

Project Number:	<i>PG 17-020</i>
------------------------	------------------



Country:	TIMOR-LESTE
Location, Coordinate:	Uma Tolu Community – Latitude (8° 53.529’ S) Longitude (126° 13.406’E) Luca Community – Latitude (8° 54.804’ S) Longitude (126° 14.419’E) Caraubalo Community Latitude (8° 51.088’ S) Longitude (126° 21.768’E)
Submission Date:	TBC
Planned start Date:	1/16/2017
Planned end Date:	4/30/2017
Project Duration:	1 year, 4 months (including extension of 4 months)
Project real Start Date:	16 January 2017
Project real End Date:	30 April 2018
No-Cost Extension:	4 months
ADRA-I Contribution:	US\$ 50,000
Amount from Other Source:	US\$ 1,300
Total Project Amount:	US\$ 51,300
Total Spent:	US\$ 48,465.56

Project Balance:	US\$ 2,834.44	
Number & Type of Direct Beneficiaries:	Females:	342
	Males:	155
	Total:	467
	If available:	
	Children:	92
	Disabled:	30
	Elderly (+60):	64

1.

2. Project Overview

Provide a very short summary of the basic information from the proposal, the context, the target population and the problem statement should be briefly restated.

This section should also summarize the main findings of the rapid needs assessment (if any), as well as the rationale your office used for determining the sector and scope of ADRA's Private Grant project.

PROJECT SUMMARY

This project seeks to create livelihood opportunities for women and men, through the development of social enterprises producing nutritious snacks and meals. In Timor-Leste, 49.9% of the population lives below the national poverty line and only 40.2% of the population above 15 years of age is employed. At the same time, the country has alarmingly high rates of malnutrition. The majority of the population in rural Viqueque is engaged in subsistence agriculture and few opportunities exist for income generation outside of casual employment in manual labour on government infrastructure projects such as roads. This project will provide entrepreneurial groups the opportunity to develop new skills in hygienic food preparation and will encourage them to be creative with locally available ingredients to create healthy foods that will appeal to their neighbours and contribute to the nutrition of their families and communities. Needs assessments in the target communities identified a lack of diet diversity and a lack of nutritious processed food available in local markets. The primary beneficiaries in this project will be assisted in marketing their food and selling it locally to create income. Additionally, the groups will make their businesses a “social enterprise” by sharing their food, knowledge and recipes with their community through cooking classes. Nutritious food marketing and promotion will be furthered through the creation and distribution of a cookbook and the production of nutritious food preparation videos. This project is innovative in that it largely will empower women to develop small businesses selling snacks and meals that they have created and market tested in their communities and that will introduce nutritious, tasty, locally produced food to their communities. These new foods should contribute to combating persistent malnutrition in their communities, empower women and men as well as help to build the local economy. In addition to this, the project has been provided with an opportunity to utilise remaining funds to continue a 4 month extension of this project in an effort to help establish an additional 3 businesses based on a tempeh production model proven to be successful in the first 12 months of the project.

3. Description of the Intervention & Project Performance

In this section, implemented project activities should be described in the context of project objectives and measurable indicators described in your proposal and in the table below. A detailed explanation should be provided where there are any implementation constraints and where the project objectives have not been fully met. Give a narrative description for any proposed modifications or re-programmed budget line items that will occur during the remaining project life.

Describe the efforts made to ensure the targeted objectives were met. Remember that the project should have been implemented according to the approved proposal. Any deviation needs to be documented in this final report (or changes to date if this is a progress/interim report).

Respond clearly to each point below:

- When is the actual begin date and actual end date? (If it is ongoing, give completion date.)

The project officially began on January 15, 2017 with recruitment and the Project Coordinator was hired on January 23. Project orientation and activities began shortly thereafter. The project was granted a four-month extension and finished on April 30, 2018.

- What sector did this intervention fit into (shelter, food security, etc.)?

The sector was predominantly focused in income generation for women, and also in health/nutrition activities.

- Where was this project implemented? Did the location change from the original plan? If so, why?

This project was implemented in 3 sucos (communities) (Uma Tolu, Luca and Caraubalo), the location did not change, but technically speaking (pre-final approval stages we were looking at 4 areas, but reduced it down to 3). This was because it was felt that demands of managing four groups spread rather far apart geographically, would be significantly greater than managing three groups. Therefore, three locations were chosen that could receive sufficient support and we believe this would increase the likelihood of success.

