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SUPPORTING AGRIBUSINESS GROWTH AND DEVELOPMENT THROUGH ENHANCED MARKETING SYSTEMS AND VALUE ADDITION

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SDGs:



Countries:

Uganda

Project Codes:

TCP/UGA/3601

FAO Contribution

USD 350 000

Duration:

1 October 2016 – 30 June 2019

Contact Info:

FAO Representation in Uganda

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Implementing Partners

Ministry of Trade, Industry and Cooperatives (MTIC).

Beneficiaries

Business-oriented farmer organizations and households (including women and youth) and business-oriented farmer organization leaders from selected subcounties in the two Districts of Bugiri and Kabale.

Country Programming Framework (CPF) Outputs

Outcome 1: Sustainable production and productivity of agriculture, forestry and fisheries commodities for men, women and youth in targeted populations increased.



BACKGROUND

The commercialization of agriculture in Uganda is faced with a number of challenges, including low productivity and poor quality of products, non-sustainable supplies, limited value addition and agroprocessing initiatives, inefficient and ineffective marketing systems, low and fluctuating prices, poor post-harvest management, restricted access to market information, and inadequate business and marketing skills, among others. This has led to the non-realization of competitive returns to vulnerable smallholder farmers, confining them to a vicious cycle of poverty. Although trade liberalization in the country has opened up more markets, it has also rendered the commercial environment extremely competitive for vulnerable smallholder farmers. Against this background, the project focused on promoting pro-poor growth and economic transformation, which would allow vulnerable households to tap into and benefit from developed value chains and marketing systems, and expanded domestic, regional and international markets for agricultural products.

IMPACT

The project contributed to enhancing production capacities and market prices for the produce of the three supported value chains (rice, pineapple and mushroom) in Bugiri and Kabale districts; as well as to establishing links with financial services institutions and big buyers. These results are expected to lead to increased household incomes, food security, and the growth of agribusiness enterprises.

ACHIEVEMENT OF RESULTS

Three agricultural commodity value chains were developed (rice, mushroom and pineapple) in two target districts, Bugiri and Kabale. Specific support focused on training farmers in improved production and productivity methods, and equipping them to produce, package, and add value to their produce.

Meetings were organized and facilitated between farmers' leaders and financial institutions in the two target districts, and beneficiaries were linked to financial services for better access to production inputs for selected enterprises.

Awareness was created for farmer organizations and agrodealers on agroprocessing technologies, to facilitate access to better agribusiness innovations. This was achieved by organizing exposure visits and Training of Trainers (ToT) sessions for 30 farmers from each of the three agricultural commodity value chains; and facilitating farmer organizations and agroprocessors to participate in two agricultural trade shows and two district-organized workshops.

Six cooperative societies, comprising 30 groups, and focusing on the three agricultural commodity value chains, were formed in the two target districts, and registered as legal entities with the Registrar of Cooperative Societies. A total of 30 training sessions were conducted for the different producer groups of the three value chains in the two districts.

Farmers were facilitated to sell their produce (fresh pineapples, fresh mushrooms, dried mushrooms and processed rice) through training in post-harvest handling, participation in agricultural trade shows (Kabale and Bugiri), and enhanced linkages with actors; and by undertaking market research and market intelligence in the respective value chains. The beneficiaries' products are now being sold to supermarkets and produce exporters in Rwanda and the Democratic Republic of the Congo, and to high-value markets in Kampala and other urban centres.

Village Savings and Loan Associations (VSLAs) were established at FBS level. Thirty supported FBS groups were trained in the VSLA methodology, and savings schemes were set up at each FBS group. In addition, 30 saving kits were procured and distributed among FBS in the two target districts. So far UGX 50 million (approximately USD 13 157) have been mobilized through VSLAs, and the supported VSLAs have been able to raise capital of over UGX 6 million (USD 1 578).

Information and Communication Technology (ICT) equipment was delivered and agricultural market information centres were established in Kabale and Bugiri Districts. The farmers were facilitated through their respective groups to access agricultural market information on a regular basis, to empower them to bargain for better prices for their commodities. A total of ten Production Information Advisers (PIAs) were trained in the use of the equipment, and were supported to digitize farmer records and to map farmer cooperatives in their respective districts. Selected farmers were also trained in record-keeping and farm enterprise, to assess the profitability of their enterprises on their own.

