

**A HANDBOOK FOR TECHNICAL IMPLEMENTATION SUPPORT (TIS)  
TO  
PRODUCTIVE ALLIANCES**

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## **LIST OF ABBREVIATIONS**

<b>AGCOM</b>	Agricultural Commercialization Project
<b>CDP</b>	Cooperative Development Policy
<b>CERC</b>	Contingency Emergency Response Component
<b>DAES</b>	Department of Agricultural Extension Services
<b>FGD</b>	Focus Group Discussions
<b>FO</b>	Farmer Organization
<b>FODS</b>	Farmer Organizations Development Strategy
<b>GAP</b>	Good Agricultural Practices
<b>GRM</b>	Grievance Redress Mechanism
<b>IDA</b>	International Development Assistance
<b>IOD</b>	Institutional and Organizational Development
<b>KII</b>	Key Informant Interviews
<b>SP</b>	Strategic partners
<b>LMI</b>	Last Mile Infrastructure
<b>M&amp;E</b>	Monitoring and Evaluation
<b>MoI</b>	Ministry of Industry
<b>MoT</b>	Ministry of Trade
<b>NAIP</b>	National Agricultural Investment Plan
<b>NAP</b>	National Agriculture Policy
<b>PA</b>	Productive Alliance
<b>PCG</b>	Partial Credit Guarantee
<b>PDO</b>	Project Development Objective
<b>PFI</b>	Participating Financial Institution
<b>PIU</b>	Project Implementation Unit
<b>PME</b>	Participatory Monitoring and Evaluation
<b>PO</b>	Producer Organization
<b>PPD</b>	Public Private Dialogue
<b>SME</b>	Small and Medium Enterprises
<b>TA</b>	Technical Assistance
<b>ToR</b>	Terms of Reference
<b>WRS</b>	Warehouse Receipt System

# 1. INTRODUCTION

## 1.1 Background

Ministry of Agriculture (MoA), in close collaboration with Ministry of Trade (MoT) and Ministry of Industry (MoI) is implementing Agricultural Commercialization (AGCOM) Project with World Bank International Development Association (IDA) credit financing estimated at US\$ 95 Million. This is a flagship project for the Government of Malawi aimed at transforming smallholder agriculture from mostly subsistence to commercial. The project links together *Producer Organizations (POs)*, service providers including research and extension and off-takers in a value chain, a concept known as a *Productive Alliance (PA)*. AGCOM targets all competitive agriculture value chains covering crops, horticulture, livestock and aquaculture. The Project Development Objective (PDO) is to increase commercialization of agricultural value chain products selected under the project. Specifically, the project aims at increasing yield of selected commodities produced by POs participating in PAs; linking selected agricultural value chain products to viable markets; and increasing the value of gross sales of products from value chains supported by the project. The project is for six years and was effective on 1<sup>st</sup> June 2018 and is expected to close in May 2023. AGCOM targets all districts in Malawi. The project has four components: (i) Building Productive Alliances, (ii) Support Investment Enabling Services, (iii) Contingent Emergency Response Component (CERC) and (iv) Project Coordinating and Management.

Component 1 focuses on Institutional and Organizational Development (IOD); POs' access to Matching Grants for capital investments; access to Partial Credit Guarantee (PCG) Fund which is a facility for participating POs and other players along commodity value chains to access agricultural financing from Participating Financial Institutions (PFIs), and Last Mile Infrastructure (LMI) development which is supports public good infrastructure aimed at facilitating operations by clusters of selected POs and off takers in productive alliances. These may include rural feeder roads, access to electricity, access to clean water, large-scale irrigation schemes.

Component 2 supports improvements in the investment and trade environment that will both deepen and sustain market linkages and improve financing for PAs and POs. By promoting dialogue between the government and private sector, this component supports interaction on subjects leading to the formation of PAs (contracts and enforcement) and improved access to markets (trade facilitation, regulatory inefficiencies, improved agribusiness product standards, and certification for PAs). The component is also piloting some of the new land laws, which contain provisions for more secure land tenure, with PAs and POs.

Component 3 focuses on rapid reallocation of project funds in the event of a disaster or crisis that has caused a major adverse social and economic impact. To trigger this component, the Government needs to declare an emergency or provide a statement of fact justifying the request for the activation of the use of emergency funding.

Component 4 supports project management activities, including setting up Project Implementation Unit (PIU). The PIU coordinates the implementation of project activities, monitoring project progress, ensures sound financial management, compliance to environmental and social safeguards, communication, and reporting.

AGCOM is expected to support 210 Productive Alliances to implement approved sub-projects. To ensure successful implementation of sub-projects, the project has engaged Technical Implementation Support (TIS) Brokers to handhold the Producer Organizations for smooth implementation of approved Productive Alliances business plans. Specifically, each broker is allocated a set of Producer Organizations (POs) from a designated geographic location identified as a cluster which covers one district or several districts depending on size. The TIS Broker will support the implementation of the PA sub-project in close proximity to the PO throughout its cycle (maximum 24 months) on a continuous basis.

## **1.2 Objectives**

The main objective of the Technical Implementation Support Handbook is to guide the TIS Broker in the implementation of technical activities with the PAs.

### **1.3 Rationale for the Technical Implementation Support Handbook**

Establishment of strong Producer Organizations institutions has proven to have gone a long way in assisting members increase agriculture productivity and most importantly increase commercialization of agriculture value chain products. In Malawi however, for many years, Producer Organizations have operated as weak institutions.

Before signing grant agreement, the AGCOM Project noted that most Producer Organizations were failing to internalize approved business plans and struggled to meet the 30% own contribution as they failed to successfully plan for resources mobilization, which affected the overall implementation of the sub-projects negatively. Planning of tasks and reporting of activities in most cases was not in line with stipulated guidelines. It was also discovered that most Producer Organizations were informal and had inadequate managerial capacity, weak leadership and governance structures. This led to poor documentation, poor contract management, challenges in meeting off-taker specifications as well as other significant challenges in monitoring and evaluation of sub-projects.

It is against this background that AGCOM Project and implementers conceived the idea of hand-holding Producer Organizations and engaging TIS-Brokers to perform the hand-holding functions within the context of AGCOM. This Handbook was therefore developed to provide a step-by- step guide of all stages for sub-project implementation under the support of AGCOM.

## **2. SCOPE OF SERVICES, TASKS AND EXPECTED DELIVERABLES**

Scope of services, tasks and expected deliverables covers the core process of TIS. It presents the key stages in PO sub-project implementation. It explains clearly on how TIS Broker undertakes their functions and the means of collaboration with other key service providers. This is all to ensure that POs receive quality support in all technical aspects.

### **2.1 SUPPORT TO THE PO BEFORE SIGNING GRANT AGREEMENT**

The TIS Broker will support the PA sub-project between approval by the Independent Evaluation Committee (IEC) and Grant Agreement signing (start of implementation).

Once the IEC has approved a business plan, AGCOM sends an offer letter for matching grant to the PO. The PO is expected to respond to the project by accepting or rejecting the offer. If the PO accepts the offer, then the project registers the PO for technical implementation support. The project will assign the PO to a particular TIS-Broker depending on the geographical cluster or as agreed with the broker in writing.

In principle and practice, the TIS Broker is expected to fulfil the following tasks:

- Undertake initial business plan review.
- Conduct PO's capacity assessment and planning
- Prepare resource mobilization action plan.

#### **2.1.1 Initial business plan review**

The TIS Broker shall facilitate the first interface meeting aimed at creating a consensus on the approved business plan. The meeting shall be participated by all members of the PO and the Business Plan Preparation (BPP) Broker. The TIS Broker shall read through each section of the business plan. During the reading session of the plan, the TIS broker shall pay attention to the following things:

- Ensure that all members have a clear understanding of terminologies used in the document by among others unpacking key points and relatively difficult words.
- Check the consistence of all figures presented in the document and ensure they are well aligned and correct.
- TIS to confirm or seek clarification from PIU or BPP on areas that are not clear.

- Pay particular attention to sections in the business plan that prompt for action and reconfirm the responsibilities and timelines for such actions based on the approved business plan.
- Particularly review, update and adapt the procurement plan, monitoring and evaluation plan as well as Environmental and Social Management Plans (ESMPs).

After the presentation, the participants shall discuss and identify key issues emanating from the review. At the end of this session, the TIS broker shall take note of the issues and compile an activity report (Annex 1). Any areas that require corrections or improvements by the Project Implementation Unit (PIU) shall need to be communicated through Institutional Development Specialist (IDS) immediately after the meeting and documented in the activity report to be submitted 7 days after the meeting.

### **2.1.2 PO Capacity Assessment and planning**

At this stage, TIS broker shall focus on:

- PO's capacity assessment
- Analysis of service providers for PO's capacity building
- PO capacity development planning

**PO's capacity assessment:** PO capacity assessment is aimed at understanding the baseline status of the PO. This will be done using the PO capacity assessment tool which is available in Annex 7 of Brokers Reference Manual. PO capacity assessment is undertaken in two stages: a desk review and a field survey exercise.

The desk review process involves the review of information and data captured from documents submitted by the POs including, the concept notes, Due Diligence Assessment (DDA) reports, approved business plan and other attachments.

Field survey: The TIS Broker facilitates comprehensive field assessment for each of the selected POs. This exercise provides primary data and information regarding the extent of capacity for each of the POs. It also provides the basis for tracking progress of the POs. The exercise mainly uses participatory appraisal methodologies to ensure comprehensive capture of information and ownership of the process by the PO. The methods include (not limited to):

- Semi structured interviewing

- Focus group discussions
- Key Informant Interviews

The method used depends on the nature of data/information being captured and the target group.

**Analysis of service providers for PO's capacity building:** Based on the gaps identified in the assessment report, an analysis of key interventions and service providers shall be undertaken. Service providers shall be assigned to undertake respective tasks based on their expertise.

**PO capacity development planning:** Based on the findings from the service provider's analysis, the TIS-Broker shall undertake a planning session with the PO to strategize on capacity development. The plan shall cover capacity development activities based on the approved business plan. PO Institutional Development Plan (Annex 3) shall be used for this purpose. TIS broker shall prepare a consolidated plan based on individual PO plans. TIS Broker shall submit copies of the individual PO Institutional Development plans and his/her consolidated Operational Plan to PIU through the IDS. A detailed module on PO capacity assessment and planning is provided in section 2.2.2 (i) of Brokers Reference Manual.

### **2.1.3 Resource mobilization action plan**

The TIS broker shall facilitate the preparation of resource mobilization action plan for raising the PO's 30% contribution after receiving the offer letter.

The TIS broker shall facilitate a meeting of the PO's board to discuss the following:

- Preparation of a detailed budget and detailed analysis of the PO's contribution both in cash and in kind.
- Preparation of an action plan for mobilization of the PO's contribution.
- Opening of a current bank account

Once the meeting is completed. TIS broker shall prepare an activity report attaching the PO's resource mobilization action plan and minutes of the meeting. The report shall be submitted to PIU through Institution Development Specialist (IDS) seven days after the meeting.

### **Resource Mobilization tips**

It is important for members to clearly understand the link between their contribution and receipt of the matching grant. This is the only motivation that will prompt the members to contribute. The PO should also ensure that all funds collected are recorded and accounted for with constant updates to the members on the figures contributed. The following are the possible areas to explore on resource mobilization for 30% contribution.