As a project extension, 3 additional sucos were selected to be chosen as places where 3 new businesses may be established. These 3 new communities were Bahalarauain, Uma Uain Kriak and Uma Ki'ik (located in Craras area of Viqueque).

- Were there any significant changes from the needs assessment? Was any further assessment information provided by other organizations?

No, not really. In terms of further assessment, there was some cooking promotion done by

WFP I think in some remote communities in Viqueque, and one or two of our staff attended this.

- What criteria were used to select the beneficiaries from the total number of affected persons? Was relief/the intervention provided according to the Code of Conduct?

We conducted an orientation with the community leaders, and then they made it their task to find people in their villages to be a part of this project. Unfortunately as a means of being “fair” and picking “2” women from each village, it meant that some women dropped out eventually as the distance to the key location point for trainings / business was quite far for some. Sometimes picking a number of people equally distributed geographically actually makes it unfair for others. Project implementation is occurring in line with the code of conduct.

- What was the actual number of beneficiaries (persons) and households (with average number of person/HH) who received assistance? Important: Beneficiaries figures must be disaggregated by gender and age.

The primary beneficiaries were participants in the Food Innovation Groups (FIGs) and tempeh production business groups. In total there were 87 (11 male, 76 female). Secondary beneficiaries (those participating in taste tests and cooking demonstrations) totalled 410 (144 male, 266 female).

- What exactly did each beneficiary household receive, and how much was the total value of the goods/services per household? Provide details and explain if necessary.

The FIGS and tempeh business groups were provided with basic kitchen supplies and equipment for cooking (no appliances) and producing tempeh as well as the initial food ingredients for developing recipes, a fuel-efficient stove, and materials for starting the businesses (1 50kg bag of soybean, tempeh starter compound, cash box, calculator, finance record books) two groups received a soymilk-making machine and one group received equipment for providing water access to the home/group business site. These items were provided to the groups for common use and shared ownership. The total amount was \$6,196.70. Divided among the 87 participants this amounts to \$71.23 per beneficiary.

- Were there any other changes in the implementation?
Any deviation needs to be documented in this final report (or changes to date if this is a progress/interim report), stating when and by whom they were authorized.

One significant change did occur in relation to the planned video production and business concept promotion. As the project progressed the management team looked at the oppor-

tunities for creating successful tempeh businesses and decided that airing promotional videos on television would result in low value for money. As a result, the PM and CD decided that the money would be better spent on expanding the project to create 3 new businesses and in strengthening the groups with small business and financial management training to help bolster financial transparency and accountability skills of the groups. The promotional videos will be hosted on ADRA Timor-Leste's YouTube channel.

In addition to this, there was some left over funds, and as such we have the opportunity to help two the NFE groups establish soy milk production as an added production feature of their operating business, this was authorized by the program manager, and the cost was only a few hundred dollars each. In addition to this we were able to expand the number of groups by expanding to 3 new communities as part of a 4 month no cost extension that was approved by ADRA I.

4. Project Innovation component

Describe the results of the research component in the project and the impact of the innovation on the community. An innovative project is a program that encompasses originality and ingenuity. Private Grant Projects must provide a completely new or updated way of addressing a community need.

The project design must also consider a transition plan for long-term implementation past the innovation grant funding period (i.e. how will this project continue through other sources of funding? How will this project be sustained longer than one year?).

The project looked the potential for creating small businesses based upon producing and marketing healthy foods to communities with high rates of malnutrition. The project was implemented in six communities of varying populations and access to resources. The first phase of the project created Food Innovation Groups (FIGs) and provided them the opportunity to experiment with local ingredients and develop recipes that could be shared for home consumption and potentially be sold as a business opportunity.

