

## **EXECUTIVE SUMMARY**

The C-SAFE implemented Market Assistance Pilot Program (MAPP) started in August 2003, and was to terminate in March 2004. CRS, a member of the C-SAFE consortium was responsible for the implementation of MAPP. The MAPP had two key objectives that were to (i) maximize the amount of food that reaches the target beneficiaries at the target price, and (ii) increase market activity by small-scale traders. The target group was 530,000 persons from some 96,400 low-income households located in the high-density suburbs of Bulawayo city in Zimbabwe. The USAID funded the program.

Following implementation for eight months, C-SAFE requested for an external evaluation. Specifically, the evaluation was to: (i) Assess compliance to donor (USAID), Government of Zimbabwe (GoZ) and internal NGO (CRS, WV and CARE) operational requirements, regulations and standards for food distribution; (ii) Assess program performance in accordance to program objectives; and (iii) Make recommendations for MAP expansion (MAP-2). A team of independent consultants conducted the external evaluation from 15 April – 31 May. Data collection was in two parts, (a) the implementation of a quantitative end of project survey involving 540 randomly selected households where data collection was conducted by C-SAFE and data analysis by the consultants, and (b) stakeholder consultations, key informant interviews and review of project documents conducted by the consultants. This evaluation report provides an assessment of the MAPP performance and should be read in conjunction with the MAPP End of Project Quantitative Survey Report.

The MAPP was highly relevant as it made available some 9,380 mt of sorghum out of a projected 20,000 mt to the low-income households. Prior to MAPP, the low-income households had problems accessing cereals due to market failure that caused food insecurity problems. Inconsistent grain supplies from the Grain Marketing Board fueled black marketeering of the staple maize. Consequently, maize-meal was sold at very high prices that were well beyond the reach of the low-income households. MAPP deliberately selected sorghum, a grain that is less preferred to maize. The logic was that due to the high price of maize-meal, the vulnerable low-income households would self-select and purchase sorghum meal, as it would be affordable and always available. Bulawayo was selected due to its location in the semi-arid region, susceptibility to cereal shortages and prior use of sorghum as the grain is traditionally consumed in Matebeleland.

MAPP successfully achieved the key program objectives that were to maximize the amount of food that reaches the target beneficiaries at the target price and also to increase market activity by small-scale traders. Through the control of several marketing parameters, MAPP was able to deliver sorghum meal through market channels at an affordable price to the target beneficiaries. Some 83% of sampled households had purchased sorghum meal at least once during the life of the program. Of the households that purchased sorghum meal, 77% continued purchase with 64% of the households consuming the sorghum meal mainly as a breakfast cereal. The proportion of households that consumed 2 meals or less per day decreased from 57% to 39% when compared to the period prior to MAPP. Similarly, the proportion of households that consumed 2 children meals or less decreased from 34% to 26% when compared to prior MAPP. This indicated a significant decrease in the proportion of vulnerable households

The vulnerable low-income households could easily access the sorghum meal from the retail outlets. Although appropriate, the retail outlets did not exclude the higher income households. Targeting was and will continue to be a challenge especially during periods of maize meal shortage. The program should therefore continuously review the targeting criteria so as to exclusively serve the target beneficiaries.

MAPP was instrumental in the resuscitation of the milling sector. By September 2003, most of the bigger milling companies were operating for at most, one day a week, while some smaller companies were lying idle. Prior to MAPP, only one miller had experience in milling sorghum. By the end of the Pilot phase, six additional millers had gained expertise in milling sorghum. MAPP was instrumental in building capacity of the millers. MAPP helped revive business in the retail sector as retailers reported increased sales of commodities as a result of retailing sorghum.

MAPP had anticipated that proceeds from the program would be used to support initiatives that would promote local production of sorghum. MAPP was unable to initiate any activities in support for local production and marketing of sorghum. The evaluation team was informed that a detailed proposal on the promotion of sorghum production with proceeds from MAPP had been rejected by USAID. MAPP was denied permission to proceed with the ideas as articulated in the proceeds plan proposal. As there is a need for support for local sorghum production and marketing, MAP-2 should look into how this can be done.