Finally, two rice hullers were purchased and delivered to the two rice cooperatives in Bugiri. It is anticipated that this equipment will trigger increased productivity and efficiency in the rice value chain, and therefore provide more volumes of processed rice to the markets.

IMPLEMENTATION OF WORK PLAN

The implementation of the project was held up by administrative delays; as well as by constraints encountered with the completion of the value chain analysis studies for pineapple, rice and mushroom, which were required for the project. Therefore, a two-month no-cost extension was requested and approved. In addition, procurement issues hindered the production of value added (branded and cleaned) rice. Thus, an additional no-cost (six-month) extension was granted, in order to complete project activities. The activities were largely implemented within the planned budget.



FOLLOW-UP FOR GOVERNMENT ATTENTION

It is recommended that the Government actively seek donor funding to carry out these follow-up actions:

- i) providing further support to the farmers' groups that were formed, to ensure that they achieve sustainability and acquire the necessary quality standard certification for products; and that they carry out branding and packaging to make their products more competitive in the local and regional markets;
- ii) organizing more tailor-made training sessions in technologies related to seed production, especially for mushrooms. This will help increase/improve production and productivity. Further training is also required in value addition-related technologies, especially branding and packaging, market intelligence, financial management and reporting, corporate governance, and business planning, among others;
- iii) implementing projects to support strengthening of value addition initiatives that were implemented during this project, in order to enhance the sustainability of interventions and the viability of the supported cooperatives and groups, to achieve product competitiveness in the market;
- iv) continuing the promotion of a culture of saving and effective loans utilization and management. The engagement of the financial institutions should also be continued, to design appropriate and tailor-made products and services for the project-supported cooperatives; and
- v) liaising with the supported cooperatives to ensure the acquisition of trucks for transporting, good storage facilities, branding, and quality standards certification for their products, as well as post-harvest handling and better packaging, to improve the competitiveness of the products in the national and regional markets.



SUSTAINABILITY

1. Capacity development

Key challenges, including lack of access to markets, inputs and financial services, and low knowledge in agroprocessing and post-harvest handling, were addressed during the project. Exposure visits were carried out to ensure the “learning-by-doing” approach.

The project was implemented with the involvement of District Local Government staff and Ministry of Trade, Industry and Cooperatives (MTIC) staff, and was incorporated in routine work schedules.

Political leadership at the district level, Chief Administrative Officers, District Commercial Officers and Production Officers (including subcounty-based Agricultural Extension Officers) were involved in the implementation of project activities from the very beginning of the project, as strategic and operational allies. The partners included Heifer International, Fit Insights Limited (Ltd), Excel Hort Consult Ltd, agroprocessors and trainers, Mushroom Training and Resource Centre (MTRC), National Farmers’ Leadership Training Centre (NFLC), Uganda Cooperative Alliance, Uganda Industrial Research Institute and Uganda National Farmers Federation, among others.

2. Gender equality

The project emphasized inclusive development, with a strong emphasis on women and youth involvement. During mobilization and group formation, and training in appropriate technologies, gender equality was emphasized, and underpinned the implementation of all project activities. For example, in all the enterprises the number of supported male and female participants was almost equal.

3. Environmental sustainability

The project emphasized the use of organic fertilizers and the sustainable use of wetlands, following National Environment Management Authority (NEMA) guidelines. In terms of technology, the use of ecofriendly technologies were promoted, such as solar dryers, and safe application of chemicals.

4. Human Rights-based Approach (HRBA) – in particular Right to Food and Decent Work

The project promoted a cooperative business model, whose identity (principles and values) espouses equality, equity, solidarity, democracy, accountability and transparency, the participation of women in decision-making, and the promotion of decent work. The cooperative model also emphasizes rights and obligations of membership and leadership through ownership, use, control and benefits.

Agribusiness was emphasized without compromising food security. In addition, the project promoted enterprises that had easy access to market, as well as largely involving women. This improved household incomes.

