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Malawi SDG Acceleration Fund - Project Document

Implementing Organization(s) general information

Name of participant organization(s)	Food and Agriculture Organization of the United Nations (FAO) and United Nations Development Programme (UNDP)
Other implementing organization(s)	Government of Malawi through the Ministry of Agriculture (MoA) and District Councils of M'mbelwa and Kasungu
Name of the legal representative of the organization(s)	Dr Zhijun Chen, FAO Representative in Malawi Mr Shigeki Komatsubara, UNDP Representative in Malawi
Name/Title/Organization of the person responsible of the project	Dr Zhijun Chen, FAO Representative in Malawi Mr Shigeki Komatsubara, UNDP Representative in Malawi
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PROJECT DOCUMENT

1. Project Name: Empowering Women and Youth in Agriculture in Malawi

2. Overview

2.1 General Information

Implementing Organizations: Food and Agriculture Organization of the United Nations (FAO) and United Nations Development Programme (UNDP)

Government Counterparts: Government of Malawi through the Ministry of Agriculture and District Councils of M'mbelwa and Kasungu

Project duration: 28 months

Starting date: 14 May 2023

Ending date: 14 September 2025

Window of the Fund: Inclusive and Resilient Growth – Window 3

Geographic Scope: Kasungu and Mzimba Districts

Direct and indirect beneficiaries: 2 750

Direct Beneficiaries: The project is expected to engage with a total of 1 000 beneficiaries comprising 80 percent women and youths. The project shall have a participation of at least 60 percent women and 40 percent youths. These farmers will be organized in the existing farmer organizations and cooperatives responsible for engagement in the value chains to be identified. In addition, the project will benefit the

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Ministry of Agriculture (MoA) at higher level to technically lead and coordinate private sector engagement in agricultural business through a placement of an expert in the Department of Agricultural Planning Services.

Indirect Beneficieries: The project will reach out to an additional 1 750 women and youth farmers from existing production systems and farmer networks who will compliment the value chain, receive relevant training and provide targeted additional support. The project will also engage with extension workers to ensure high quality and innovative advisory solutions and existing community structures. Various market players such as agro-dealers, transportes and agro-processors will also benefit and various small jobs will be created in the process.

FAO has just concluded an assessment and mapping of farmer organizations (FOs) in Mzimba and Kasungu to identify those that are functional and ready to graduate from mere farmer groups to market oriented entities. These FOs are linked to specific potential value chains. This project therefore will benefit from such information in order to further detail the selected FOs and Value Chains. It is upon identifying these FOs that further details on number of members disaggregated by gender and age will be clarified.

In the process, the project shall work with government extension workers, the existing local governance structures such as the Area development Committees (ADCs), Village Development Committees (VDCs), Village Action Committees (VACs) and various specific enterprise committees. The projects beneficiaries will largely be youth and women from the surrounding catchement areas where the ongoing projects of Climate Resilience Initiative in Malawi (CRIM) and Market Capacity Building (MCB) projects overlaps.

2.2 Budget

Total Budget: **EUR 2 450 000 (USD 2 695 064)**

Name other Budget sources: **UN MPTF: EUR 2 450 000**

2.3 Executive summary

The country's development blueprint, the Malawi 2063, and its ten-year implementation plan (MIP-1), outlines aspirations to transition the economy into an upper middle income country by 2063 by focusing on three main pillars: agricultural productivity and commercialization, industrialization and urbanization. Key to the development of the agricultural sector in Malawi is the focus of the first pillar of the Mw2063, agricultural productivity and commercialization, which is the underlying theme of this project.The project will directly support the implementation of key sectoral policies including the National Agriculture Policy (NAP) as well as the National Export Strategy (NESII). The NAP 2016 identifies empowerment of youth, women and vulnerable groups in agriculture as one of the priority areas in addition to developing agricultural markets, agroprocessing and value addition. Specifically, the policy highlights the need to promote participation of women and youth in agroprocessing, value addition and agricultural exports; this is in tandem with the objectives of this project. The project aims to increase the share of women and youth contribution to production and marketing of key and emerging high value crops in order to support poverty alleviation, increase incomes and strengthen market participation and linkages. The NESII also recognizes the role agriculture plays and the need to transform the sector so that it becomes more productive. Within the strategy, there are priority crops that have been identified for intensification.

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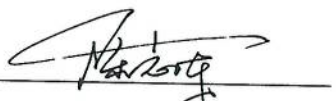
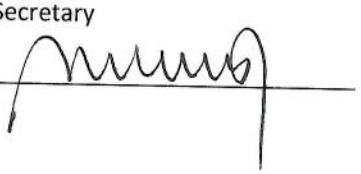
2.4 Project General Objective

The proposed project, "Empowering Women and Youth in Agriculture in Malawi" will leverage investments already made under the CRIM/MCB projects to enhance agricultural production and promote access to markets through the following broad objectives:

- Enhance agricultural productivity of key-value chains in agriculture by promoting utilization of advanced and low-cost technologies, access to and leveraging capital finance and advancing highquality extension and advisory services in Kasungu and Mzimba.
- Facilitate an enabling environment for market access and linkages by processing and value addition, aggregation, de-risking instruments for private sector engagement and formation of primary and secondary cooperatives.

The project will identify potential and high-value chains in Kasungu and Mzimba districts and support production through climate-smart technologies, leverage capital financing, extension services and market linkages. The proposed model will ensure that women and youth are capacitated to effectively engage in the identified value chains and graduate towards sustainable cooperatives and independent market oriented entities.

2.5 Names and signatures of participant organizations and counterparts

Participating Organizations	Government Counterparts
Name of the organization: FAO Name of the representative: Dr Zhijun Chen Title: Country Representative in Malawi Signature:  Date and stamp 14 June 2023	**Name of the counterpart: Ministry of Agriculture** Name of the representative: Mr. Dickxie Kampani Title: Principal Secretary Signature:  Date and stamp
Name of the organization: UNDP Name of the representative: Mr Shigeki Komatsubara Title: Resident Representative in Malawi Signature: DocuSigned by: Shigeki Komatsubara F54C0E2F27704E7... Date and stamp 15-Jun-2023	THE PRINCIPAL SECRETARY MINISTRY OF AGRICULTURE 23 JUN 2023 P.O. BOX 30134 LILONGWE 3

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3. Situation analysis (problem)

The agriculture sector in Malawi employs over 76 percent of the total population, and 64 percent of the country's workforce. It generates over 80 percent of national export earnings, contributing to 23 percent of the gross domestic product (GDP). Over 51 percent of Malawians are under 18 years of age and youths of 15-35 years also consistitute half of the population. Generally, household food availability is determined by own production. However, about 76 percent of the population of farmers is operating on relatively small farm sizes, around half a hectare. With a population growth rate of 2.9 percent per annum, more pressure is increasingly being exerted on the already diminishing productive resources. The contribution of the smallholder farmers to the country's agricultural development and food and nutrition security cannot be overemphasized.

The provision of market oriented agricultural extension and advisory services is therefore crucial to enhancing better choices in the production system, sustainable productivity and commercialization. However, despite reforms undertaken in the past decade, it has been difficult to achieve tangible results towards commercializing the agricultural sector owing to among other reasons, promoting farming as a business without a clear framework to guide this process. In addition, attempts to organize smallholder farmers into cooperatives have fallen short of expectations due to lack of clear strategies and linkages to markets as well as limited capacity in the relevant line Ministries to support the development and sustenance of farmer/producer cooperatives. The sector has the potential to transform lives and livelihoods, however, for that to happen, efforts have to be holistic, focusing on the entire value chain: from farmer organisation development, research and development and extension to value addition and other aspects of the agro-based value chains.

Lessons emerging from the "Marketing capacity building project for smallholder farmers in Mzimba and Kasungu Districts project" supported by the Government of Flanders have shown that the possibility of more transformative impacts is increased where farmer organization development, adoption of good agricultural practices, bulking centers upgrades, and improved commercial relationships are pursued in tandem, through selected, geographically clustered value chains. Direct and consistent interventions in value chains based upon their growth or improvement potential can help enhance productivity, build the requisite social capital, and reduce transaction costs.

In a bid to improve production, productivity and commercialisation for more resilient food systems and better diets, the government has articulated its renewed commitments through a long term national vision and supplementary strategies including a National Agriculture Extension and Advisory Services Strategy (NAEASS) 2020-2025 and the Farmer Organization Development Strategy (FODS) 2020-2025 both launched in December 2020, resonating with the recently approved Malawi National Export Strategy II - 2020-2025 and the Malawi Digital Economy Strategy 2021-2026. Likewise, the Agriculture Sector Food and Nutrition Security (ASFNS) 2020-2024, and the pipeline draft National Cooperatives Development Policy, the Food Safety Policy and the upcoming National Agriculture Policy and Investment Plan, all explore new pathways for inclusive value chains growth.

The FODS provides a detailed framework through which smallholder farmers that are widely dispersed across the country and often operating on fragmented pieces of land can be organized into sustainable,

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strong and vibrant networks and progressively transform into viable FOs. The objective of the FODS is to promote the development of sustainable, professionally operated and market oriented FOs that can facilitate integration of smallholders into value chains that directly link rural producers to structured markets.

At least 59 percent of farmers in Malawi are women and produce approximately 80 percent of the overall agricultural produce. The youth population (51 percent under 18 years) also provides readily available labor to advance agricultural production. The National Youth Policy also recognises youth as a significant human resource which remain underutilized and undeveloped. As a guiding agricultural policy, the NAP recognizes the central role that women and youth play in agriculture and rural development and the pressing need to render agriculture more attractive and profitable to youth and women. A comprehensive gender assessment study shall be commissioned to isolate gender related challenges, which hampers equitable participation of youth and women in agricultural production to enhance suitable actions and response to the following challenges:

- Limited access to productive resources: women and youth, due to cultural barriers and social structure limit their ownership and control of productive resources such as land and capital in the process affecting their ability to make investments and contribute positively to economic development.
- Limited access to capital finance and financial products: current requirements for accessing finance and conditions governing credit are often unfavourable to women and youth as they do not possess collateral and have limited access to the financial information. In addition, most financial opportunities do not accommodate the seasonal nature of most rural women entrepreneurship activities, most of which are small scale and agricultural based.
- High cost of inputs: cost of inputs are high relative to women and youth's economic status limiting their access to inputs, technologies and value addition opportunities.
- Low agricultural mechanization: agricultural production in Malawi is largely inefficient and labour intensive hence not attractive to youth and posing as burden to women. Despite years of planning, mechanization in the agricultural value chains has not taken off as envisaged. This is largely due to low capital capabilities by the farmers and flagmentation of farms and farmers.
- Limited access to markets: lack of market information and limited skills in agro-processing, value addition and agribusiness management also push women and youth away from engaging in profitable agriculture. In addition, the youth and women face the challenge of lack of appropriate market infrastructure (access roads, market platforms, transport and storage facilities) to support their value chain and marketing activities. A gender assessment on the ownership of mobile phone shall conducted to established gender gaps on the use of mobile phone as the key driver for e-commerce.