From the results of the first phase, we saw that tempeh (a fermented soybean paddy) provided the most successful product with the best potential for scaling up. Tempeh, while fairly common in the capital city, is rarely available in the rural areas. It is fairly simple to produce and requires few inputs—cleaning and cooking soy beans and adding a fermenting culture (costing approximately \$3/kg), the tempeh needs to be bagged and allowed to ferment for three days, being rotated frequently. It has a short shelf life—needing to be consumed within three days of being finished, so the group members are motivated to sell their product quickly and offer discounts to turnover the product. By the end of the project four of the six groups were actively engaged in producing tempeh for sale. In one month the total earnings from the groups was \$756. The groups implement a savings system to be able to reinvest into the business and purchase new inputs. The most successful group in Carabalo, earn \$250 per month and save \$100. Two other groups save more modest amounts of \$12 and \$2 per month. Most of the groups sell tempeh individually to their immediate neighbours, while some sell in the local market. The groups have been proactive about marketing their tempeh, knowing that some people are unfamiliar with tempeh. They will give away samples and teach their neighbours how to cook it. They have become advocates for healthy eating promoting the nutritional benefits of tempeh. In this way they are expanding their market.

A 100g serving of tempeh contains 20g of protein. This represents 41% of the recommended daily intake in addition to 15% of recommended iron intake and 11% of calcium intake among many other important micronutrients. (https://www.nutritionvalue.org/Tempeh_nutritional_value.html). According to records collected by the Project Coordinator, within the the life of project, between the six groups, 840kg of soy bean have been processed into tempeh or soy milk and consumed by the community. It is beyond the scope of this research to measure the nutritional impact of this intervention, but one could deduce that there has been a net positive impact on nutrition. One group received a soy milk machine and found that it offered an even greater profit margin than tempeh and that there is good demand. They have marketed a slightly sweetened and naturally flavoured soy milk it to school children on their way to and from school as an alternate to the sweets and fried dough commonly available. The same group provides tempeh to their local school feed-

ing (lunch) program. Testimonies from community members have been shared that show that people are excited about soy milk and feel that they experience increased strength and energy after consuming it regularly.

Another component of investigation was to see measure the effectiveness of the intervention in different communities. The most successful group is located in the municipal capital, a small city. One reason for this could be that there is a larger market and the group members are not dependent on agriculture and have time to contribute to business. The success of the groups seemed to follow in a pattern that the further from the city, the less successful the group. Group members in more rural community commented that their neighbours do not have income to spend on food because they are subsistence farmers. Another significant factor seems to be the group leadership. The more successful groups are lead by motivated individuals who have had some experience in running a small business.

During the second phase (no-cost extension) the project focused on equipping the groups with small business training, as well as financial management and savings group training. An important activity was linking the groups to each other especially the new groups to the most successful group in Carabalo and arranging for this group leader and key group members to train the new groups in tempeh production and business management. These links are expected to endure after the project finishes as they can utilize each other for advice and support. All of the groups were linked to local suppliers of soy beans and other inputs for sustainability.

This project has given ADRA Timor-Leste the opportunity to gain experience in supporting income generating activities and as we transition out of this project, we can look for opportunities to expand the intervention in other communities. ADRA Timor-Leste will begin a 5-year agriculture value chain project in June 2018 which will include components of processing and adding value to locally produced products. Tempeh production could be incorporated in some way into these initiatives. Before the end of the project, the Ministry of Commerce and Industry in Viqueque was introduced to the project and showed interest in further promoting the tempeh business idea.

1.

5. Project Achievements

Overall Objective: To increase livelihood opportunities through healthy, marketable food production in target communities	
Planned Outcome 1. Improved food production systems of targeted groups	Comments and constraints (if results not achieved):
Achieved Outcome 1.	
Planned Output(s) 1.1. 3 Food Innovation Groups (FIGs) and Food Creation Labs (FCLs) established	
Achieved Output(s) 1.1. 6 FIGs and 6 FCLs established	The no-cost extension second phase allowed for the creation of three additional FIGs
Measurable Performance Indicators (Expected Results)	
Achieved Results 1.1.	
Planned Output(s) 1.2. 3 product input chains developed for FIGs	
Achieved Output(s) 1.2. 6 product input chains developed for FIGs	Inputs supply chain linkages were established for additional three groups during second phase of the project
Measurable Performance Indicators (Expected Results)	

Achieved Results 1.2.	
<p>Planned Output(s) 1.3. 3 FIGs produce and showcase a variety of new and healthy recipes that are tailored for local communities</p> <p>Achieved Output(s) 1.3. 3 FIGs produce and showcase a variety of new and healthy recipes that are tailored for local communities</p> <p>Measurable Performance Indicators (Expected Results)</p>	
Achieved Results 1.3.	

