

PROJECT STATUS REPORT

JANUARY 2017 - JUNE 2017

SECTION 1: PROJECT SUMMARY

PROJECT NAME: Smallholder Alliance for Sorghum in Haiti (SMASH)

Project Number: HA-M1050 - Project Num.: ATN/ME-15024-HA

Purpose: To enhance the capacity of small scale producers to supply sorghum to commercial buyers on a long-term basis

Country Admin

HAITI

Country Beneficiary

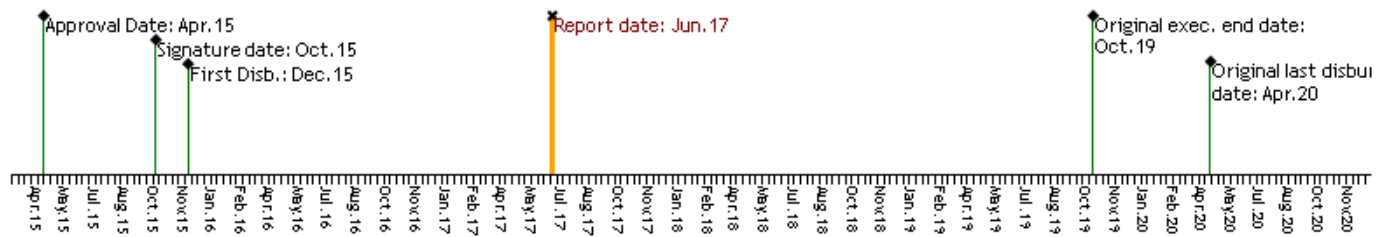
HAITI

Executing Agency: PAPHYRUS, S.A.