In order to implement some of the interventions identified in the National Agriculture Policy (NAP) and its Implementation Plan (NAIP), the Ministry of Agriculture (MoA) formulated a national flagship programme on Empowerment of Women and Youth in Agriculture with a total budget of USD 279 million. Despite

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receiving technical and administrative clearances from within the Government, this flagship programme has not taken off as envisaged owing to lack of funding. The proposed pilot of the flagship programme on Empowerment of Women and Youth in Agriculture seeks to address barriers for and empower women and youth to effectively engage in agricultural production and their respective value chains whilst building support institutions for sustaining their engagement. The project will be implemented in Kasungu and Mzimba districts. This is a joint programme between the Government of Malawi represented by the MoA and the United Nations System in Malawi represented by UNDP and FAO with funding from the Flanders Government through the Sustainable Development Goals – Acceleration Fund (SDG-AF). Programmatically, the programme will build on the ongoing projects in the two target districts that are funded by the Flanders Government as well as other Government of Malawi programmes.

The project adopts a model that ensures that women and youth are capacitated to effectively engage in the identified value chains and graduate towards sustainable cooperatives and independent market oriented entities to accumulate significant skills and income. Using an integrated approach, the project will accelerate agriculture productivity, enhance access to markets and enhance capacity of MoA in private sector engagement. Gender analysis will be conducted during the inception period in order to capture gender gaps, sex disaggregated data collection, and formulation of a gender action plan for consideration during value chain identification.

4. Theory of Change

General Objectives

The proposed project will leverage investments already made under the MCB/CRIM projects and in line with the national flagship programme to contribute to improved well-being and livelihoods of women and youth engaged in agriculture in Malawi.

This broader goal will be achieved through the following strategy: increase women and youth economic empowerment through enhanced engagement in priority agriculture value chains which will result in significant growth of the agricultural sector, increased incomes, and improved food and nutrition security for all.

Programme/project or specific objective(s)

Specifically, the project will aim at achieving the following objectives by the end of three (3) years of implementation:

- Increase agricultural productivity of key-value chains by promoting utilization of advanced and low-cost technologies, access to and leveraging capital finance and advancing high-quality extension and advisory services.
- Facilitate an enabling environment for market access and linkages through processing and value addition, aggregation, de-risking instruments for private sector engagement and formation of primary and secondary cooperatives.

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RESULTS

The implementation of activities foreseen in this project will generate three key outcomes and three outputs as follows:

Expected Outcomes

1. Enhanced capacity and skills of farmers to deliver and benefit from improved agricultural production and productivity.
2. Increased market access, value addition, trade and access to finance by women and youth Farmer Organisation.
3. Farmers generate increased profits from the value chains they are engaged in.

Expected Outputs

In order to achieve the two main outcomes mentioned above, the following outputs are envisaged:

1.1 Government extension officers supported to deliver training to FOs.

1.2 Farmers' Organizations strengthened for engaging in value chains.

1.3 Value Chains under farmer field school Network and Cooperatives are competitive on the market.

ACTIVITIES

The project will implement the following activities:

1.1 Government extension officers supported to deliver training to FOs

1.1.1 Government Staff (Agriculture Extension Development Officers [AEDO] are supported to deliver training to farmers in good agriculture practices, crop quality, etc.

1.1.2 Government irrigation officers support farmers with repairing of irrigation schemes and propose a cost effective irrigation scheme.

1.1.3 Government staff identify and promote production of high value chains in irrigation schemes with extension services.

1.1.4 Design and implement technical trainings for FOs in sustainable production and farming as a business.

2.1 Farmers' Organizations strengthened for engaging in value chains

2.1.1 Identification of value chains and needs assessment within each VCs.

2.1.2 Reorganization of FOs by putting measures that attract women and youth in the identified VCs.

2.1.3 Realignment of FOs according to value chains as production clusters, this will involve clustering FOs at EPA level for ease of management, coordination, bulking and value addition.

2.1.4 Link the FOs to reliable input suppliers for improved and certified seeds and MFI's.

2.1.5 Support FOs to acquire low cost modern production and processing equipment.

2.1.6 Promote productive alliances with off takers who will in turn provide investments in production and processing.

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3.1 Value Chains under farmer field schools (FFS) Network and Cooperatives are competitive on the market

3.1.1 Build the capacity of FOs to identify gender sensitive enterprises and undertake collective marketing.

3.1.2 Promote market and information access through E-Commerce.

3.1.3 Support value addition for forest based enterprises (apiary) and linkages to market.

3.1.4 Support of formation and strengthening of secondary cooperatives to enhance aggregation to meet off taker demand and bargain for better prices.

3.1.5 Invest in low cost infrastructure for value addition, aggregation, and storage.

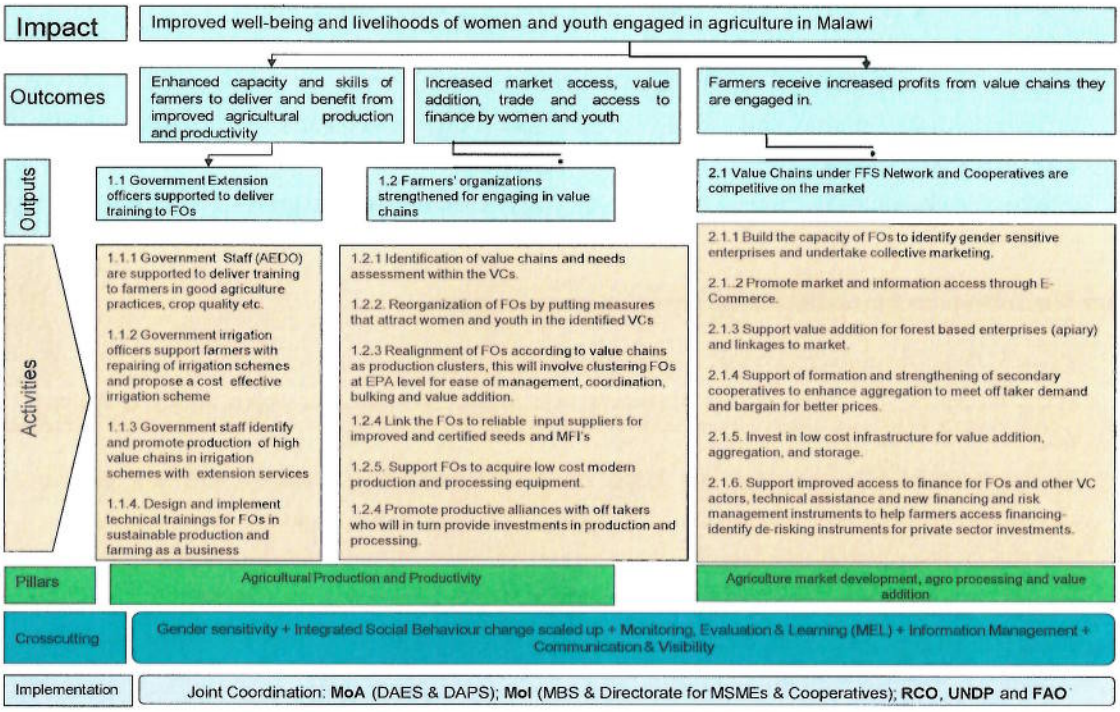
3.1.6 Support improved access to finance for FOs and other VC actors, technical assistance and new financing and risk management instruments to help farmers access financing- identify de-risking instruments for private sector investments.

INDICATORS

The list of indicators is provided in the detailed logframe further below. The one immediately below is the main high level indicator whose baseline and targets will be clarified soon after the VC analysis is done during the initial stages of the project implementation.

- Proportion of the population within the target FOs above the national poverty line.

However, apart from the detailed logframe, the figure below is a schematic presentation of the Theory of Change



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Figure 2: Theory of Change

The project recognizes the value of investments in addressing barriers and promoting access to capital by Women and Youth in Agriculture for improved production and income through organized FOs, cooperatives and value addition. The project's theory of change envisages that if women and youth groups are mobilized to invest in high value chains with the appropriate technical advisory and efficient technologies; then farmers stand to increase their income and economic gains from production due to improved agricultural production, access and linkage to viable and sustainable markets.

The project shall support government extension officers to deliver trainings to farmer organisations which will lead to strengthened farmer organisations in value chains. The extension workers to be engaged already underwent an intensive training course in Farmer Field School (FFS) methodology, which included a full module on mainstreaming gender issues in agriculture production and agro business activities. This will allow full participation of women farmers and access to extension advisory services and information. It is envisaged that value chains under FFS networks and cooperative shall become competitive on the markets and attract increased income and profits for the groups. The engagement in on-farm and irrigation agricultural systems will improve and strengthen all year production including the project's investment for the enhancement of the agriculture market development, and farmers being engaged in agro – processing and value addition. All the activities explained above, shall at the end lead to improved wellbeing and livelihoods of women and youths who are engaged in agriculture.

