community with private sector support to introduce technology to the farmers and train them on good agriculture practices. Most women who participated in the demonstrations adopted the practices and applied them to their farms. As a result, their yields improved from an average of 0.4 metric tons per acre to an average of 1.4 metric tons per acre compared to male counterparts who experienced an average of 0.5 metric tons per acre. In May 2014, the project collaborated with Women in Agriculture and the Department of the Ministry of Food and Agriculture to educate 51 out growers (18 females and 33 males).

Farmer John Mulnye was instrumental in showing the importance of women’s access to productive land close to their homes. As a result of the above interventions, 15 women smallholder farmers have acquired access to 21 acres of productive land closer to their homes and are adopting good agricultural practices.

The project will continue to sensitize and pursue equitable access to resources by all genders, especially for women smallholders to improve their incomes and wellbeing of their families as a whole. In 2014, the project reached over 15,000 smallholder women farmers, representing 415 of total project beneficiaries and will continue to facilitate their access to resources to ensure they improve their productivity.

4.4.4 Environment and climate smart approaches

As a deliverable, ADVANCE II submitted an environmental management and mitigation plan within 60 days of the award. Project management has diligently followed all the necessary steps required to ensure that project activities do not in any way impact negatively on the environment. The project has promoted the safe use of pesticides, monitored beneficiaries activities and their potential impact on the environment, and promoted climate smart strategies to minimize the negative impact of climate change.

General compliance with USAID environmental regulations

Title 22 of the Code of Federal Regulations, Part 216 (22 CFR 216) requires that appropriate environmental safeguards are adopted for all USAID funded activities that are likely to have environmental consequences. The regulations also require that projects identify and carry out activities that assist in restoring the renewable resource base on which sustained development depends. To address the environmental challenges relating to the activities of ADVANCE II, an Environmental Mitigation and Monitoring Plan (EMMP) was developed at the start of the project for use in implementation. The EMMP was designed to ensure programmatic compliance with 22 CFR 216.

In developing the EMMP the activities in the project's year one implementation plan were screened against the Feed the Future IEE to identify the planned activities that are categorically excluded in the IEE, and also to identify planned activities that are considered to be covered by negative determinations. Only activities from the year one draft work plan that qualify for a negative determination with conditions were included in the EMMP. The project has ensured that all activities have remained consistent with the IEE conditions for this reporting period.

Promoting safe use of pesticides through Spraying Service Providers

Risks are inevitably present with the use of pesticides and similar chemicals used for agricultural crop production and processing. There are risks associated with human health and environmental pollution. ADVANCE II recognizes the risks associated with pesticide use to both human health and the environment. The Spraying Service Providers (SSP) concept is a very effective way of achieving most of our PERSUAP objectives.

In the Northern Region, 33 farmers identified by NFs were trained to set up spraying services. Those people qualifying for the training included individuals who are already involved in providing spraying services but have not received proper training in agrochemical application, individuals who are interested in sprayer service provision as a long term business and individuals working with NFs as part of a team that provides services to outgrowers. This training was conducted by Saroagrosiences, MOFA, PPRSD, and the EPA.



MoFA officer demonstrating how to wear PPEs before applying pesticides

The following topics were covered during the training:

- Effects of pesticides on health especially on women and children
- Hazard levels of pesticides
- Label advice
- Using personal protective equipment
- Transporting pesticides
- Storing pesticides
- Preparation and rate of application
- Optimum conditions for application
- Disposal of containers and obsolete products
- Administering first aid
- Minimizing ground and surface water contamination

The ADVANCE II project will use a small grant facility to provide each SSP team with a 'starter pack' of spraying equipment (a knapsack sprayer, wellington boots, protective clothing, hand gloves, nose mask, goggles and a hat) to enable them start their spraying service in the rural communities at an affordable fee for the farmer and a feasible one for the service provider to cover the costs and be able to replace the equipment.

In the Upper West and Upper East Regions, SSPs who were trained under ADVANCE I, are already working with farmers who are practicing reduced tillage. The fields are planted and then the SSPs spray the fields, mostly with glyphosate to kill the weeds. The project has noticed a few challenges regarding potential for using pesticides more than necessary and uneven application of pesticides. These, together with other challenges identified from ADVANCE I are being factored into future training programs as well as follow up activities with SSPs to ensure sustainability of the program.