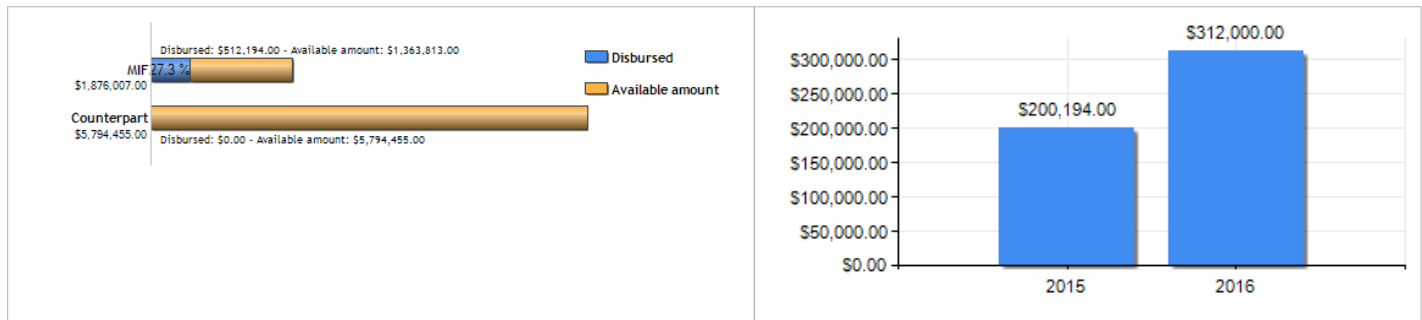
Design Team Leader: YOLANDA STRACHAN

Supervision Team Leader: RALPH DENIZE

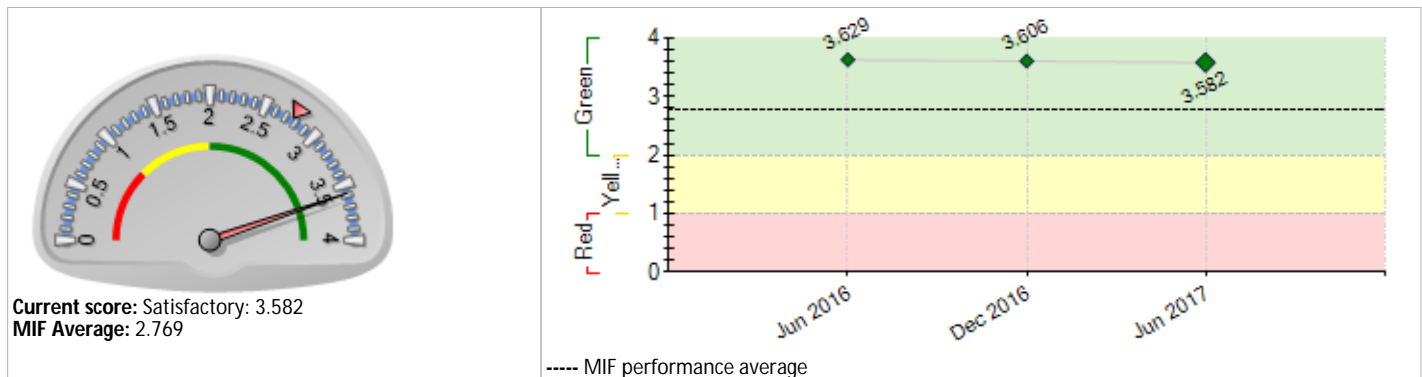
PROJECT CYCLE



FUNDS



PERFORMANCE SCORE



EXTERNAL RISKS

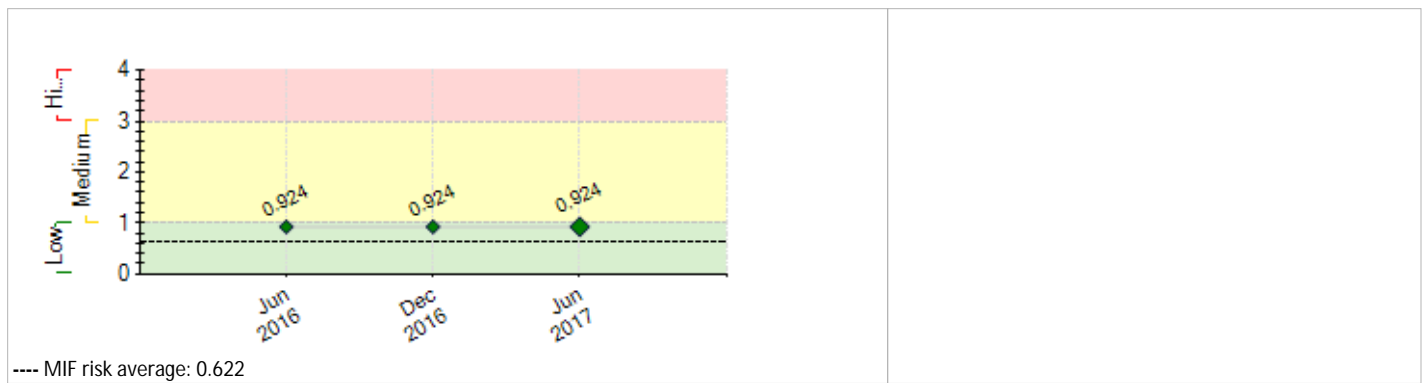
INSTITUTIONAL CAPACITY

Risk

Financial Management: Medium

Procurement: Medium

Technical Capacity: Low



SECTION 2: PERFORMANCE

Summary of project performance since inception

3792 new farms selling to domestic or export markets

81% increase in average yield per hectare

2266 farms have adopted new techniques or practices

1 Baseline monitoring and evaluation systems are established

1 Training manual on sorghum production has been developed and translated to Creole

2 new rounds of seed variety testing completed

221 field technicianstrained in improved sorghum production techniques

40 collection points established with improved quality control and storage facilities

77 climate smart demonstration plots established

6 additional rounds of seed variety testing completed

2266 smallholder farmers trained in climate smart sorghum production

Current challenges:

Sourcing sufficient volumes of sorghum from smallholder farmers. Answer: continue to develop relationships with medium farmers and organize smallholder farmers in blocks.