#### **i. Contribution through Farm Produce**

Members of the PO may agree to contribute farm produce. The produce shall be aggregated and sold by the PO. The funds are deposited into the POs special account. The share value of each member is equivalent to the value of produce contributed.

#### **ii. Upfront contribution by the off taker**

The PO may negotiate with off-taker to provide an upfront loan in form of cash or in-kind depending on the nature of the business plan. The off taker recovers the contribution at the end of the season during selling of the produce. This arrangement may be included in the Productive Alliance (PA) agreement.

#### **iii. Cash contributions from members**

The members may contribute an agreed amount of cash to the PO over an agreed period as shares.

#### **iv. In kind Contribution**

This includes all non-cash contribution to the budget of the sub-project. The general rule is that all in kind package must contribute directly to the sub-project. The maximum for in kind contribution in marching grant is 20%.

## **2.2 SETTING-UP SUB-PROJECT STRUCTURES**

The PO with support from the TIS Broker will have prepared all the necessary plans to facilitate successful implementation of the approved sub-project. This section provides a guide on setting

up the sub-project's implementation structures. This process is guided by cooperative organizational structure and the key thematic areas as presented in the PO Institutional Development Plan (Annex 3).

In summary under this section, the TIS-Broker is expected to fulfil the following tasks:

- Facilitate establishment of specific committees for implementation of the sub-project.
- Review and strengthen existing structures for registered cooperative.
- Orient the established committees on their duties and responsibilities.

There are two categories of POs which may access grants from the project. The first category comprises registered farmer cooperatives and the other category is for non-cooperatives (farmer clubs, associations, and other farmer groups). The stage from which the PO will be supported shall depend on the category.

#### **Category A: Cooperatives**

The project understands that all POs that are already cooperatives already have structures required by a cooperative. The role of the TIS-Broker in this scenario is to align the existing structures with the AGCOM Productive Alliance sub-project implementation requirements.

#### **For this category, the TIS-Broker is expected to do the following:**

- i. Hold a preparatory meeting with Board of Directors to analyse gaps in the by-laws and committees with an aim of proposing solutions beforehand.
- ii. Facilitate a general assembly of the PO members where the following shall be discussed.
  - Presentation of all key technical areas that require specific committees based on the PO's implementation plan.
  - Presentation of technical areas that have existing committees.
  - Presentation of the gaps both in existing committees and those technical areas that do not have committees.
  - Propose review of the by-laws to incorporate any new structures/committees.
  - Facilitate election of members to fill positions that are vacant.

- Presentation of the key tasks and responsibilities expected from each committee based on the agreed implementation plan.
- Support the committees to prepare their operating plans based on the main implementation plan. The TIS shall ensure that the small plans are well linked to the main plan.

### **Category B: Non-Cooperatives (Clubs, Associations, Farmer Groups)**

These are producer organisations that are not registered as cooperatives. In this case, the TIS-Broker shall support PO to go through the process of registration. The following steps shall be followed:

#### **i. Facilitate establishment of Steering Committee.**

TIS-broker will facilitate the first meeting to elect/confirm the steering committee for the group. During the meeting, the elected or confirmed steering committee will be tasked to apply for Cooperative Member Education (CME) training. A copy of the application letter shall be sent to the Building and Strengthening-Broker.

#### **ii. Cooperative Member Education (CME) Training**

TIS-Broker shall liaise with Building and Strengthening-Broker to arrange for the CME training for the producer organization. The purpose of CME training is to help PO members understand how cooperatives operate and for them to make informed decisions on whether to join a cooperative or not. The BS Broker shall also facilitate the formulation of By-laws while on the other hand TIS broker shall facilitate mobilization of members to buy initial shares to reach the minimum number required for cooperative registration.

CME training shall cover the following main topics.

- Introduction to cooperatives
- Principles and objectives of cooperatives
- Importance of a cooperative
- Categories and levels of cooperative societies
- Cooperative membership
- Cooperative Financing
- Forms of member-based organisations.

- Success and failure of cooperatives
- Role of government in cooperative development
- Cooperative legislation

### **iii. Submission of Registration Documents**

Once all the documentation has been prepared, B&S Broker shall facilitate submission of the same to the Registrar of Cooperatives. The B&S Broker shall follow up on the registration process relaying any queries and feedback from the Registrar of Cooperatives to the producer organization and vice versa until the Cooperative Registration Certificate is issued and handed over to the Cooperative.

### **iv. First General Meeting**

Once the PO has been registered, TIS-Broker alongside B&S Broker shall facilitate the first General Meeting (GM). The purpose of this meeting is to elect/confirm the Board of Directors, cooperative executive committee, and sub-committees. During this meeting, the following key tasks shall be undertaken:

- Presentation of the approved and signed by-laws.
- Election or confirmation of leaders
- Presentation of the roles and responsibilities of the elected leaders.
- Presentation and adoption of the committees' action plans
- Presentation and adoption of the business plan

Once the meeting is completed, the TIS Broker shall prepare an activity report attaching the general meeting resolutions and minutes of the meeting. The report shall be submitted to the PIU through IDS.

## **2.3 MANAGERIAL CAPACITY BUILDING AND IMPLEMENTATION OF SUB-PROJECTS**

The TIS-Broker with support from the PIU, Departmental SMSs, the B&S broker, STA Brokers and in some cases the Off-takers will commence PO capacity building to the

committees to ensure that they are well equipped to undertake their respective roles and responsibilities.

**In summary the TIS Broker is expected to fulfil the following tasks.**

Mobilize PO leaders for initial trainings.

Handhold PO members following action plans agreed during initial trainings

PO capacity support is further divided into two categories which are generic organizational development and specialized technical assistance.

**2.3.1 Generic Organizational Development**

Generic organizational development shall involve building and strengthening capacity of the PO in key areas required for effective implementation of the sub-project and general business operations of the PO.

**a) Cooperative Management**

B&S Broker with assistance from the TIS Broker and technical support from RoC/Department of Agriculture Extension Services (DAES) shall organize training sessions on cooperative management. The training shall cover the following key topics:

- The Cooperative business models.
- Roles of Stakeholders in cooperative development
- Role of the Registrar of cooperatives
- Values and Principles of cooperatives
- Cooperative Legislation and By-laws
- Leadership in Cooperatives
- Principles of management
- Marketing
- Planning and budgeting
- Conflict resolution

The main role of TIS-Broker is to mobilize the cooperative leaders and ensure the intended participants attend the training. TIS Broker shall hand-hold the PO and ensure that all that the systems and action plans agreed after the cooperative management training are being adhered to. The B&S Broker shall submit an activity report for the training to PIU.

#### **b) Book-keeping and accounting**

B&S Broker with assistance from the TIS Broker and technical support from RoC shall organize a session on book-keeping and accounting. The main objective of this session shall be to equip the PO with skills to ensure full accountability and utilization of AGCOM resources for the intended purpose. On the other hand, it will help the PO to effectively manage its business operations in general. This session shall cover the following key topics.

- Definition of book-keeping and accounting
- Objectives of book-keeping and accounting
- Users of accounting information
- Accounting cycle
- Source Documents-Nature and preparation
- Books of original entry
- Relationship between source documents and books of original entry
- Analysis day books-nature, importance, and preparation
- Ledger analysis and double entry accounting -nature, use and preparation.
- Trial balance preparation
- Financial statements preparation

The Brokers Reference Manual covers more details on bookkeeping and accounting (section 2.2.2(ii)). The main role of TIS-Broker is to mobilize the cooperative leaders and ensure the intended participants attend the training. Target participants for this training shall include BoD, Finance committee, Procurement committee and supervisory/Audit committee.

#### **c) Finance Management Procedures for AGCOM Matching Grants**

B&S Broker with assistance from the TIS Broker with support from the PIU finance team, shall organize a training on financial management procedures for matching grants. The main objectives of this training shall be to appraise the PO with financial management procedures that must be followed during implementation of their sub-project, this will cover processes to be followed, documents and reports to be submitted periodically to PIU to ensure full

accountability and proper utilization of resources. This training shall cover the following key aspects:

- *Management of matching grant dedicated bank account* - This shall include rules and procedures for usage of the dedicated bank account.
- *Supporting documents for all payments from the dedicated account* – This shall include all required documents supporting payments from initialisation to completion of transactions under the sub-project
- *Maintenance of accounting records* – This shall cover operations of a financial management system with satisfactory basic books of accounts including proper filing of accounting records to facilitate easy tracking and monitoring the usage of matching grant funds.
- *Financial reporting requirements* – This will cover the preparation and submission of periodic financial reports on the usage of matching grants to the PIU.
- *Disbursement of subsequent tranches* – This will cover rules and milestones to be achieved for further disbursements.
- *Auditing arrangements* - This will cover arrangements for auditing of all accounting records pertaining to the sub-project.
- *Suspension or termination of the matching grant* – This will cover conditions for suspension of disbursement and termination of the grant.

A detailed module on finance management procedures is presented in Brokers Reference Manual in section 2.2.2 (iii). TIS Broker shall ensure that all systems and action plans agreed after the finance management training are being adhered to through day-to-day handholding. The B&S Broker shall submit an activity report for the training to PIU.

#### **d) Procurement Procedures under AGCOM Matching Grants**

The TIS Broker shall assist the B&S Broker to organize a training on procurement procedures under AGCOM matching grants, this training will be undertaken with technical support from the PIU procurement unit. The main objective of the training shall be to equip the PO with knowledge of procurement procedures that must be followed when undertaking any procurement using funds from the grant and on how to prepare and update the procurement plan (Annex 9). Target participants shall be members of Procurement Committees with participation of BoD, Finance Committees and Supervisory committees. While this will ensure full accountability and proper utilization of funds, the PO will also be empowered to follow best practices in procurement when managing its business affairs in general. This training shall cover the following key aspects:

(a) World bank core procurement principles including Value for money, Economy, Integrity, Fit for Purpose, Efficiency, Transparency, and Fairness.

(b) Procurement under the matching grant: covering initial processes followed, preparation and review of procurement plans in the approved business plan.

(c) Approaches to procurement under the project covering value thresholds and requirements for clearance

- Procurement by the PO
- Procurement by the PIU

(d) Applicable methods of procurement allowed under the project including.

- Request for proposals (RFPs)
- Request for Bids (RFBs)
- Request for quotations (RFQs)
- Direct contracting for goods or works or non-consultant services and applicable circumstances.
- Direct Selection of quality and Cost Based Selection (QCBS)
- Consultants - engagement and applicable circumstances

(e) Mandatory procurement documentation under the project.

A detailed module on procurement procedures is presented in the Brokers Reference Manual in section 2.2.2 (iv).

#### **e) Productive Alliance Contract Management**

All PAs facilitated by AGCOM are governed by PA Agreements or Contracts.

These are agreements between a registered off-taker and a producer organization to value chain products (Livestock Products, Crops, Fisheries, Horticulture) at a given time and at a given Price or Price mechanism. Producer Organizations must demonstrate capability to produce the volume and quality agreed given the resources The Project may provide. The Competition and Fair-Trading Commission (CFTC) provides oversight to the PA agreements.

B&S Broker with assistance from the TIS Broker shall organize a training on Productive Alliance and Contract Management with technical support from Trade Facilitation Specialist and CFTC.

This POs shall be equipped with knowledge and skills on the following key areas.