Environmental Monitoring and Mitigation

Environmental performance is measured by the extent of implementation of the project EMMP. In the project EMMP mitigation measures are defined for activities under each of the of the three project components. Being the first year of project implementation, mitigation activities were also carried out for project start up, administration, planning and reporting. The mitigation activities carried out in this reporting period are described under each of the project components below.

Monitoring evaluation and learning

The specific mitigation measure under this component was the inclusion of an analysis of potential environmental effects in the value chain analysis. Specific actions encouraged were as follows:

- Discourage conversion of new land for agriculture by promoting and facilitating intensification
- Prohibit beneficiaries from clearing or destroying any forest habitat (either primary or secondary) as a condition for receiving project assistance

- Prohibit beneficiaries from clearing land and establishing crops in forest reserves, wildlife reserves, national parks or other protected or sensitive areas
- Promote and facilitate GAP
- Avoid “slash-and-burn” for clearing land by promoting and facilitating alternative methods and sensitizing on the benefits of keeping a natural cover on the ground
- Promote and facilitate the adoption of conservation agriculture methods
- Avoid farming on slopes exceeding 45%

Business Plan Development

Environmental sections have been included in all the 76 business plans developed for NFs this year. The environmental sections have two main parts, including climate planning and pesticide use planning. This is aimed at ensuring that farmers have a plan for adapting to climate change effects as related to their specific situation, and to also ensure safer use of pesticides.

Outreach programs

During the current reporting period, the project promoted radio outreach programs on good agricultural practices on 20 radio stations. The program content included conservation agriculture such as reduced tillage and use of cover crops. The program also discussed safe pesticide use. The specific mitigation measures for outreach programs included crop production protocols, training modules, radio and SMS measures to encourage protection of forests, wetlands, and other natural habitats.

The drought tolerant Etubi maize seed variety was promoted through a radio program that lasted for eight weeks between July and September 2014 on North Star radio in Tamale. The ADVANCE II project has also developed a draft FBO training manual which includes training modules in climate change and safe pesticide use.

Monitoring Pesticide Use

In the first year of the project the ADVANCE I PERSUAP was used as a guide in selecting pesticides for use on demonstration plots. The ADVANCE I PERSUAP will be updated before the next crop season.

- The project has collaborated with input dealers who provided certified seeds and seed dressings to reduce the incidence of diseases during plant growth.
- The project is promoting the sprayer service providers concept through which trained people who are properly equipped with PPEs will provide pesticide spraying services to farmers for a fee. Thirty-three people have been trained in the Northern Region on proper use of PPEs, proper disposal of containers, how to transport pesticides, and first aid for someone contaminated with pesticides. New sprayer groups are being identified in all of the districts in which ADVANCE II operates. These groups will be trained and equipped.
- In collaboration with MoFA, the EPA and major input dealers, project staff demonstrated methods of safe disposal of used pesticides containers during field days and training

sessions. To make this more practical, NF business plans have outlined steps to ensure proper disposal of pesticide containers as part of the pesticide use planning.

- The project is creating awareness of proper pesticide use through radio outreach programs on GAP dissemination. This topic is also included in SSP trainings, and field day trainings at all demonstration sites.
- Under ADVANCE I, (83) input dealers were trained on storage, transportation and handling of agrochemicals. The ADVANCE II project has identified two input dealers from that training (Antika and 18th April) which have applied the knowledge from this training. These input dealers will be used as a resource to train other input dealers.
- The potential to over-use pesticides is caused by the farmer's inability to determine the actual size of their plots. With the use of GPS, field staff are helping farmers to determine the actually size of their farms.
- The PERSUAP recommended agrochemicals continue to be the guide for selecting least toxic agrochemicals for demonstration plots. During field days farmers are encouraged to select agrochemicals with active ingredients that are recommended by the PERSUAP. All SSP trainings include a session on the PERSUAP and SSPs are encouraged to select only PERSUAP recommended agrochemicals.
- All pesticides provided by actors for demonstration plots are tracked to ensure that they are PERSUAP compliant.

Promoting Resilience to Climate Change

Four steps have been taken to address climate related challenges that farmers face in the short and long term. They are (a) promoting conservation agriculture, (b) crop insurance, (c) daily weather alerts for farmers.

A climate smart agriculture strategy for ADVANCE II was completed in consultation with SARI, Centre for No-till Agriculture, and MoFA. The results expected at the end of the ADVANCE II project under climate smart practices will include the following:

- Over 50,000 farmers exposed to conservation agricultural practices through field days with at least a 20% adoption rate,
- Cost of land preparation reduced by up to 40%,
- Soil moisture conservation,
- Soil erosion reduced/controlled,
- Soil fertility improved,
- Business services for no-till planting and spraying created.

