

Project Reference No: 15-A-167

PROJECT REPORT

Project Name: Economically Empowering Shea Butter Producers in Northern Ghana

Organisation Name: Concern Universal

Date Funds Received: _6th April 2016 _____

Referee:

____N/A_____

Notes to Reporters:

A brief, concise, and to-the-point report of two three pages is what we require. Insert as much text as you feel is appropriate, but do not feel obliged to write a long report when a short one would suffice. The questions in Sections 1-5 must be clearly addressed.

A report must be sent within 12 months of funding – even if the project is incomplete. Failure to do so will disqualify you from consideration for further funding.

Reports should be submitted by e-mail to <u>electricaid@esb.ie</u>. In exceptional circumstances, hard copies may be sent to:

ElectricAid c/o ESB 27 Lr Fitzwilliam St Dublin 2 Ireland

1: Projects Outcomes – the results achieved.

The overall objective of the project is to provide economic empowerment for 556 rural women in 4 communities in the Upper West region of Ghana. Over the last 11 months, a combination of activities including trainings, provision of equipment and facilitating market linkages have contributed to enhancing the economic empowerment of 600 rural women in the Upper West region of Ghana. As a result, the project has significantly contributed to income and food security of the women and their households.

The following three activities were funded by Electric Aid and the outcomes were as follows. **Activity 1:** The original goal was the purchase 2 electric motors for 2 communities (Kperisi and Naro) to reduce their individual processing cost by 60%, therefore enabling the women to produce shea butter at a competitive market price.

The adoption of semi-mechanized processing coupled with training in nut processing and butter production has resulted in improved efficiency in butter production. The extraction rate has increased from an average of 22/kg per 185kg bag of nut to an average of 33kg from the same quantity of nuts over the duration of the project. Madam Esther Luka of Moyiri community commented "*I have never been taught how to pick shea nut and ensure quality of my shea butter. But with the trainings received, I am able to produce more than 30kg from a bag of shea nut... initial I was getting only 20kg*'. The increase in skills is a positive outcome in itself, but in the medium to long term we expect this to lead to improved livelihoods for the women through increased efficiency and therefore a stronger business model, and provide opportunities for scaling up operations.

As a result of the positive partnership with Savannah Fruit Company/Sundial -which resulted in the commitment to build a processing centre for the Kperisi community- the team identified another community, Fian, in the same district for the construction and equipment of processing centre. At time of reporting all equipment have been procured and the building is about 85% completed. (Pictures attached). The drilling for a bore has also been completed at Fian providing access to water for the whole community with estimated population of 600.

Activity 2: The original goal was to provide Rotating Drum Roasters and training on using this equipment. The project provided women with drum roasters which did not only contribute to increasing the efficiency of the production process- as many women now process shea butter at the same time instead waiting to share drum roasters- but also helped to reduce the level of exposure to hazardous gasses by the women. The use of the drum roasters also contributed to improving the quality of shea butter produced through prevention of smoke contamination of processed shea nut

Activity 3: the original goal was to work with nut pickers and butter processors to build their capacity to meet the quality requirements of the shea market, particularly the higher-end markets.

The project held trainings on areas including quality shea nut picking/sourcing and quality shea butter processing for 350 women at Kperisi and Naro and 250 women at Fian and Moyiri communities received trainings in quality shea nut picking and quality shea butter processing. As a result of the high quality of butter produced by the participants, two of participating communities, Kperisi and Naro, were selected by NGS's major customer Savannah Fruit Company to supply a high end, high quality market which provides better prices for producers. As a result of this partnership, these two communities have also been targeted to benefit from infrastructure support from the Sundial group, the end buyer of the butter. The high quality of butter produced by NGS participants was acknowledged by the Production Officer of Savanna Fruits Company¹ who observed *' we have been working with over 20 women shea butter*

¹ Details of SFC available at http://www.savannahfruits.com/

processing groups in Northern and Upper West regions... but when it comes to quality your groups are at the top'.

The high quality of the shea butter led to a strong relationship with the Savannah Fruit Company, and provided access to the export market. Women were able to sell butter at Ghc 6 (£1.2) per kg of shea butter compare to the local market price of Ghc3 (£0.6), a 100% price difference. However, though production efficiency and unit price for butter improved over the period, total output of butter was lower than planned due to lower market demand. Consequently average monthly income realised by the women stood at 289 or £57 compared to £100 targeted.

A borehole was successfully completed in Fian, providing access to water for the whole community, with an estimated population of 600. According to **Modesta Yelegaga**, of Fian. " *Water is scarce in our community, we have some water sources but it is not adequate. I used to waste more than 1 hour to just get a bucket of water.... today within 10 minutes I have access to water and I am able to engage in other economic activities. Thanks to Concern Universal and Electric Aid for the timely assistance*'-

The outcomes and impact of the project will continue, especially the groups' capacity to increase production and incomes of members even before the next production season beginning at June, 2017 and extend beyond. The women continue to save through their village savings and credit associations, improving financial inclusion through timely access to flexible and appropriate financial services.