1. The Parties to the agreement
2. Product quality and quantity
3. Supply and Acceptance
4. Price Mechanism
5. Force Majeure
6. Duration, Renewal, Review and Termination
7. Dispute resolution

After this initial training the TIS Broker is expected to handhold the POs in the following key areas:

**Managing production Cycles:** The TIS Brokers will be required to manage production cycles of the value chain under PA. The Broker is to report within reasonable time any challenges that may arise and impact on quality or quantity put forward for sale under the PA agreement.

The Broker is to facilitate changes in delivery times should the PO delay within their production cycle.

**Managing quality and quantity delivered:** The Broker is to facilitate provision of various techniques to ensure the producer organisation provide the right quality of the product.

The broker is to facilitate negotiation with off-takers or any other third party for all product that is out of specification.

The Broker is to ensure that the producer organisation deliver the volumes as per PA agreement. In some cases where the contract allows may mean facilitating procurement or purchase of additional product if the producer organisation failed to meet the volume of as per agreement.

The broker is to ensure any incidences that may result in under production or under sales are reported within a reasonable time, and where necessary mitigating measures taken or facilitate contract review as soon as possible.

**Managing renewal, review, or termination of contracts:** The Broker is to ensure the contract is up to date at all times, and where the contract is expiring facilitate its review, renewal or termination of contracts.

Where a contract has successfully been delivered, brokers must request for reference letter from the off taker on behalf of the producer organisation.

**Dispute resolution:** AGCOM facilitated contracts provide for a dispute resolution through AGCOM Grievance redress committees. The Broker may attempt to facilitate negotiation between the PO and the Off taker in cases of a dispute in implementation of the contract. If such fails the TIS Broker is to facilitate logging any grievances or dispute relating to contract management through the applicable GRM committee.

#### **f) Environmental and Social Safeguards**

B&S Broker with assistance from TIS-Broker shall organize a training on environmental and social safeguards with technical support from Environmental Safeguards Specialist (ESS) and Social Safeguards Specialist (SSS). The objective of the training shall be to equip POs in the following key areas:

- Basic definition of safeguards
- Importance of environmental and social safeguards in PAs
- Review of PO Environmental and Social Management Plans (ESMP)
- Basic understanding of AGCOM Grievance Redress Mechanism (GRM)
- Implementation and tracking of ESMPs and GRM

A detailed section on environmental safeguards is included in the Brokers Reference Manual in section 2.2.2 (v). The main role of TIS-Broker is to mobilize the cooperative leaders and ensure the intended participants attend the training. The training shall target the ESM committee and the GRM committees. The B&S Broker shall submit an activity report for the initial training to PIU.

At the end of the training session, the POs with assistance from TIS Broker and B&S Broker shall:

- Create a tracking system for implementation of ESMP whilst aligning it to the key interventions in the Business Plan.
- Include ESMP budgets in POs tranche requests.
- Document and report progress on ESMP and GRM implementation (Annex 10)

#### **g) The AGCOM Grievance Redress Mechanism (GRM)**

The Government of Malawi is committed to addressing and resolving grievances, disputes and conflicts that may arise in the course of implementing this Project. For this reason, Government with the participation of stakeholders has developed this Grievance Redress Mechanism (GRM). This GRM acts as recourse for situations in which individuals and stakeholders may be aggrieved by the project activities and impacts. It also serves as a platform for stakeholder feedback. All the Brokers shall promote the use of the AGCOM GRM.

The objectives of this GRM are as follow:

- To identify grievances related to the implementation of AGCOM project;
- To ensure that the grievances, disputes or conflicts arising from implementation of this project are treated separately and as matter of priority;
- To ensure that project implementation timelines and overall schedules are not compromised due to delays in resolving the grievances, disputes or conflicts;
- To minimize the lengthy and expensive alternative litigations that project affected persons (PAPs) might otherwise have to resort to.
- To provide a system through which stakeholders can provide feedback on the operations and impacts of the project.

The AGCOM GRM is implemented through committees and can be entered at any appropriate Committee:

- National Project Grievance Redress Committee (NPGRC)
- District Grievance Redress Committee (DGRC)
- Community Grievance Redress Committee (CGRC) *e.g. at PO level*

- Workers Grievance Redress Committee (WGRC) – for works requiring Contractors

Other grievances are handled by relevant institutions e.g. Land Tribunals under Ministry of Lands (for land related grievances) or Courts/Police/Ant-Corruption Bureau, Labour and others (for grievances beyond project mandate e.g. rape, murder, theft, etc).

The AGCOM GRM reporting and feedback routes are as follows:

- (1) Through the GRM Committees
- (2) In Person: By visiting AGCOM Project Offices located off Chilambula Road Opposite MRA Offices. Suggestion boxes will also be placed within AGCOM offices for written grievances.
- (3) Through Post Office: by sending a letter in any major language of Malawi to the following address:

The National Project Coordinator,  
The Agricultural Commercialization (AGCOM) Project  
P.O. Box 30134, Lilongwe 3, Malawi.

- (4) By Phone: By calling, the following toll free number 2478.
- (5) By Email: emails can be sent to the following address: [grm@agcom.gov.mw](mailto:grm@agcom.gov.mw)
- (6) The World Bank GRM: complaints may be logged using the following email: [malawialert@worldbank.org](mailto:malawialert@worldbank.org)

Notwithstanding the different reporting and feedback options, AGCOM advocates for the use of the established committees, where possible. It is also emphasised that it is the expectation in the AGCOM GRM that all grievances are addressed and resolved within 14 days to ensure that project implementation timelines and overall schedules are not compromised due to delays in resolving the grievances.

#### **h) Customary Land Administration**

The TIS Broker with technical support from the Land Reform Implementation Unit (LRIU) shall facilitate PO Sensitization sessions on land reforms. The objective of this task is to ensure that all members of the PO have clear understanding of the new land laws and to assist them make informed decisions regarding their land registration and adjudication. The sensitization meetings shall focus on the following key areas.

- Introduction to new land laws
- Benefits of land registration
- Land adjudication and registration process
- Tracking the land registration process

A more detailed module on customary land administration is covered in the brokers Reference Manual in section 2.2.2(vi). The main role of TIS-Broker is to mobilize leaders and PO beneficiaries. This session shall target all registered members of the PO. The TIS Broker shall submit an activity report for the sensitization meetings to PIU.

At the end of the training session, the POs with assistance from TIS Broker and LRIU shall:

- Create a register of all PO members planned for land adjudication and registration.
- Track land adjudication and registration for PO members.
- Report progress on land adjudication and registration.

#### **i) Communication**

TIS Broker in collaboration with AGCOM's Communication Specialist, DAES and other media houses shall help the PO to improve the internal and external communications in order to enhance flow of information, visibility and brand through the following activities:

- Sourcing and dissemination of relevant Information, Education and Communication (IEC) materials.
- Facilitate production of adverts to market PO products and services using diverse media.
- The Broker shall help in documentation of success stories in the PO.

The Broker shall at all times protect The Project's image and brand through professional conduct and shall not talk, grant interview or provide information to the media without authorization from the AGCOM National Project Coordinator or the Communication Specialist.

#### **2.3.2 Specialized Technical Assistance**

Specialized technical assistance shall mainly focus on the value chain which a particular PO has selected. It embraces the entire system of Good Agriculture Practices (GAPs) and technologies involved in primary production, post-harvest processing and value addition for the value chain.

In some circumstances depending on the nature of the product, some POs may require specific certification such as Malawi Standards certification, Seed certification, Organic certification,

Fair Trade certification, HACCP, GFSI and other certifications. The TIS broker shall assist the PO to identify relevant service providers and authorities responsible for certification.

The key technical areas covered under specialized technical support are:

- (i) Production and Productivity
- (ii) Post-Harvest Processing and value Addition

**a) Production and Productivity**

TIS-Broker shall support the PO and the Off-taker to fully understand the primary production process. The TIS-Broker shall facilitate a session to confirm all the specialized technical support packages required for production of the selected value chain. The TIS-Broker shall further confirm the allocated Specialized Technical Assistance (STA) Broker to undertake the technical support and determine the target beneficiaries. TIS and STA Brokers shall facilitate preparation of Production plan. The production plan shall focus on the following key aspects:

- Mobilization and registration of PO members
- Hands on training in Good Agriculture Practices

**(i) Mobilization and registration of PO members**

The TIS Broker shall support mobilization and verification of PO members who committed themselves and were registered during business plan preparation stage to participate in production of selected value chain. TIS Broker shall assist the Production Committee to retrieve the beneficiary registration form from the M&E committee. The form shall include the hectareage/number of animals and other inputs targeted for each of the beneficiaries. The TIS shall convene a general meeting to verify the individuals targeted and their respective input packages. The key output of this meeting shall be the final list of beneficiaries to participate in production of the selected value chain.

**(ii) Training on Good Agriculture Practices**

Once the beneficiaries have been identified, the TIS shall facilitate hands-on training on good agriculture practices. The TIS Broker shall refer to the PO implementation plan to confirm the service provider assigned to conduct each training. These trainings shall either be provided by the STA Broker, Subject Matter Specialists (SMSs) or off takers especially where the off takers provides extension support.

The trainings shall focus on the following major value chain categories as per need by the PO:

### **Crop production**

The POs shall be trained on production of field crops and horticultural crops. The training shall cover the some of the following good crop husbandry practices:

- Early field preparation
- Use of improved seeds or planting materials
- Early planting
- Manure and fertilizer application
- Optimum plant population density
- Cropping systems (Intercropping, mixed cropping, strip cropping, relay cropping, agroforestry, crop rotation)
- Crop protection (management of weeds, pests and diseases) Harvesting and post-harvest management
- Farm mechanization

The TIS Broker shall support the PO Production Committee to develop agriculture calendar depending on the enterprise. The TIS Broker shall ensure that all the good crop husbandry practices are followed in line with the agriculture calendar.

### **Livestock Production**

The training shall cover some of the following livestock management practices:

- Housing
- Feeding
- Parasite and disease control
- Breeds and breeding

### **Fisheries and Aquaculture**

The training shall cover some of the following topics:

- Production systems (Extensive, semi-intensive, intensive)
- Fish rearing
- Recommended fish farming species.
- Fishpond design, location and construction
- Pond filling (fertilisation, liming)
- Fishpond management (feeding, control of diseases and predators, harvesting, draining)
- Pond maintenance

Department of Agriculture Extension Services, under the ministry of Agriculture has developed a latest edition of Guide to Agricultural Production Handbook which provides detailed modules for all key agriculture value chains promoted in Malawi. The TIS Broker is encouraged to acquire this guide and use it as reference material.

#### **b) Post-Harvest Processing and Value Addition**

This section targets only POs that are directly involved in processing and value addition. The TIS-Broker with support from appropriate STA Broker shall:

- Support the PO in supervising construction of warehouses and factory-houses.
- Link up the PO with the Project Engineer to follow standard designs ( **Annex 11**)
- Assist the PO to identify machinery with appropriate technical specifications.
- Facilitate installation and maintenance of the machines.

Facilitate training on operation and maintenance of the machines.

#### **2.4 MONITORING AND EVALUATION**

The TIS Broker shall conduct monitoring and evaluation of the business plan implementation. This is to ensure that quality data at PO level is properly and timely captured to assist in tracking implementation progress, results and impact. The TIS Broker is expected to:

- i. Submit program activity data.
  - a) Estimation of the number of direct and indirect beneficiaries by age, gender, land size and household size. The tool that will be used to capture the data is the Beneficiary Registration Form.