During the current reporting period 59 farmers purchased crop insurance from GAIP as a mitigation action against production risk due to drought. The total sum insured was \$5,051. In collaboration with Ignitia Weather Ltd, 2,500 farmers receive daily weather alerts through text messages on their mobile phones. This service helped farmers to plan their daily farming activities based on the weather information received; foliar fertilizers and pesticides applied just before rainfall become ineffective. With daily weather alerts farmers were able to avoid fertilizer and pesticide losses related to poor timing of application.

Mole National Park Special Project

ADVANCE II is developing a strategy to engage farmers living in communities around the Mole National Park. The project is exploring options to manage biodiversity-friendly agricultural systems around the Park. Initial studies have been conducted to determine the number of communities and their locations around Mole. Further analysis will be done in the coming year and an implementation strategy formulated to guide any interventions that the project will promote in this area.



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SUCCESS STORY

Ghanaian Farmers Adopt Climate Smart Approaches

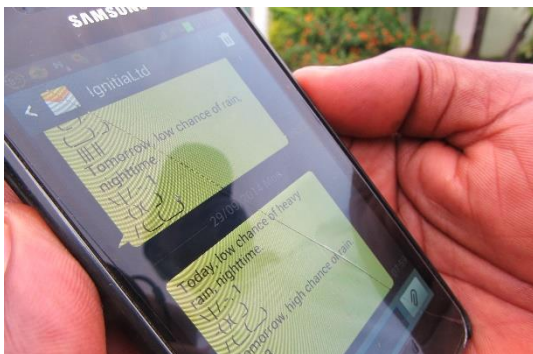


Photo credit: Lauren Bell, Peace Corp Volunteer

A farmer receives an Ignitia weather forecast on his phone indicating the likelihood of rain and the intensity of the rain.

“The Ignitia weather alerts is helping us farmers to plan our farming activities well especially in using our chemicals and other inputs well. Every day the farmers in the community come to ask me if my people have any news on the weather,” said Mahama Amadu, Maize Lead Farmer at Yong.

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Farmers in northern Ghana depend heavily on rainfall for crop cultivation. Changing rainfall patterns as a result of climate change makes it difficult for farmers to plan their farming activities. Smallholder farmers in northern Ghana are major food producers for the country, and have been experiencing less rainfall in recent years. These farmers have limited access to irrigation equipment, and depend mostly on rain-fed agriculture; therefore reliable weather information is important to plan their farming activities.

USAID’s Agricultural Development and Value Chain Enhancement (ADVANCE II), implemented by ACDI/VOCA, is working with weather forecasting applications, specifically Ignitia Weather Limited, to provide daily weather alerts on mobile phones to 2,500 project beneficiaries in 2014. The text messages give a forecast for that day and the next day, indicating the likelihood and intensity of rain. The service, which has tested well for accuracy since its start-up in 2013, helps farmers to plan their daily farming activities based on the weather information received. With daily weather alerts, farmers are able to avoid fertilizer and pesticide losses related poor timing of application.

“If there is a forecast from Ignitia that it will rain, I don’t go and spray my field because I will waste the chemical. It will not be effective if I spray and it rains immediately,” said Fuseini Issah, maize farmer in Gushegu.

The project, in collaboration with Ignitia, trained 194 nucleus farmers, community leaders and lead farmers. Some lead farmers to interpret and understand the weather symbols in the daily text messages received. The symbols indicate chances of heavy rain, low rain, and no rain. Some lead farmers are now serving as volunteer weather agents in their communities, helping to announce daily weather alerts to farmers who are not subscribed to the program.

4.4.5 Public Relations and Communication

The Public Relations & Communications (PR&C) Unit of the project ensures visibility of USAID and the project and highlights its activities, progress, impact, and successes.

Project Visibility

Commodity-specific pull-ups, project profiles and vinyl banners indicating the project goal were produced for all four project offices to inform beneficiaries and the public about the project's goals and objectives. Project and activity signage (demo signposts) were also developed to comply with ADVANCE II's branding and marking plan. PR&C issued press releases to radio stations working with the project to introduce ADVANCE II to local stakeholders. The ADVANCE II PR&C team also designed and printed publicity materials for GAMSAP.

