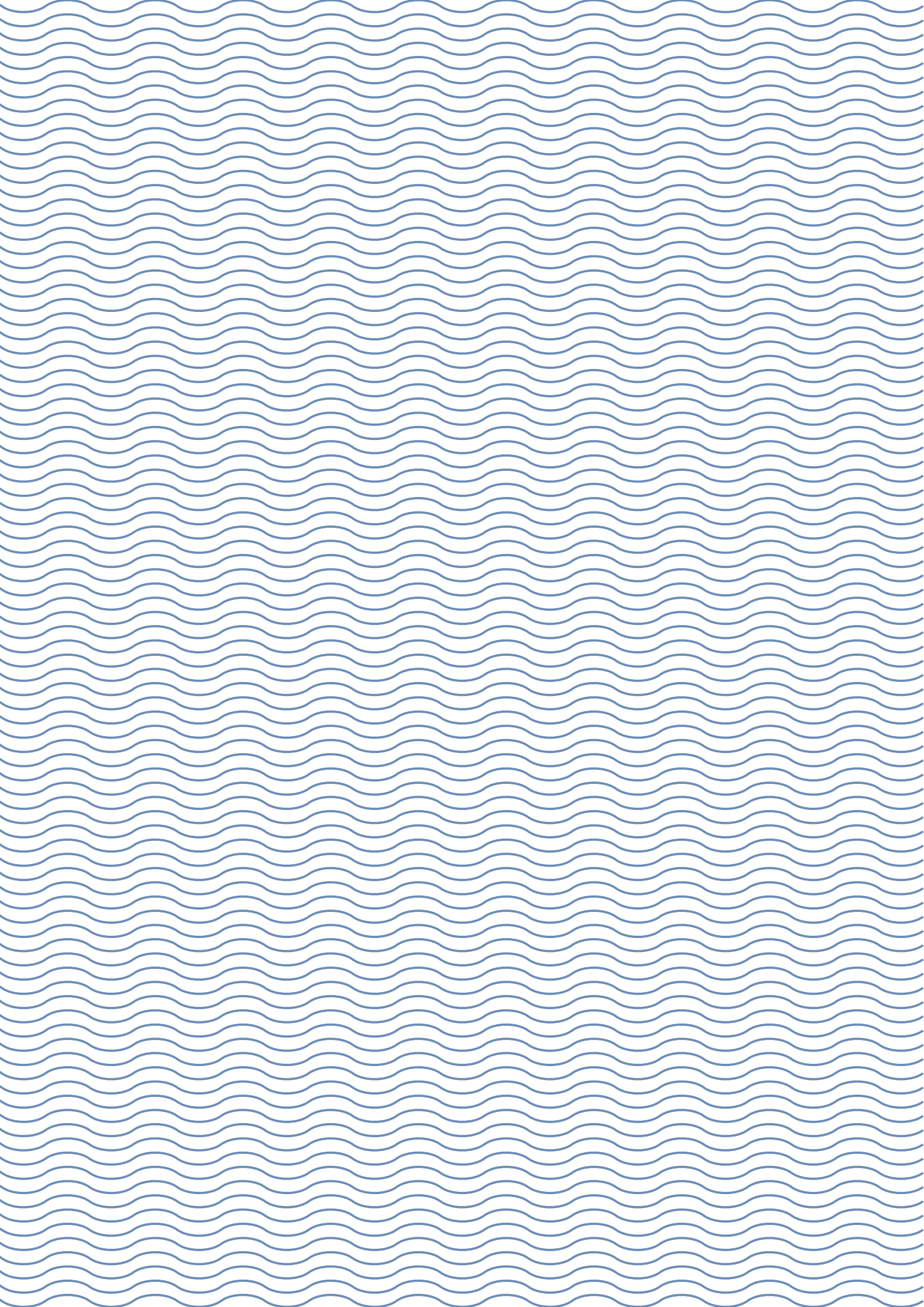


The background of the entire page is a photograph of three women working in a field. They are using traditional wooden hoes to till the soil. The woman in the foreground is wearing a black short-sleeved shirt and a black skirt with a blue floral pattern. She is bent over, focused on her work. Behind her, another woman in a red patterned shirt and a black headwrap is also working. To the right, a third woman in a purple patterned shirt and a colorful headwrap is visible. The field is dry and brown, and the sky is a pale blue with some light clouds.

Structured trade for better livelihoods

ACE Trust Strategic Plan 2021-2026



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ACE Trust Strategic Plan
2021-2026

Contents

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Photos
Cover: Women from Mlomba Cooperative in Mitundu (Lilongwe District) preparing their field for planting.
Page 30: Swathi Sridharan, CC BY-SA 2.0.