The main lessons learnt from implementation of MAPP may be summarized as follows:

- i) Contrary to the initial misconceptions by retailers, the urban population in Bulawayo accepted sorghum meal. This finding emphasized that sorghum was appropriate to local conditions and preferences.
- ii) Low-income households will always self select and continue purchase of sorghum meal as long as it is affordable when compared to maize meal.
- iii) Sorghum meal was preferred as a breakfast cereal rather than thick porridge.
- iv) The rate of milling should be determined by demand. However, it is difficult to forecast demand in an environment where GMB grain supplies are erratic. This pilot phase has been vital in indicating monthly trends in consumer demand for sorghum meal. This will help MAP-2 to effectively plan for the production of sorghum meal.
- v) Extraction rates are crucial in sorghum milling. There is need to understand the determinants of extraction rates.
- vi) It took approximately nine months to clear the first consignment of sorghum. It is therefore important to note that storage costs will always be high due to the slow movement of the commodity.
- vii) Beneficiaries prefer 5kg packages as the majority of the low-income households are on weekly wages or petty trade and therefore cannot afford purchase of large quantities at a time.
- viii) Leakage and side marketing will always occur if sorghum meal prices are too low when compared to maize meal. This invariably occurs during periods of maize meal shortages.

For the improvement in the implementation of MAPP, the following recommendations were proposed:

1. The format of the monthly reports should be standardized. It is critical that data presented in all reports is adequately checked for accuracy.
2. Appropriate C-SAFE reporting channels should be defined and closely followed. In particular, the relationship of MAPP and the C-SAFE M&E component in WV should be clearly defined.
3. A Working Group made up of relevant experts from the C-SAFE consortium should be set up to regularly review the implementation of MAP. The group would meet quarterly to review progress and advise on program implementation. It is through this working group that relevant experts can be called in to provide specific services.
4. Stakeholder participation and support is critical to the success of the program. MAP-2

- should seek to strengthen the relationship that MAPP cultivated with BURA.
5. An end of program external audit should be conducted before moving to MAP-2. For MAP-2, there should be at least one internal and one external audit every year. CRS should also conduct at least three random cash counts per year. Debtors Age Analysis records should be maintained so as to monitor that agreed credit limits and periods are not exceeded by debtors.
  6. Targeting mechanisms should be continuously reviewed to ensure that the most vulnerable are reached.
  7. The hyperinflationary environment will demand frequent reviews of sorghum meal prices making it impossible for MAP to keep to the prices printed on the packages. MAP should consider abolishing the printing of the retail price on the package but instead, insist on the display of a big banner indicating the price of the meal at the retail outlets. Consistent display of this banner would be a requirement for the retailers to remain on the program. In addition MAP-2 could invest on a bi-weekly bulletin to inform beneficiaries on sorghum meal price and other related issues.
  8. Cleaner sorghum grain should be imported from the USA. If this is not possible, the program should consider cleaning the bulk grain before bagging to get rid of the dust and plant residue. Quality assessment tests should be conducted on each consignment. It is not essential that the sorghum be de-hulled as most of the millers have the capacity to do so.
  9. A study to look at the sorghum extraction rates and its determinants should be commissioned. Sorghum milling has been commercialized in Botswana and South Africa. Through the assistance of ICRISAT and NUST, suitable experts to conduct the study can be identified.
  10. The quality of the sorghum meal should be standardized across millers. With assistance from the Standards Association of Zimbabwe, MAP-2 should define the acceptable “quality parameters” that each miller should adhere to. In addition, MAP-2 should conduct spot-checks of the sorghum meal for quality both at the miller and retail premises.
  11. A clear strategy for bran disposal should be developed. It is strongly suggested that bran disposal should be left to the millers. The program would determine an appropriate charge to levy the millers per ton of bran. Once the extraction rates and quality parameters are defined it would be difficult for the miller to adopt inefficient practices that increase the by-product.
  12. The program targets the vulnerable groups who due to financial constraints have problems accessing sufficient food to meet nutritional requirements. To increase the nutritive value of the sorghum meal, MAP-2 should consider fortification with micronutrients, vitamins and essential minerals.
  13. As a strategy to address the nutritional requirements of the beneficiaries, the program should consider provision of other commodities e.g. legumes using the Market Assistance approach.

Clearly, MAPP was successful in Bulawayo city. The level of need in Bulawayo is high because of the constant increase in the cost of commodities e.g. the price of maize meal doubled in June. Since there has been no corresponding increase in the salaries, several low-income households are and will continue to experience budget deficits. It is highly recommended that MAP be extended in Bulawayo city. In addition, MAP should expand into the peri-urban areas of Bulawayo. The prevailing economic climate has created a large proportion of low-income, food insecure households in the major cities of Zimbabwe. The level of need and possibility of success of the intervention will guide expansion of MAP into other urban areas.

Success of the pilot program in Zimbabwe indicates the possibility of success of market assistance programs in other countries that experience market failures.