<p>Planned Outcome 2. Improved entrepreneurial, marketing and financial management skills of targeted groups</p>	
<p>Achieved Outcome 2. Improved entrepreneurial, marketing and financial management skills of targeted groups</p>	Small business, financial management provided by ANZ Bank and supported by Project Coordinator as she set up savings groups
<p>Planned Output(s) 2.1. 3 Small business enterprises established by Food Innovation groups (FIGs) members, (with financial management skills)</p> <p>Achieved Output(s) 2.1. 6 Small business enterprises established by Food Innovation groups (FIGs) members, (with financial management skills)</p>	By the end of the project, 4 small enterprises were functioning regularly

Measurable Performance Indicators (Expected Results)	
Achieved Results 2.1.	
Planned Output(s) 2.2. 3 FIGs are involved in healthy food promotional activities	
Achieved Output(s) 2.2. 6 FIGs are involved in healthy food promotional activities	Including three new groups
Measurable Performance Indicators (Expected Results)	
Achieved Results 2.2.	

6. Financial Report (Please attach the Financial Report table to this report)

In this section, a brief summary of expenses incurred during the reporting period must be provided. Explain any differences from the proposed budget. In kind contributions received for the purpose of project implementation should be included with a brief explanation. The final report should clearly indicate any residual funds.

The Financial Report attached to this Narrative Report should use the same Excel format as the budget. Columns with the actual expenses both in local currencies and USD should be added, as well as a column showing the % difference between the budgeted and realized expenses.

Include the following information:

- Was the project implemented as planned, or did the budget change during implementation? If it changed, please summarize and explain the actual vs. budgeted changes in cost.

In general, yes, the project was being implemented as per the plan, though some items did cost less and some may have costed more. Overall, there was left over funds, and as a result, we decided to expand project activities and include more beneficiaries for an extra 4 months of time.

- Give a narrative description for any modifications or re-programmed budget line items that occurred during the project. Why did the budget change during implementation? Please summarize and explain any deviation in the budgeted versus actual expenditures, as shown separately in the Table of Expenditures.

Deviations or underspending of funds occurred mainly due to the unknown nature of the cost of project activities. However, this underspending also benefitted the project in that we were able to conduct further activities for new key beneficiaries by picking up another 3 communities and only focusing on the business training / healthy methods and tempeh production aspect.

- Was the project income received deposited and maintained in a non-administrative account dedicated to this project?

Yes

- Were price quotes obtained from different vendors to get the best price for materials?

When available, we obtain quotations from three vendors for high-cost purchases, but for some items like vegetables that we use, we get from the market place. We aim to purchase high quality goods at the best price available, as often the lowest priced goods are often of inferior quality.

- Was the quantity of goods the same or less than planned? If not the same, why?

Yes, in general the quantity of goods were more or less what was required.

- Please make sure the unit costs are given in local currency and USD.

Timor-Leste uses USD.

- The average weighted exchange rate: total amount of local currency received/total amount of USD received, should be given at the top of the Financial Report. It should be the same rate as what the bank used for the wire transfer from ADRA International.
- If an increase or deficit of income was caused by the currency exchange, please provide follow-up in the budget regarding how these additional funds were used, or alternatively what was done to make up for that loss.

Costs in Timor-Leste are in USD, so there were no exchange losses experienced.

- Are there any left-over monies that were not implemented? If so, how much?

From the \$50,000 grant, \$1,534.44 was left over.

Based on the budget Excel table, add two columns on the right for actual expenditures in local currency and US\$, plus one column for the difference between planned and actual expenses.

7. Project Income

Please provide a table of income showing each partner, the date their funds were received, and how much was actually received from the wire transfer.

- List all partners and their financial contribution(s) to the project.

Project **INCOME** from: Amount (**\$ USD**)

ADRA International \$50,000

ADRA Timor-Leste \$1,300

TOTAL \$51,300

- If any, interest accrued on outstanding funds must be shown as income. All amounts must be given in USD as well as the local currency, with exchange rate included. The average weighted exchange rate will be used for the financial reporting.

The bank accounts ADRA Timor-Leste uses do not pay interest.

8. Evaluation

- Reflect on any changes in the implementation from the proposed intervention plan.