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Participating and implementing organizations

Organization	Role	Added Value	Capacities and experience
Ministry of Agriculture (MoA)	Implementing the Project in cordination with all key stakeholders	The MoA is mandated to promote and accelerate broad-based, sustainable agricultural development policies that enhance economic growth and contribute to poverty reduction. It has experienced and competent staff drawn from from technical departments of extensión, crop production, livestock management, irrigation, and fisheries. The cordination accross these departmental function will help in designing sustainable business models and effectively addressing technical gaps for value chain development.	The Ministry and its decentralized structures in Mzimba and Kasungu districts has well trained and experienced staff in agriculture extensión, crop production, livestock management, land resources management, irrigation, and fisheries development.
Food and Agriculture Organization of the United Nations	Provide technical support in project design and implementation	In Malawi, FAO has collaborated with the Government since establishing its representation in the country in 1986. FAO's cooperation with the Government of Malawi focuses on policy and technical support in food security, agriculture and rural	FAO is a specialized agency of the United Nations that leads in-ternational efforts to defeat hunger. The goal of the Organization is to achieve food security for all and make sure that people have regular access to enough high-quality food to lead active, healthy lives. With 195 members (194 countries and the

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		development through a wide range of programmes and projects. These are being delivered with emphasis on technical advisory services and capacity building. The comparative advantage of FAO lies in its role as the world's agricultural knowledge agency for policy development, integrated capacity building, technical cooperation, response to agricultural emergencies and support to rehabilitation/recovery, support to rural and agricultural investment, collection and dissemination of global information, and for the development and implementation of major international treaties and agreements. FAO, with mandate and status as an inter-governmental organization, has a broad resource of technical expertise, knowledge and experience in the areas of agriculture, livestock, forestry and fisheries and thus has a clear comparative advantage in supporting the Government of Malawi in implementing this project.	European Union), FAO works in over 130 countries worldwide. FAO is a key stakeholder in the agricultural sector in Malawi and has been working with the Government of Malawi in all aspects of food security and agriculture since the Representation was officially established in the Country in 1986.
United Nations Development Programme	Provide technical support in project design and implementation	UNDP' s work aims to contribute to economic growth, sustainable environmental management, and democratic governance and accountability in Malawi. Specifically, the Resilience and Sustainable Growth Portfolio focusses on enhancing economic innovation, inclusive business, job creation, and supports Malawi adapt to climate change and build resilience to disasters.	UNDP works in more than 170 countries and territories across the world, helping to achieve the eradication of poverty and the reduction of inequalities and exclusion. UNDP collaborates with countries to develop policies, skills, partnering abilities, institutional capabilities and build resilience for sustainable development results. The UNDP's Country Programme Document is closely aligned to the country's long term development agenda, Malawi 2063 and supports Malawi's aim to achieve the Sustainable Development Goals by 2030, it has been present in Malawi since 1964.
The Ministry of Trade and Industry's (MoTI)	To be involved in the implementation of the project	The MoTI promotes trade and private sector development for sustainable economic growth. It is responsible for ensuring the expansion of products and services from Malawi on the domestic and international markets.	It works on developing and promoting a conducive economic environment for the growth of all businesses; creating an enabling and competitive environment for private and Micro, Small and Medium Enterprises (MSME) sector growth and development; promoting growth and diversification of exports;

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			strengthening sector capacities and improve coordination and effective delivery of the sector programmes and services. The MoTI is comprised of four key departments namely; Private Sector Development, Investment; Trade; Domestic Trade; and Foreign Trade. The Ministry will be key in promoting cooperative development aiming at improving quality of products and improved bargaining power of the cooperatives.
Ministry of Gender, Community Development and Social Welfare (MoGSW)	To be involved in the implementation of the project	Promotion of gender equality in the project.	The MoGSW is mandated to promote gender equality and protect the welfare of Malawian women, men, girls and boys to become self-reliant and active participants and beneficiaries of the national development agenda. Already DAES of the MoA rolled out capacitation of frontline extension workers in household approach, which is a set of gender analysis tools intended to facilitate gender mainstreaming in all Government and development project implementation.
Ministry of Youth and Sports	To be involved in the implementation of the project	Promotion of youth involvement in the value chains. It will shelp to support inclusion of relevant to youth networks/groups and ensure the youth have a voice in the decision that affect them.	A government ministry that provides policy direction and guidance on all matters pertaining to empowerment of Malawian youths. It has experienced staff.
Malawi Bureau of Standards (MBS)	To be involved in the implementation of the project	The MBS will be responsible for regulating the quality of products, making them acceptable for markets (domestic and international).	A statutory organization established in 1972 by an Act of Parliament with a mandate to promoting metrology, standardization and quality assurance of commodities and of the manufacture, production, processing or treatment thereof; and further to provide for matters incidental to, or connected with standardization.

5. Coordination and Management

INSTITUTIONAL FRAMEWORK

Stronger coordination of all key players will be required for effective implementation of the project. These include Government institutions, non-state actors (NSAs) such as non-governmental organizations (NGOs) and civil society organizations (CSOs); the private sector (including farmers, farmers organizations and private sector companies); research institutions, the academia and Development Partners (DPs).

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The key government institutions for this project include: MoA, MoGSW, Ministry of Youth and Sports Development, MoTI and Ministry of Natural Resources and Climate Change (MoNRCC). Further collaboration will be established with the civil society organizations especially those that represent the interests of the farmer organization for example, National Smallholder Farmers' Association of Malawi (NASFAM), Farmers Union of Malawi (FUM) and the Civil Society Agriculture Network (CISANET).

MANAGEMENT AND IMPLEMENTATION STRUCTURE OF THE PROGRAMME/PROJECT

The project will jointly be implemented by the MoA with support from the UN system (FAO and UNDP). The project will establish a Project Steering Committee (PSC) to act as an advisory body to be Chaired by the Director of Agricultural Planning Services (DAPS) and will be comprised of the following: DAPS, Department of Agriculture Extension Services (DAES), Farmer Organizations (NASFAM and FUM), UNDP, FAO, the Flanders Government Representation, MoTI, MoGSW, Ministry of Youth and Sports and representation of the private sector. The PSC will meet yearly and will receive reports and provide feedback to a Project Implementation Team (PIT) that will be responsible for the full strategic, technical and operational coordination of the project. The PIT which will meet bi-annually, will be co-chaired by the Directors of Agriculture, Environment and Natural Resources of M'mbelwa and Kasungu district Councils, and have membership from relevant technical partners at district level including FAO and UNDP. It will draw membership from the Agriculture Development Division (ADDs), District Authorities of Mzimba and Kasungu including the Divisional Education Managers (DEMs), Farmer Organizations, implementing NGOs and FAO. It will also be responsible for the day-to-day oversight of the project implementation, to ensure coherence and integration of the planned activities in the District Development Plans.

With regards to the technical implementation team, the project will engage the services of the following experts to ensure that implementation is smooth and technically sound: Project Coordinator (50%), District Coordinators (2), Farmer Organization Officers (2), Value Chain Development Officers (2), Market Analysts (2), Finance and Administration Specialists (2) and Drivers (2). Subject matter specialists in the Government will complement these project to specific technical team and ensure that activities are synergetically implemented and feed into the higher level objective of the project. Some of the team members will be based in either of the two district councils while others will operate from Lilongwe to cover both districts.

Further, the institutional framework of this project is designed to build on the existing and envisaged institutions and contribute to their further development, in particular the Department of Agricultural Extension Services and MoTI.

INPUTS

The project will recruit a team of experts in the following areas: farmer organization, market analsysis, coordination, value addition and administration. It is envisaged that this will form the minimum in terms of technical abilities to ensure implementation of the foreseen activities. In addition, the project will engage the services of a technical adviser on private sector engagement to be placed in the department of agricultural planning services in the MoA. Likewise, an in-house gender expert shall be engaged to ensure that during implementation of activities, all social and gender norms that most often constrain

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women's participation are well addressed within the specific value chains such as promotion of gender sensitive access to finance to specifically accelerate active women's involvement to market linkages.

Two vehicles will be procured for use by the project team, one in each district. Should there be need, the project will also support loal transport needs to maintenance and fueling of motor cycles of the district assemblies to facilitate field activities.

More detailes are provided in the detailed budget annex.

6. Project logic of intervention

The programme will identify potential and high-value chains in Kasungu and Mzimba districts and support production through climate-smart technologies, leverage capital financing, extension services and market linkages. The proposed model will ensure that women and youth are capacitated to effectively engage in the identified value chains and graduate towards sustainable cooperatives and independent market oriented entities.

Below is a schematic presentation of the model of the project:

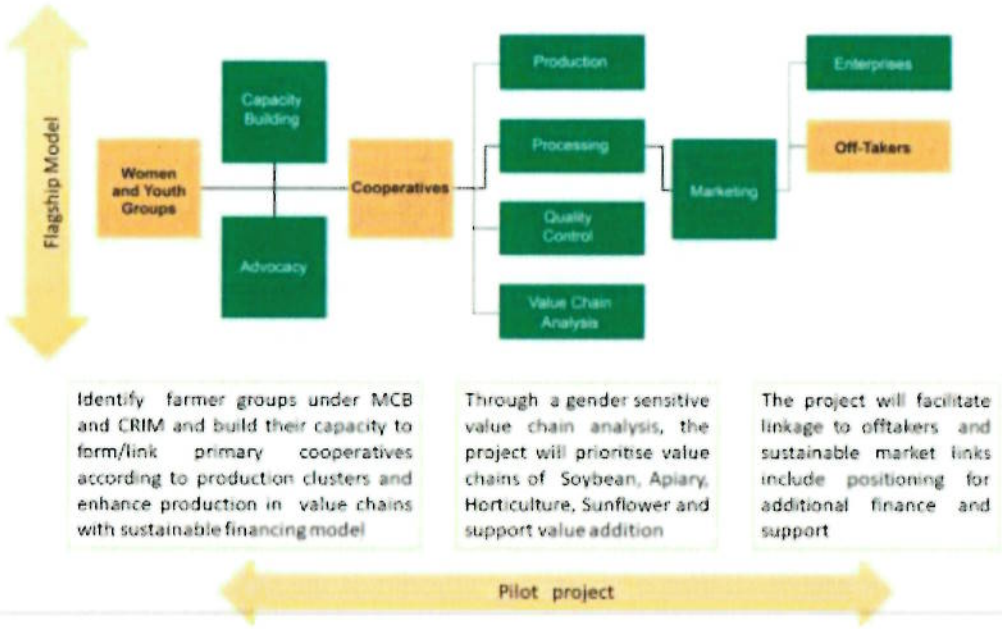


Figure 1: Proposed model for delivering the pilot project

The United Nations in Malawi (FAO and UNDP) will technically support the MoA by leveraging its existing programming in climate smart and nutrition sensitive agricultural production, climate resilience, market access and private sector engagement, access to finance and livelihood diversification to ensure that this project adopts a model that tackles multiple barriers to women and youth engagement profitable value chains and economic activities. The project is essentially a pilot initiative of the flagship programme of the

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MoA which was developed based on the National Agriculture Investment Plan and National Agriculture Policy.

Component 1: Enhancing Agricultural Production and Productivity

The small and resource poor farmers cultivate an average land size of 0.5 to 0.8 hectares. This is done under unpredictable climatic conditions, limited access to quality inputs and extension services and undefined access to markets. The use of inadequate inorganic fertilizers, estimated at 40 kgs per hectare, erratic rainfall, and over-cultivation of a single crop are some of the major factors that contribute to low productivity amongst the majority of smallholder producers in Malawi. The CRIM has improved the implementation of land reforms through the establishment of irrigation infrastructure (irrigation schemes and dams), and farm mechanization targeting vulnerable groups (women and youth) while the MCB has facilitated formation of farmer organizations through a FFS approach offering a direct pathway to disseminating agriculture extension information as well as promoting farming as a business model/mindset. These projects have promoted drought-tolerant varieties, plant/crop protection and water management as climate-smart technologies and enabled the birth of various agricultural value chains, and linking the FFS to reliable markets.