Contribution to USAID Communications

A total of 38 informational bullet points were submitted to USAID during this reporting period. The bullets highlighted various field activities such as farmers' access to inputs, equipment and credit, active involvement of private sector in setting up demonstration sites, developing farm budgets for outgrower businesses, training on good agronomic practices, actors' investment to increase productivity and linkages to markets. One of the projects' stories, titled "Private Sector Firms Take the Lead in Technology Transfer in Northern Ghana", was published in the August 13, 2014 USAID Feed the Future Newsletter.

Quarterly Newsletter

Two editions of the Project's "Quarterly Newsletter", highlighting significant accomplishments of ADVANCE II, have been published and distributed to more than 1,000 recipients including partners, clients and actors involved in the project, in both electronic and printed form.

Event Planning & Media Coverage

PR&C assisted in organizing and coordinating the following events:

- International Women's Day
- Launch of ADVANCE II
- The third annual Northern Ghana Pre-season Planning and Networking Forum
- Visit of two U.S. Congressional staff delegates

The media coverage for the events was as follows:

- <http://youtube/ybzzswigflq> by Visat 1 News & Modern African Production
- Business & Financial Times, April 16, 2014, page 35
- Daily Guide, April 17, 2014, Page 12
- Ghanaian Times, April 26, 2014 back page
- <http://vibeghana.com/2014/04/14/usaids-to-scale-up-agricultural-investment-cereal>

*See Annex 7: Articles on ADVANCE II published during the reporting period.

5.0 MONITORING AND EVALUATION

During the current reporting period, project management completed and submitted a draft Performance Management Plan (PMP) to the Mission. The project team also reviewed and revised all data collection tools under ADVANCE and developed new ones to capture data for the new indicators under ADVANCE II. All M&E staff have been trained and data collection is ongoing in the field.

5.1 Performance Management Plan

The ADVANCE II Project Performance Management Plan was submitted to USAID within the 60 days of the stipulated agreement arrangement. In response, management received comments on sections of the PMP from the Monitoring, Evaluation and Technical Support Service (METSS) Project. The project management have addressed the comments and will resubmit the revised PMP to USAID after the baseline studies have been completed, utilizing the results to finalize the annual and life of project targets.

5.2 Data Collection and Analysis

The ADVANCE II project had a target to reach at least 35,000 farmers in the first year of implementation. To do this, the M&E Unit rolled out a three week exercise to profile potential beneficiaries by collecting their personal details, geographical location, production and household information. The field staff, with the support of interns and contracted enumerators, were trained to use a standard data collection instrument to collect the relevant data in all three northern regions. The exercise covered 49 districts and gathered data on 37,022 farmers. The data is currently being uploaded from a temporal excel template onto a newly designed SharePoint database for the project.

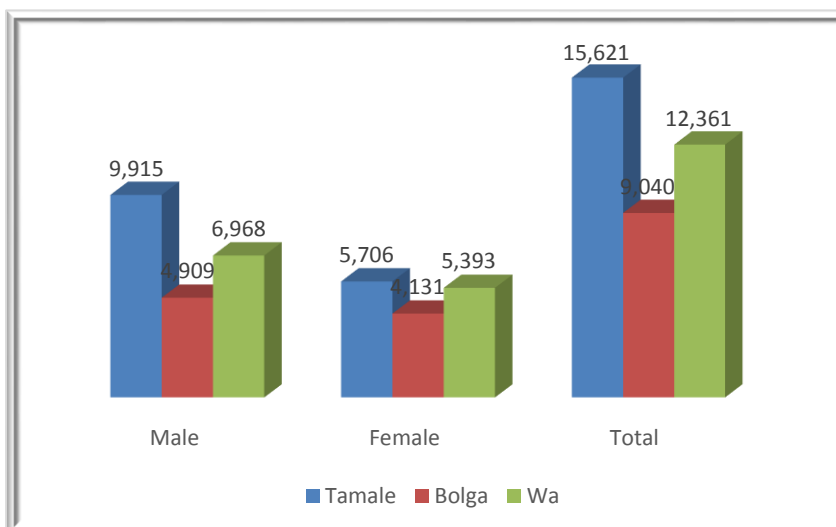


Figure 4: Distribution of beneficiaries by region and gender

The project is currently conducting a field survey to collect data on production, technology application and management practices and to determine yields and gross margins of project beneficiaries for the three commodities.