2: Financial Accountability – how the money was spent.

| ELECTRIC AID FUNDING SUPPORT TO NGS FINANCIAL REPORT ON TOTAL FUNDS RECEIVED | | | | | | | | | | |
|---|--|----------------------------|----------|--------------------------|--------|--------|--|--|--|--|
| Activity | FUNDS RECEIVE D FROM ELECTRI C AID | EPORTON TO | VARIANCE | | | | | | | |
| | EURO | DATE OF EXPENDITUR E | GHS | X-Rate (EURO/GH S) | EURO | EURO | | | | |
| Project Activities | | | | | | | | | | |
| Processing equipment - electric motor engines | 2,461.99 | 22/7/16 | 3,200.00 | 4.3318 | 738.73 | 394.34 | | | | |
| Shea Nuts Crusher-1st instalment | | 13/7/16 | 3,080.00 | 4.3714 | 704.58 | | | | | |
| Shea Nuts Crusher-2nd instalment | | 14/9/16 | 1,320.00 | 4.4224 | 298.48 | | | | | |
| Transportation of Crusher to site | | 16/11/16 | 1,380.00 | 4.2349 | 325.86 | | | | | |

(Include here a brief financial account of the spending of the ElectricAid funding. Also account for any unspent balance. Receipts as appropriate should be attached.)

| Building of Kapersi processing centre | 4,174.54 | 25/7/16 to 5/12/16 | 30,304.00 | 4.4588 | 6,796.4 0 | (2,621.86) |
|---|---------------|-----------------------|-----------|--------|---------------|------------|
| Construction of borehole | 3,338.75 | 24/6/16 | 17,724.77 | 4.3808 | 4,046.0 5 | (707.30) |
| 4 Rotating Drum Roasters- 1st instalment | | 23/6/16 | 4,700.00 | 4.4504 | 1,056.0 8 | |
| 4 Rotating Drum Roasters- Final payment | 5,425.72 | 16/8/16 | 4,700.00 | 4.4119 | 1,065.2 9 | 3,304.35 |
| TOTAL | 15,401.0 0 | | | | 15,031 •47 | 369.53 |

3: Project Process Narrative – how the project was implemented or progressed to date.

This project is based on the success our ongoing work with Shea producing associations in the Northern and Upper West Regions. The process began with meetings with the 4 communities to articulate their production constraints and the potential strategies to address them. The initial project design emerged from these meetings. The Shea producers groups have been involved in every stage of the project development process. For example, it is through our engagement with the community that we found that Shea Butter Producers in Kperisi Community require a borehole to be built alongside the processing centre to reduce the amount of time spent collecting water for producing and personal use.

Activity 1. Improve the livelihoods of women by improving quality, efficiency and extraction rate of production through provision of processing equipment and a processing centre

Through the project we have procured 2 electric motors, 1 shea nut crusher and a grinding mill to be installed at the Fian processing centre after completion. The processing centre, which is 85 percent complete, will serve more than 200 women and contribute to their economic and social development. The centre contains a processing room, a warehouse (5MT capacity for shea nut storage) and a machine room. The delay in completion of the processing centre was mainly due to the need to change beneficiary community since FSC/Sundial had elected to provide the Kperisi community with the processing centre. The Fian community was selected based on expressed need and demonstrated commitment. Among others it was selected because:

- 1. It is located within the project catchment districts
- 2. The Chiefs and Elders were willing to give a plot of land for the establishment of a processing centre.
- 3. The women groups proposed to contribute labour filling of the foundation and fetching water for the construction activities of they have delivered.
- 4. The women exhibited a drive to succeed during the consultation meeting and interactions.

Kperisi, Muoyiri and Naro currently have equipment for semi-mechanized production of butter. Once the building is completed at Fian, the equipment will be installed and all 4 communities will have the full complement of processing centres for enhanced quantity and efficiency of production.

Activity 2. Creating a greener, healthier and more fuel efficient production line by introducing rotating drum roasters

The project procured and distributed a total of 20 drum roasters² for the use of women processing groups in the four communities. We have carried out trainings for all the beneficiaries on the use of the drum roasters and three communities have already put the roasters into operation, resulting in reduced use of firewood, reduced exposure to smoke and a reduction in smoke contamination of butter ultimately contributing to improved quality.

Activity 3. Improve the quality of the Shea Butter through quality focused training sessions

Mindful of quality requirements of buyers in the shea butter market, the project carried out refresher trainings in quality shea nut picking/sourcing and quality shea butter processing for 350 women at Kperisi and Naro whilst 250 women at Fian and Moyiri communities received trainings in quality shea nut picking and quality shea butter processing. The quality shea nut training concentrated on protecting the shea tree and how to pick/source shea nuts to enhance quality of shea butter.

The modules under the quality shea butter processing are;

- Best practices before nuts crushing
- Best practices after roasting and milling
- Kneading and oil extraction procedures
- Butter Packaging and storage
- Personal hygiene during butter processing

The trainings are complemented with constant coaching on quality and record keeping.

Challenges

- Difficult access to export market with high barriers to entry, coupled with uncompetitive prices for the shea butter on the local market.
- Dwindling shea nut availability from over-aged shea trees resulting in ever increasing raw nut prices and eroding profitability of shea butter producers.
- Lack of sustained commitment from some communities such as Gabile women processing groups.

Lessons Learnt

- Community involvement in project design, implementation and monitoring promotes accountability and enhance community buy-in
- Timely feedback to community enhances communication between organizations and communities
- In view of promoting sustainability of the industry, we are equipping communities with modern parkland management skills due to protect dwindling supply of shea nut resulting from over-aged shea trees

²

4: Visual Report – photographs.



Sample of processed butter displayed by the Kperisi beneficiaries



A newly manufactured Crusher and Miller purchased for the Fian group to enhance butter processing at the centre



A newly constructed borehole at Fian processing centre for provision of portable water for butter processing and community use





A beneficiary of the Naro group roasting her nuts using an improved roaster NGS beneficiary kneading shea butter at Naro provided by NGS

5: Your Comments.

The funding from Electric Aid has been very timely and beneficial to ensuring sustainability and effectiveness of the NGS to achieve its aim of economic empowerment of rural marginalized women.