The project training sessions mostly emphasized sending children to school, and avoiding child labour.

5. Technological sustainability

Moderate, accessible and affordable technologies were promoted, such as solar driers and middle-level rice machinery. The training and capacity-building activities revolved around existing indigenous knowledge, to ensure easy adoption.

The supported smallholder farmers were provided with a good grounding and background in the target enterprises, and are therefore thoroughly capable of continuing with the implementation of the project activities beyond the project.

6. Economic sustainability

The government agenda prioritizes agro-industrialization to facilitate agroprocessing, value addition, and post-harvest handling improvement to reduce post-harvest loss, which is currently estimated at 40 percent. Therefore, every effort is being made to mobilize resources to address post-harvest handling and storage, and to undertake agroprocessing to avoid exporting jobs.

The project products and services were developed based on the prevailing market conditions, and the prices for these products are competitive in the locality.



DOCUMENTS AND OUTREACH PRODUCTS

- Report on value chain analysis for rice.
- Report on value chain analysis for pineapple.
- Value chain analysis on the mushroom enterprise in Kabale District, Southwestern Uganda.
- Training report of Kabale Farm Business School facilitators.

ACHIEVEMENT OF RESULTS - LOGICAL FRAMEWORK

Expected Impact	Contribute to increased household incomes, food security and growth of agribusiness enterprises (MSMEs) through enhancement of sustainable agribusiness industry that supports transformation to commercial agriculture and narrowing of Uganda's trade imbalance	
Outcome	Improved marketing systems and sales by male and women/youth smallholder farmers for selected commodities	
	Indicator	<ul style="list-style-type: none"> – Increase in trade in targeted value chains by selected micro, small and medium-sized enterprises (MSMEs)/cooperatives. – Percentage change in sales volumes of beneficiary farmers.
	Baseline	No baseline survey was conducted
	End Target	A 30% increase in production volumes and efficiency in the three targeted value chains
	Comments and follow-up action to be taken	<p>No final terminal results assessment was conducted. However, the project formed, strengthened and registered six business-oriented farmer organizations (cooperatives) in Bugiri and Kabale districts, as follows: i) in Bugiri District, Muwayo United Cooperative Society Limited and Busangirizi Rice Farmers Cooperative Society Limited, dealing in rice; and ii) in Kabale District, Maziba Pineapple Growers Cooperative Society Limited and Nyanja Pineapple Growers Cooperative Society Limited; and Kabale Municipality Mushroom Growers Cooperative Society Limited and Kabale Municipality Northern Division Mushroom Growers Cooperative Society Limited. The six cooperative societies comprised a total of 30 farmer groups, namely ten in Bugiri for rice (Agali-Awamu, Ziburatude, Muwayo United, Muwayo Junior, Buluguyi Rice Farmers Association, Kibimba Outgrowers Association, Tendo, Bulume Community, Kyebajakobona and Tufube); and 20 groups in Kabale for pineapple and mushroom (Kamuronko pineapple growers, Maziba pineapple growers, Kitambi B, Birambo A pineapple growers, Birambo B pineapple growers, Nyanja pineapple growers, Nyakabungo-Nyarwanya, Mubira, Rushebeya-Rwabigyere–Bateganda, Rwabakina, Mwanjari Youth for Development, Kekubo-Abaliamwe women for development, Kabale Youth Mushroom Enterprise, Kekubo mushroom growers, Nyakabale farmers' association, Women of Hope, Omukago Bugongi, Divine mushroom growers, Women United against Poverty and Nyabikoni mushroom growers). These six cooperatives and 30 farmer groups serve 825 smallholder farmers (470 males, 355 females), drawn from two and four subcounties in Bugiri and Kabale districts respectively.</p> <p>A total of 30 FBS groups were trained, 10 for rice value chains in Bugiri, and 10 for pineapple and 10 for mushroom value chains in Kabale.</p> <p>An increase in production capacities and market prices for the produce of the supported value chains was reported. For example, there was an increase in trade volumes based on the tonnages of commodities bulked by the supported cooperatives (MSMEs) during the project. Similarly, the price received for unprocessed rice increased from UGX 1 500 to UGX 1 800; and for processed rice from UGX 2 500 to UGX 3 500.</p> <p>It is recommended that market research, intelligence, identification, and linkage of supported MSMEs/cooperatives to viable and competitive markets at national and regional levels be undertaken, especially for pineapple.</p>