5.3 Data Quality Assurance

Data Quality Assurance (DQA) mechanisms and validation processes are incorporated into all ADVANCE II trainings and data collection exercises at all levels of responsibility. Primary data collectors (Interns/Enumerators), the field supervisors, data entry clerks and the M&E Officers all play a role in ensuring that quality data is collected at all levels. Total or sample review

processes have been deployed at various levels to guarantee valid, reliable, complete and timely data. The storage system for electronic and hardcopy of data are consistent and secured in all three project offices.

To ensure the high quality of project data and the confidence of stakeholders and management, the ADVANCE I data quality strategy is being reviewed to addresses previous data challenges. The updated strategy document will be available for use by field staff in the first quarter of the 2015 project year. Staff will be trained and given copies of the document to guide them in data collection and management processes.

5.4 Capacity Development in Monitoring and Evaluation

During the reporting period, both new and old staff were trained to ensure effective project implementation, monitoring and evaluation of activities and project performance indicators. All staff received orientation or training on the ADVANCE II strategic model. To effectively monitor project performance, the five M&E Officers including the Coordinator were trained on the new ADVANCE II Database. The M&E Unit, as part of the year two work plan, will train project M&E staff to address any short falls that may occur in the implementation and monitoring of year one activities. Other training programs conducted in all three field offices were done with the objective of ensuring proper completion of all actor data collection instruments, GPS data collection procedures and effective management of field data.

The M&E Coordinator participated in a two day M&E workshop organized by USAID/EGO and METSS on the performance management plan, data quality assurance and the FTFMS. The training was aimed at building the capacity of M&E people with all Feed the Future Implementing Partners on the USAID/EG M&E protocol.

The application of Geographic Information Systems (GIS) on this project has helped in making informed decisions and continues to play a key role in the collection, collation, processing, analysis, storage and display of accurate spatial data to improve the efficiency of specific supply chains; as well as to provide general support to M&E activities. The project will continue to employ GIS mapping extensively in the application of geospatial technology in all its activities.

As part of the preparation for the lead firm survey, the Trade and Marketing Team was given a one day training to introduce the team to the basic techniques of spatial data collection using handheld GPS devices. A total of four (4) Officers were trained using the Garmin *etrex* Legend HCx and Garmin 60s for the exercise. Another training and orientation workshop was held in all three field offices to train the Field Officers on effective use of the new GPS equipment to collect waypoints of their field activities. With these trainings, project staff will be able to collect geo spatial data as they undertake their daily field activities.

Annexes

Annex 1: ADVANCE II Operational Districts and Commodities

Field Office /Region	District	Commodity	BP
Tamale	Bunkrugu-Yunyoo	Soya	Ignitius Tindjina
	Central Gonja	Maize, Soya	Charles Yaro
	Cheriponi	Soya	Ignitius Tindjina
	East Gonja	Maize,Rice,Soya	Charles Yaro
	Gushiegu	Maize, Soya	Ignitius Tindjina
	Gushiegu	Maize, Soya	Michael Amaniampong
	Karaga	Soya,RICE	Godfred Nyamekye
	Karaga	Soya,RICE	Ignitius Tindjina
	Karaga	MAIZE	Issah Nadjo
	Kumbungu	MAIZE, RICE	Godfred Nyamekye
	Mion	MAIZE	Michael Amaniampong
	Nanumba Norh	Maize, Soya	Issah Nadjo
	Sang	Maize, Soya	Issah Najd
	Sang	Maize, Soya	Michael Amaniampong/
	Saboba	Maize, Soya	Ignitius Tindjina
	Sagnarigu	Maize, Rice	Issah Najd
	Sagnarigu	Maize, Rice	Godfred Nyamekye
	Sagnarigu	MAIZE, RICE	Michael Amaniampong
	Savulugu/Nanton Municipal	Maize, Soya	Ignitius Tindjina
	Savulugu/Nanton Municipal	Maize, Soya	Charles Yaro
	Tamale Metropolitan	Maize, Rice	Issah Najd
	Tamale Metropolitan	Maize, Rice	Godfred Nyamekye
	Tamale Metropolitan	Maize, Rice	Michael Amaniampong
	Tatale Sangule	Rice	Godfred Nyamekye
	Tolon	Maize, Rice, Soya	Ignitius Tindjina
	Tolon	Maize, Rice, Soya	Godfred Nyamekye
	West Gonja	Maize	Charles Yaro
	West Mamprusi	Rice	Godfred Nyamekye
	Yendi Municipal	Rice, Soya	Godfred Nyamekye
	Yendi Municipal	Rice, Soya	Ignitius Tindjina
	Zabzugu	Rice	Godfred Nyamekye