Increase post-harvest quality of grain and avoid issues e.g. with aflatoxins. Answer: invest in post-harvest infrastructure and get STTA for storage and transport issues.

Continue to deal with the aphid issue as well as other agricultural challenges such as changes in seasons and climate. Answer: continue testing different sorghum varieties both local and imported.

The likelihood of SMASH sourcing the full planned volumes remains unlikely despite huge efforts in boosting volumes and developing the commercial relationship with medium farms.

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

The MIF is in agreement with the PSR as reported by Papyrus. Some of the risks identified in the cumulative performance deserve specific attentions and deeper discussion to guarantee the sustainability of the model. Working with the smallholders in blocks might be a good strategy. However, The indicator 4.1 "Cumulative number of farms trained in business and financial management", which is 0 as of now, seems to indicate what else to be done.

While the MIF takes note of the pro-active approach of the project to adjust / innovate to cope with the changing market conditions and other unanticipated events, SMASH should remain focused on the integration of smallholder farmers into the sorghum value chain, increasing farmers' yields and thus their income.

Summary of project performance in the last six months

Main achievements this semester:

- 5 new demo plots established
- 72 farmers adopted new technologies and practices
- 1 new technical agent recruited and trained in climate smart sorghum production
- 291 farmers trained in post-harvest processes
- 2 Micro Collection Centers (MCCs) established
- 196 farms providing sorghum under the SMASH program
- 56.43 Metric Tons (MT) of sorghum purchased by Brana under the SMASH program
- \$27,855 in sales to Brana generated by SMASH farms

Focus for next semester:

- Training farmers in business and financial management
- Ensuring access for farmers to credit or other financial products
- Finalize production of mini SMASH documentary

- Increasing volumes of sorghum purchased

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

The target for the "trained farms in business and financial Management" is 600. At this stage, SMASH should have reached 100 farms. The project is late in regards to this deliverable. It would be good to show the new strategy to catch up.