Date of publication
September 2021



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This publication has been produced with the technical and financial support of the GIZ programme More Income and Employment in Rural Areas of Malawi (KULIMA MIERA). The contents of this publication are the sole responsibility of ACE and can in no way be taken to reflect the views of GIZ.



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Photo Mr. Hannock's maize field in Kasungu.

Abbreviations

ACE	Agricultural Commodity Exchange for Africa
AMS	ACE Marketing School
CSL	Commodity Services Limited
DAECC	District Agricultural Extension Coordination Committee
DEC	District Executive Committee
FO	Farmer organisation
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
MSMEs	Micro, small, and medium enterprises
NASFAM	National Smallholder Farmers' Association of Malawi
OD	Organisational development
SHFs	Smallholder farmers
WRS	Warehouse Receipt System

Photo Joseph Mphepo from Navikali Cooperative in the Mlonyeni Extension Planning Area (Mchinji).



Foreword

In 2016 ACE developed and published the *ACE Rural Strategy 2020* and in 2020 ACE collected its experiences developing structured trade in Malawi in a publication named the *ACE Retrospective*. The *ACE Trust Strategic Plan* is a natural progression of this work to guide the efforts of ACE in the coming years.

Since its inception in 2005, ACE has developed into four separate legal entities, ACE Africa, ACE Trust, CSL, and Chithumba. ACE is neither an entity nor a holding company; ACE is a brand, an umbrella, a framework, and a vision which should guide and link the development of the individual and separate entities. The overarching vision for ACE is to develop structured trade in Malawi, to drive and promote economic development, rural farmer integration, agricultural industry development, and the growth and sustainability of the ACE entities.

The ACE entities must develop their strategies and business cases in line with the ACE vision, to ensure and drive the vision of ACE, as well

as securing a strong foundation for each individual entity. ACE Trust, a non-profit public trust, has ownership in all ACE entities which formally links the entities to ensure synergies and cohesiveness, required for all entities to develop jointly, and work towards the vision to develop structured trade in Malawi.

The journey for ACE has been long. When NASFAM started ACE in 2005 it was never the strategy, nor the intention, to create several entities. The idea was to create a commodity exchange that could assist farmers with market information and market access in the wake of the liberalisation of Malawi's agricultural markets. With reference to the *ACE Retrospective* publication, this has in many ways been a tough row to hoe. Many obstacles have been met – some have been overcome, while others still need innovative solutions. A common denominator for all ACE entities is that they have been born out of a necessity to create solutions for bottlenecks hindering the development of structured trade.





Mission To promote economic development, agricultural industry development, ACE growth and sustainability and rural farmer integration.

Vision Structured agricultural markets working for everyone.



Mission To reduce risk in agricultural industry.

Vision To be the leader in structural trade solutions and delivery.



Mission To exceed customer expectations with a range of high quality and tailor-made applicable commodity services in Malawi.

Vision To be the reputable and preferred provider of Commodity certification and related services in Malawi and beyond.



Mission To mitigate the challenges faced by smallholder farmers particularly with regards to low productivity, lack of access to credit and limited participation in the formal market.

Vision Sustainable input loans improving the lives of smallholder farmers across Malawi.

The ACE context

The focus of developing structured trade in Malawi is a broad and multifaceted endeavour. As the activities and solutions emerged from many years of experience, the natural evolution was to establish different entities to house and take ownership of the different areas. ACE Trust is the catalyst, coordinating efforts across

the organisation to ensure that ACE develops in line with the vision and at the same time supporting the different entities to develop and thrive. The central idea is for the entities to develop commercially and, as they do, adopt inclusive models that integrate farmers into the service delivery.

ACE Trust has three main functions:



This *ACE Trust Strategic Plan* will focus on the second and third functions: how ACE Trust designs and implements inclusive development project activities which underpin and scale the commercial value proposition of ACE; and how ACE ensures organisational structures and development. For a full picture of ACE, one would need to read the strategies for each of the commercial entities which are published separately.

The first entity was the commodity exchange entity first registered in 2005, ACE Africa, now a licensed agricultural commodity exchange regulated by the Financial Registrar in Malawi. Its first focus was market information and

trade facilitation. However, it quickly became apparent that trade facilitation was going to be impossible to achieve without first introducing effective aggregation mechanisms. In 2011 ACE introduced the Warehouse Receipt System (WRS) to Malawi as a structured way to promote aggregation, storage, and access to finance and markets. Today, the WRS is the core focus for ACE Africa activities with the aim of driving volume on the WRS. This is especially true when it comes to ways to mitigate risk in agriculture, whether this is eliminating price risk for financiers, risk of physical commodities during storage, or transactional risks. ACE Africa has also been tasked by Government to implement the export mandate and although this is more

an administrative function of verifying prices and reconciling export contracts, it will place ACE in a better position to link farmers and small traders to export.