Tamale Overlap into BA	Kintampo Noth	Maize, Rice	Ben Dokurugu
	Kintampo Noth	Maize, Rice	Alexander Anonkye
	Wa Municipal	Soya	Desmond
	Wa East	Maize	Boniface
	Wa West	Maize	Desmond
	Nadowli	Maize, Soya	Boniface
	Sissala East	Maize	Jamil
	Sissala West	Maize, Soya	Jamil
	Lawra	Soy bean	Boniface
	Lambussie-karni	Rice, Soya, Maize	Boniface
	Jirapa	Rice	Boniface
Wa Overlap into NR	Issah Daffiama Bussie	Maize and Soya	Boniface
	Sawla-Tuna-Kalba	Maize	Desmond
	Bole	Maize	Desmond
BOLGA	Bolga Municipal	Maize, Rice	Sandra, Reuben
	Talensi Nabdam	Maize, Rice	Sandra, Reuben
	Bongo	Maize, Rice	Sandra, Reuben
	Builsa North	Maize, Rice, Soybean	Rashid, Reuben
	Builsa South	Maize, Rice, Soybean	Rashid, Harriet
	Kasena Nankana West	Maize, Rice	Rashid, Harriet
	Kasena Nankana West Municipal	Maize, Rice	Rashid, Harriet
	Mamprugu Maoduri	Maize, Rice	Rashid, Harriet
	Bawku Municipal	Maize, Rice, Soybean	Jude, Reuben
	Bawku West	Maize, Rice, Soybean	Jude, Sandra, Harriet
	Binduri	Maize, Rice, Soybean	Jude, Reuben
	Pusiga	Maize, Rice, Soybean	Jude, Reuben
	East Mamprusi	Maize, Rice, Soybean	Peter, Reuben
	Garu Tempane	Maize, Rice, Soybean	Peter, Reuben
	Pusiga	Maize, soybean	Jude, Reuben
Bolga Overlap NRR	West Mamprusi	Maize, Rice	Peter, Reuben
	Bunkpurugu Yonyo	Maize, Rice, Soybean	Peter, Reuben

Annex 2: Loans Facilitated

Actor	Location	Loan Amount (GHS)	Financial Institution	Purpose
Ganye Agro Chemical	Northern Region	100,000	ECOBANK	Working Capital
Yong Dapkemyili (OB)	Northern Region	3,700	SASL	Purchase plough disc
Kharma Farms	Northern Region	130,000	SASL	Purchase 2 John Deere Tractors
Bogu Seeds	Northern Region	20,000	SASL	Production loan
Kharma Farms	Northern Region	20,000	SASL	Production Loan
Abukari Tidana	Northern Region	13,700	SASL	Production Loan
Zocco Farms	Northern Region	104,000	AgDevCo	Production Loan
Abdul Aziz Munkaila	Northern Region	62,000	SASL	Purchase John Deere Tractor
Royal Danemac	Ashanti Region	80,000	Root Capital	Purchase of soybean oil refinery
Royal Golden Egg	Brong Ahafo Region	300,000	Root Capital	Working capital
Patrick Salifu	Northern Region	25,000	SASL	Production Loan
Dramani Saule	Northern Region	30,000	SASL	Production Loan
Dawadawa FBOs	Kintampo	50,152	Kintampo RCB	Production loan
Ahaa Emmanuel	Upper West Region	83,782	SASL	Production Loan
Felix Bazing	Upper West	40,020	SASL	Production Loan
Peter Azaato	Upper West	103,000	SASL	Production Loan
Abdulai Nuhu	Upper West	5,000	SASL	Production Loan
Women's group	Upper West	9,050	Wa Community Credit Union	Production Loan
Simple Prince	Upper East	43,600	Wienco Agriculture	Input Supply Credit
Imoro Akanfeba	Upper East	4,800	Builsa RCB	Production loan
Chief James Adawina	Upper East	112,500	SASL	Production Loan

Richard Akoka	Upper East Region	266,000	SASL	Production Loan
Imoro Akanfeba	Upper East Region	4,800	Builsa RCB	Production Loan
Samuel Abiyega	Upper East Region	15,400	Builsa RCB	Production Loan
Total Loans Disbursed GHS 1,626,504 (\$553,233)				