SECTION 3: INDICATORS AND MILESTONES

Indicators		Baseline	Intermediate 1	Intermediate 2	Intermediate 3	Planned	Achieved	Status	
Goal: To contribute to increased incomes of small holder sorghum farmers in Haiti	I.1	Average cumulative revenue growth of SMASH farms implementing improved techniques. Disaggregated by sex.	0	25	30	40	75	-53	
			Oct 2015	Oct 2016	Oct 2017	Oct 2018	Oct 2019	Dec 2016	
	I.2	Cumulative metric tons of sorghum purchased by BRANA	400	1100	3300	5100	7600	533.57	
			Oct 2015	Oct 2016	Oct 2017	Oct 2018	Oct 2019	Jun 2017	
	I.3	Average value of annual sales to new domestic or export markets by SMASH farms (USD) (CRF 330600). Every year	168000	272000	700000	760000	800000	226219	
			Oct 2015	Oct 2016	Oct 2017	Oct 2018	Oct 2019	Jun 2017	
Purpose: To enhance the capacity of small scale producers to supply sorghum to commercial buyers on a long-term basis	R.1	Cumulative Number of farms selling to new domestic or export markets (CRF 330601). (disaggregated by sex)	650	1500	3500	7500	10000	3792	
			Oct 2015	Oct 2016	Oct 2017	Oct 2018	Oct 2019	Jun 2017	
	R.2	Increase in average yield per hectare for SMASH farms who adopted the new techniques (compared to the baseline) Disaggregated by sex	0	20	35	60	100	81	
			Oct 2015	Oct 2016	Oct 2017	Oct 2018	Oct 2019	Dec 2016	
	R.3	Cumulative number of farms that have adopted new technologies or practices (CRF 230100). Disaggregated by sex	650	1500	3500	7500	10000	2266	
			Oct 2015	Oct 2016	Oct 2017	Oct 2018	Oct 2019	Jun 2017	
Component 1: Component 1: Developing a Climate Smart Production System Weight: 20% Classification: High Satisfactory	C1.11	Number of rounds of seed variety testing completed (cumulative)	4	6	8	8	8	6	On Course
			Oct 2016	Oct 2017	Oct 2018	Oct 2019	Oct 2019	Dec 2016	
	C1.12	Suitable seed varieties replicated and ready for distribution to farmers (1 variety)					Nov 2018	Yes Jun 2016	Finished
Component 2: Component II: Raising Farmer Productivity. Weight: 40% Classification: High Satisfactory	C2.11	Number of demonstration plots established (each year)	29	25	25	25	10	77	On Course
			Oct 2015	Oct 2016	Oct 2017	Oct 2018	Oct 2019	Jun 2017	
	C2.12	Total number of extension agents recruited and trained in climate smart sorghum production each year. Cumulative. Assumption 0 turnover. (Disaggregated by sex)	6	10	20	20	20	28	Finished
			Oct 2015	Oct 2016	Oct 2017	Oct 2018	Oct 2019	Jun 2016	
	C2.13	Number of technicians trained in improved sorghum production techniques (each year). disaggregated by sex	0	100	100	100	50	221	On Course
			Oct 2015	Oct 2016	Oct 2017	Oct 2018	Oct 2019	Jun 2017	
	C2.14	GPS enabled monitoring database operational					Oct 2016	Yes Jul 2015	Finished
							Yes	Finished	
	C2.15	Five module training curriculum and a technical manual available in creole developed					Oct 2016	Apr 2014	Finished
Component 3: Component III: Improving Post Harvest Quality and Consolidating the Supply Chain Weight: 25% Classification: High Satisfactory	C3.11	Cumulative number of producers trained on post-harvest processing. disaggregated by sex	650	1200	3500	7500	10000	3602	On Course
			Oct 2015	Oct 2016	Oct 2017	Oct 2018	Oct 2019	Jun 2017	
	C3.12	Cumulative number of collection points established with improved quality control and storage facilities	0	5	10	15	20	38	Finished
			Oct 2015	Oct 2016	Oct 2017	Oct 2018	Oct 2019	Jun 2016	
	C3.13	Central conditioning center established for final processing and storage of grain					Oct 2017	Yes Jan 2016	Finished
								No	On Course
	C3.14	Web- based purchasing platform and mobile payment system operational					Oct 2016	Jun 2016	
Component 4: Component IV: Improving Access to Finance for MSMEs in the Value Chain Weight: 10% Classification: Unsatisfactory	C4.11	Cumulative number of farms trained in business and financial management	0	20	100	300	600	0	Delayed
			Oct 2015	Oct 2016	Oct 2017	Oct 2018	Oct 2019	Jun 2016	
	C4.12	Number of farms accessing credit or other financial products (CRF230500). disaggregated by sex	0	20	100	200	300		Delayed
			Oct 2015	Oct 2016	Oct 2017	Oct 2018	Oct 2019		
	C4.13	Cumulative number of producer organizations strengthened	0	1	3	3	3	3	On Course
		Oct 2015	Oct 2016	Oct 2017	Oct 2018	Oct 2019	Jun 2015		
Component 5: Knowledge management and strategic communication Weight: 5% Classification: Satisfactory	C5.11	Number of institutions who access MIF knowledge products or knowledge transfer activities (CRF 150100)	0				4 Sep 2019		
							1		
	C5.12	One detailed business case on local sourcing from smallholders	0				Oct 2018		
							1		
	C5.13	One mini video documentary describing the SMASH program	0				Oct 2018		