The proposed piloting of the flagship Programme will build on the already available investments under the MCB/CRIM Projects with a more gender lens, putting women and the youth at the centre of programming through the following interventions:

- *Value chain identification and prioritization*
  - Based on investments made under the MCB and CRIM projects and proposed value chains under Government's flagship initiative, the project will engage in the identification and prioritization of key high-value chains including horticultural crops, soya beans, groundnuts, sunflower and apiary.
  - Support the establishment and pilot greenhouse for horticultural production. The project will further conduct a gender sensitive value chain analysis to draw a shortlist of value chains with high potential and income returns.
- *Farmer groups to cooperatives*
  - The project will facilitate the reorganization of Farmer Organizations/Cooperatives by putting in place measures that enhance women and youth participation in the identified value chains. Further, the project will facilitate realignment of farmer field schools networks into production clusters based on the identified value chains.
  - The project will also facilitate FFS Network/Coops linkages with input suppliers to ensure reliable supply chain of improved and certified seeds in order to improve production and productivity of high value crops.

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- *Enhancing productivity*
  - Promote use of climate-smart farming technologies, use of improved varieties, crop protection and soil and water management will be promoted to ensure high production and increased productivity.
  - Improving access to farm machinery using existing government machinery and improving ownership of simple farming machinery/tools. In order to improve production and productivity, producer groups will be supported to acquire low cost modern production equipment. Alternatively, the project will help link the FOs to financing mechanisms that can enable them acquire capital intensive equipment for both production and value addition.
- *Linkage to off-takers and enterprises*
  - Promoting productive alliances with off takers who will in turn be encouraged to make capital investments for both production and processing purposes. This particular intervention will be inspired by lessons from the Agriculture Commercialization project of the Government of Malawi (AGCOM).
- *High quality extension and advisory services*
  - The project will leverage on FAO and government expertise in extension services in production, marketing, and farming as a business. It will further make investments in extending outreach by enhancing mobility and digital platforms.

Component 2: Improved Access to Markets

Agricultural transformation requires improved access to markets, increased value addition, increased agricultural exports and trade, and better access to finance at lower interest rates. It (agricultural transformation) involves investment in transportation of the produce, marketing and storage infrastructure in order to improve market access, increase shelf life and reduce post-harvest losses. Training and capacity development for women and youth farmers and other private actors on technical and managerial aspects related to processing, marketing and storage, including the use of innovative instruments such as warehouse receipts and commodity exchanges is important in enhancing market access and promoting market linkages. Trade facilitation and export promotion help improve access for farmer organizations and agribusiness to regional and global markets as well as to a broader range of quality inputs. Furthermore, improving access to innovative financing for farmer organizations and other value chain actors through technical assistance and new financing and risk management instruments is extremely crucial if the objective of commercializing agricultural sector is to be achieved.

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The following activities are proposed to accelerate market access and linkages:

- *Marketing-capacity building*
  - The project will build capacity and skills of farmer organizations in identifying potential gender-sensitive profitable enterprises, calculation of profitability margins of the prioritized commodities, conducting market intelligence surveys for the prioritized value chains and understanding the importance of collective marketing as well as implementing them.
  - Promote marketing and information on market access through gender sensitive E-commerce using the existing digital platforms or identifying new ones in line with the Digital Economy Strategy of the Government of Malawi. Gender assessment to be conducted to inform gender action plans with specific actions to explicitly address women's needs, circumstances and challenges in the design and implementation of mobile-related products, services, interventions. This includes addressing the barriers women face related to affordability, knowledge and digital skills, safety and security, and access and availability of relevant content, products and services.
  - Facilitate mapping, formation and strengthening of secondary cooperatives (from farmer organizations and primary cooperatives) with the aim of enhancing their capability to aggregate produce to meet off-taker demand, collectively add value and negotiate better prices.
- *Value addition investment*
  - The project will invest in low-cost infrastructure for aggregation and storage and value addition technologies e.g. for grading and post-harvest loss management including the use of innovative instruments such as warehouse receipts and commodity exchange. In addition, the project will leverage existing aggregation centres that were financed by the Flanders Government through Agriculture Commodity Exchange (where feasible) to enable the target FOs bulk their produce and potentially add value before selling to bigger off-takers.
  - Support value addition for forest-based enterprises (honey production) and linkages to local and regional markets. Bee keeping and honey production has picked up in recent times owing to increased consumption of honey by the middle income earners in major towns and cities. This has created a market for honey producers across the country.
- *Access to Finance*
  - Support improved access to finance for farmer organizations and other value chain actors through technical assistance and new financing and risk management instruments to help farmers access financing- identify de-risking instruments for private sector investments.
  - Facilitate linkages between producer organizations and microfinance institutions and development projects such as AGRICOM in order to increase access to microfinance opportunities. A mapping of financial providers to be conducted to establish available products

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that are responsive to address specific gender gaps, and reflected in the gender action plan developed as part of the gender needs assessment.

Component 3: Technical support to the MoA

The programme will also support placement of a Technical Adviser on Private Sector engagement in the DAPS for an initial period of 12 months (6 months to be funded by this programme and the other 6 months will be covered by FAO). This Technical Adviser will directly report to the Deputy Director responsible for Monitoring in the DAPS, details on terms of reference and recruitment shall be finalized at a later stage.

Cross-cutting issues - Enabler and integrator factors

In addition to the three thematic detailed above; the proposed initiative will also contribute to building climate resilience and restoring critical ecosystems that support agricultural production in the two districts for example, ensuring continued flow of water for irrigation of high value horticultural crops and improving soil nutrition through agroforestry and forestry regeneration. These cross cutting interventions will help to sustain production of the chosen crops on one hand and contribute to sustainable natural resource management on the other. Honey production requires the presence of forest cover, the project will work with FOs and groups to afforest and protect forests in order to enhance honey production.

Furthermore, the project will leverage on the existing Flanders partnerships and investments in the target areas such as private sector and farmer organizations (Chilanga in Kasungu) and Microfinance institutions (MFIs) (Trade line and Cofi) and infrastructure development (ACE warehouses).

7. Results Sustainability

TECHNOLOGY

UNDP through its Accelarator Labs Program identifies grassroots solutions together with local actors and validate their potential to accelerate development across various districts and communities. Through this project, the project shall work in collaboration with the Accelarator lab to enhance the already existing technology of solar Irrigation schemes available in the suggested districts of Mzimba and Kasungu. In addition, the community members, are organized in groups with established organizational structures governing the irrigation schemes through by-laws, membership as well as meintance arrangements for equipments, tools.

Furthermore, UNDP through its innovation challenge under private sector program, has been working with over 250 entrepreneurs and innovators building their capacity and to accelerate innovation and scale up their scope of activities. It is with this background that a linkage with the private sector team as well as the existing innovators on the market shall be enhanvced to promote technology uptake in the local communities.

ECONOMIC AND FINANCIAL FEASIBILITY

The project recognizes local iniatives for promoting saving and financial management. Through the ongoing CRIM and MCB Projects, Villlage Savings and loans (VSL's) is one iniatative contributing towards

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economic empowerment for men and women including the youth. The project shall strengthen and promote the VSLs aiming at increasing their capital base, as well as linking them to existing cooperatives.

The project shall empower local structures, district councils with knowledge and soft skills in financial management, private sector engagemnent and development as well as marketing and value addition of the agricultural produce. The skills shall facilitate the local communities with both short and long term strategies in generating revenue with available resources for sustainability.

Project entry strategy

The project will leverage existing SDG-AF oversight structures at national level and government and UN partners instituted governance structures at district level. At national level, the SDG-AF committee will serve as the project's overarching approval body and a project-level steering committee will serve as the board of the committee, responsible for key decision-making and oversight. The steering committee, which will constitute representation from relevant government ministries/departments, UN Agencies, development partner and the private sector will enforce linkages with relevant initiatives and ensure eeffective inter-agency coordination at national level.

The projects's entry and commencement with communities and non-state partners shall be done after the endorsement at the Districts Council Assembly. At the district level, the District's Executive Committee and District Agriculture Extension Cordinating Committee will serve as the oversight and advisory bodies respectively for the project to ensure ownership, sectoral particicpation and collaboration. An entry meeting with the District Council following the project's approval shall be used as an opportunity where a full project presentation will be made and project document shared with the relevant stakeholders. Further, following a successful meeting and endorsement at the District Councils, local governance structures through the Area Development Committee and Village Development Committee and Farmer Organizations will be engaged to initiate the project. The project's entry point shall pass through all relevant committees and sub-committees at the district as well as at the community level. During the initial scoping study, the project will ensure all critical partners identified under the value chains are engaged during the project inception phase and Terms of Reference (ToRs) drawn for their engagement.

In addition, the project will be implemented in the current CRIM and MCB project impact areas hence the project will capitalize on the existing project structures (including farmer organizations), committees in ensuring that all responsible parties are communicated on their roles and responsibilitites, project outcomes, objectives, goals and beneficiaries.

8.2 Project exit strategy

The project's exit strategy and sustainability plan shall be the integral part throughout the project implementation. Details shall be defined during the first few months of project implementation (inception phase). The success of the exit strategy of the project depends on how best the partnerships, systems, institutions and structures of the project have been developed. With this understanding the project will implement its activities with the view of building strong systems, institutions and structures from the time

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the project is being launched. This will help to build accountability mechanisms, social networks, and procedures that the beneficiaries will continue to rely upon even after the expiry of the project life.

This will be informed by the proposed partnerships (including relevant institutions in the agri-value chains), governance structure to inform ownership, resource and finance flows and positioning the project for upscale. To ensure smooth continuity the project will be implemented jointly with the government. This will also enhance buy-in, support and ownership. The project will ensure that in its first two years of implementation, extension workers, farmer groups and cooperatives acquire the relevant skills, capacity and infrastructure to implement and deliver the project. The final year of the project implementation shall focus on sustaining achievements, upsacaling as well as the sustainability of the interventions.

Structure of the strategy

The exit strategy boarders on environmental, social and economic aspect of the project interventions. From the beginning all the interventions of the project will support conservation of the environment. The project will work with the targeted farmer organizations to advocate for improved management of the environment. In the social realm, the project will support women and youth to participate in producer groups, networks and cooperatives and also in micro financial institutions such as VSL groups. This will help the groups to build the social capital and skills such as team building, organization management, negotiation skills and conflict resolutions. These skills will be needed after the project has closed to sustain and maintain the farmer organizations. In order to support groups economically, the project will support farmers in high value crops that can give better financial returns, strengthen linkages to markets and market information. In order to enhance productive capacity of the farmer groups, the project will support them to acquire assets that can help them add value and maximize returns. This will be done through matching grants where beneficiary group will make a 30 percent contribution towards the total cost of the equipment or machine to be procured. The grants will contribute towards the exist strategy that supports sustainable business continuity. The matching grant modalities will see the farmer groups applying for grants specifically for financing some productive capital assets in order to accelarate business productivity in the following areas: enhanced agriculture productivity, improved bulking facilities, value addition as well as business acumen.