The second entity was ACE Trust, established in 2006. It quickly became apparent that ACE, the Commodity Exchange, couldn't become sustainable in the current environment and, with the early structural developments needed not being conducive to commercial investments, it was decided to design projects which could be funded by development partners. Common to all projects implemented by ACE Trust is that they promote inclusive models, paving the way for a commercially sustainable agricultural commodity exchange and promote structured trade. ACE Trust has in the past fifteen years built rural warehouses for farmer organisations, developed rural warehouse models, implemented the ACE Market Information System, developed the ACE Marketing School, developed access to finance modalities, introduced the WRS, introduced access to input modalities, and promoted policies conducive to and enabling for structured trade in Malawi.

The third entity was Commodity Services Limited (CSL), established in 2018 as a for-profit entity. CSL provides commodity services, such as collateral monitoring and management, inspection and grading services, and training of warehouse personnel and managers. Establishing CSL was a response to calls from banks and commodity financiers to improve the security of commodities stored under the WRS. CSL guarantees the physical stock and also ensures that finance is registered in the warehouse receipt registry, ensuring financiers avail of the legal protection under the Warehouse Receipt Act. CSL has taken on the role of training and capacity building of warehouse personnel and staff to develop

a much-needed capacity to promote rural commodity aggregation, which again is essential for rural volume on the WRS and rural trade facilitation.

The fourth entity was Chithumba, established in 2020, a for-profit entity housing the Chithumba access-to-input model. Farmers can access inputs on credit by committing to repay by depositing commodity on a warehouse receipt at any certified warehouse. The repayments are auctioned on the ACE trade system to repay the input suppliers. ACE Trust has implemented the Chithumba model as a project since 2015 and, although Chithumba faces many challenges, many of them around loan default, ACE decided to formalise the structure to allow Chithumba freedom to operate outside ACE's traditional post-production activities – while remaining a key component of ACE and attracting more partners to the model.

Each ACE entity is committed to implementing and adhering to a set of values, where integrity, transparency, and openness are at the core. All entities will operate with open books, and always share data and experiences to promote and engage wider stakeholders. ACE can only do so much by itself; for a true, efficient, and lasting agricultural industry transformation, all stakeholders must take part. Everyone has a role to play and ACE strives to be the catalyst for engagement, information, and innovation. Trust and integrity will remain, as always, paramount and fundamental to ACE.

Introduction

Developing structured markets in Malawi is a complex and sometimes frustrating endeavour. The range of systemic, social, environmental, and financial obstacles are well known and require change from many different sources. As the recently released *ACE Retrospective* shows, ACE is aware of the difficulties facing structured trade in Malawi, committed to achieving our vision, and constantly innovating approaches to achieving this vision.

Each entity within ACE shares the same passion and commitment to the shared vision. Furthermore, each entity is committed to supporting the others as many of the objectives are cross-cutting and demand engagement and synergies across the whole organisation. Therefore, while ACE Trust may focus on supporting a farmer organisation to be able to operate their warehouse efficiently, there is strong engagement from the warehousing expertise of CSL to ensure the site is certified to utilise the Warehouse Receipt System; Chithumba to utilise and promote the use of the warehouse for loan repayment and additional deposits; and ACE Africa to provide invaluable support through linkages with financial institutions to access finance at that site, and a range of trade facilitation tools so the rural actors who use the site are able to access national or regional markets.

It is in this context that **Structured Trade for Better Livelihoods: ACE Trust Strategic Plan 2021-2026** must be understood. This strategy does not diminish or supersede the strategies from the other entities – rather it supports and complements them. The work of ACE Africa, Chithumba, or CSL is not included here, as they have their own specific strategy papers, but there is an assumption of complementarity and inter-entity cooperation that defines how ACE works.

While some of the Focus Areas identified here are specific to ACE Trust (for example, engagement with rural actors in Focus Area 2: Training and outreach), there are others that reach across the whole organisation (for example, Focus Area 4: Organisational development). It is also important to note that the engagement with rural actors under Focus Area 2 include services, capacity building, and opportunities developed with other ACE entities and supporting their objectives as well as the shared ACE Vision.

Structured trade for better livelihoods

ACE Trust has always focused on sustainable and efficient ways to improve the livelihoods of smallholder farmers in Malawi, and still believes that the best way to achieve this is through structured trade models. While the format of those models can, and will, change as Malawi's agricultural markets evolve, ACE Trust will remain focused on ensuring smallholder farmers, through well governed and well managed farmer organisations (FOs), are supported to improve their livelihoods.