Milestones	Planned	Due Date	Achieved	Date of achievement	Status
M1 Baseline monitoring and evaluation systems are established	1	Jan 2016	1	Jul 2014	Achieved
M2 Training manual on sorghum production has been developed and translated to Creole	1	Apr 2016	1	Apr 2014	Achieved
M1 Conditions Prior	9	Apr 2016	9	Nov 2015	Achieved
M3 2 new rounds of seed variety testing completed	2	Oct 2016	2	Sep 2015	Achieved
M4 120 field technicians trained in improved sorghum production techniques	120	Apr 2017	171	Jun 2016	Achieved
M5 10 collection points established with improved quality control and storage facilities	10	Oct 2017	38	Jun 2016	Achieved
M6 35 climate smart demonstration plots established	35	Oct 2017	57	Jun 2016	Achieved
M7 2 additional rounds of seed variety testing completed	2	Apr 2018	2	Jun 2016	Achieved
M8 6,500 smallholder farmers trained in climate smart sorghum production	6500	Oct 2018	2266	Jun 2017	
M9 One detailed case study on local sourcing from smallholders	1	Apr 2019			
M10 10,000 farmers providing sorghum to BRANA under the SMASH program	10000	Oct 2019	3792	Jun 2017	

CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE*[None reported in this period]***SECTION 4: RISKS****MOST IMPORTANT RISKS AFFECTING FUTURE PERFORMANCE**

	Level	Mitigation action	Responsible
1. Climatic factors in the production area may affect sorghum yields.	Medium	While the likelihood of catastrophic events cannot be discounted, geographical dispersion will help to mitigate that risk.	Project Coordinator
2. There is a decline in the local price of sorghum to the extent that farmers switch to	Medium	There are other potential buyers in the market, particularly local bakeries, school feeding programs, and companies that need sorghum	Project Coordinator

other crops.		for animal feed like Haiti Broilers.	
3. Some associations may be too weak to benefit from financial training and credit program.	Medium	Root Capital and other financial capacity development service providers will identify and select producer organizations with the profile needed to benefit from financial trainings	Project Coordinator
4. Farmers are slow or reluctant to adopt new agricultural practices.	Medium	The project will invest in demonstration plots in various regions to demonstrate the productivity benefits of adopting new techniques for the next harvest season. Similarly, farmers and producer organizations will be incentivized to comply with new standards for quality control through a new price structure under which higher quality sorghum receives a higher market price.	Project Coordinator
5. Climatic factors in the production area may affect variety tests.	Medium	geographical dispersion of testing will help to mitigate this risk	Project Coordinator
PROJECT RISK LEVEL: Medium TOTAL NUMBER OF RISKS: 9 IN EFFECT RISKS: 9 NOT IN EFFECT RISKS: 0 MITIGATED RISKS: 0			

SECTION 5: SUSTAINABILITY

Likelihood of project sustainability after project completion: P - Probable

CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY

[None reported in this period]

Actions related to sustainability which have been taken in the reporting period:

- 1) In the past year, SMASH has concluded contracts with larger sorghum producers with the objective to reduce future imports and stabilize the supply of sorghum to BRANA. These larger farmers allow for more solid production forecasts but can also act as example farms in the region, getting smallholders on board.
- 2) To continually align and coordinate the activities and interests of Etoile du Nord (EDN), BRANA and SMASH the Sorghum Purchasing Committee was created, chaired by the SMASH COP. This committee meets once a month and discusses sorghum requirements, sorghum production forecasts and general strategies.
- 3) Considering the risky reality of farming in Haiti, SMASH and its partner LEVE created a way to pre-finance selected farmers. This model has been welcomed by farmers and BRANA as it spreads production risk and leads to higher yields and quality as cash flow is guaranteed during the entire season.
- 4) Acknowledging the limited access to cash and credit most smallholders face SMASH increased the financing of farming services such as plowing, planting, spraying and threshing to assure production. These services are reimbursed by the farmers in sorghum at harvest time.