- b) Production records - The data on production will vary depending on value chains, for instance crops, livestock or honey.
  - c) Sales Records - This will capture total amount of money made from the sales of produce taken to the market such as quantity sold and unit price to determine total sales.
  - d) Beneficiaries of Partial Credit Guarantee (PCG) Fund - This will capture list of farmers accessing PCG Loan, amount, purpose and various conditions offered by the banks
  - e) PA Aggregation Form - This will capture summaries from the other forms such as total beneficiaries per PO, baseline, amount of grants awarded and other details
- ii. Support Productive Alliance Annual Operation Plan (AOP).The AOP will show the prioritized activities, indicators, targets, timeframe, budget and responsibilities
  - iii. Consolidate the information, income flow, production costs and jointly with the PO evaluate the projected cash flow based on the achievement.
  - iv. Analyze and interpret results and impact based on the agreed indicators at closure.
  - v. Submit monthly activity workplan reflecting key deliverables.
  - vi. Submit activity, monthly, quarterly, and sub-project completion reports. In addition to that, the TIS will support the PA to produce quarterly progress reports and final report.
    - Activity report is designed to capture progress of any activity implemented, for instance, training, meeting, or distribution (Annex 1).
    - Monthly report(Annex 13) is designed to provide a summary of all activities implemented in the month, challenges encountered, areas requiring improvement and a plan for the following month.
    - The PA quarterly report (Annex 13) will provide details on the following:
      - Activities implemented.
      - Milestones reached according to signed agreement.

- Investments physical verification and delivery conditions for goods, works and services.
  - Collection and processing of data
  - Performance of revolving fund instruments where appropriate
- The PA sub-project completion report will be prepared at the end of implementation for each sub project. The report will provide details on the following: summary of the activities implemented, achievements, impacts, lessons learnt and key areas for improvement.
- vii. Facilitate development of case studies and success stories.
- viii. Conduct routine monitoring visits to PA. The project has developed a checklist that will assist in monitoring of Productive Alliances (Annex 12).

TIS with support from the M&E Specialist shall facilitate initial training in participatory monitoring and evaluation to equip the PA with skills in M&E. The Brokers' Reference Manual in Section 2.2.2 (vii) covers M&E module in detail.

### **3. CODE OF CONDUCT FOR BROKERS**

Any organization expects its staff and employees to behave and act according to the organization's principles, standards, and the moral and ethical standards. Notwithstanding the fact that as Brokers you are not staff or employees of AGCOM or Ministry of Agriculture, the expectation remains that you will conduct your business in a way that upholds the integrity of and promotes a positive image of AGCOM in particular and Government of Malawi in general.

The purpose of the AGCOM Code of Conduct is to clarify core principles and values that all the brokers must comply with. The code articulates the values that AGCOM wishes to foster in the Brokers and, in doing so, defines desired behaviour.

#### **3.2 Chapter objectives**

By the end of this chapter the reader is expected to understand the core principles, values and expectations of the AGCOM Code of Conduct.

#### **3.3 Principles and values of AGCOM Code of Conduct**

##### **1. General Principles and values**

- (a) All brokers are working on behalf of AGCOM and Government of Malawi. So in all their decisions and actions, they must endorse the concept of human rights and commit to protecting and respecting the rights of the farmers, off-takers and other stakeholders with whom they work and interact.
- (b) The ability to achieve AGCOM project development objectives is hinged on our relationship with the producer organizations, off-takers and implementing agencies in terms of how AGCOM is seen and the level of trust placed on AGCOM. The trust awarded to AGCOM is heavily dependent on all PIU specialists and the brokers working for or on behalf of AGCOM by upholding and promoting high standards of conduct
- (c) AGCOM Project is there to support small scale farmers to achieve considerable level of commercialization through set approaches, standards and values. It is important that our commitment to achieving AGCOM objectives is supported and demonstrated by all brokers working for or on behalf of the AGCOM Project. If any broker fails to act in a way that supports achievement of the AGCOM project, then the AGCOM objectives will fail.
- (d) The basic values of AGCOM require that we observe, respect and sensitivity of customs and traditions of the local communities that AGCOM works.
- (e) All brokers working for or on behalf of the AGCOM Project are required to report any potential incident, abuse, or concern that they have or are made aware of through the AGCOM Grievances Redress Mechanism.
- (f) AGCOM places importance to supporting women and youth groups to effectively participate and benefit from project interventions. As brokers, you have a particular responsibility to role model and to create a conducive environment which supports everyone upholding and promoting gender and social inclusion.

- (g) As Brokers working for or on behalf of the AGCOM, you will often be, among the communities, in positions of power and high levels of trust in relation to the producer organizations. This power and trust must never be abused. You have an obligation and responsibility to maintain the highest professional and ethical standards in your day-to-day conduct.

## **2. Specific Principles and values**

### **Integrity.**

Integrity means consistently acting according to values and principles and being personally accountable and responsible for own actions and omissions in practice.

- All Brokers should follow government policies and regulations.
- All Brokers should declare any personal conflict of interest which could compromise their professional judgement.
- All Brokers should not engage in sexual or intimate behaviour or relationships with their clients or minors.
- All Brokers should not work under conditions which compromise their professional judgment or cause a deterioration of the quality of their service.
- Brokers should desist from actions that confer a personal benefit outside their terms of employment.
- Brokers should not accept gifts, favours or hospitality as this may compromise the professional relationship with the client. This excludes small gestures of courtesy extended by some communities as part of the culture of hospitality and gratitude.
- Broker should not ask for or accept loans or bequests from a farmer or any other client.
- All Brokers should not use his/her professional position to promote or sell products or services to clients for personal gain.

### **Respect**

Respect means behaving towards peers and clients in a manner that values their worth, dignity and uniqueness.

- The Broker should not divulge confidential information of the client or partners acquired as part of their work
- The Broker should show due respect, particularly through my conduct, dress and language, for the religious beliefs, usages and customs, rules, practices and habits of the people of the country or context they are in and of their place of work.
- The broker should respect others in their private life and professional life during regular working and non-working hours.
- The broker should abstain from any conduct that they know or should know to be inappropriate, particularly with regard to the specific context they are in.

- The broker should abstain from any conduct that could appear to be inappropriate, particularly with regard to the specific context they are in.
- The broker should respect the basic rights of all human beings and marginalised groups regardless of gender, disability, ethnicity, sexual orientation, religion, caste, language, HIV status and other aspects of identity.
- The broker should act fairly, honestly and tactfully in order to treat people with dignity and respect.
- The broker should not take part in any form of discrimination, harassment, bullying, humiliating behaviour or abuse (physical, sexual, emotional and verbal), intimidation or exploitation, or in any other way infringe the rights of others.

#### **(a) Diversity and Inclusion**

Diversity refers to acceptance and respect for individual differences and uniqueness including values and beliefs, culture, ethnicity, language, ability, experiences, and social economic status. Inclusion refers to deliberate actions to appreciate, acknowledge and address individual differences.

- The Broker should uphold all national and international laws regarding human rights and equality.
- The Broker should recognise that some farmers or clients are more vulnerable and may require additional support and assistance.
- The Broker should act and make decisions on merit, without prejudice and using the best available information.
- The Broker should strive to communicate with farmers or clients in a manner they can understand by avoiding technical jargon and using a language which some of them do not understand.
- The Broker should use appropriate channels of communication for the message and audience.
- The Broker should avoid favouritism, political biases, religious sectarianism and tribalism.

#### **(b) Cultural and Gender Sensitivity**

Culture refers to the beliefs and practices common to any particular group of people. It includes the understandings, patterns of behaviour, practices and values shared by a group of people. Gender refers to the culturally determined social attributes and opportunities associated with being male and female and the relationships between women and men and girls and boys. Gender sensitivity refers to the ability to recognize and address the different problems and needs of men and women arising from their culturally determined roles, and responsibilities, power relations and access to and control over resources.

- The Broker should ensure that the services provided are culturally appropriate and acceptable to the farmers or clients.

- The Brokers dress code, conduct, and other behaviour should be sensitive to the farmer's or client's beliefs, values and practices.
- The Broker should employ approaches and methods that promote access to services by men, women, male and female youth as well as the various ethnic categories of farmers or clients.
- The Broker should promote fair recruitment, appraisal and reward systems.

**(c) Accountability and Transparency**

Accountability refers to being answerable for own decisions and actions. Transparency refers to openness, free sharing or communication without hidden agendas.

- The Broker should be open and honest in his or her interactions with professional peers and partners.
- The Broker should communicate clearly and promptly with other colleagues and actors.
- In case of an emergency, The Broker should ensure that proper incident management and documentation is done and full report provided to relevant officials and/or the client.
- The Broker should keep the peers and key stakeholders informed of their performance through timely accurate reports.

**(d) Professional competence.**

Professional competence means Maintaining high standards of personal and professional conduct.

- The broker should strive for high standards in their work.
- The broker should take responsibility for his/her actions.
- The Broker should seek to work with colleagues and other actors where it is evident that this adds value.
- Where the Broker is unable to meet the farmer's or client's needs, reference should be made to another provider more qualified to provide the service.
- The Broker should not falsify information shared with partners or collaborators.
- The Brokers should always keep informed and search for different perspectives and alternatives in the farmers 'or clients 'interest.
- The Brokers should support other colleagues, practitioners and players in the learning and on-going development of their professional values, practice and conduct.
- The Brokers should avoid disseminating technologies or providing services outside their area of expertise.
- The Brokers should always be honest about things they do not know.
- The Brokers should disseminate correct, complete, timely and verified.

#### **4. ANNEXES**

Annex 1: Productive Alliance Sub-Project – Grant Agreement Template



### **GRANT AGREEMENT**

**BETWEEN**

**THE GOVERNMENT OF THE REPUBLIC OF MALAWI**

**ACTING THROUGH**

**THE MINISTRY OF AGRICULTURE, IRRIGATION, & WATER DEVELOPMENT**

**AND**

**MATCHING GRANT APPLICANT**

This Agreement is made this day .....of..... **20...**, between the Government of the Republic of Malawi acting through the Ministry of Agriculture, Irrigation & Water Development, of P.O. Box 30314, Lilongwe 3 (“Government”), on one hand and . ([Insert the name and address of the Matching Grant Applicant, representing the Producer Group], (Applicant) on the other hand, (jointly herein after referred to as the “Parties” and singularly as a “Party”).

WHEREAS:

- (1) the Republic of Malawi has signed a Financing Agreement date February 2, 2018, (“Financing Agreement”) with the International Development Association (“World Bank”) pursuant to which the World Bank agreed to provide financing (IDA Credit No. 6048) for the Government to implement the Agriculture Commercialization Project (“AGCOM Project”);
- (2) as part of the implementation of the AGCOM Project, the Government will facilitate commercialization of agriculture through the provision of various capital or productive investment (assets) in form of matching grants (“Matching Grants”). The Matching Grants will be implemented in specific subprojects with the view to increase production, yield, quality and sale of agricultural products.
- (c) the application for Matching Grant (including the amount of the matching grant, purpose of, and activities under the sub-project proposed by the Applicant to be financed by the matching grant) are defined in the *First Schedule* and the said activities and purposes are hereinafter referred to as the “Sub-project” has been approved by the Government through the office of **the National Project Coordinator Agriculture Commercialization Project (“NPC AGCOM”)** subject to the terms and conditions contained in this Agreement.