Description of closing activities

Throughout the project implementation, monitoring of initiatives will be done by all stakeholders and intensified during the final six months of the project, which will also focus on weaning off "commercial" interventions by farmer groups from the project. A joint sustainability plan to be developed in the final year of the project will outline relevant linkages (which will include contracts with farmer groups, linkage with MFIs and offtakers) supply chains, marketing platforms and growth plans for the interventions. It will also examine anticipated risks and joint-mitigation actions to ensure interventions are ably sustained.

The overall achievement of the Project will be summarized to provide lessons learned and best practices generated by the project in the context of agriculture commercialization. This summarization of the project will be shared at national level for possibilities of outscaling as this project will only focus on Kasungu and

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Mzimba districts. Women and youth empowerment in agriculture is a flagship program in the Ministry of Agriculture and therefore this project will provide critical lessons for shaping and engaging these groups in agricultural entrepreneurship.

Engagement with institutional framework that will give continuity to the project activities/results.

The project is located within the global, national and local levels institutional framework. At global level the project works within the frameworks of SDG 2 and SDG 5. In Malawi, the project will work within the frameworks of MW 2063, National Export Strategy, Farmer Organization Strategy Decentralization Policy and Cooperative Act of 2001. The project will also work with the Malawi Bureau of Standards to support quality assurance of the agroprocessing and value addition and market development.

Accountability mechanisms for communities involved.

The project will take recognition of social structures existing in the area. These include the existing farmer groups and leadership, local structures such as local leaders, village development committees, area development committees, area stakeholder panels, district stakeholder panels and district agriculture committees. The farmer organizations that will be supported under this project are embedded in these structures and therefore reporting mechanisms to the relevant committees and structures will be supported during the project implementation to ensure that at the end of the project these structures continue to be relevant and accountable. Under the district agriculture extension system, a farmer organization reports to the area developmemt committee through the area stakeholder panels. Some of these FOs supported under this project will also participate at district stakeholder pannel and may participate in district forums.

Geographic Scope

The project will be implemented in two districts targeting four Extension Planning Areas (EPAs) namely Champhira and Eswazini EPAs in Mzimba District, Kaluluma and Nkanakhoti EPAs in Kasungu District. The project's geographic scope has been selected to leverage investments made under the CRIM and MCB projects in agricultural production systems and farmer organizations.

8. Beneficiaries

FAO has just concluded an assessment and mapping of FOs in Mzimba and Kasungu to identify those that are functional and ready to graduate from mere farmer groups to market oriented entities. These FOs are linked to specific potential value chains. This project therefore will benefit from such information in order to further detail the selected FOs and VCs. It is upon identifying these FOs that further details on number of members disaggregated by gender and age will be clarified.

The projects beneficiaries will largely be women and youth from the surrounding catchment areas where the ongoing projects of CRIM and MCB projects overlaps.

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Table 1

Beneficiaries category	Target Group	Male	Female	Total
Direct Beneficiaries	Youth	200	200	400
	Adults	180	420	600
Indirect Beneficiaries	Youths	500	500	1 000
	Adults	250	500	750
	Total			**2 750**
	Community Structures			20
	Extension Workers	50	50	100

9. Results Framework and Budget

(in pages below)

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Results Framework

Results Chain	Indicators				Assumptions
	Indicators (all relevant indicators will be disaggregated by age and gender)	**Baseline**[1]	**Target**	**Means of verification (MOV)**	
Impact: Improved well-being and livelihoods of women and youths engaged in Agriculture in Malawi	Proportion of food secure rural households	To be confirmed upon completion of the baseline survey – Dec 2023	60%	Baseline Survey End-line Survey	No destructive disaster will occur throughout the project period
Outcome 1: Enhanced capacity and skills of farmers to deliver and benefit from improved agricultural production and productivity	1. Percent of beneficiary households (youth and women) using at least 3 technologies combinations 2. Proportion of direct beneficiaries (youth and women) having improved livelihoods options to cope with climate related hazards 3. Percentage increase in yield of the identified and adopted value chains.	Nil Nil Nil	70% 65% 10%	Baseline Survey End-line Survey	The Government extension staff to be trained will be available to support beneficiaries to realize their potential.
Outcome 2: Increased market access, value addition, trade and access to finance by women and youth	4. Average volume of commodities traded by value chain	Nil	TBI	Baseline Survey End-line Survey	Accurate availability of data on bulked commodities, traded commodities, and

[1]When baseline is not available and may require additional resources a preliminary activity could be created in the results matrix.

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Results Chain	Indicators				Assumptions
	Indicators (all relevant indicators will be disaggregated by age and gender)	**Baseline**[1]	**Target**	**Means of verification (MOV)**	
	5. Average income realized by value chain	Nil	TBI		revenue realized per FO
Outcome 3: Farmers receive increased profits from value chains they are engaged in.	6. Proportion of direct beneficiaries (youth and women) with improved access to household assets and equipment.	Nil	80%	Baseline Survey End-line Survey	
	7. Yield per unit area by value chain	Nil	TBI		
Output 1: Government Extension officers supported to deliver training to FOs	1.1 Number of trained Government extension workers supporting FO	Nil	TBI	Project reports	
	1.2 Number of Government extension officers trained in good agriculture practices (climate smart agriculture, etc, marketing etc)	Nil	TBI	Baseline Survey	
	1.3 Percentage of women and youth led farmer organizations (FOs) in the target districts adopting new technologies)	Nil	80%	End-line Survey	
Output 2: Farmers' organizations strengthened for engaging in value chains	2.1 Percentage of women and youth led FOs in the target districts with access to appropriate and modernized productive assets and equipment.	NIL	70%	Project reports Baseline Survey	

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Results Chain	Indicators				Assumptions
	Indicators (all relevant indicators will be disaggregated by age and gender)	Baseline[1]	Target	Means of verification (MOV)	
	2.2 Percentage increase in yield of the identified and adopted value chains.	NIL	TBI	End-line Survey	
Output 3: Value Chains under FFS Network and Cooperatives are competitive on the market	3.1 Number and value of off-taker deals signed and honoured. 3.2 Number of women and youth led FOs with access to markets. 3.3 Number of women and youth led FOs with access to financing for their value chains.	Nil Nil Nil	TBI TBI TBI	Project reports	
Activities Activity 1.1: Government Staff (Agriculture Extension Development Officers [AEDOs]) are supported to deliver training to farmers in good agriculture practices (GAP)	Number of Government extension officers trained in good agriculture practices (climate smart agriculture, marketing, Irrigation, high value chain identification and production)	Nil	TBI	Project Reports	
Activity 1.4: Design and implement technical trainings for Farmer Organizations (FOs) in sustainable production and farming as a business	Number of Farmer Organizations trained in sustainable production and farming as a business	Nil	TBI	Project Reports	
Activity 2.1: Identification of value chains and needs assessment within each VC.	Number of value chains iniatiated (soyabean, horticultural crops, honey production, livestock)	Nil	TBI	Project reports	
Activity 2.2: Reorganization of FOs by putting measures that attract women and youth in the identified VCs.	Numbers of functional Women and Youth FOs reorganized	Nil	TBI	Project reports	

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Results Chain	Indicators				
	Indicators (all relevant indicators will be disaggregated by age and gender)	**Baseline**[1]	**Target**	**Means of verification (MOV)**	**Assumptions**
Activity 2.4: Link the FOs to reliable input suppliers for improved and certified seeds and MFI's.	Number of women and youth FOs linked to reliable input suppliers for improved and certified seeds and MFI's.	Nil	TBI	Project Reports	
Activity 3.1: Build the capacity of FOs to identify gender sensitive enterprises and undertake collective marketing.	Number of FOs undertaking gender sensitive enterprises and collective marketing	Nil	TBI	Project Reports	
Activity 3.2: Promote market and information access through E-Commerce.	Number FOs linked to and accessing E-marketing platforms Number of supplying products to offtakers	Nil	TBI	Project Reports	
Activity 3.5: Invest in low cost infrastructure for value addition, aggregation, and storage.	Number of FOs with access to infrastructure for value addition, aggregation, and storage	Nil	TBI	Project Reports	

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SDG Targets and Indicators

Sustainable Development Goals (SDGs) [select max 3 goals]			
☐	SDG 1 (No poverty)	☐	SDG 9 (Industry, Innovation and Infrastructure)
☒	SDG 2 (Zero hunger)	☐	SDG 10 (Reduced Inequalities)
☐	SDG 3 (Good health & well-being)	☐	SDG 11 (Sustainable Cities & Communities)
☐	SDG 4 (Quality education)	☐	SDG 12 (Responsible Consumption & Production)
☒	SDG 5 (Gender equality)	☐	SDG 13 (Climate action)
☐	SDG 6 (Clean water and sanitation)	☐	SDG 14 (Life below water)
☐	SDG 7 (Sustainable energy)	☐	SDG 15 (Life on land)
☐	SDG 8 (Decent work & Economic Growth)	☐	SDG 16 (Peace, justice & strong institutions)
☐	SDG 17 (Partnerships for the Goals)		

Relevant SDG Targets and Indicators

Target	Indicator # and Description	Estimated % Budget allocated
Pending baseline	2.3.2 Average income of small-scale food producers, by sex and indigenous status	**40%**
Pending baseline	2.4.1 Proportion of agricultural area under productive and sustainable agriculture	**15%**
Pending baseline	5.5.2 Proportion of women in managerial/leadership positions	**30%**
Pending baseline	5.b.1 Proportion of individuals who own a mobile telephone, by sex	**15%**

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OVERALL BUDGET

CATEGORIES	FAO	UNDP	Total	Total
	USD	USD	USD	EUR
1. Staff and other personnel	410 007	309 100	719 107	653 668
2. Supplies, commodities, materials	216 361	498 933	715 294	650 202
3. Equipment, vehicles, and furniture, incl. depreciation	77 788	83 526	161 314	146 635
4. Contractual Services	-	226 528	226 528	205 914
5. Travel	140 131	92 503	232 634	211 464
6. Transfers and grants to beneficiaries	-	-	-	-
7. General operating costs and other direct costs (GMS)	438 878	-	438 878	398 940
Subtotal Programme costs	1 283 164	1 210 591	2 493 755	2 266 822
8. Indirect Support costs *7%	89 821	84 741	174 563	158 678
RCO(1%)			26 746.72	24 500.00
TOTAL	1 372 985	1 295 332	2 695 064	2 450 000

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Operational Plan per Year (2022-2025)