Therefore, while many internal and external stakeholders are relevant to this strategy, the **target groups** for this strategy are **smallholder farmers** in rural and peri-urban Malawi who are members of FOs that are interested in, are in the process of, or have already 'graduated' into being **efficient, well governed, and well managed cooperatives**.

The main objectives for the **Structured Trade for Better Livelihoods: ACE Trust Strategic Plan 2021-2026** can be described as contributing to:

- 1** more transparent agricultural markets, especially in rural areas;
- 2** increased efficiency in rural markets that can support adoption by target groups;
- 3** better access to marketing, financial, and storage solutions for target groups;
- 4** increased capacity of farmers and FOs;
- 5** increased income and improved livelihoods for the target groups.

The ACE Trust team is acutely aware that the obstacles limiting the target groups' development in these areas are myriad and will

require a concerted effort from a range of actors to be fully alleviated. However, ACE Trust can focus on and improve our contribution to the target groups' development in the niche areas within which we operate.

Building on over a decade of experience in Malawi, the expertise of ACE staff, ongoing input from partner target groups, and the learnings from the *ACE Rural Strategy 2020*, ACE Trust knows that the individual services and activities will change over time. Therefore, this strategy does not focus on specific activities or services to be developed within the next five years, but rather on improving **processes**, building organisational **efficiencies**, and creating an environment in ACE Trust that can be **flexible** enough to respond to challenges and opportunities as they arise, while remaining faithful to the ACE Trust and ACE organisational visions and missions.

Structured Trade for Better Livelihoods: ACE Trust Strategic Plan 2021-2026 has identified four Focus Areas, each of which are integral to the improved operation of ACE Trust and ongoing efforts to meet the objectives for this strategy:

ACE tailor-made services

Ensuring that ACE Trust understands the stakeholders and context within which it operates, reassesses assumptions, and develops or improves services as needed to meet identified needs;

Training and outreach

Ensuring engagement with rural stakeholders results in a strong understanding of their needs, co-development of solutions, and effective implementation of those activities to increase the impact of ACE services;

Partnerships and donors

Ensuring that ACE Trust works to develop, improve, and expand relationships and networks with key implementation and funding partners to increase the scale, impact and sustainability of activities, while finding synergies and disseminating information to increase recognition of ACE operations and services;

Organisational development

Ensuring that ACE improves internal processes and governance to guarantee effective implementation of all activities and funding utilisation, boost the morale of staff, and build confidence in stakeholders in relation to ACE services and operations.

These Focus Areas are intertwined and span all entities in ACE due to the cross-cutting nature of processes, services, and objectives. Therefore it is important that they are not viewed in isolation, but as an organisational change matrix that will support ACE in becoming more efficient and effective while also supporting the organisation's sustainability by increasing adoption of services through the expansion of structured trade in Malawi.

1 ACE TAILOR-MADE SERVICES



Photo ACE Rural Marketing Advisors Henry Kapida and Mirriam Chikaipa.

What is our goal?

ACE strives to ensure that our service offering is relevant and impactful for all who are seeking to increase their access to structured trade modalities within Malawi. This process has seen ACE, with support from key donors and partners, develop a suite of services including the ACE Marketing School (AMS), AMS for Leaders, the MSME Structured Trade Training Module, and the Warehouse Marketing and Management Committee Training Programme – while also working to institutionalise training programmes such as the GIZ Farmer Business School into ACE’s service offering.

However, ACE is aware that the constantly evolving scenario in Malawi, in terms of market dynamics, policy changes, and smallholder farmers’ needs and goals, requires that the services offered need to be regularly reviewed to ensure their efficacy, accuracy, and relevance. Furthermore, ACE is aware that there may occasionally be a need to develop new services based on that ever-changing context.

ACE’s goal in Focus Area 1 is to regularly review assumptions made about stakeholders involved in our services, amend services as needed, develop new services if required, and disseminate information on those services to all relevant stakeholders.

Context mapping

ACE will undertake regular mapping exercises to ensure there is clarity around current stakeholders, partners, and similar activities and service offerings within ACE’s operational sphere, as well as the agricultural environment in Malawi on a larger scale.

The key exercises that will be implemented to achieve this include:

- map all FOs around certified or potential partner warehouses;
- map all MSMEs around certified or potential partner warehouses;
- map priority areas for further expansion (i.e. districts or areas of potential impact but currently without an ACE footprint);
- map other service providers and potential partners around and beyond ACE-certified warehouses (transport, aggregation points, traders, processor, etc.).