THE PARTIES hereby do agree as follows:

**ARTICLE 1 - PURPOSE**

- (1) [The Applicant] shall use the proceeds of the Matching Grant exclusively for the purposes and activities specified in the Sub-project proposal submitted by the Applicant to NPC AGCOM and as summarized in First Schedule to this Agreement.
- (2) Wherever there is a discrepancy between the proposal documents and this Agreement, this Agreement shall take precedence.
- (3) [The Applicant] shall request NPC AGCOM for approval prior to implementation of any changes in the nature of the Sub-project activities.
- (4) [The Applicant] shall, where Matching Grant funds are not used for the purpose and within the Matching Grant period specified in the First Schedule to hereto or within any approved extension of the Matching Grants period specified in Form 1 of the Schedule, return the funds to the Government.

- (5) [The Applicant] shall not transmit the Matching Grant funds, in whole or in part, to another institution or person as a sublease or as another grant. [The Applicant] shall not use the Matching Grant funds to cover tax payments, expenses or any other form of compensation for business partners.
- (6) With respect to assets that have been acquired using the Matching Grant funds,[ the Applicant] shall not use said assets as collateral for other transactions or dispose the assets within the Sub-project period without approval of the Government.

## **ARTICLE 2 - RESPONSIBILITY**

- (1) The Applicant shall carry out the Sub-project with due diligence and efficiency and in accordance with: (a) sound technical, economic, financial, managerial, environmental and social standards; and practices satisfactory to the World Bank including in accordance with, the provisions of “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006, and revised in January 2011 and as of July 1, 2016; (b) the Safeguard Instruments (as defined in the Financing Agreement); (c) the Project Implementation Manual; and (d) the terms of this Agreement and all applicable laws.
- (2) [The Applicant] shall (a) provide, promptly as needed, the resources required for the purpose carrying out the Sub-project; and (b) be responsible to fulfil any tax consequence obligations that may arise as a result of the award of this Matching Grant to the Applicant.
- (3) [The Applicant] shall send all Sub-project and Matching Grant related correspondence to the NPC AGCOM through contact details set out in the First schedule hereto.
- (4) The Government reserves the right to terminate the financing of the Sub-project activities where the Applicant is in breach of this Agreement.

## **ARTICLE 3 - PROCUREMENT**

- (1) [The Applicant] shall ensure that the procurement of goods and services is competitive and transparent and complies with the requirements set forth or referred to in the “World Bank Procurement Regulations for Borrowers under Investment Project Financing”, dated July 1, 2016.
- (2) [The Applicant] shall be responsible for all grant implementation related procurement and the Applicant shall give access to NPC AGCOM staff and cooperate with them to enable NPC

AGCOM to review, supervise and guide the procurement carried out by the Applicant, and ensuring that integrity, transparency and accountability are maintained.

- (3)[The Applicant] shall ensure that all Matching grant financed goods are insured against any hazardous occurrence that may damage the goods during their acquisition, transportation and to their place of use or installation.
- (4)[The Applicant] shall ensure that facilities relevant to the activities are at all times operated and maintained in accordance with appropriate practices and that the facilities undergo periodic maintenance and repairs as are needed.
- (5)[The Applicant] shall:
  - (a) as part of the subproject proposal, identify the goods, works and services to be procured and come up with a procurement schedule (*First Schedule*) based on the implementation deadlines and targets;
  - (b) record the identified goods or services to be procured in the procurement schedule under the Agreement;
  - (c) procure goods and services in accordance with the World Bank rules as issued and trained by the AGCOM; and
  - (d) produce evidence of procurement, quotations, invoices and receipts of all procured assets and send to the NPC AGCOM before the next tranche of matching grant is disbursed to the Applicant.
- (6) AGCOM, the Government or the World Bank may conduct a random audit of the project using appointed personnel.

#### **ARTICLE 4 - PROPERTY OF GOODS**

- (1) [The Applicant] shall follow the stipulated rules and guidelines for the use of goods, both during and after the completion of the project as agreed in the Agreement.
- (2) All purchased goods including materials and equipment procured using the proceeds of the Matching Grant (“Purchased Goods”) shall be the property of the Applicant. However, the purchased goods shall not be sold or disposed during the implementation of the project.
- (3) The Applicant] shall be responsible for taking care of all Purchased Goods and providing for the proper maintenance of Purchased Goods.
- (4) Where the Government terminates this Agreement as a result of a breach of this Agreement by [the Applicant], or where [Applicant] terminates this Agreement before the Sub-project is

completed, the Government shall have the right to repossess the purchased goods. The repossessed Purchased Goods shall be sold and the sales proceeds, less any sales costs, shall be used to pay the Government for monies due and/or owing by [the Applicant] to the Government under this Agreement.

#### **ARTICLE 5 - PAYMENT OF MATCHING GRANT**

- (1) The Matching Grant shall be disbursed in tranches as agreed between NPC AGCOM and [the Applicant] and in accordance with the *Second Schedule* hereto. Payment of subsequent tranches will depend on the achievement and verification of the agreed milestones. [The Applicant] shall submit to NPC AGCOM a report on the progress made on the milestone (if achieved) and compliance with environmental and social safeguards.
- (2) NPC AGCOM shall, upon receiving a milestone progress report that satisfactorily describes the fulfilment of the milestone targets, review the report, conduct a field visit, and confirm the correct use of the previous tranche and authorize, in writing, the payment of the next tranche.
- (3) A payment order shall be prepared by NPC AGCOM and signed by the AGCOM Coordinator. This "Order of Payment" shall be submitted together with:
  - (a) "Request for Payment" from the beneficiary;
  - (b) summary table of the beneficiaries "Statement of Expenditure" (original) for the use of previous Tranche; and
  - (c) the milestone monitoring report.
- (4) [The Applicant] shall notify the Government in writing of any anticipated delays in achieving the established milestones and the reasons for such delays.
- (5) The scheduled payments for the next tranche may be withheld or delayed in the event that [the Applicant's] expenditure reports show a larger cash balance than anticipated. At any time during the grant period, the Applicant may request the Government to revise the "Payment Schedule" to better reflect the current work plan and to better meet the [Applicant]'s cash flow needs, but this request shall be justified accordingly.
- (6) The Matching Grant disbursed in to [the Applicant] in accordance with the above provisions shall be made directly to:
  - (a) a special sub project bank account in a commercial bank, registered and managed by [the Applicant] upon request ("Special Bank Account"); or
  - (b) the equipment supplier as stated in the proposal application.
- (7) Before each tranche is disbursed into [the Applicant]'s Special Bank Account, evidence of the 10% minimum cash counterpart contribution will be required to be received by the Government.

- (8) For each payment from the Matching Grant amount, [the Applicant] shall provide evidence that the money has been received and used in accordance with the provisions of the Agreement.

#### **ARTICLE 6 - ACCOUNTING, AUDITS AND FINANCIAL REPORTS**

- (1) The Government shall give technical guidance to [the Applicant] in preparing the statement of expenditure reports, upon which [the Applicant] can use to request subsequent disbursement. The Government shall hold overall responsibility for ensuring that disbursements are made on time.
- (2) [The Applicant shall ensure that;
  - (a) the appropriate procurement procedures are observed; and
  - (b) the necessary accounting and audit procedures are carried out as per the general requirements of the sub-project.
- (3) [Applicants] shall be fully aware of their financial obligations under the Agreement and shall make appropriate provisions for meeting those requirements. The Agreement requires that funds must be returned in the event of termination of the Agreement and that any uncommitted funds upon completion shall be returned to NPC AGCOM.
- (4) [The Applicant] shall submit to NPC AGCOM the statement of expenditure, accompanied with original supporting documents such as invoices, receipts and written declarations. The original supporting documents shall then be filed by NPC AGCOM.
- (5) [The Applicant] shall provide documentary evidence of both grant and beneficiary cash contributions to the project. NPC AGCOM may withhold scheduled payments or require that grant activities be suspended if statements of expenditure reports are overdue or the documentary evidence on the use of grant funds is insufficient.
- (6) [The Applicant] shall prepare a final grant report at the end of the grant project in the format provided by NPC AGCOM reflecting the operations, resources and expenditures related to the project. [The Applicant] shall submit a copy of the final grant report within a reasonable, but in any case not later than 45 days after the completion of the sub-project.
- (7) Grant expenditures shall be audited, as deemed appropriate, within the overall Government financial audit process. [The Applicant] shall co-operate fully with the auditor and shall make available to the auditor whatever records documents and other information requested by the auditor in connection with the audit of the AGCOM funds. Business entities and [the

Applicants] shall be liable for repaying any grant funds found to have been misused and all steps shall be taken for recovery of the misused funds in accordance to the appropriate legislation in force.

#### **ARTICLE 7 - REPORTING, MONITORING AND EVALUATION**

- (1) A well-designed monitoring and evaluation system is critical for ensuring timely and successful implementation of grant-funded project activities and for enhancing their impact through systematic analysis and dissemination of lessons learned. The NPC AGCOM shall be responsible for the overall monitoring and evaluation grant-funded projects, through reviews of all progress reports and on-site visits.
- (2) The monitoring and evaluation of the grant implementation includes the following three steps:
  - (a) initial monitoring visit and baseline setting;
  - (b) milestone reports and subsequent monitoring visits; and
  - (c) final monitoring review and report
- (3) The NPC AGCOM shall be responsible for all monitoring and evaluation, and [the Applicant] shall be responsible for the submission of milestone reports and the final report.
- (4) Each proposal shall have clearly defined milestones, final targets and associated performance indicators, against which progress can be assessed. These indicators shall be agreed between NPC AGCOM and [the Applicant], as part of the Agreement in the Third Schedule hereto.
- (5) The NPC AGCOM shall perform the initial monitoring visit and baseline setting after the start of the grant implementation, to document the baseline situation of the grant winning subproject including their economic impact. The final monitoring review shall be conducted against results of the baseline evaluation.
- (6) Milestone monitoring shall be initiated by Applicants submission of milestone progress report in the format provided by NPC AGCOM, describing progress of implementation against Agreement's listed milestone indicators.
- (7) Subsequently, NPC AGCOM shall review the milestone progress report prepared and submitted by [the Applicants], and perform a field visit to confirm the reported implementation.
- (8) Within 30 days after the submission of milestone progress report, NPC AGCOM shall submit a milestone monitoring report describing results of the desk review and field visit. The

milestone monitoring report from NPC AGCOM shall be a requirement for disbursement of the next tranche of the Grant.

- (9) Final monitoring review shall be initiated by [the Applicant]'s submission of final the report the format provided by NPC AGCOM, describing the final outcomes of the implementation against Agreement's listed indicators. NPC AGCOM shall review the final report and perform a field-check of implementation and shall submit a final monitoring report.

