

a prosperous rural Africa.

ANNUAL REVIEW 2015

30 YEARS AND GOING FROM STRENGTH TO STRENGTH

As Farm Africa celebrates 30 successful years of operation, I reflect on our original vision of a prosperous rural Africa and find it hugely gratifying that we have stayed true to our belief that small-scale agriculture is the key to ending hunger and poverty in rural Africa and that, with the right support, Africa can feed itself.





Importantly, our innovative focus on the overlap of economic and environmental sustainability has led to a number of substantial grants allowing us to demonstrate that improved yields and incomes for African smallholder farmers can be achieved without degrading their natural resources.

As we approach the end of our current 2012-2015 strategy period, I am excited to see how our theory of change is being translated into tangible results. We set ourselves the challenge of taking the best from our projects to shape models that can be replicated at scale so that every pound of our project spend has exponential impact for farmers across Africa.

It is a source of great pride that so many people believe in our vision and are prepared to help us make change happen by funding our work – some of you for the full 30 years. Your support is vital for us to be able to continue to deliver this excellent work and I assure you that we go to the greatest lengths to make sure that we use your donations wisely.

This report showcases three examples of our 23 innovative programmes from 2014 and outlines how they are delivering transformative change for smallholder farmers and their families. I look forward to sharing with you even greater successes over the coming years.



Richard Macdonald CBE



Farm Africa is a different kind of charity working to end hunger and bring prosperity to rural Africa.

We believe Africa has the power to feed itself. Let's make it happen.

Working shoulder to shoulder with farmers in eastern Africa, we help the best farming and forestry techniques take root and spread so that farmers have more food to feed their families and sell.

We help smallholders in Ethiopia, Kenya, Tanzania and Uganda to manage their natural resources sustainably, meaning they are better able to withstand climate change challenges, and ensure there's food not just this harvest, but every harvest.

EXCEEDING EXPECTATIONS

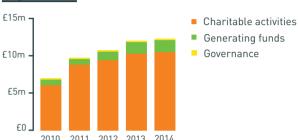
Farm Africa raised £13.8 million in 2014, our highest ever annual income, 7% up on our 2013 income of £12.8 million. Over the last five years, Farm Africa's income has grown by an average of 14% per year, which has enabled us to reach 1.4 million people for the first time in 2014.

Our total expenditure in 2014 was £13 million (£500,000 higher than 2013), 85% of which was spent on charitable activities. Whilst our income derives principally from government, institutional and other major donors, we remain enormously grateful to the many people who support us on an individual and corporate basis. This flexible funding is crucial for Farm Africa to innovate and then take successful projects to scale.

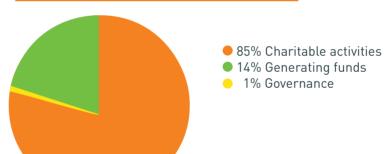
Farm Africa is committed to ensuring that we use our funds wisely to get the maximum impact for every pound we spend. We are continuing to apply our value for money framework to manage the main identified cost drivers carefully.

E15m - E5m - E0 2010 2011 2012 2013 2014

Expenditure



HOW WE SPENT YOUR MONEY IN 2014:







Farm Africa reached 1.4 million people in 2014. Thank you for making it happen.

SUSTAINING NATURAL RESOURCES



Poverty is the key driver of deforestation: driven by need, local people cut down trees to clear land for crops and animal grazing and to create firewood and charcoal to sell. Farm Africa's REDD+ project in the Ethiopian Bale Mountains has demonstrated the success of participatory forest management (PFM) that allows local people to earn a living from the forest's natural resources, whilst also protecting the trees.

The beautiful 22,000 km² Bale eco-region has a population of 3.3 million and acts as a water tower for upwards of 12 million farmers downstream. Farm Africa is leading a consortium of five partners to help the government and communities develop integrated plans for the ecosystem to reduce deforestation and safeguard the watershed management by:

- Developing traditional activities like beekeeping, producing essential oils, making bamboo furniture and harvesting wild coffee
- Using fuel-efficient stoves made from local materials, greatly reducing demand for firewood
- Working with local government to develop forest management plans that will protect the environment and preserve homes for future generations

Satellite imaging shows that 2,000+ hectares of forest have been saved from deforestation, cutting the projected levels of deforestation by 40%. The programme is expected to deliver a net 38 million tonnes reduction in greenhouse gases between 2012 and 2031. Farm Africa's PFM approach has been adopted into national and regional government forestry policies, which ensure that 2.5 million hectares of natural forests (half of all forests in Ethiopia) are now being protected.



Ethiopia is the last place where coffee still exists as a wild plant. Wild coffee is an excellent example of a forest-friendly crop that offers farmers like Tahir a profitable and sustainable alternative to cutting down trees.