By opting to forego televising videos marketing the tempeh production business concept, we decided to franchise the tempeh business idea, introducing the business to three new communities. This served to increase the economic benefit to 30 new households involved in the business groups and to provide a new source of nutritious foods to these communities. With the funds saved we were also able to facilitate two representatives from each group to travel to Dili (the capital city) to participate in a two-day business and financial management training provided by ANZ bank as part of their CSR activities. This was a practical and useful training and was appreciated by all the participants.

- Reflect on what was done well, lessons learned, and what may need to improve for future projects and what can be replicated.

Done well:

Good marketing, free samples and taste tests, collecting feedback and taking suggestions

Introduced methods for producing high quality, hygienic tempeh

Good customer service, diligent promotion, creating new customers

Support and involvement from group participant spouses

Increased nutrition information, thus increasing demand for nutritious food options

Cross visits between groups were effective in motivating and sharing information and expertise.

Groups created recipes that we published into a cookbook which was well received in the communities.

Lessons learned:

Tempeh production can be profitable, requires few inputs, is uncomplicated process, provides healthy food for communities with few processed food options beyond instant noodles and sweets.

High demand for soy milk and offers high profit margins

Opportunities exist for linking to school feeding program and wider distribution markets.

Effective project planning and implementation and positive synergies with ADRA's other nearby agriculture and health project

Need to improve for future projects:

ADRA should find people interested in participating rather than having village chefs appoint participants

Conduct good assessment of groups before investing in support

Create clear criteria for group members: willingness, commitment, motivation

Build off of knowledge and skills of group members

Ensure local leaders know the objective of project and gains their support

Start at aldeia level (village) rather than suco level (larger village community)

More targeted gender training as women gain economic power through business
Need to tailor support in smaller, more rural communities to increase sustainability
Diversity production to include other healthy, marketable products (eg. tofu, snacks)

- Describe any long term plans that may be developing as a result of this intervention

This project has allowed ADRA Timor-Leste to gain valuable experience in value-added processing and income generating activities. We believe that the tempeh business idea could be implemented in other areas where ADRA works or would like to work. This may become an option during an upcoming project funded by New Zealand dealing with agri-business and value chains as we look for opportunities for processing locally-grown products.

9. Public Relations

- Include 2-4 High resolution (size 5184 pixels x 3456 pixels) action photos of beneficiaries. Photos should show the ADRA logo and be somewhat self-explanatory as to what ADRA was doing. Pictures should also be sent separately to ADRA International and the Regional Office, either as email attachments.
- Include humanitarian interest stories and success stories. Human interest stories document the experiences of individuals affected by the project and help to personalize its successes and challenges. Success stories are descriptions of the “when, where, what, why, and how” a project succeeded in its objectives.

Julia Osorio Salsina

Julia lives in Bahalaurain, Viqueque Municipality with her husband and six children. In January, 2018 she was invited to join the extension activities of the project to be part of a tempeh production business. Julia had already been making and selling tempeh by herself and when she joined the project she was elected to be the group leader. The group chose the name Moris Rasik, which translates as “own life.” Her group of ten women meet twice each week. On one day they cook and prepare the tempeh and then return two days later after the fermentation process is at the correct stage and they each collect a share of tempeh to take to their homes where they sell to their neighbours. Julia enjoys working with a group and says that she has benefitted most from the finance and small business training that ADRA Timor-Leste provided. From the profits each group member earns, \$27 per week on average, the group members each contribute a small amount to a savings fund. Presently they are saving \$12 each month. They use the savings to purchase new supplies of soybeans and other materials and plan to expand their production to include soymilk. Eventually, the group plans to diversify its activities to include trading in ginger and coconut that they grow on their farms. Julia is thankful to ADRA for the opportunity to participate in the project and for helping to create and support the tempeh production group.





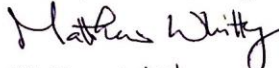
Julia Osorio Salsin (far right) with two tempeh production group members (PC: Matt Whitty)

8) Signatures (mandatory)

By signing below, we verify that the contents of this document are true and accurate to the best of our knowledge and that the project will be coordinated, monitored, and reported on according to the rules and regulations of the donor(s) listed above:

Name & Signature of Authorized Party for Programmatic Matters
Title: Country Director, Program Director, or designee


Enter date.


Matthew Whitty Country Director

28/05/2018

Name & Signature of Authorized Party for Financial Matters
Title: Finance Director, Chief Accountant, or designee

Enter date.


Rathi Avriia
Finance manager

28/05/2018