Output 1	Selected commodity value chains developed through establishment/strengthening of backward and forward linkages, and linked to support services		
	Indicators	Target	Achieved
	Number of value chains developed	Three value chains	Yes
Baseline	0		
Comments	<p>A total of three agricultural commodity value chains were developed, namely rice, mushroom and pineapple. Specific support focused on training and equipping farmers to produce, package and add value to the crops.</p> <p>Additional time and resources were required to ensure the formation, development, promotion and strengthening of farmer groups.</p> <p>It is recommended that the Government actively seek donor funding to assist in further supporting the farmer groups, to ensure that they achieve sustainability and acquire the necessary quality standard certification for products; and that they carry out branding and packaging to make their products more competitive in the local and regional markets.</p>		
Activity 1.1	i) Conduct commodity market surveys and value chain analysis study; ii) Identify the potential key value chains actors for the selected enterprise in the target regions		
	Achieved	Yes	
	Comments	<p>Three commodity value chain studies were conducted, and the study reports were shared with key stakeholders.</p> <p>Market surveys were carried out by Excel Hort Consult Ltd, to identify potential big buyers; and attempts were made to link these buyers to cooperatives by signing memorandum of understanding (MoU) agreements for collaboration between the identified buyers and the cooperative leaders for rice. No MoUs were signed for the mushroom and pineapple value chains, although linkages were initiated. This was because groups took a long time to finalize their registration, and companies preferred to deal with legally registered entities.</p>	
Activity 1.2	Set up stakeholder platforms for public-private sector dialogue and collaboration		
	Achieved	Yes	
	Comments	<p>Cognizant of the challenges different actors along the value chain faced, Excel Hort Consult Ltd used a participatory approach, and organized meetings with different stakeholders for the supported value chains in Kabale and Bugiri districts. These meetings involved District Commercial Officers, Agricultural Officers, Subcounty chiefs, local council chairpersons, financial institutions, agro-input dealers, extension workers, traders, processors, agromachinery dealers, researchers and farmers' representatives. This culminated in the formation of three stakeholder platforms: i) Kabale Mushroom innovation platform; ii) Kabale Pineapple innovation platform; and iii) Bugiri rice innovation platform.</p>	
Activity 1.3	Conduct negotiations among the actors in the value chain for Contracts and other Agreements		
	Achieved	Partially achieved	
	Comments	<p>The two cooperatives dealing in rice signed MoUs with two companies, namely DEEH Enterprises Ltd in Jinja and Grain Enterprise Ltd in Kampala.</p> <p>Linkages were created between mushroom farmers in Kabale and key buyers from Mushroom Gold Ltd, and the MTRC. The rationale was for the latter to buy mushrooms from the farmers, although the MoU had not been finalized by the end of the project.</p> <p>Pineapple farmers in Kabale were linked to Kihembe Wine Producers Ltd, one of the leading wine processing companies in Kabale. However, this MoU had not been signed by the end of the project.</p>	