Results/Activities	Year indicators	Schedule				Responsible entity	Budget			
		Q1	Q2	Q3	Q4		2023	2024	2025	Total
Result 1: Government extension officers supported to deliver training to FOs										
Activity 1.1:Government Staff (AEDO) are supported to deliver training to farmers in good agriculture practices etc.	Number of Government extension officers trained in good agriculture practices (climate smart agriculture, etc, marketing, etc.)					FAO	34 427			34 427
Activity 1.2: Government irrigation officers support farmers with repairing of irrigation schemes and propose a cost effective irrigation scheme.	Number of government extension officers trained in repairing irrigation schemes and high value chain identification and production					UNDP	80 796	5 258	0	86 054
Activity 1.3: Government staff identify and promote production of high value chains in irrigation schemes with extension services.	Number of government extension officers trained in identification and production of high value chains					UNDP	59 768	64 551	0	124 319
	Baseline									

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Results/Activities	Year Indicators	Schedule				Responsible entity	Budget			
							2023	2024	2025	Total
		Q1	Q2	Q3	Q4					
Activity 1.4: Design and implement technical trainings for FOs in sustainable production and farming as a business	Milestone: Target					FAO	55 466	43 034		**98 500**
Result 2: Farmers' Organizations strengthened for engaging in value chains										
Activity 2.1: Identification of value chains and needs assessment within each VCs	Number of value chains initiated (soyabean, horticultural crops, honey production, livestock)					FAO	30 602			**30 602**
Activity 2.2: Reorganization of FOs by putting measures that attract women and youth in the identified VCs	Baseline					FAO	33 400	15 372		**48 772**
	Milestone									
Activity 2.3: Realignment of FOs according to value chains as production clusters, this will involve clustering FOs at EPA level for ease of management, coordination, bulking and value addition	Target					UNDP	34 446	82 224	0	**116 670**

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Results/Activities	Year Indicators	Schedule				Responsible entity	Budget			
		Q1	Q2	Q3	Q4		2023	2024	2025	Total
Activity 2.4: Link the FOs to reliable input suppliers for improved and certified seeds and MFI's						FAO	62 161	47 815		**109 976**
Activity 2.5: Support FOs to acquire and use low cost modern production and processing equipment						UNDP	25 821	13 866	0	**39 687**
Activity 2.6: Promote productive alliances with off takers who will in turn provide investments in production and processing						UNDP	38 252	9 564	0	**47 816**
Result 3: Value Chains under FFS Network and Cooperatives are competitive on the market										
Activity 31: Build the capacity of FOs to identify gender sensitive enterprises and undertake collective marketing	Number o farmers supplying products to offtakers.					FAO	26 500	26 097		**52 597**
Activity 3.2: Promote market and information access through E-Commerce	Baseline					FAO	16 777	10 000		**26 777**
Activity 3.3: Support value addition for selected	Milestone					UNDP	34 427	35 384	0	**69 811**

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Results/Activities	Year Indicators	Schedule				Responsible entity	Budget			
		Q1	Q2	Q3	Q4		2023	2024	2025	Total
enterprises including aplary and linkages to market	Target									
Activity 3.4: Support of formation and strengthening of secondary cooperatives to enhance aggregation to meet off taker demand and bargain for better prices						UNDP	28 020	28 335	30000	86,355
Activity 3.5: Invest in low cost infrastructure for value addition, aggregation, storage and access to finance						FAO	42 123	209 000		251,123
						UNDP	0	47 816	40 000	87,816
Administration cost including mobility two vehicles One per district						UNDP	204 946	84 020	62 933	351,898.00
						FAO	312 504	60 000	46 118	418,622
Support Farmers Organizations to develop a sustainability plan						FAO/UNDP (50%) each	0	0	30 000	30,000
Support District councils capacity to sustain the farmer organizations						FAO/UNDP (50%) each			65 000	65,000
Documentation of success stories, best practices						FAO/UNDP (50%) each		10 000	40 000	50,000
Conduct endline survey						FAO/UNDP (50%) each			40000	40,000
Administrative cost for RCO (1%)						RCO (1%)				24500
GMS (7%)						GMS (7%)				158,678
						TOTAL:	1,120,436	792 336	354 051	2 450 000

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GENERAL DETAILED BUDGET

Description	Year 1	year 2	year 3	Total
	Euros	Euros	Euros	Euros
Result 1: Government extension officers supported to deliver training to Farmer Organizations (FOs)				
Activity 1.1: Government Staff (Agriculture Extension Development Officers - AEDOs) are supported to deliver training to farmers in good agriculture practices (GAP)				
1.1.1: Identify and build awareness for staff members.	1 913	0	0	1 913
	956	0	0	956
1.1.2: Adapting, reproduction and printing of training materials (crop production, crop protection, soil, water and land management, water harvesting, moisture conservation, etc.).	1 913	0	0	1 913
	9 563	0	0	9 563
1.1.3: Conduct refresher and orientation course for extension workers on technical thematic areas including gender and youth in agriculture, in line with materials developed in activity 1.1.2.	1 000	912	0	1 912
	4 563	5 000	0	9 563
1.1.4: Develop and mount extension messages in targeted hotspots.	2 869	0	0	2 869
	956	0	0	956
	4 782	0	0	4 782
Activity 1.1 Subtotal	***28 515***	***5 912***	***0***	***34 427***
Activity 1.2: Government irrigation officers support farmers with repairing of irrigation schemes and propose a cost effective irrigation scheme.				
1.2.1: Facilitate formation of farmer group organizations (Water Users Associations and Water User Groups) to manage the water and the irrigation infrastructure.	4 780	0	0	4 780
	956	0	0	956
	17 211	0	0	17 211
1.2.2: Facilitate development of an operation and maintenance manual for all the irrigation schemes.	3 825	0	0	3 825
	956	0	0	956
	11 474	0	0	11 474
1.2.3: Promote utilization of irrigation schemes through irrigation water management.	0	1 912	0	1 912
	0	478	0	478
	0	2 868	0	2 868

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1.2.4: Promote green construction	4 781	0	0	4 781
	17 211	0	0	17 211
	9 562	0	0	9 562
	10 040	0	0	10 040
Activity 1.2 Sub-total	***80 796***	***5258***	***0***	***86 054***
Activity 1.3: Government staff identify and promote production of high value chains in irrigation schemes with extension services.				
1.3.1: Conduct a market analysis/survey to identify value chain products and viable enterprises.	3 825	0	0	3 825
	2 869	0	0	2 869
1.3.2: Support farmers to identify hotspots'specific high value crops and viable enterprises.	2 869	0	0	2 869
	2 869	0	0	2 869
	478	0	0	478
1.3.3: Support farmers with farm inputs for the identified high value crops and enterprises (this will be in the form of matching grants for inputs).	3 825	0	0	3 825
	16 735	16 735	0	33 470
1.3.4: Link farmers to off-takers and facilitate them to sign off-takers contracts.	2 869	0	0	2 869
	4 303	0	0	4 303
1.3.5: Support farmers with equipment for value addition.	19 126	47 816	0	66 942
Activity 1.3 Subtotal	***59 768***	***64 551***	***0***	***124 319***
Activity 1.4: Design and implement technical trainings for Farmer Organizations (FOs) in sustainable production and farming as a business				
1.4.1: Customize the existing training materials on GAP and Farming as Business.	956	0	0	956
	3 825	0	0	3 825
	5 738	0	0	5 738
1.4.2 : Train FOs in Conservation Agriculture	11 475	19 126	0	30 601
	3 825	4 782	0	8 607
1.4.3: Train FOs in gross margin analysis, business plan development and record keeping.	17 214	14 345	0	31 559
	3 825	4 782	0	8 607
1.4.4: Mount technical messages	3 825	0	0	3 825
	4 782	0	0	4 782
Activity 1.4 Subtotal	***55 465***	***43 035***	***0***	***98 500***

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RESULT 1 SUBTOTAL	***224,544***	***118,756***	***0***	***343,300***
Result 2: Farmers' Organizations strengthened for engaging in value chains (Budget reallocation to FAO)				
Activity 2.1: Identification of value chains and needs assessment within each VC.				
2.1.1: Value Chain needs Assessment	*3 825*	*0*	*0*	*3 825*
2.1.2: Value chains markets analysis	*2 869*	*0*	*0*	*2 869*
2.1.3: Socio Norms diagnostic study	*956*	*0*	*0*	*956*
2.1.4: Gender Assessment	*22 952*	*0*	*0*	*22 952*
Activity 2.1 Subtotal	***30 602***	***0***	***0***	***30 602***
Activity 2.2: Reorganization of FOs by putting measures that attract women and youth in the identified VCs.				
2.2.1: identify gender sensitive value chain enterprises in line with activities in 1.3 above.	*2 869*	*0*	*0*	*2 869*
	2 869	*0*	*0*	*2 869*
2.2.2: create a bargaining platform for increased sales and fair pricing specifically for products of women and youth.	*3 825*	*4 782*	*0*	*8 607*
	22 952	*9 563*	*0*	*32 515*
	956	*956*	*0*	*1 912*
Activity 2.2 Subtotal	***33 471***	***15 301***	***0***	***48 772***
Activity 2.3: Realignment of FOs according to value chains as production clusters; this will involve clustering FOs at EPA level for ease of management, coordination, bulking and value addition.				
2.3.1: identify fragmented similar value chains and their relationship with economic actors.	*3 825*	*0*	*0*	*3 825*
	956	*0*	*0*	*956*
	5 738	*0*	*0*	*5 738*
2.3.2: Upgrade the FOs by establishing intersectoral/production chains (specialization) among FOs to improve standard of products.	*3 825*	*4 782*	*0*	*8 607*
	15 300	*43 034*	*0*	*58 334*
2.3.3: Support FOs with skills to improve standards.	*0*	*24 864*	*0*	*24 864*
	2 869	*4 782*	*0*	*7 651*
	1 913	*4 782*	*0*	*6 695*
Activity 2.3 Subtotal	***34 426***	***82 244***	***0***	***116 670***
Activity 2.4: Link the FOs to reliable input suppliers for improved and certified seeds and MFI's.				
2.4.1: facilitate business model canvas to identify key customers, suppliers and key partners in the business ecosystem.	*5 738*	*0*		*5 738*
	3 825	*0*		*3 825*