#### **ARTICLE 8 - CLOSE-OUT OF GRANT**

- (1) Applicant will prepare and submit a project completion report. The report will set out the achievements of the subproject in terms of the objectives and overall outcomes that were achieved. Upon receipt of final reports from the Applicant, NPC AGCOM shall initiate procedures to close-out the grant. Final reports shall be due within one month after closure of the project.
- (2) Close-out procedures include obtaining and approving all required statement of expenditure and progress reports, disbursing any outstanding grant payments and ensuring that any unexpended grant funds are refunded to NPC AGCOM, transfer of title to any assets acquired using the grant from NPC AGCOM to the Applicant and communication of close-out through a close-out letter from NPC AGCOM to the Applicant.
- (3) All Grant requirements shall remain in full force and effect until the Applicant receives the close-out letter from NPC AGCOM indicating that all obligations have been satisfied.
- (4) AGCOM will within 12 months of project completion, visit PO to conduct post completion review to assess wider impacts of the investments on the PO members, its overall sustainability, direct and indirect impact on women and youth; capacity building of the POs and sustainability; and the dissemination of emerging lessons from the implementation of the subproject.

#### **ARTICLE 9 - SUSPENSION AND CANCELLATION**

- (1) The Government has the right to suspend disbursement of the Matching Grant if any of the following events occur:
  - (a) [the Applicant] breaches its obligations under this Agreement;
  - (b) failure by [the Applicant] to deposit counterpart contribution amounts set forth and at the dates specified in this Agreement;

- (c) [the Applicant] has significant delays in the implementation of the Sub-project and the Government believes that the project cannot achieve its objectives;
  - (d) [the Applicant] fails to inform the Government of any significant changes to the Sub-project regarding project implementation, timelines, Sub-project budget, deliverables.
  - (e) [the Applicant] fails to carry out the project with due diligence, and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices;
  - (f) [the Applicant] is engaged in gross misconduct e.g. corruption or fraud;
  - (g) [ the Applicant] fails to submit a complete financial report;
  - (h) [the Applicant] fails to submit copies of financial documents to complete financial reporting;
  - (i) there is no proper accounting for use of the Matching Grant in financial records;
  - (j) false documents or information is provided with respect to use of the Matching Grant and/or implementation of the Sub-project;
  - (k) the Matching Grant is used to finance expenses not approved by the Government, and conducting activities other than those approved;
  - (l) [the Applicant] terminates its engagement in the Sub-project; or
  - (m) the World Bank suspends and/or cancels disbursements under the Financing Agreement.
- (2) If any of the events specified in paragraph (1) above occurs and disbursement of the Matching Grant is suspended, the Government through NPC AGCOM will send a written notice to [the Applicant] with information about the existence of a breach and request [the Applicant] to rectify the breach within 14 days from the date of the notice. In the case where [the Applicant] does not resolve the breach, Government shall have the right to cancel the remaining undisbursed amount of the Matching Grant.
- (3) Where there is a cancellation of the undisbursed amount of the grant, all disbursed Matching Funds that remain unused shall be returned by [the Applicant] to the AGCOM account. All amounts, which have not been paid, shall be cancelled by the Government and all equipment purchased using proceeds of the Matching Grant shall be handed over to the Government.
- (4) Where there is misuse of Matching Grant funds, [the Applicant] shall be liable for repaying any grant funds found to have been misused and necessary steps shall be taken for recovery in accordance with the appropriate legislation in force.

## **ARTICLE 10 - SETTLEMENT OF DISPUTES**

- (1) The Parties to this Agreement shall use their best efforts to settle amicably any dispute, controversy, or claim arising out of or relating to this Agreement.

(2) Any dispute, which is not settled by mutual Agreement of the Parties, may be settled by arbitration in accordance with the Arbitration Act (Cap. 6:03) of the Laws of Malawi.

**ARTICLE 11 - LIMITATION AND AMENDMENTS**

- (1) It is expressly understood that the Government has no obligation to provide other or additional support to [the Applicant] for the purposes of the Sub-project or any other purposes except that which has been expressly stated in this Agreement.
- (2) Any amendments, additions, or deletions to the terms and conditions stated in this Agreement shall be made in writing only and shall be jointly approved by the Government and [the Applicant].

**ARTICLE 12 - FORCE MAJEURE**

- (1) The Government or [the Applicant] shall not be responsible to the other party for delay or failure in performance of any of the obligations imposed by this Agreement where such failure is occasioned by unintentional fire, flood, explosion, lightning, windstorm, earthquake, subsidence of soil, court order or government interference, civil commotion, riot, war, strikes, and labour disturbances, beyond the reasonable control and without the fault or negligence of either of the Government or [the Applicant].

**FIRST SCHEDULE**

Project Number	AGCOM/MATCHING GRANTS/2020/.....
----------------	----------------------------------

<b>Parties</b>	
Party 1	Applicant
Party 2	GOVERNMENT OF MALAWI
Party 3	AGCOM

<b>Contact Details [the Applicant]</b>	
Name	
Address	

Phone		
E-mail		
Bank account details	branch account number :	
	Name of Bank:	Branch:

<b>Contact Details</b>	<b>Off-taker (Buyer)</b>
Name	
Address	
Phone	
E-mail	

<b>Contact Details</b>	<b>National Project Coordinator</b>
Name	
Address	
Phone	
E-mail	

<b>Sub-project description</b>	
Sub-project title	
Sub-project purpose and description of activities	
Type of project	
Matching Grant Period	
Agreement commencement date	
Expected project completion date	
Total project amount	
Agreement amount	

Amount of beneficiary contribution	
Items (including amount) to be financed by the Matching Grant	
Dateline for the Completion of the Procurement of goods or services	

**SECOND SCHEDULE**

<b>Tranche</b>	<b>Planned date</b>	<b>Intended purpose</b>	<b>Requirements for disbursement</b>
			-
			-

**THIRD SCHEDULE**

<b>Performance indicator(IMPACT)</b>	<b>Expected value at the end of the project</b>

**IN WITNESS WHEREOF the Parties hereto have, by their duly authorized representatives, sign this AGREEMENT on the day and year first above written.**

Signed by:

For the Government:

---

Principal Secretary, Ministry of Agriculture,  
Irrigation and Water Development

Witnessed by:

---

AGCOM National Project Coordinator

Signed by:

For the Applicant:

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*{Insert name of Chairperson for Principal Applicant}*

---

*{insert name of Secretary for the Principal Applicant}*

**Annexes to this agreement**

- Application form as presented to AGCOM by [the Applicant]
- Project proposal as presented to the Independent Evaluation committee (IEC)
- Any other documents that may be presented by [the Applicant]

Annex 2: Back to Office Activity Report Template



**MALAWI AGRICULTURAL COMMERCIALISATION (AGCOM) PROJECT  
BACK TO OFFICE ACTIVITY REPORT TEMPLATE**

<b>Completed by</b>	<Insert details>
<b>Department</b>	<Insert details>
<b>Dates</b>	<Insert details>
<b>Objectives</b>	<Insert details>

<b>ACTIVITY:</b>	
<b>OUTPUT INDICATOR</b> (including target):	<b>OUTPUT:</b>
<b>DATE &amp; TIME IMPLEMENTED:</b>	<b>VENUE:</b>
<b>TARGET:</b>	<b>NUMBER OF PEOPLE IN ATTENDANCE</b>
	<b>Female                      Male</b>
<b>DESCRIPTION OF ACTIVITIES</b>	
<b>LESSONS LEARNT (Include both positive and negative)</b>	
<b>CHALLENGES AND ACTIONS TAKEN</b>	
<b>CONCLUSION / RECOMMENDATIONS:</b>	
<b>ANNEXES</b>	

### Annex 3: PO Institutional Development Plan

<b>No.</b>	<b>Thematic Area/Activities</b>	<b>Indicators</b>	<b>Target</b>	<b>Responsibility</b>	<b>Resources</b>	<b>Timeline</b>	<b>Remarks</b>
<b>1</b>	Governance and leadership						
<b>2</b>	Management and administration						
<b>3</b>	Farm Business Enterprise Development.						
<b>4</b>	Productive Alliance and Market Development						
<b>5</b>	Commodity Production and Productivity						
<b>6</b>	Agro-processing and value addition						
<b>7</b>	Research, Communication and Capacity Building						
<b>8</b>	Resource mobilization and financing						
<b>9</b>	Environmental and Safeguards						
<b>10</b>	Monitoring and Evaluation						
<b>11</b>	Land Administration						

Annex 4: Bank Reconciliation Statement

BANK RECONCILIATION STATEMENT FOR THE MONTH OF .....			
<b>Bank name:</b> .....	<b>Account Number:</b> .....		
<b>PERIOD</b>			
<b>Account Name:</b>			
<b>Cash Book Summary</b>			<b>MK</b>
<b>Opening Balance at beginning of the month</b>			.....
Add: Receipts during the month			
Less: Payments during the month			.....
<b>Closing Balance</b>			
<b>Reconciliation</b>			
<b>Balance per cash book</b>			
Add: Unpresented Cheques			
Add: Credits on Bank statement & not in cashbook			-
Add: Outstanding deposits			-
Less: Debits on bank statement and not in cash book			-
Less Bank charges			-
<b>Balance as per Bank Statement</b>			
<b>Prepared By :</b> -----		<b>Checked By :</b> -----	
		<b>Approved By :</b> -----	

ANNEX 5: FIXED ASSET REGISTER

Date	Asset Number	Asset Name	Supplier	Cheque Number	Invoice Number	Amount	Conditions

Annex 6: Local Purchase Requisition

<b>NAME OF COOPERATIVE</b>							
				DEPARTMENT:.....			
<b>LOCAL PURCHASE REQUISITION</b>				REQUISITION NO:.....			
				DATE:.....			
To: Chairperson				ORDER NO:.....			
				DATE:.....			
Please procure the undermentioned Items							
SUGGESTED SUPPLIER	QUANTITY	DESCRIPTION	COMPONENT/SUBCOMPONENT/ACTIVITY	FUNDS IN BUDGET TO DATE	CURRENT ESTIMATER	BALANCE CARRIED FORWARD	REQUISITIONED FOR
REQUISITIONED BY (NAME):.....				CHECKED BY (NAME):.....		APPROVED BY:.....	
SIGNATURE:.....				SIGNATURE:.....		SIGNATURE:.....	
POSITION:.....				POSITION: TREASURER		POSITION: CHAIRPERSON	

Annex 7: Payment Voucher

**PAYMENT VOUCHER**

**Cheka Cooperative**  
**P.O. Box 0000**  
**Ntchisi**

**Payment Voucher No:** 001

**Payee:**  
**Address:**

**Date:**                      **Cheque No:** 000001

Item No.	Description	Ref/Invoice No.	Qty	Unit Price	Amount MK
	<b>TOTAL</b>			<b>MK</b>	

**Prepared by:**

**Name** \_\_\_\_\_

**Signature** \_\_\_\_\_

**Position** Treasurer \_\_\_\_\_

**Approved By :**

**Name** \_\_\_\_\_

**Signature** \_\_\_\_\_

**Position** Chairperson \_\_\_\_\_

Annex 8: Local Purchase Order

<b>Local Purchase Order</b>
All Communications should be addressed to: <b>The Chairperson</b>
<b>LOCAL PURCHASE ORDER</b>
Procurement Number: <b>RFQ No:</b>
To: .....
Your quotation dated .... is accepted and you are required to .... against the terms contained in this Purchase Order. This order is placed subject to the attached General Conditions of Contract for Local Purchase Orders, except where modified by the terms stated below.
<i>Specific Terms of this Purchase Order:</i>
1) <b>Contract Sum:</b> The Contract Sum is <b>MK.....</b>
2) <b>Completion Period:</b> The goods are to be delivered within ... days from the date of this Purchase Order.
3) <b>Warranty:</b> The warranty/guarantee period is: ...
4) <b>Delivery point:</b> Goods are to be delivered to: ....
5) Contact
<b>THE CHAIRMAN, INTERNAL PROCUREMENT COMMITTEE</b>
<b>MTEMNDERE TEA COOPERATIVE</b>
<b>P.O BOX 0, THYOLO.</b>
6) <b>Payment to Supplier:</b>

Payment will be made in full on completion of satisfactory performance of the contract. The following documentation must be supplied for payments to be made:
i). An original and two copies of an Invoice;
ii). An original and two copies of a delivery note.
7) A goods received note or completion certificate signed by:
8) The following documents attached as appendices form part of this Contract:
· Government of Malawi General Conditions of Contract for Local Purchase Orders;
· Copy of the Quotation submitted by the bidder;
· Schedule of Requirements;
9) Please confirm your receipt of this Local Purchase Order in writing.
<b>Purchase Order Authorised by:</b>
Name.....in the capacity of .....
Signature.....(for the Procuring Entity)
Date: .....
<b>Witness</b>
Name.....Signature.....
Name .....in the capacity .....
Date: .....
Signature.....(for the Supplier)
Witness Name.....Signature.....