Annex 3: List of STTAs

Consultancy	Date started	Date completed	Remarks
Review of warehouse receipts system, and development of revised rules and operating manuals	June 5, 2014	In progress. Draft report on review phase submitted by the consultants. Feedback has been provided to the consultant by GGC. Development of rules and manuals is expected to commence this week	Assignment scheduled to complete by July ending.
Assist GGC to develop a strategic plan to guide its activities over the next 3- 5 years	To start on September 1, 2014	To be completed by end of October 2014	Recruitment process ongoing

Annex 4: List of Private Sector Partners in 2014 Demonstrations

	Private Company	Location	Type(s) of Inputs
1	Wienco	Accra	MRS seeds, Fertilizers, Herbicides
2	DWA	Accra	M&R fertilizers and Herbicides
3	Chemico	Tema	MRS fertilizers & Herbicides
4	Pioneer Hi-Bred	USA	Seed Maize
5	YARA	Tamale	Maize & Rice fertilizers
6	Heritage Seeds	Tamale	Seed for Maize & Soybean
7	Lexbog	Tamale	Seed rice
8	Meridian Agric Services	Bolga	Maize seeds
9	Simple Prince	Bologa	Seeds, fertilizers & herbicides for M&R,
10	Kumark	Kumasi	Fertilizers for rice
11	Antika Co. Ltd	Wa	Seed maize, fertilizers
12	N2 Africa	Tamale	Soybean Inoculant
13	Sadia Rice Mills	Ejisu	Rice seeds
14	Premium Foods Ltd	Kumasi	Seeds, fertilizers & herbicides
15	AMG	Kumasi	Fertilizer
16	Aframso Rice Aggregating Group	Ejura	Rice seeds
17	Markteshim Agan	Tamale	Herbicides
18	Saroagrosiences	Tamale	Selective Herbicides

Annex 5: Distribution of firms visited

Region	Geographic Cluster	Aggregator	Poultry Farm	Processor Feed Mill	Processor Foods	Processor Soybean	Processor Rice Miller	Grand Total	Proportion
Ashanti	Kumasi & Environs	3	16	1	1	10	8	39	27%
Brong-Ahafo	Dormaa Ahenkora & Sunyani	2	15		1			18	13%
	Nkoranza & Aframso	1					1	2	1%
	Techiman & Wenchi	3	3				1	7	5%
Central	Kasoa & Environs		20					20	14%
Greater-Accra	Accra & Environs	3	5	4	2	1	5	20	14%
Northern	Tamale & Environs	9	6			5		20	14%
Upper East	Bolga & Environs	7	1			3		11	8%
Upper West	Wa & Environs	3	4					7	5%
	Total	31	70	5	4	19	15	144	
	Proportion	22%	49%	3%	3%	13%	10%		

Annex 6: List of grants made

TYPE OF GRANT	GRANTEE	AMOUNT (USD)	REMARKS
Support for the continuous development and operation of a warehouse receipt system	Ghana Grains Council	\$314,448	
Multi crop planters and tractor-towed ploughs	Five outgrower businesses (Nucleus Farmers)	\$12,222	The use of this equipment will be monitored to determine the benefits to the outgrowers.
Total Grants made to date		\$326,670	

Annex 7: Articles on ADVANCE II published during the reporting period

USAID scales-up investments in cereal production

By Samuel SAM, Tamale

The second USAID/Ghana's Feed The Future (FTF) Agricultural Development and Value Chain Enhancement (ADVANCE II) project has been launched in Tamale

The four-year USAID-sponsored project focuses on the maize, rice and the soya beans, which are some of the commodities in the country with which the nation generates revenue through export for developmental projects. It was also to scale-up agricultural investment to improve the competitiveness of maize, rice and the soya bean value chains in the north.

The project has been awarded to ACDI/VOCA and is being implemented in partnership with a team of agencies including ACDEP as the lead implementer in the northern sector. The goal of ADVANCE is to facilitate a transformation of Ghana's agricultural sector in selected industries to achieve increased competitiveness in domestic, regional and international markets.

Launching the project in Tamale, Mr. William Boakye Acheampong -- Northern Regional Director of Agriculture who launched the project -- noted that agriculture is the backbone of the nation and if its citizens acquire the necessary support for their production it would help boost the economy and also reduce the unemployment rate.

He reiterated government's commitment to supporting the private sector to improve the economy through the provision of incentives and others logistics for farmers to produce high yields and enable the country to generate revenue for developmental projects. He said access to input and output markets for agricultural commodities remains a key challenge for rural farmers, who continue to face major challenges in the agric sector.

He urged farmers to form

associations in order to acquire loans for their businesses, adding that banks always have more confidence in an Association than an individual, given the fear that a person might not be able to repay the loans.