Tahir used to get very little money from his crop before Farm Africa showed him how to select ripe coffee berries and dry his beans properly to improve his business. Since working with Farm Africa, he has been able to double the amount he gets per kilogram, money which has enabled him to pay for his children to go to school and to build a new house with a corrugated roof

Tahir says that he used to cut down trees without thinking. Now that he understands how important the forest is for the future success of his business, Tahir has happily signed up to an agreement with the government that sets strict limits on how much wood can be taken from the forest and takes his turn in policing it.



<u>1985-2015:</u>

30 YEARS OF FIGHTING POVERTY AND HUNGER IN EASTERN AFRICA



1985 Farm Africa

founded by the

late Sir Michael

Wood and David

Campbell in

Kenya

The Dairy Goat Project begins in Ethiopia

> Farm Africa starts working n South Africa

Project begins

1990 1995

1991

Farmers'

Research

n Ethiopia

1996

Improving Goat Production in the Tropics published

Meru Dairy Goat and Animal Healthcare Project begins

1999 Emergency

work in Konso. Ethiopia feeds 200,000 people

Farm Africa awarded Daily Telegraph Christmas

2003

Farm Africa

begins work

in Uganda

Michael Palin

becomes a

2002

patron

2005

The Maendeleo Agricultural Technology Fund launched

Farm Africa starts work in Southern Sudan

Farm Africa helps to establish the All Party **Parliamentary** Group on Agriculture and Food for Development

2008

Farm Africa forms an exciting partnership with GALVmed to develop new livestock vaccines and find ways to make them accessible to poorer livestock keepers



Sidai launched as a social enterprise

Christie Peacock, Sidai Executive Chair, appointed to an Ashoka Fellowship

The Maendeleo Agricultural Enterprise Fund is launched

Richard Macdonald and Charles Reed lead the first Food for Good challenge, raising over £250,000

2012

Farm Africa opens an office in Tanzania

Benishangul Gumuz regional state in Ethiopia ratifies new forest legislation based on Farm Africa's participatory forest management approach

FOOD for GOOD

2014

Farm Africa awarded a £6.9m grant from DFID for BRACED our largest ever single grant

Farm Africa's Food for Good campaign raises £1 million from the food and hospitality industries

1985

1987

The Camel Project begins in Kenya

Martin Wood appointed president of Farm Africa



1990

The Babati Agricultural Development

Project begins in Tanzania

1992

Friends of Farm started by Ben Boughton

Community Forest Workers Conservation Project started

East African Goat Development Network founded

1997

1998

Launch of Farm Africa USA

2000

2000

Farm Africa wins Worldaware **Business** Award

2007

2005

Farm Africa is the only UK-based NGO invited to contribute to the World Development Report 2007

Farm Africa starts a three-year partnership with The Guardian. Katine: it starts with a village'

2010

2010

Farm Africa was awarded a Programme Partnership Arrangement grant by the Department for International Development in consortium with Self Help Africa

2009

Farm Africa starts our first cassava project in Kenya and Uganda supported by the NFU



2013

Haile Gebrselassie appointed as Ambassador

Farm Africa becomes the nominated charity of the World's 50 Best Restaurant List

Farm Africa becomes the international charity of the NFU

Farm Africa's cassava and aquashops projects in Kenya showcased by BBC Horizons and reach an audience of 350 million people

Farm Africa reaches over one million beneficiaries for the first time

Farm Africa becomes the charity partner of Countryside magazine, launching the partnership with an interview with our Ambassador Kate Adie

Judith Batchelar leads the Dig for Good challenge, helping to raise £500,000 in 2013



"Farm Africa is especially important because it supports locally relevant and scalable demonstrations of what works. Farm Africa is helping to solve rural poverty in Africa." Kofi Annan

IMPROVING SESAME



There is an enormous unmet market for sesame in Tanzania. However, farmers in the Babati District, where the land is well suited to sesame, could not benefit as they were not able to access quality seeds and sold at the farm gate for below market prices.

Farm Africa's project trained 4,600 farmers in improved sesame growing and harvesting techniques, helped establish a warehouse with a formally registered co-operative, and supported seed multiplication farmers to get quality seed accreditation. After three years, local sesame farmers have seen their incomes double; more than half have been able to build a new house with their profits. Sales of the groups' value-added products, such as sesame flour and snacks, have increased from 1.6 million Tsh (around £485) per annum to 12.3 million Tsh (£3,700) per annum over the three years of the project.

Sustainability of the project is assured as farmers are able to access quality seeds from local multiplication farmers at a lower price -95% of farmers are confident that the benefits of the project will continue for the long term.

As part of the project, Farm Africa piloted the use of tablet computers for training, using locally filmed videos that could be accessed at any time. The evidence showed that not only are we able to reach between three and five times as many farmers for the same cost as our conventional farmer field school approach, but we are better able to track farmer understanding and retention of the modules. In addition, farmers commented that it was helpful to be able to access the course at times that suited them and in their own homes, something that can be especially important for women.