Improve current ACE services

ACE is aware that ongoing impact and engagement with our services from all stakeholders – from smallholder farmers to donors – depends on ensuring a high quality of service is maintained and required changes are identified and implemented timely. In order



Photo Maize stacked in an ACE-certified warehouse in Mitundu (Lilongwe District).

to achieve this, ACE will focus on the following activities:

- tailor ACE services to the needs of the target groups (e.g. translate market information messages into vernacular languages, integrate new commodities into the WRS, review warehouse charges and financing products targeted at smallholder farmers and MSMEs);
- improve service delivery and customer support (e.g. faster payment, clear communication, more direct trade support, support of clear internal standard operating procedures in order to speed up service delivery and make it more consistent);
- improve service delivery and customer support;
- scale up ACE services where deemed appropriate;
- support the ongoing engagement with an organisation-wide ‘Lessons Learned Toolkit’, where feedback and recommendations from all actors (staff, partners, donors, project participants, etc.) can be accessed and used by staff throughout ACE to improve or develop products and services.

Develop new ACE services

Experience from over a decade of operations in Malawi has taught ACE that there is endless potential for new services within the nascent and unstructured agricultural industry in Malawi. However, it is vital that ACE is cognizant of the fact that any new services developed must remain faithful to the vision and mission of ACE. There is significant potential for mission creep within ACE’s field, and that temptation must be curtailed. Despite this knowledge, there will be opportunities to further refine current services and, on occasion, a clear need for new services to support ACE’s achievement of the organisational goals. Therefore, it is important that ACE prepares for such eventualities by implementing the following strategic activities:

- map service and adoption gaps to identify the potential for refining current services or developing new services;
- engage with mapped partner organisations to assess their potential to fill any such gaps;
- assess whether new services would fit within ACE’s current organisational capacity and niche – if not, engage the organisation, including the Board, to determine whether it benefits ACE to develop such services;
- develop, pilot, and offer new services.



Expected Results

- ACE has a clear understanding of all stakeholders within its operational sphere.
- ACE ensures it has a clear and up-to-date understanding of potential gaps in service provision.
- ACE maintains highly efficient and relevant services through regular reviews.
- ACE develops new services as necessary, either internally or with partner organisations.
- ACE services are relevant, efficient, and effective.
- Adoption of ACE services increase and retention rates improve.
- ACE increases its organisational reputation among stakeholders by listening to feedback and incorporating input where possible.

2 TRAININGS AND OUTREACH



Photo A woman from Mlomba Cooperative in Mitundu (Lilongwe District) threshing maize.

What is our goal?

ACE aims to empower smallholder farmers (SHFs) and micro, small, and medium enterprises (MSMEs) with knowledge regarding markets and skills so that they can effectively participate in structured commodity trade. This is in line with the ACE vision, to establish a fully inclusive and transparent market system. As a commodity exchange, ACE would like to engage as many SHFs and MSMEs as possible to use the platform so that they benefit by using such a system.

The Malawi Government is taking a new direction in promoting the Warehouse Receipt System and other structured trade mechanisms. ACE being the pioneer in this field, it is of great importance to have farmers and other business entities prepared and integrated in the structured trade system. In order to mitigate some risks associated with commodity price fluctuations and commodity financing, ACE will be employing different models where farmers and MSMEs will constantly need to be sensitised on how the models work – hence the need to have an outreach plan. Different forums will be used to reach out to different farmer groups, partners, and governments institutions. Therefore, this section outlines ACE Trust's strategy towards

trainings and outreach through farmers/ MSMEs engagement, capacity building and trade support for SHFs and MSMEs, capacity building for field staff, and the ACE footprint and sensitisations.

Smallholder farmers and micro, small, and medium enterprises engagement

ACE services bring value to farmer groups that are operating as a business. As such there will be a need to select the right groups to engage with. ACE aims to deliver trainings tailored to the target audience. Likewise, different MSMEs will be identified by ACE field staff and partners and engaged on different levels, whether as owners of the business or employees.

In order to organise the relationships that ACE has, especially with SHFs, ACE has developed a graduation scheme that defines which activities should be provided, depending on the group's current capacity, progress, and previous engagement with ACE and structured trade services. The model has various tools to enable the process. For example, ACE will conduct farmer organisation (FO) assessments with identified groups as a targeting methodology. Once groups are selected, they will pass several levels in the graduation scheme until they are fully independent. By fully understanding the needs of the farmers and MSMEs, ACE



Photo Farmers from Mlomba Cooperative in Mitundu (Lilongwe District) shelling and sorting groundnuts.

will develop appropriate solutions for the stakeholders. There is a need to constantly gauge the needs of farmers and MSMEs as they are also dynamic.

ACE will carry out the following activities to engage SHFs and MSMEs:

- conduct needs assessments for MSMEs;
- conduct FO assessments;
- field supervision for Chithumba farmers;
- follow up on Marketing Plans;
- conducting quarterly surveys;
- conduct review/close-out meetings after marketing season.