Mr. Edo Lin, chief of party, USAID, said the FTF is a United States programme aimed at increasing food security and improving nutritional status around the world.

He said the ADVANCE II project will focus on supporting farmers to adopt improved production technologies, value addition technologies, and market linkages to buyers -- with emphasis on paying special attention to women as well as ensuring that all benefit equally from the projects.

He noted that the project is expected in the next four years to reach over 100,000 maize, rice and the soya bean farmers in the Northern Region through public private collaboration. "We will also help to upgrade and rehabilitate research facilities at the Savannah Agricultural Research Institute to facilitate their work," he added. In conjunction with private sector investments, he said ADVANCE II will also make modest grants to reduce risk, introduce innovations, leverage resources to mitigate constraints, and bring efficiencies to targetted value chain actors.

Mr. Lin said the project is being implemented in 23 districts of the three northern regions, with 11 supply chains already established.

According to the chief of party, 6,788 farmers (2,474 females and 4,314 males), 7 aggregators, 12 input dealers, 8 financial service providers, 11 mechanised service providers, including NAAMSECO, have been engaged on the programme to bring growth to the sector by increased efficiencies and mutually beneficial business relationships.

Business & Financial Times
Wed. 16 - Thurs 17, April 2014 Pg 35

USAID To Scale Up Agric Investments

THE NEW phase of the United States Agency for International Development and the Feed the Future's Agricultural Development and Value Chain Enhancement (USAID - ADVANCE II) project has been launched in Tamale.

The ADVANCE II project is aimed at scaling up agricultural investment to improve the competitiveness of the maize, rice and soybean value chains, especially in Northern Ghana.

A statement issued and signed by Adwoa Mensima Sey, Public Relations and Communications Director of USAID- ADVANCE II project in Tamale recently said the initiative was under the Feed the

Future (FtF), a President Barack Obama's flagship programme aimed at increasing food security and improving nutritional status around the world.

It said in Ghana, ADVANCE II would focus on supporting farmers to adopt improved production technologies, value addition technologies, market and linkages to buyers with emphasis on paying special attention to women in ensuring that they equally benefited from all project's activities and resources

The statement said over the next four years, the project was expected to reach over 100,000 maize, rice and soya farmers in northern Ghana through public and private sector

partners.

It said ADVANCE II was being implemented by a consortium of local and international partners led by Agricultural Cooperative Development International/Volunteers in Overseas Cooperative Assistance (ACDI/VOCA).

The statement said the consortium of the local partners included ACDEP, Pab Consult and Technoserve.

It said the project would also collaborate with other Feed the Future projects, as well as other relevant agencies in improving agricultural investment in Northern Ghana.

—GNA

USAID invests \$24million in agric project in the North

THE United States Agency for International Development (USAID) is investing 22million dollars in various agricultural projects in the three regions of the North to improve competitiveness in maize, rice and soyabean production to achieve food security.

The programme, being executed under the Agricultural Development and Value Chain Enhancement (ADVANCE TWO) project, covers the Northern, Upper East and Upper West Regions with more than 500 farmers and farmer-based organizations as beneficiaries.

The ADVANCE project supports USAID/Ghana's Feed the Future Initiative aimed at reducing poverty and hunger through inclusive agricultural growth and improved nutrition. It has the Ministry of Food and Agriculture (MoFA) as one of the implementing bodies.

There were exhibitions of various farming farm implements, farm inputs and certified seeds of different varieties.

Mr John Brighenti, Agriculture Officer at the Office of Economic Growth of USAID-Ghana, assured the farmers of the USAID's commitment to helping smallholder farmers to improve their production and livelihood.

He urged farmers to join associations to enable them to access credits as well as share ideas to achieve individual and collective interests.

Dr Kwasi Ampofo, Country Director of Alliance for Green Revolution in Africa (AGRA), said the group would review its projects based on what was achieved last year to continue to provide farmers opportunities to improve their standards of living.

He stressed the need for micro-finance service providers to release credits to farmers who applied for loans from them noting that since 2011 that AGRA had been supporting the event, it had been beneficial to farmers, and urged farmers who had not yet prepared for the farming season, to do so immediately.

Chief Abdulai Alhassan, a farmer, expressed worry about the delay in releasing government subsidised inputs in good time, and appealed to government to endeavour to do something about it.

He was also unhappy about the difficulties farmers continued to go through to access credit facilities from financial institutions, and urged government to intervene. - GNA

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