Annex 9: Sample Procurement Plan

<b>Tranche 1</b>				
Item (goods/services)	Quantity	Unit Price (MK)	Total	Procurement Method
Tractor	1	10,000,000	10,000,000.00	Request for Bids
<b>Total</b>			<b>10,000,000.00</b>	
<b>Tranche 2</b>				
Item (goods/services)	Quantity	Unit Price	Total	Procurement Method
Seedlings	100	1000	100,000.00	Direct contracting
Sacks	100	1000	100,000.00	Request for Quotation
<b>Total</b>			<b>200,000.00</b>	

Annex 10: ESMP reporting template.

<b>Environmental/ Social Component</b>	<b>Expected Environmental /Social impacts <i>(include cause of the impact)</i></b>	<b>Proposed Mitigation/enhancement Measures</b>	<b>Output indicators</b>	<b>Target</b>	<b>Progress/ Achieved to date</b>	<b>Remarks</b>

Annex 11: Warehouse Designs

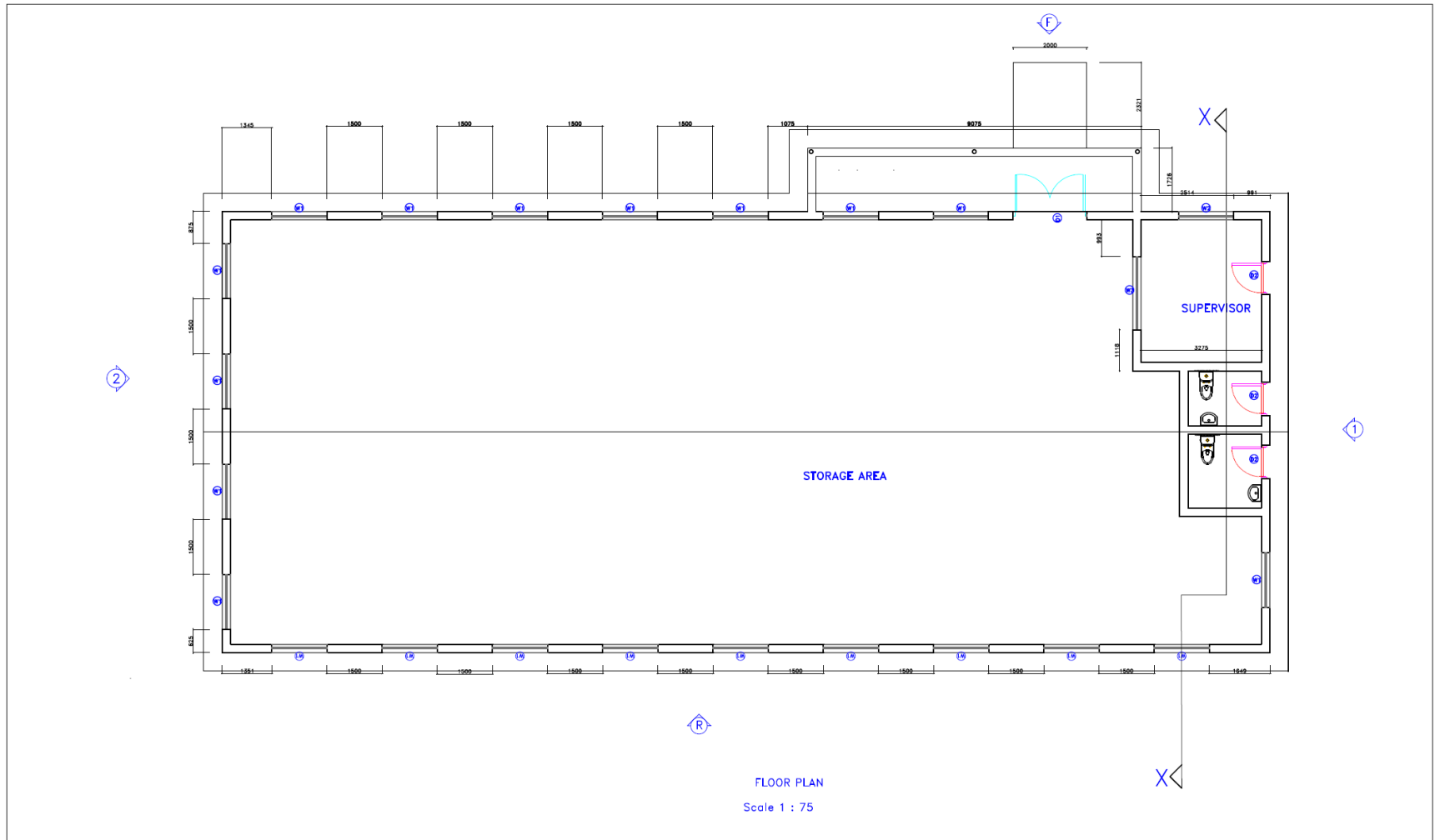


Figure 1: Plan view



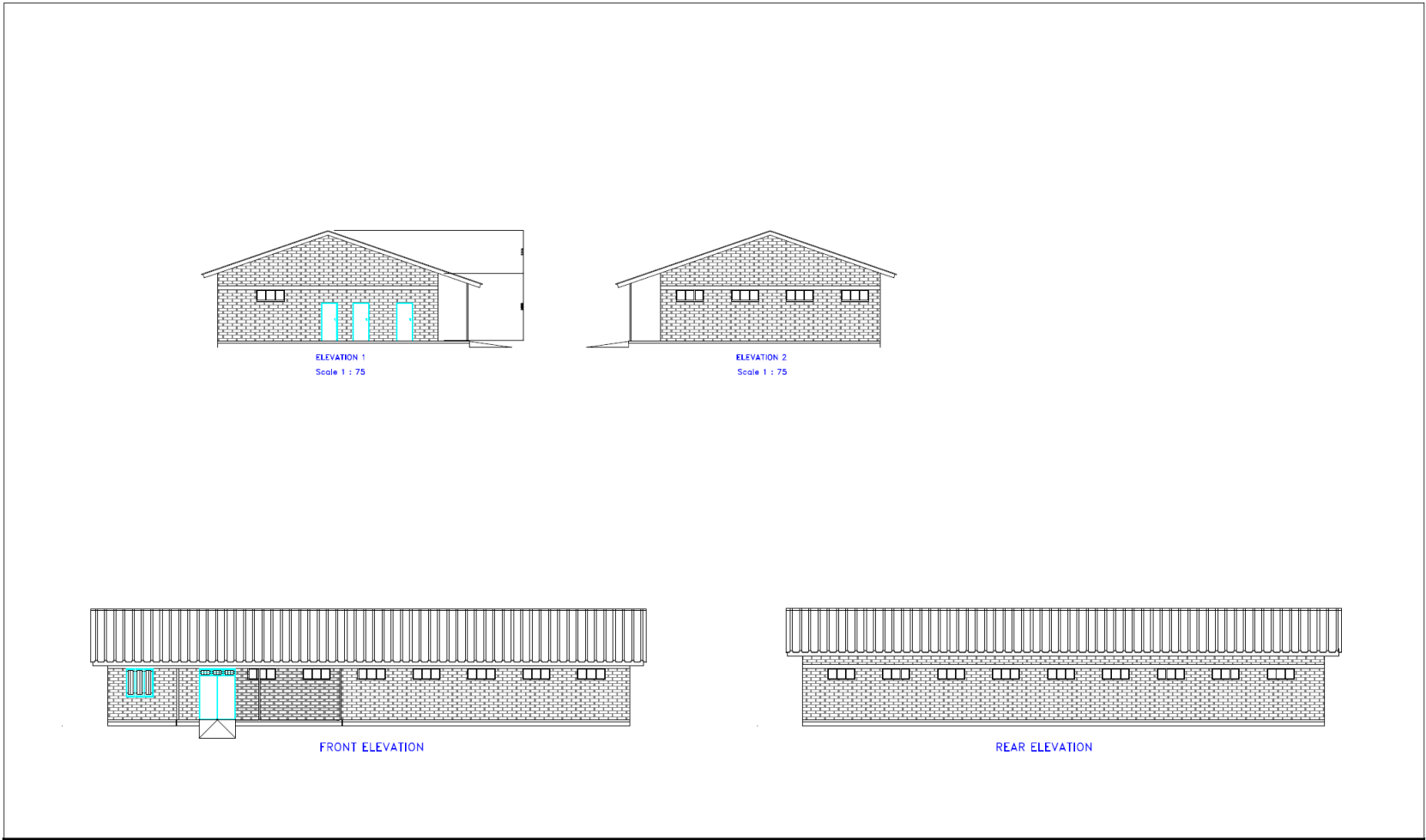


Figure 1: Front, Back and side elevational view of the warehouse

Annex 12: Monitoring checklist for PAs

**MONITORING OF IMPLEMENTATION OF AGCOM MATCHING GRANTS**

**A. BACKGROUND INFORMATION (ALL POs)**

No	Question	Response	KEY Observations
1	Date of Monitoring		
2	District		
3	Name of PA		
4	Names of Monitoring Team Members		
	Name	Position	Dept
4.1			
4.2			
4.3			
4.4			
4.5			
5	Names of PA Members in the FGD		
	Name	Position	Man, Woman, youth?
5.1			
5.2			
5.3			
5.4			
5.5			
5.6			
5.7			
5.8			
5.9			
5.10			

**B. CONTRIBUTION TOWARDS MATCHING GRANT (ALL POs)**

No	Question	Response	KEY Observations
1	How much Matching Grant (MK) have you received?		
2	For what purpose did you apply for the Matching Grant?		
3	How much Contribution (MK) have you made)		
4	Where did you get the Contribution?		
5	How much (MK) did a member contribute to the Contribution		
6	Did you find any challenges raising the contribution? (List the challenges – Max 3)		
7	How did you address the challenges?		
8	Did you receive any start-up inputs? If yes, what inputs did you receive and how did you use them?		