Output 2	Increased production and productivity of selected value chains		
	Indicators	Target	Achieved
	Increase in volumes of production and efficiency in the targeted value chains	30% increase in production volumes and efficiency in the targeted value chains	Partially
Baseline	No baseline evaluation was done		
Comments	<p>The project focused on training and equipping farmers in improved production and productivity methods. A total of 30 training sessions were conducted for different producer groups of mushroom, pineapple and rice in Kabale and Bugiri districts. Selected farmers/beneficiaries were also organized into six business-oriented farmer groups; and already existing groups were supported to register as legal/formal entities, in liaison with the Registrar of Cooperative Societies. However, there was not sufficient time to transform the project interventions into measurable household production and productivity improvement during the project.</p> <p>Impediments: There were budget constraints, and group formation, promotion, development and strengthening took longer than expected.</p> <p>Follow-up: More tailor-made training sessions are required in technologies related to seed production, especially for mushrooms. This will help increase/improve production and productivity. In addition, training is required in value addition-related technologies, especially branding and packaging, market intelligence, financial management and reporting, corporate governance, and business planning, among others. It is recommended that donor funding be sought for this purpose.</p>		
Activity 2.1	Carry out training and capacity building in farm management and farm business planning		
	Achieved	Yes	
	Comments	<p>The supported farmers were trained in farm management practices, with an emphasis on farm record-keeping. The farm records were digitized by Fit Insights Ltd, one of the three implementing partners, to produce statements of financial performance (profit or loss statement) for each participating farmer, and the reports from the system were used to illustrate to the farmers the profitability/status of their enterprises, as they clearly demonstrated whether they were making profits or losses.</p> <p>At the end of the project, about 60% of the farmers had been enrolled and their farm records digitized by Fit Insights Ltd.</p> <p>The two rice cooperatives in Bugiri were trained in business planning and produced two drafts business plans for further review and finalization.</p> <p>The pineapple and mushroom cooperatives were also trained in business planning, but did not complete the process of drafting business plans.</p>	

Activity 2.2	Carry out entrepreneurial skills training for trade in the project areas	
	Achieved	Yes
	Comments	<p>Two training sessions were held for each cooperative society, covering topics such as visioning, developing mission statements, business planning, export readiness, visionary leadership, and cooperative business acumen/mode. Simplified Trade Regimes (STR) under the Common Market for Eastern and Southern Africa (COMESA) and East African Community (EAC) protocols were also covered, to ensure that cooperatives operated with awareness of regional trade regimes, and on principles of entrepreneurship and business acumen.</p> <p>The STR exposed the cooperative leaders to cross-border trade, without going through the procedures of rigorous and laborious customs paper-based procedures associated with it.</p> <p>The leaders were facilitated to participate in the national annual agriculture trade show, in an effort to enhance learning-by-seeing, and expound trade for copycat type of entrepreneurship development for trade among farmers.</p> <p>A total of 45 (20 female, 25 male) leaders were facilitated to participate in trade shows in both Bugiri and Kabale. The Bugiri District Agribusiness Expo, the first of its kind, under the theme "Towards food secure region through improved farming, research, innovation and sustainable development", hosted the rice farmers. In addition, both pineapple and mushroom farmers participated in a trade show that took place at Boma grounds in Mbarara District. This was aimed at enabling farmers' networks; establishing linkages and exploring business opportunities for their products and services; showcasing products, technologies and innovations in an interactive environment; and obtaining feedback along the value chains for generating new business opportunities and improving current business practices.</p>
Activity 2.3	Link beneficiaries to financial services for better access to production inputs for selected enterprises	
	Achieved	Yes
	Comments	<p>Meetings were organized and facilitated between farmers' leaders and financial institutions in the project areas of Bugiri and Kabale Districts. This was preceded by a series of meetings with different financial institutions (banks and microfinance institutions), which shared their various products and relevant services for the farmers. The financial institutions engaged included Centenary Bank, Stanbic Bank, DFCU Bank, PostBank Uganda, Finance Trust Bank, Pride Microfinance Ltd, FINCA Uganda, Opportunity Bank. Discussions on financial services for project beneficiaries were also held with Savings and Credit Cooperative Organizations (SACCOs) in Lyamujungu SACCO and Kirigime SACCO in Kabale District; and Mwanayinkyi SACCO, Buwunga farmers' SACCO and Bugiri rural women's SACCO in Bugiri District, among others.</p> <p>Farmers subsequently opened bank accounts with Centenary Bank, PostBank Uganda, Pride Microfinance Ltd, and Lyamujungu SACCO in Kabale District, all of which are financial institutions linked to their respective groups/cooperatives in both Bugiri and Kabale districts.</p>