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2.4.2: Facilitate business conferences, symposia and trade fairs.	2 869	9 563		12 432
	1 913	4 782		6 695
	28 689	33 471		62 160
2.4.3. Support digital marketing through provision of ICT equipment and capacity development of the FOs.	9 563	0		9 563
2.4.4. Conduct input needs assessment amongst FOs, identify input suppliers and ensure agri inputs supply to FOs.	9 563	0		9 563
Activity 2.4 Subtotal	***62 160***	***47 816***	***0***	***109 976***
Activity 2.5: Support FOs to acquire low-cost modern production and processing equipment.				
2.5.1: Conduct needs assessment on the type of equipment needed and operational capacity gap that exist.	2 869	0	0	2 869
	2 869	0	0	2 869
2.5.2: Train FOs in operation and maintenance of the machineries procured.	17 214	9 563	0	26 777
	2 869	4 303		7 172
Activity 2.5 Subtotal	***25 821***	***13 866***	***0***	***39 687***
Activity 2.6: Promote productive alliances with off takers who will in turn provide investments in production and processing	28 689	0	0	28 689
	956	0	0	956
	2 869	4 782	0	7 651
	5 738	4 782	0	10 520
Activity 2.6 Subtotal	***38 252***	***9 564***	***0***	***47 816***
RESULT 2 SUB TOTAL	***224 732***	***168 791***	***0***	***393 523***
Result 3: Value Chains under FFS Network and Cooperatives are competitive on the market.				
Activity 3.1: Build the capacity of FOs to identify gender sensitive enterprises and undertake collective marketing.				
3.1.1: Assess consumer preferences and Identify main determinants of youth & women's participation in markets	1 912	0	0	1 912
	2 869	0	0	2 869
3.1.2: Train TOT's on House Hold Approaches and promote implementation of gender sensitive competitive entrepreneurship visions.	1 913	6 694	0	8 607
	2 869	4 782	0	7 651
3.1.3: Train Dimitra club members and create linkages with potential buyers of their proposed value chains.	1 912	9 563	0	11 475
	2 869	4 782	0	7 651
3.1.4: Train FOs in post-harvest handling of produce, value addition and phyto-sanitation.	5 738	0	0	5 738
	3 825	0	0	3 825

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	2 869	0	0	2 869
Activity 3.1 Subtotal	***26 776***	***25 821***	***0***	***52 597***
Activity 3.2: Promote market and information access through E-Commerce.				
3.2.1: Provide modern information and communication technology (ICT) tools among women farmers (phones).	1 913	0	0	1 913
	15 301	0	0	15 301
3.2.2: Link farmers to ICT service providers in line with Activity 2.4.3 above.	5 738	0	0	5 738
	3 825	0	0	3 825
Activity 3.2 Subtotal	***26 777***	***0***	***0***	***26 777***
Activity 3.3: Support value addition for forest based enterprises (apiary) and linkages to the market.				
3.3.1: Train farmers in honey processing, packaging & storage.	1 912	1 913	0	3 825
	956	956	0	1 912
	2 869	3 825	0	6 694
3.3.2: Facilitate access to modern honey processing equipment in line with activity 3.6 below.	1 913	0	0	1 913
	11 476	0	0	11 476
3.3.3: Link farmers to markets.	11 476	23 908	0	35 384
	3 825	4 782	0	8 607
Activity 3.3 Subtotal	***34 427***	***35 384***	***0***	***69 811***
Activity 3.4: Support to formation and strengthening of secondary cooperatives to enhance aggregation to meet off taker demand and bargain for better prices.				
3.4.1: Form and train secondary cooperatives.	22 952	0	0	22 952
	3 825	0	0	3 825
	0	27 379	30 000	57 379
3.4.2: Facilitate registration of both primary and secondary cooperatives.	287	956	0	1 243
	956	0	0	956
Activity 3.4 Sub-total	***28 020***	***28 335***	***30 000***	***86 355***
Activity 3.5: Invest in low cost infrastructure for value addition, aggregation, and storage.				

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3.5.1: Facilitate improved access to modern warehouses.	0	1913	0	1 913
	0	2869	0	2 869
	0	43 034	40 000	83 034
3.5.2: Introduce matching grants to improve farmers resource base, access equipment and finance.	3 825	1660	22816	28 301
	12 869	0	0	12 869
	209 953	0	0	209 953
Activity 3.5 Subtotal	*226 647*	*49 476*	*62 816*	*338 939*
RESULT 3 SUBTOTAL	*342 647*	*139 016*	*92 816*	*574 479*
Support farmer organizations to develop sustainability plans	0	0	30 000	30 000
Periodic monitoring	20 000	20 000	10 000	50 000
Documentation of success stories, best practices	0	10 000	40 000	50 000
Conduct endline survey	0	0	40 000	40 000
	20 000	**30 000**	**120 000**	**170 000**
Technical Adviser (Private Sector Engagement)	28 689	0	0	28 689
Project Coordinator (50%)	14 345	14 345	14 345	43 035
District Coordinators (2)	45 903	45 903	45 903	137 709
Farmer Organization Officers (2)	45 903	45 903	0	91 806
Value Chain Development Officers (2)	45 903	45 903	45 903	137 709
Market Analysis (2)	45 903	45 903	0	91 806
Finance and Administration Specialists (2)	22 952	22 952	22 952	68 856
Drivers (2)	11 476	11 476	11 107	34 059
Subtotal Staff	*261 074*	*232 385*	*140 210*	*633 669*
Mobility and running costs (2 vehicles for Kasungu and Mzimba)	**108 899**	**26 237**	**16 715**	**151 851**
R1+R2+R3+Management Costs SUBTOTAL	*1 181 896*	*715 185*	*369 741*	*2 266 822*
Administrative cost for RCO (1%)				24 500
Indirect Costs 7%				158 678
TOTAL				*2 450 000*

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15 Crosscutting approaches

Gender equality

UN recognizes the significance of promoting gender equality, good governance as well as human rights as integral part of its work to achieve sustainable development. The focus on women and youth is aimed at closing the existing gender inequalities through increasing access to productive resources and promoting socio-economic empowerment. Further, the project shall work with relevant line departments in reducing cultural beliefs and negative traditional practices which are strong barriers for equal participation of women and youth in the agricultural sector and development. Studies have shown that women are more likely to be disproportionately affected by household food production due to their limited ownership of productive resources and financing, hence, empowerment of women is therefore critical in the agricultural sector. The project will ensure that women take an active role in decision making through their involvement across the value chain of their produce. The project will use the household approach and Dimitra clubs to ensure quality participation of women and youth in the selected value chains. Specifically, a detailed gender analysis shall be conducted in the project districts as part of gender assessment in the context of target value chains during the inception period of project implementation to inform development of gender action plans that will guide all aspect of gender mainstreaming across the intervention areas. The project will further ensure engagement of men and couples to change norms around gendered crops and increase joint investment decisions, supports women farmer cooperatives to create an environment for greater sharing of information on and risk and improved linkages to markets, provide women with training in the socio-emotional skills that can help them enter export crop farming, support lines of credit targeting women that offer the larger volume loans necessary for transformational business growth, secure savings mechanisms such as village savings and loans to give women greater control and privacy over their savings.

The project Gender Marker is 2 whereby the key component of the project is to empower women to take a leading role in the agricultural sector. The project largely focuses on women and youth to actively participate in their selected value chain as well as obtaining maximum return. The proposed interventions of scaling up agriculture production, and enhancing market access linkages through processing and value addition, aggregation, gender sensitive de-risking instruments for private sector engagement shall purposely engage more women and youth.In addition to increasing production owing to capitalizing on the demographic dividends of women and youth, their engagement in agriculture value chains contributes to social reproduction and intergerational sustainability of agribusinesses.

Environmental sustainability

Agricultural production if not done sustainably results in detrimental impacts to the environment such as through the use of chemical fertilisers near water sources, soil loss and land degradation, expansion of farmland into fragile ecosystems and inequitable use of water resources for irrigation farming among others. The project will conduct a social and environmental screening in its initiation phase to identify potential environmental and social risks and corresponding mitigation actions. Where relevant, detailed environmental and social impact assessments shall be conducted in line with UN SES standards, for instance during construction works and where risks to the environment are considered substantial.

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The project will mainstream natural resources management and soil and land management to ensure critical ecosystems such as water sources and forestry resources are safeguarded. Sustainable agricultural practices will reduce soil loss, infiltration of harmful chemicals and pesticides, limit introduction of invasive species, improve nutition content and improve overall agricultural production. To this extent the project will advocate integrated business model which do not only look at profit maximization but also take into consideration environmental and social issues. Attaining environmental sustainability makes business sense and contributes to business sustainability. In this way such businesses have a long term perspective and are future proof.

Leave No One Behind

The UN programming aims to ensure that development programmes are inclusive of the marginalized and vulnerable populations of the society. Leave No One behind (LNOB) principle also uplifts fundamental human rights, promotes gender equality and women empowerment and enhances accountability. As outlined in its rationale, the project addresses gaps in women and youth engagement in agricultural production for meaningful economic gains. As such, the project will address known barriers to their participation and support targeted programming and interventions of agricultural production that are gender sensitive such as through the gender-sensitive value chain analysis. Participation of marginalized groups such as women and youth in group activities will help to acquire technical, social and financial skills relating to agriculture production and agribusiness. This will contribute towards food, nutrition and income security. In addition, the project advocates inclusive business models to ensure that smallholders participate in different value chains through productive alliances, private sector engagement and better customer linkages. The project will also, overall, improve women and youth's access to procutive resources and finance capital.

Do no harm

Throughout the project, all partners and implementing entities will ensure that the project limits exposure of the beneficiay communities to additional risks, for instance market exploitation and unequal distribution of resources. While the project promotes women and youth in agriculture, there is an anticipated risk of men being excluded in related programming hence propagating gender inequality. The project's design will ensure robust engagements with community leadership and farmer groups on the project's objective and outline roles of men during implementation (particularly farmer organizations). The project's grievance redressals mechanism will remain active three months following project's closure (to address outstanding grievances). Any anticipated environmental risks will be addressed through the SES and corresponding mitigation actions.

Additionally, the project will encourage an integrated approach to business and all the three factors will be considered namely environmental, social and financial (profitability) to avoid unsustainable production practices that harm current and future generations. In this way, the production processes will take into consideration about the societal needs, environmental needs and lastly the profitability. Issues of pollution, child labour, deforestations, river diversions, gender based violence, sexual harassment and other negative externalities will be avoided.

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15.1 Gender Equality

Gender equality is not only a fundamental human right, but a necessary foundation for a peaceful, prosperous and sustainable world. Therefore, all projects supported by the Fund must include actions that favor the closing of gender gaps and inequalities. For this purpose, any project must meet a Gender Marker of 2a or 2b. Mark with an X if it meets the following premises:

☒ The situation analysis includes a diferential approach, identifying the different ways in which the problem affects women and girls differentially.

☒ The theory of change includes and promotes gender equality.

☒ The logic of intervention addresses gender inequalities in its results ad expected impact.

☒ The indicators measure the differential impact between women, men, girls and boys.

☒ The Budget includes specific provisions for gender equality activities (at least 30% of the budget).

☒ The strategic objective of the programme is to advance towards gender equality.