**C. USE OF THE MATCHING GRANT (Livestock e.g. for Dairy Cows)**

No	Question	Response	KEY Observations
1	What have you done with the Matching Grant so far? (get responses how they have actually used the money)		
2	How many animals did you procure (including ages, sex, condition – e.g. if sick)		
3	If no male animal was procured, how will you manage the servicing of the cows?		
4	Did you find any challenges associated with procuring the animals? (List the challenges – Max 3)		
5	How did you address the challenges?		
6	Did you receive any specialized technical trainings in regard to management of the animals?		

**D. USE OF THE CAPITAL INVESTMENT (e.g. for Dairy Cows)**

No	Question	Response	KEY Observations
1	What have you done with the cows?		
2	If the cows were distributed to members, which members received and what criteria was used? (demand to see the list of beneficiaries and the criteria)		
3	How are the cows fairing so far among the different beneficiaries (men, women, youth)?		
4	Have you so far recorded any challenges that the beneficiaries are meeting in caring for the cows? (List the challenges – Max 3)		
5	How are you addressing the challenges?		

**E. PROCESSING EQUIPMENT (Matching grant & Capital Use)**

No	Question	Response	KEY Observations
1	What have you done with the Matching Grant so far? (First hear their responses how they have actually used the money)		
2	What equipment have you procured (or in process of procuring)??		
3	What products do you want to be processing?		
4	Was the equipment purchased and Installed?		
5	If procured and Installed already how are you using the equipment?		
6	Did you build a new infrastructure with technical specifications to install the equipment (or plan to build a new infrastructure)?		
7	Have you started any steps towards product certification by MBS? (assessment or training)		
8	Have you so far recorded any challenges in either procurement or installation of equipment? (List the challenges – Max 5)		
9	How are you addressing the challenges?		

**F. WAREHOUSE**

No	Question	Response	KEY Observations
	What have you done with the Matching Grant so far? (First hear their responses how they have actually used the money)		

1	Have you recruited the contractor to construct the Warehouse?		
2	Do you have technical designs for the Warehouse (enquire specification dimensions and designs)?		
3	Did you commit any in-kind matching contribution? If yes please list them and explain how the contribution is progressing for each one of them?		
	What is the progress on construction of Warehouse? If completed, how are you using the warehouse so far?		
	How will you be moving your produce from the point of production to the warehouse?		
4	Have you so far encored any challenges in construction or/and use of Warehouse? (List the challenges – Max 5)		
5	How are you addressing the challenges?		

### G. TRANSPORTATION

No	Question	Response	KEY Observations
1	What have you done with the Matching Grant so far? (First hear their responses how they have actually used the money)		
2	Did you procure the Vehicle? If yes, of what specifications is the vehicle?		
3	Was there a difference between what was originally planned and what was finally procured?		
4	How is the vehicle being used?		
6	What are the plans for maintenance of vehicle?		
7	Have you so far recorded any challenges in either procurement or/and management of Vehicle? (List the challenges – Max 5)		
8	How are you addressing the challenges?		

### H. TILLING & IRRIGATION EQUIPMENT

No	Question	Response	KEY Observations
1	What have you done with the Matching Grant so far? (First hear their responses how they have actually used the money)		
2	Did you procure the Irrigation Equipment? If yes, of what specifications is the Equipment?		
3	Was there a difference between what was originally planned in the Approved budget and what was finally procured?		
4	How is the Equipment being used?		
5	What are the plans for maintenance of the Irrigation Equipment? (demand a written maintenance plan)		

6	Have you so far recorded any challenges in either procurement or/and management of Equipment? (List the challenges – Max 5)		
7	How are you addressing the challenges?		

**I. GRIEVANCES REDRESS MECHANISM (ALL PAS)**

No	Question	Response	KEY Observations
1	So far have you received any complaints or grievances regarding/concerning/associated with the capital investments you are making with AGCOM resources? (List and describe briefly all the grievances, state whether they are from members or non-members)		
2	How have you resolved the grievances?		
3	Do you keep records of the complaints/grievances and their resolutions? (demand to see the records)		
4	Do you have a committee to manage the grievances? When was it established? Who are the members? (demand a list of the committee members)		

**J. DATABASE MANAGEMENT OF PRODUCER ORGANIZATION (ALL POs)**

No	Question	Response	KEY Observations
1	What records are kept by the PO?		
2	How are the records managed? (are records kept per Individual beneficiary or group level,) (review available data sources)		
3	Does the PO manage records of production, productivity, sales, membership and other records (Is the data managed separately)? (review the hard covers)		
	Do you have a committee to manage data (M&E Committee or Supervisory Committee)? When was it established? Who are the members? Have the members trained in AGCOM Data Collection? (demand a list of the committee members)		
4	Have you so far recorded any challenges in data management? (List the challenges – Max 3)		
5	How are you addressing the challenges?		

**K. ENVIRONMENTAL & SOCIAL MANAGEMENT PLANS (ALL POs)**

No	Question	Response	KEY Observations
1	Do you have an approved ESMP?		

2	What interventions have been proposed in the ESMP? (i.e. number of trees to be planted, use of cement bricks)		
3	What have you done on the implementation of the approved ESMP?		
4	Have you so far recorded any challenges that the beneficiaries are meeting in implementing ESMP? (List the challenges – Max 3)		
5	How are you addressing the challenges?		

#### L. GOVERNANCE AND LEADERSHIP ISSUES (ALL POs)

No	Question	Response	KEY Observations
1	Do you have by-laws? Do you have specific by-laws for the sub-committees? (review the actual by-laws)		
2	List down committees that have been established and are functional? (i.e. proof of minutes of meetings and list of members for each sub-committee)		
3	How frequently do the committees meet?		
4	When did you last hold your Annual General Meeting and when do you plan to do hold the next Annual General meeting? (Proof of minutes of AGM)		
5	How are they coordination with other APEX Bodies?		

#### M. FINANCIAL AND PROCUREMENT ISSUES (ALL POs)

No	Question	Response	KEY Observations
1	What financial records and book keeping records are being managed? (Review receipts, cash book, cheque dispatch register and Monthly bank reconciliation, record books,)		
2	Have you ever submitted a financial report since you received the matching grant? (Monthly cash book, Monthly Bank reconciliation statement, Monthly		

	expenditure report, stamped copies of Bank statement or fixed asset register)		
3	Did you follow all procurement requirements in procuring your capital investment? (Did you request for quotation? (i.e. Reviewing procurement file i.e. proof of three quotations, Was LPO issued? Delivery note & minutes of procurement committee)		
4	Do you have original stamped bank statements for matching grant account?		
5	File containing payment vouchers and supporting documents? (i.e. payment voucher, receipt, invoice, delivery note, purchase requisition, quotations, & Procurement Committee Minutes and Approval Executive Committee)		
6	File of Bank signatories and communications with the bank?		

**N. BENEFICIARY MONITORING OF THE CAPITAL INVESTMENTS GIVEN TO INDIVIDUAL MEMBERS (ALL POs)**

We would like to visit 3-5 farmers who received the investment (i.e. cows) to see how they are faring. Please give us list of the beneficiaries from which we want to select the farmers – men, women, youth.

No	Name of Farmer	Man? Woman? Youth?	How many Items did you receive? How were you selected? Do you have other cows? How many and ages? Any male?	Make assessments and observations on technical issues, safety, maintenance, functionality of Item and plan on how other members of PO will benefit from the same Investment. For example for a dairy cow some of the Key Technical Observations to be led by expert e.g. Veterinary Staff (Feeding, Kholas, Diseases, Labour, serving of the cows – AI? etc)
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Annex 13: Monthly Quarterly and Annual Reporting Template  
**MALAWI AGRICULTURE COMMERCIALISATION PROJECT**  
**REPORT TEMPLATE**

	Description	Page
	<b>Executive Summary of the Report</b>	
<b>1.0</b>	<b>Introduction</b> (Brief background on the component/subcomponent etc.)	
<b>2.0</b>	<b>Progress on the Project Indicators within the sub-component</b> (Summary of progress towards achievement of project indicators) What is the name of the indicator (s) you are tracking on this component or sub-component? What has been achieved so far properly demarcating what has been achieved in the reporting period (quarter/year) and then cumulative against the end of project target? What are the possible explanations (challenges or barriers) for your current level of achievement? If under achieving are there strategies put in place to pull up performance? If overachieving or on track what are the strategies put in place to maintain performance?	
<b>3.0</b>	<b>progress against Approved AGCOM Annual Work Plan &amp; Budget (July 20-June 21)? (The section discussed for possibility of being an annex)</b> What progress has been made on the sub-component core/key activities against the Annual Approved Work Plan & Budget (July 2020-June 2021)? What has been achieved compared to what was approved as a target? What is the explanation for the variation if any? What are the immediate outcomes or impacts as a result of the implementation of activities under this component or sub-component or activity ( <b>where possible include a picture of before and after</b> )? If it is a meeting or workshop apart from indicating date, purpose, venue and attendance of the meeting include the major outputs or results from the meeting/workshop as well as next steps? (Can be in summary Table on activity approved, Target, achieved and Explanation)	
<b>4.0</b>	<b>Success Stories</b> (If applicable, this will include any success stories generated in implementation, anything innovative, best practices, adoption of new technology and anything that others can learn from or inspiring or news articles or feature <b>stories if possible add a pictures depicting before and after the intervention</b> )	
<b>5.0</b>	<b>Risks (Challenges), Assumptions and Mitigation Measures (Actions Taken)</b> (Highlight the major issues /challenges faced during the reporting period that might have affected smooth implementation of project activities and action taken to address them)	
<b>6.0</b>	<b>Lessons Learned and Recommendations</b> (Make suggestions/recommendations to address the issues or challenges highlighted in section and some key lessons learnt)	
<b>7.0</b>	<b>Work plan for the next Quarter (Pipeline activities)</b>	

Annex 14: Beneficiary Registration Form

AGRICULTURAL COMMERCIALISATION (AGCOM) PROJECT																	
PRODUCER ORGANISATION BENEFICIARY REGISTER DATA CAPTURE FORM																	
<b>PO IDENTIFICATION PANEL</b>						<b>OFF-TAKER/BUYER IDENTIFICATION PANEL</b>											
NAME OF PRODUCER ORGANISATION:						Name											
PRODUCER ORGANISATION ID CODE:						Physical Address											
ADD:						Contact for off-taker											
DISTRICT:						Value chain(s)											
EPA:						Commodity											
<b>SUBMISSION DETAILS</b>																	
PREPARED BY:		Name:				Position:				Phone No:							
CHECKED BY:		Name:				Position:				Phone No:							
DATE SUBMITTED:		DD: ____/MM ____/YY:															
REPORTING PERIOD																	
<b>DATA SUMMARY TABLE</b>																	
TOTAL CURRENT MEMBERSHIP		MALE:		FEMALE:		YOUTH:		TOTAL:									
TOTAL CURRENT BENEFICIARIES (Household members)		MALE		FEMALE				TOTAL:									
TOTAL CURRENT LAND SIZE (Ha)		PO:		Members				TOTAL:									
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16		
SERIAL No. (SN)	ID.No.	NAME (First, Family)	VILLAGE	SECTION	Traditional Authority (TA)	Sex (M/F)	Age (Years)	Marital Status (M,S,W)	Household Type(MHH ,FHH)	M	F	T	Land size (Ha)	Phone.No	Role in PO	Date Registered	Signature