We are delighted to have secured funding from Comic Relief for a new phase of our work in the sesame sector, which will allow us to further test this approach on a larger scale.

In subSaharan
Africa one
in four
people do
not have
enough to
eat.



Cecilia Nada is one of the champion farmers chosen to take part in a pilot using computer tablets, rather than the traditional field-based approach, to train other farmers in sesame production. She describes how this technology has helped her and fellow farmers:

"First we approach the farmers we are going to train and then explain about the process. The computer software is divided into modules and we train the module most appropriate to the season. So during October and November we discuss land preparation, in January it's all about planting and spacing, then weeding and watching out for any early signs of disease. Later in the year it's about harvesting and how to cut sesame, then place it in a termite-resistant stack. Most farmers catch on pretty quickly because it's pictures followed by writing in Swahili, which most people can understand. We train individually, reaching up to five farmers per day.

"The technology allows me to plan my own farming during the morning and look after my two children, then train other farmers in the afternoon. Initially I saw some resistance to growing sesame from some farmers who thought it involved lots of labour and lots of money without a lot of return. Now, after a successful harvest they are starting to see the benefits."

MAENDELEO AGRICULTURAL ENTERPRISE FUND



Boosting farmers' incomes requires a focus not only on production but also investment in businesses that source products from smallholders. Small and medium-sized businesses based in rural areas are well positioned to collect, grade, process and package crops competitively from large numbers of small-scale producers, but struggle to access investment capital due to their size or inability to produce appropriate business plans.

With support from donors including the Small Foundation, the second phase of Farm Africa's Maendeleo Agricultural Enterprise Fund (MAEF) has extended investment, technical and business assistance to small and medium-sized enterprises to enable them to penetrate new markets with products supplied by thousands of smallholders who know how to produce, but not how to market their products.

TenSenses is a certified organic processor that sources macadamia and cashew nuts from smallholder farmers in Kenya and supplies the finished product to the US and European markets. The company needed to find alternative products to maximise the use of its production line during macadamia off-season and identified cashew nuts. Farm Africa helped train over 2,000 cashew farmers and supported the certification process for both Fair Trade and Organic to enable the farmers to get higher prices.

After two years of support, the company has turned a profit and has created 170 new jobs for women. Cashew farmers are now realising a higher price of 40 to 50 Kenyan Shillings (Ksh) per kilogram per harvest compared to the previous average of 35 Ksh/kg.

The company is now in a position to pitch to investors to raise \$3 million for further expansion that will bring more jobs and increased opportunities for local farmers.

Global food production

needs to rise by some

70% over 40 years to

meet demand.

A BIG THANK YOU

WE WOULD LIKE TO THANK EVERYONE WHO SUPPORTED US THIS YEAR, INCLUDING:

Adeso, AGRA, Barr Foundation, The Bill & Melinda Gates Foundation, Big Lottery Fund, CARE Ethiopia, Cordaid, European Union, Embassy of Ireland to Ethiopia, Food and Agricultural Organisation of the United Nations, Georg und Emily von Opel Foundation, Guernsey Overseas Aid Commission, Lundin for Africa, Medicor Foundation, Royal Norwegian Embassy, Small Foundation, The Ford Foundation, The Melbreak Trust, UK Aid from the Department for International Development

OUR THANKS TO EVERYONE WHO WENT THE EXTRA MILE IN 2014:

Archant Suffolk, Barnard Castle School, Eat Natural, Farmcare, Hazel Taylor, Hogan Lovells, L J Fairburn & Sons, Matthew Naylor, McKinsey & Company, NFU and NFU Countryside, Paperchase, RealWorld Travel, Richard Corbett, Silver Compass, Summits Africa, The Facon Family, Tudor Court Primary School

And finally a huge thank you to all of our supporters across the country, including or Friends of Farm, speakers and office volunteers.



FOOD FOR GOOD - £1 MILLION AND CLIMBING

Launched in 2011 as the food and hospitality industry's response to the global issue of hunger, the Food for Good campaign has raised a phenomenal £1 million for Farm Africa. Individuals and businesses across the industry have taken on tough physical challenges as well as baking cakes and wanging wellies! In 2014, we ran our first ever Food for Good Ball with over 200 quests and an exclusive menu designed by Jason Atherton. The campaign has now set its sights on raising £5 million to help end hunger and poverty for 70,000 people, for good.



Our thanks to all the companies who supported Food for Good in 2013/14:





























Waitrose



Grocer

















Farm Africa reduces poverty permanently by unleashing African farmers' abilities to grow their incomes and manage their natural resources sustainably.



FARM AFRICA

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Registered charity no. 326901 Registered company no. 01926828

HELP US END HUNGER

Donate, train as a speaker, take part in a fundraising event or pledge your company, school or church's support – get involved today to help bring prosperity to rural Africa.

www.farmafrica.org/getinvolved