Autoevaluate the programme gender marker, as:

0 ☐ 1 ☐ 2 ☒

Indication:

- If you ticked between 0 and 1 to the previous premises, the gender marker will be 0: The gender dimension is insufficiently reflected in the project.
- If you ticked between 2 and 4 premises, the marker is 1: The Project contributes in a limited way to gender equality.
- If you ticked 5 premises the marker is 2a: The Project contributes significantly to gender equality.
- If you answered positively to all the premises and if the general strategic objective is to advance towards gender equality, the gender marker will be 2b.

Monitoring and Evaluation

MONITORING AND EVALUATION

The project will be closely monitored by a qualified team of experts drawn from MoA, FAO and UNDP, they will form a joint project monitoring team to ensure that implementation is in line with set objectives and targets. Results from these exercises will be shared with PIT, the PAC and the resource partner through formal and informal reporting channels. This will ensure transparency, accountability and timeous troubleshooting in case the implementation process is not going to plan.

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Collectively, the district councils, FAO and UNDP will prepare and submit bi-annual progress reports to the Malawi UN Resident Cordination Office (RCO) which in turn will submit to the resource partner according to provisions of the funding agreement. In parrel, the bi-annual reports will also feed into the PIT meetings as well as the PAC meetings as appropriate. The reports will describe scheduled activities and provide information on the progress made towards the output and immediate objectives. The logframe will be part of the biannual reports and progress against the project indicators, wherever possible, will be made. The bi-annual reports will also provide an update on the project expenditures against the major budget lines. An inception report, including a revised, detailed annual work plan, will be prepared at the outset of the project. At the end of the project, a terminal report will be prepared for submission by the RCO with input from the district councils, FAO and UNDP.

FINANCIAL MONITORING AND CONTROL

The Malawi SDG Acceleration Fund is administered by the UN Multi-Partner Trust Fund Office (MPTF Office), using the pass-through management modality. The Fund's administration services, which are covered by 1 percent of the contributions received, include: (i) The establishment of the Fund: support in the design of the Fund (Terms of Reference and Operations Manual) and the development of legal instruments; (ii) The administration of the Fund: receiving and administering funds and making transfers to the Recipient Organizations in accordance with the decisions of the Steering Committee; (iii) Consolidating financial reports; and (iv) Closing programmes/project, and Fund.

The MPTFO is responsible for the following functions: • Provide support in the design of the Fund; • Sign Standard Administrative Agreements (SAAs) with those partners who wish to make a financial contributions to the Fund; • Receive and administer such funds; • Make transfers to the implementing organizations, according to the decisions of the Steering Committee and subject to the availability of resources; • Consolidate financial statements and reports, based on submissions provided by each Participating Organization, and submit the consolidated financial statements and reports and the consolidated narrative progress reports provided by the Fund Secretariat to each donor that has contributed to the Fund; • Provide final reporting, including notification that the Fund has been operationally completed.

Each Participating UN Organization (PUNO), in this case FAO and UNDP, is programmatically and financially responsible for the funds it receives, in accordance with its own regulations, rules, policies and procedures. This includes what relates to procurement, as well as the selection and evaluation of implementing partners, provided that the requirements set by the SDG-AF in terms of fiduciary principles and guarantees are met. UN Agencies, Funds and Programmes will be able to receive resources approved by the Steering Committee subject to signing a Memorandum of Understanding (MoU) with the Administrative Agent. The funds will be administered by the Recipient UN Organization in accordance with its own regulations, rules, guidelines and procedures. The Recipient UN Organization must have operating capacity in place for the immediate implementation of any projects approved by the Fund. The Agencies will charge a maximum of 7 percent of the amount received for programme/project implementation as indirect costs.

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Each PUNO is responsible for: • Assume full financial and programmatic accountability for the programmes; • Meet all the commitments acquired in signed and approved Project Documents. • Establish separate ledger account for its contribution, and advise on bank account, transfer details. • Provide narrative and financial reports; • Provide narrative and financial advances to the Fund Secretariat when required; • Determine ownership of equipment and supplies and intellectual property rights in accordance with its regulations, rules and policies; • Guarantee a proper risk management strategy in all projects and programmes; • Establish programmatic safeguards in the design and implementation of activities in line with shared values, norms and standards of the UN System; • Publicize the SDG Acceleration Fund in line with its policies and give due credit to other PUNOs; • Not make commitments above the amount disbursed unless authorized to use own funds (and submit supplementary budget); • Avoid and address corrupt, fraudulent, collusive, coercive, unethical, or obstructive practices, and notify the Steering Committee promptly of the start and conclusion of investigations and measures taken in line with the provisions of the MOU; • Ensure that funds are not used to provide support or assistance to individuals or entities associated with terrorism; • Perform additional tasks as requested by the governance of the Fund; • Advise the Secretariat of operational completion of all activities; • Exclusively audit activities in line with their regulations and rules for external and internal audit and collaborate with other PUNOs within the context of a joint internal audit.

The reporting requirements are outlined in the standard legal agreements, the SC approved Fund's Monitoring and Evaluation Strategy, and are harmonized with regards to frequency and structure across all multi-donor trust funds. Financial reporting takes place using the UNDG harmonized budget categories, including for expenditures against Steering Committee approved use of direct costs.

The annual reporting cycle consists of:

- PUNOs provide bi-annual reports and annual narrative progress reports to the Secretariat. The annual narrative reports are submitted no later than 28 February while the bi-annual report are submitted no later than 31 July. Leading PUNOs for each joint programme are responsible for presenting a consolidated report that reflects joint results.
- PUNOs provide annual financial report as of 31 December to the Administrative Agent (AA) MPTFO no later than 30 April.
- Secretariat consolidates an annual narrative report based on submissions by PUNOs and AA consolidates financial reports based on submissions by PUNOs.
- AA ensures that the consolidated narrative and financial report is submitted to donors by 31 May.
- AA provides certified annual financial statement no later than 31 May after the end of the calendar year.

Reporting on the Fund will be results-oriented, and evidence based. Annual and final narrative reports will compare actual results with expected results at the output and outcome level (linked to SDG targets and indicators), as outlined in the United Nations Sustainable Development Cooperation Framework (UNSDCF) and explain the reasons for over or underachievement. The final narrative report will also contain an

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analysis of how the outputs and outcomes of the Fund have contributed to the overall impact in terms of SDG acceleration and the attainment of the national priorities, specially MIP-1, and UNSDCF outcomes. The financial reports will provide information on the use of financial resources against the outputs and outcomes in the agreed results framework and will be linked to SDG targets.

To facilitate monitoring and evaluation reporting of resources allocated by the Fund, PUNOS will be required to disclose complementary funding received from other sources for the activities supported by the Fund, including in kind contributions and/or South-South Cooperation initiatives. The UNSDCF Annual Progress Report, which will include a section on the performance of the Fund.

Consolidated Fund reporting and documentation, including agreements, will be posted on the websites of the UN Malawi http://www.mw.one.un.org and the AA http://mptf.undp.org.

UNDP Financial regulations

The project will be implemented using and guided by the National Implementation Modality (NIM) in accordance with POPP (Programme Operations and Policies Procedures https://popp.undp.org/SitePages/POPPSubject.aspx?SBJID=4) guidelines according to the Standard Basic Assistance Agreement which is signed between UNDP and the Government of Malawi on 15 July 1977. Under the NIM, the implementing partners will be the UNDP and District Councils of Kasungu and Mzimba who will be recepient of resources from the UNDP (through project specific bank accounts). District Councils will be accountable to UNDP and MoA and MoNRCC will engage in the coordination and monitoing of the Project interventios.

UNDP will be responsible for providing financial support and technical support including quality assurance. As part of its oversight role, UNDP will receive monthly financial reports from districts, conduct periodic spotchecks to verify expenditures and impact, and annual financial audits. UNDP will utilize harmonized approach to cash transfers (HACT) audits to ensure the districts retain high fiducial standards and any risks addressed accordingly.

FAO Financial regulations

FAO has various channels at its disposal to channel funds to the Service Providers. These include issuance of Operational Advances, transfer by Cash In Transit Agreements, Letters of Agreements, the Operating Partner Implementation modality and disbursements using the small grants, among others. Each of the modalities is guided by FAO rules and regulations which are strictly followed to ensure transparency and traceability of funds outlaid to Service Providers.

Currently FAO already works with M'mbelwa District Council and Kasungu District Council and Kasungu ADD through Letter of Agreements. It also has many other Letters of Agreements in place with various ADDs and District Councils and transfers and transfers cash using the same implementation modality. FAO is a member of UN HACT which performs micro and macro-assessments of Service Providers and arranges for external audits. To complement the HACT auditors FAO also performs spot checks to assess project operations and financial management of the project by its own staff. The above methods serve to ensure

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that funds are utilized for the purpose for which they are issued to the Service Providers and are used regardless of the implementation method.

16.2 Evaluation

During the project's initiation phase, first three months, a desk review on the status of agricultural production and value chains in the two districts will be conducted to inform the baseline for the project in the proposed geographic impact areas. Existing data from CRIM, MCB and relevant Government departments will be utilized and validated through the study.

The project's M&E framework will include an end term evaluation during the final year of implementation to determine the extent the project has attained its aims and objectives. The project's evaluation draw lessons, best practices and recommendations for the implementing partners and government in the successor interventions- in the larger Flagship Programme on Women and Youth Empowerment in Agriculture. The evaluation will focus on the effectiveness and efficiency of the project, sustainability of interventions and impact in the short and long terms. An independent consultant will be engaged to conduct the evaluation in which all relevant stakeholders will be consulted.

ANALYSIS OF RISKS AND ASSUMPTIONS

17 Risks Matrix

Below is a table highlighting some of the major risks that could affect the implementation of this project.

Risk	Associated to the Result #	Clasification			¿How will the risk be mitigated?
		Impact	Likelihood	Risk degree	
1. Weather (drought, floods)		High	Medium		Contingency planning will be key during the implementation of this project as such, based on agroecological data and historical information on natural disasters in the project areas, the project will develop in anticipation, contingency measures to counter such events should they happen.
2. Political instability		High	Low		The country is currently in a very stable political environment, however, towards the planed end of this project, the political

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					environment may change hence there is need for flexible approach to adapt to changes.
3. Institutional constraints these could include delays occasioned by organizational rules and procedures)		Medium	Medium		Timely planning would help to avert some of the bottlenecks that come with rules and procedures. In addition, continuous communication between partenrs will help to ensure timely troubleshooting.
4. Outbreaks (pests and diseases)		High	Medium		Active surveillance and putting in place contingency measures to deal with the outbreaks should they occur.
4. Economic challenges (inflation, price of commodities and input)					Stremgthening women economic empowerment through other existing and on – going community iniatitives such as VLS, business management and enhancing agriculture makerts shall reduce the hardships as the result of worsening economy.

Risk analysis: please use the following traffic-light convention