Capacity building and trade support for smallholder farmers and micro, small, and medium enterprises

While the previous section focused on ongoing engagement, assessment, and a dynamic relationship with rural actors, this section focuses on the activities to be implemented with them depending on their identified capacity and level of engagement.

ACE has developed a suite of capacity building and support activities to inform rural actors of the opportunities and processes relevant for engaging in structured trade. ACE is also

working with partners to improve and refine these activities to increase the impact on rural partners. ACE will regularly engage with field staff, smallholder farmers, MSMEs, donors, and other strategic partners on potential ways to amend key services or develop new services to meet the needs of who would like to access structured trade services through ACE.

Key activities to be implemented to continue and expand these services include:

- continue the implementation and refinement of the ACE Marketing School (AMS);
- continue the implementation and refinement of the AMS for FO leaders;
- continue the implementation and refinement of Marketing Plans;
- continue the implementation and refinement of market price information dissemination;
- review and update the Marketing Plan format with rural actors as needed;
- review the potential of the MSME Marketing School and begin implementation;
- engage with partners on institutionalising key training activities within ACE, specifically GIZ's Farmer Business School;
- develop updated finance, trade, and warehousing modules for sensitising and training rural actors on newly

developed services;

- promote synergies with other partners that offer complementary trainings such as financial literacy, leadership, digital literacy, etc.

Capacity building for field staff

It is a priority for ACE Trust to have a well trained and efficient workforce which will support ACE in achieving its goals. Annual assessments will be conducted with staff to discover potential gaps and areas to improve. ACE will identify training needs for staff and the necessary tools to support improved performance. Where ACE does not have the capacity to develop or provide such capacity building support, external assistance will be sourced to efficiently and effectively build the capacity of the field staff. ACE will determine capacity needs of the staff through staff appraisals, review meetings, and field supervisions. To support this strategic aim, the following activities will be conducted:

- conduct quarterly reviews with field staff;
- develop a year-long activity calendar;
- factor in capacity building budget for field staff in new proposals;
- conduct annual appraisal for all staff;
- conduct training of trainers;
- conduct refresher trainings.

ACE footprint and sensitisations

It is crucial for stakeholders to know where ACE is operating and how they can easily reach out to ACE. Some of the key operations that ACE is known for are market information dissemination and facilitating linkages to buyers and sellers. Stakeholders should regularly be reminded of where ACE is operating and the services that are offered through a range of communication means.

While ACE is physically located in Lilongwe, there are field officers in districts across in Malawi and assistance is a phone call away in districts where ACE does not have a field officer. The presence of ACE field staff in the districts is mostly dependent on projects, hence the need to update stakeholders when such projects phase out. A toll-free line (223) is available for all stakeholders, and other avenues for accessing services are available – such as the ACE trade platform, field officers, and trade officers at the ACE head office. ACE will continue adopting new technologies to raise awareness of its footprint and services, while continuing with the following activities:

- radio and roadshows;
- attending district meetings;
- social media;
- sensitisations at field days;
- use of SMS and Zaulimi mobile application;
- sustaining and improving the 223 call centre.



Expected Results

- SHFs and MSMEs have a good understanding of structured markets and are engaged in the system.
- ACE staff are trained on the knowledge, skills, and tools to deliver quality trainings to SHFs and MSMEs.
- Stakeholders have a clear understanding of what ACE does, and where and how they can make use of these services.

3 PARTNERSHIPS AND DONORS



Photo The Navikali Cooperative harvests their soya in the Mlonyeni Extension Planning Area (Mchinji).

What is our goal?

ACE has been built on strong partnerships – with development partners, farmer organisations, private sector (banks, processors, etc.), NGOs, and the government. These experiences have provided ACE with an appreciation of the synergies available to ensure the development of appropriate and relevant services, but also the engagement necessary to involve all relevant partners in a meaningful way.

Recent developments within ACE's service offerings and the wider partnership environment have afforded ACE Trust the opportunity to restructure and formalise ACE Trust's approach and processes to partnerships. Partnerships are key to offering the right services and to scaling those up on a national level, to reaching the right clients, and to building trust and long-term relationships in the field. This section outlines ACE Trust's strategy towards partnerships and donors through engaging donors, creating partnerships, and enhancing communication with donors and partners.

Engaging donors

ACE Trust will maintain strong relationships with donor organisations, where communication will be key. It is crucial for ACE Trust that donors and partners understand ACE and the *ACE Trust Strategic Plan* to ensure that joint projects are aligned with ACE objectives. ACE Trust must be in a position to reject participation in projects which fall outside the strategy, but also be in a position where the opportunities and unique position of ACE are appreciated and used to increase the impact of projects, whether implemented by ACE Trust or other organisations. To this end, the ACE Trust team will commit to the following activities to improve ACE Trust's visibility and engagement with donor organisations:

- actively identify new projects by improving donor relationships and sourcing new opportunities;
- pilot projects to trial new services;
- participate in development and civil society networks in Malawi;
- communicate results and updates through regular public dissemination meetings;
- consistently work to improve internal management of donor relations.