Output 3	Enhanced agroprocessing and value addition		
	Indicators	Target	Achieved
	Number of value added products available for sale	Three value added products	Yes
Baseline	0		
Comments	<p>The project conducted training in post-harvest handling of all three target enterprises for beneficiary farmers in the two districts. As a result of this, farmers at the household level are now producing dried mushrooms for a high-value market in Kampala, and linkages to aggregators and exporters were established for pineapple and rice.</p> <p>Two rice hullers were purchased and delivered to the two rice cooperatives in Bugiri. It is anticipated that these hullers will trigger increased productivity and efficiency in the rice value chain, and therefore provide more volumes of processed rice to the markets.</p> <p><u>Impediments:</u> There was not sufficient time to allow farmers to replicate improved production technologies learned during the project. In addition, delays in procurement hindered the production of value added (branded and cleaned) rice; the processing machines were delivered towards the end of the project, thus it was not possible to conduct an assessment on the impact of these hullers on production and productivity on the enterprise.</p> <p><u>Follow-up:</u> It is recommended that the Government seek donor funding to assist in implementing projects to support the strengthening of value addition initiatives that were implemented during the project, in order to enhance the sustainability of interventions and the viability of the supported cooperatives and groups, to achieve product competitiveness in the market.</p>		
Activity 3.1	Promote good practices in quality control and packaging for marketing		
	Achieved	Yes	
	Comments	<p>The project conducted training in post-harvest handling of all three target enterprises for beneficiary farmers in the two districts. As a result of this, farmers at the household level are now producing dried mushrooms for a high-value market in Kampala, and linkages to aggregators and exporters were established for pineapples and rice.</p> <p>In addition, training in Standard Operating Procedures (SOPs) for dried mushrooms, quality control, product standardization, packaging and branding was provided for 30 participants (18 female, 12 male).</p>	

Activity 3.2	Support establishment of collection centres and storage facilities for the target business-oriented farmer organizations	
	Achieved	Yes
	Comments	All six cooperatives established collection centres, and were supported with essential elementary equipment, such as digital weighing scales, platform weighing scales, essential furniture, 20 pallets and 300 packaging bags. Through the collection centres and linkages with actors in the respective value chains, supported farmers were able to sell their produce (fresh pineapples, fresh mushrooms, dried mushrooms and processed rice) to supermarkets, produce exporters in Rwanda and Democratic Republic of the Congo and to high-value markets in Kampala and other urban centres.
Activity 3.3	Support private sector investment in agribusiness enterprises (MSMEs) aimed at enhancing value addition	
	Achieved	Yes
	Comments	A pineapple juice extraction processing plant, supported by the Government of Uganda in Maziba, Kabale, was linked to pineapple cooperatives to enhance value addition. Similarly, linkages were established between the MTRC and the mushroom cooperatives. By the end of the project, mushroom farmers were marketing dried mushrooms for the MTRC. Rice cooperatives were linked to processors, Upland Rice Millers Company Ltd and Tilda Uganda Limited-Kibimba, Bugiri, to ensure value addition and enable farmers to fetch higher prices in the domestic market. Private sector investors were also engaged, and expressed interest in working with the beneficiary farmers to enable them to access a better market through processing services offered by the private-sector investors
Activity 3.4	Support procurement of catalytic agribusiness value addition equipment and /or machinery for supported enterprises	
	Achieved	Yes
	Comments	Two rice hullers were purchased and delivered to the two rice cooperatives (in Bugiri in the last quarter of the project). It is anticipated that these hullers will trigger increased productivity and efficiency in the rice value chain, and therefore provide more volumes of processed rice to the markets.