SECTION 6: PRACTICAL LESSONS

	Relative to Sustainability	Author
1. Bring supplier and buyer closer together: Each smallholder farmer selling sorghum to SMASH becomes a BRANA supplier. As with all supplier/buyer relationships, it is important to understand each other's needs, interests and operational realities. To strengthen this relationship, SMASH started organizing VIP farmer brewery tours. These tours offer the farmers the opportunity to see how their sorghum plays a key role in some of BRANA's operations. For BRANA staff it's an opportunity to learn more about the program and remind them their company is investing in local agriculture for the long term.		Hilhorst, Luc
2. Transition early to transition well: Transitional processes in companies and organizations are time consuming and challenging to manage. SMASH has therefore decided to draft an updated work plan to focus on activities to be executed in the two final years of the program. This work plan will allow for an early transition and sufficient time to test different models to come to a structure that BRANA wants to take on and continue operating. Increased engagement with BRANA supply chain staff and strategic work sessions with management will identify the core elements of SMASH that BRANA wants to take over and continue investing in after the program in its current form closes.	Sustainability	Hilhorst, Luc
3. Create and manage a mixed supplier base: Agriculture is dependent on seasons, climatic conditions, soil quality and many more factors. Even more so in Haiti, considering the absence of classic protection systems such as crop insurance or access to (affordable) credit. To create a stable supply of sorghum it is therefore key to spread risk and create a mixed supplier base including smallholders, larger farmers or land owners, and production blocks spread over several regions. It is not only important to spread risk, but also to allow for a managed rotation of crops. If production requires 500 hectares of land per season, you'll ideally want to have access to double that surface area to allow for crop rotation and avoid the myriad problems caused by planting the same crop every season.	Sustainability	Hilhorst, Luc
4. Stabilize the supply of sorghum: The bulk sorghum import of this year was crucial, not only to keep Etoile du Nord operations running but to show the potential when large volumes of sorghum are available. It has allowed for developing third party markets and products and has confirmed BRANA's commitment to using sorghum in their recipes. A future import to correct instability in local sorghum production cannot be excluded. Availability of large quantities of sorghum has taught us much about the less obvious elements of the supply chain such as conditioning, bagging, and stronger relationships with farmers within the blocks.	Sustainability	Hilhorst, Luc
5. Stimulate local leadership dynamics: Each (rural) community in Haiti comprises large and small farmers, and large and small land owners. It has proven challenging to get concentrated groups of farmers on board to plant sorghum. By presenting ourselves as representatives of BRANA, the relationship becomes one of "supplier to buyer". We have seen that when a local leader or well-respected farmer gets on board, other farmers will follow. This saves SMASH from having to convince or push farmers to join the program and avoids the development of counterproductive attitude by farmers who are waiting for SMASH to offer them something.	Sustainability	Hilhorst, Luc
6. Demo-plots should be farmer managed: SMASH demo-plots showcase techniques that maximize	Sustainability	Hilhorst, Luc

yield. However, applying these techniques costs money in the form of inputs, labor and equipment. If most farmers don't have the means to apply these techniques, the value of the demo-plot is in doubt. We therefore started moving our demo-plots from standalone SMASH-managed plots into farmers' fields. When a colleague farmer can apply (most) techniques, his neighbors are more likely to copy them. When it's a program managed plot they may feel discouraged, as they do not have the same access to resources (inputs, labor, equipment, etc.).

7. Offer agricultural services to smallholders: Agents can prescribe techniques but if the farmers don't have the resources to execute them it will simply not happen. Unfortunately, this is the case for most farmers. A way to address this reality is to pre-finance services such as plowing, planting, weeding, spraying, etc. Costs of these services are reimbursed at harvest. The main risk of this model is total crop failure and is low. Another ubiquitous risk is that the farmers will choose not to repay and sell the crop elsewhere. It increases, however, the likelihood of higher quality grain and higher yields.

8. Organize farmers into production blocks: Managing large numbers of small farmers in scattered locations has proven challenging. Especially after harvest, the cost and time of logistics is prohibitive. Farmers are generally reluctant to move their bags to a designated place in the area; for SMASH it's not logistically feasible to pick up a small number of bags in different localities. A solution to this challenge is to identify specific production blocks in which individual smallholder parcels are grouped to form a large production field. This opens the door to mechanization, optimizes post-harvest logistics and quality and develops a stronger relationship with the farmers working their parcels within the blocks.

Implementation Hilhorst, Luc

Implementation Hilhorst, Luc