Photo Women winnowing soya to remove chaff as part of the post-harvest cleaning process before sale.

Creating Partnerships

It is a priority for ACE Trust to focus our resources efficiently and where the best outcomes can be achieved. ACE Trust will directly implement activities where ACE Trust is strong, and seek partnerships where others are stronger. ACE Trust will focus on improving our management capacity to perform better and communicate better within the collaborative activities we engage in. Our goal is to approach partnerships more strategically and more tailored to our own priorities and our clients' needs, leveraging our own and selected partners' strengths jointly for better planned and targeted activities at district and national levels, while limiting 'project scope creep' within ACE Trust by playing to our own and our partners' strengths. Together with the right partners, ACE Trust aims to holistically address the service gaps along entire value chains to promote inclusive development within the agricultural marketing ecosystem in Malawi. The key activities to support this strategic aim are:

- improve internal management of existing partnerships;
- map actors and projects to identify possible partners for offering improved or new services on both the district and national level;

- define roles and responsibilities with partner organisations, formalising the relationship as needed through MOUs, with clear understanding of the partnership goals and objectives;
- register and engage meaningfully with newsletters and community and networking platforms;
- together with partners, scope and plan improved and new complementary services and/or joint activities;
- engage with rural partner staff by participating in DEC and DAECC meetings.

Enhance communication with donors and partners

As identified in the previous sections, a key element of this Focus Area is the need for improved and high-quality communication between ACE Trust and donor and partner organisations. This communication is necessary for ensuring clarity in the relationship and the importance of understanding ACE's service offerings for setting expectations within partnerships. However, ACE Trust is also aware that there are important additional benefits to enhancing communication, including sharing important developments in ACE Trust's service offerings, sharing success stories and lessons

learned from implementation, and increasing awareness of the needs and roadblocks for the smallholder farmers and rural actors that utilise our services. It is within this context that this Focus Area will specifically work towards improving communication and the dissemination of information to donors and partners by:

- scheduling regular dissemination meetings for implementation partners and donors;

- developing and sharing regular public newsletters, analysis of ACE services, and case studies;
- updating mailing lists on the ACE Marketing Information System, to ensure partners are kept updated on ACE services, activities, and events;
- disseminating project results, success stories, and lessons learned to wider stakeholders.



Expected Results

- Well managed, strong, and reliable partnerships offer improved and new complimentary services, which ACE alone could not offer and which more holistically address rural clients' needs and challenges while tackling value chains' service gaps.
- Increased visibility of ACE due to partnership engagement and linkages.
- Adoption of ACE services increases due to more farmers being in a position to access them.



4 ORGANISATIONAL DEVELOPMENT



Photo A woman from Mlomba Cooperative in Mitundu (Lilongwe District) shelling and sorting groundnuts.

What is our goal?

Organisational development (OD) is defined as the use of organisational resources to improve efficiency and productivity in the workplace. An effective organisation can also boost employee morale because workers feel more empowered and valued when a company is well structured. OD extends to how problems within a company are solved as well as ways in which processes are analysed and better processes developed. This Focus Area will work on improving three key areas within the ACE workplace: human resources, administration, and governance. This section looks slightly different to the three preceding sections, as there are not individual objective areas with clear expected impacts. This section instead focuses on broad areas of organisational development that need ongoing development and support, with an expectation that, as objectives are met, new ones are agreed and worked towards. The overall expected impact of this Focus Area is that ACE becomes a more efficient, enjoyable, and impactful workplace.

Human resources

ACE Trust will work on strengthening a number of different aspects within human resources. HR plays a key role in developing, reinforcing, and changing the culture of an organisation. Pay, performance management, training and development, and recruitment are all essential

within an organisation and are covered by HR. Specifically, when looking at HR issues, ACE will focus on creating a more structured working environment where all staff are better aware of what their responsibilities are, but also of what the responsibilities of others are. This will be done through a number of different actions, outlined below.

- Review, update, and train all staff on all standard operating procedures/tasklists. The ACE team is working on the development of SOPs and tasklists. It will be the responsibility of the HR team to ensure that these are regularly reviewed and updated and that all staff are trained on them.
- Ensure that regular meetings take place at the office. As a way of creating a more structured working environment, ACE would like to start implementing a number of meetings on a regular basis, namely:
 - all-team meeting (monthly);
 - Programmes meeting (weekly);
 - management meeting (weekly);
 - ACE Africa meeting (weekly);
 - CSL operational/accounts meeting (weekly);
 - Procurement Committee meeting (every 2 weeks);
 - HR Committee meeting (every 2 weeks);
 - inter-entity meeting (monthly).



- Overhaul the HR processes to include payroll, job roles, responsibilities, and organisational structure. This looks at improving the HR processes specifically, and is a way to ensure that all HR processes are in place. In order to do this, the HR department will have to identify all stakeholders involved in HR processes and assign lead staff to detail the relevant SoPs and/or tasklists.
- Introduce staff capacity development guidelines. This activity will focus on ensuring that there is a full understanding of existing gaps, and that a capacity building process is started in order to address any gaps which are found. In order to do this, ACE Trust plans to design a tool to identify internal capacity gaps. The focus here will be on two separate areas: firstly, gaps which are directly related to ACE (some of these may include the understanding staff has of ACE, or of their own tasklists); and secondly, an attempt will be made to use the skills internally available within ACE and try and share these with the rest of the team. This may include things like Excel trainings, trainings on how to develop concept notes, budgets, logframes, etc.
- Development of internal M&E systems. ACE has to collect and analyse a lot of data, and while a lot of progress has been made in the M&E department and some guidelines have been developed, there is the need to develop and monitor key tasklists and to ensure that ACE has a functional farmer organisation database, as well as monitoring and trades sheets.
- Review and update internal file and knowledge management. Some of the activities which will be carried out here will ensure that there is a policy in place for data handover at the end of a contract, as well as to retrieve all data before wiping a laptop.
- Develop external communication guidelines and public relations material.
- Improve office atmosphere with events. The ACE team will try to ensure that there are regular activities organised by the office to encourage team building and strengthen the relationship between staff members.

Administration

The second area of focus when it comes to organisational capacity is administration. Good administration will ensure the efficient performance of all departments in an organisation, as well as a good working relationship between senior management and other employees. Furthermore, good administration will help to create a motivated workforce who is aware of the goals of the organisation. As with human resources, ACE will embark on a number of activities to improve the administration within the organisation.

- Better recording of field staff reporting and deliverables. This activity will focus on improving the current systems which are in place for Rural Marketing Advisors and Warehouse Managers.
- Better management and overview of activities across departments (ensuring effective implementation of activities). Here the focus will be on ensuring that tasklists are developed within departments but also across departments. Moreover, ACE will focus on developing a system that can deal with issues which arise across departments.
- ACE will also develop a traffic light system as a means of better being able to prioritise activities.
- As a way of improving its governance, the ACE team will also work on defining the roles of Senior Management Team.

Governance

Lastly, ACE will look at improving its governance. This will allow ACE to move one step closer to ensuring that the organisation is achieving goals, controlling risks, and assuring compliance. In order to do this, a number of developments will take place.



Photo Farmers from Kaphirichuwi Association in Mitundu (Lilongwe District) measuring spacing for planting.

The way forward

Learning lessons from the implementation of the *ACE Rural Strategy 2020*, ACE Trust wants to increase the ownership and engagement with *Structured Trade for Better Livelihoods: ACE Trust Strategic Plan 2021-2026* among staff. For this reason, rather than the development of a large organisational workplan matrix that sits with management and requires a strong top-down push for implementation, the way forward will see the development of ‘tasklists’ by the ACE Trust team. These tasklists will be developed by the teams responsible for the implementation of each element of the Focus Areas, and will have clear reporting formats and timelines to ensure progress is being made on reaching the impact for each Focus Area. The tasklists will speak to measurable results that will be agreed upon by each team, which will be reviewed every six months to ensure they are achievable and progress is being made towards them.

The tasklists process was decided upon for multiple reasons:

1 It allows for clear reporting and responsibility lines with clear timeframes for key activities, ensuring all processes are being implemented and reviewed effectively;

2 It allows for flexibility as the tasklist can be amended by a team as the situation develops – for example, obsolete processes can be removed and new ones added as needed;

3 It promotes ownership as the drive for organisational change no longer sits with management or a small number of staff, but is shared among everyone who contributes to a common goal for the improvement of the organisation.

ACE Trust is an organisation that has shown its ability to remain a key actor in the agricultural marketing environment in Malawi, through thick and thin. The passion and dedication of the ACE Trust team has ensured that ACE Trust continues to work for the betterment of the target groups. This same passion and dedication will surely drive the ACE Trust team to reach the objectives of *Structured Trade for Better Livelihoods: ACE Trust Strategic Plan 2021-2026* and propel ACE Trust to new heights of innovation and scale of impact.

ACE would especially like to
thank its partners for their
continued support.



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Co-funded by the European Union



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