Output 4	Selected agribusiness enterprises expanded		
	Indicators	Target	Achieved
	Number of business-oriented farmer organizations established and/or strengthened	Six cooperatives formed	Yes
Baseline	0		
Comments	<p>Six cooperative societies, comprising 30 groups focusing on rice, mushroom and pineapple value chains were formed in Kabale and Bugiri districts, and registered as legal entities with the Registrar of Cooperative Societies.</p> <p>In addition, 50 FBS community-based facilitators (20 from Bugiri and 30 from Kabale) were trained by two consultants in the FBS concept.</p> <p>In June 2018, a total of 10 farmers and 10 district and subcounty local government staff members from Buwunga and Buluguyi subcounties in Bugiri District participated in a 10-day ToT course on the FBS concept. The main objective of the course was to strengthen entrepreneurial and business management capacities of smallholder farmers, and covered the following: establishing an FBS system; farm business concepts – building business skills; farm business planning and implementation; communication and facilitation skills; and team building. Given that these farmers were to cascade this training to fellow farmers in their subcounties, emphasis was also given to facilitation skills, with an understanding of adult learning.</p> <p>A field monitoring mission was conducted in the two subcounties to assess the implementation of the FBS approach in Busangirizi Rice Farmers Cooperative Society Limited and Muwago United Cooperative Society. Busangirizi Rice Farmers Cooperative Society Limited comprised five farmer groups, namely Tendo, Tufube, Kibimba Outgrowers Association, Kyebajakbona and Bulume; while Muwago United Cooperative Society consisted of Muwayo United, Muwayo Junior, Buluguyi, Ziburatude and Agali-Awamu farmer groups.</p> <p>The findings indicated that the trained community-based facilitators used the FBS training materials. However, it was reported that there were difficulties with understanding the (English) manual, and a version in simpler English or in the local languages would have been preferable. The facilitators interviewed from Buwunga and Buluguyi subcounties reported introducing the FBS concept to fellow farmer group members, but did not conduct a needs assessment or formation meetings, owing to other farming-related engagements. Thus, no new FBS were formed outside the existing farmer groups, owing to time and resource constraints.</p> <p>Storage facilities existed in both Muwayo and Busangirizi cooperative societies, but required expansion and renovation respectively before they could be fully operational. Both stores had easy access to main roads and electricity, providing an opportunity for value addition of the produce prior to marketing.</p> <p><u>Impediments:</u> These included inadequate record-keeping; poor quality produce, owing to the harvesting of immature rice and poor post-harvest handling practices; poor packaging; price fluctuations; and faulty weighing scales. Within Muwayo Cooperative Society, the leadership and member economic patronage of the society and groups needed strengthening, in order to improve the relevance and sustainability of the producer organization for its members.</p> <p>With regard to Bugiri Cooperative societies, the recommended follow-up actions included:</p> <ul style="list-style-type: none"> i) strengthening producer organization management structure, and continuous cooperative member education, active member participation; ii) improving information and financial management systems (Market Information Systems [MIS]); iii) closer monitoring and supervision, and linkage of producer organizations to credible markets, and to materials suppliers and services providers; iv) improving governance structures of the FBS, implementing producer organizations; and v) supporting producer organizations to secure basic assets for their core business operations. <p>Of the 30 facilitators trained in Kabale district from 11-21 June 2018, 21 represented farmer groups from Maziba and Kaharo subcounties engaged in pineapple production (11), and northern and southern divisions of Kabale Municipality engaged in mushroom production (10). The other nine facilitators were extension workers (five), FAO field staff members (two), and implementing partners (one).</p> <p>Following this, a five-day trainee assessment monitoring mission was conducted in July 2018 in Kabale, to establish the extent to which the FBS concept was being utilized by the established farmer groups and neighbouring communities. The mission also discussed the enablers and challenges faced in establishing the FBS, and analysed the experiences of members of the initiated FBS and surrounding target communities.</p> <p>One recommended key follow-up action is to ensure that value added products reach competitive markets, and that the initiated linkages with high-value buyers are sustained, and that new linkages to good and reliable markets are carried out.</p>		

Activity 4.1	Form and strengthen targeted business oriented farmer organizations in accordance with the supported value chains in liaison with MAAIF and other agencies	
	Achieved	Yes
	Comments	Six cooperative societies comprising 30 groups focusing on rice, mushroom and pineapple value chains were formed in Kabale and Bugiri districts and registered as legal entities with the Registrar of Cooperative Societies.
Activity 4.2	Strengthen business-oriented farmer organizations through continuous training in business management aspects	
	Achieved	Yes
	Comments	50 FBS community-based facilitators (20 from Bugiri and 30 from Kabale) were trained by two consultants in the FBS concept. In June 2018, a total of 10 farmers and 10 district and subcounty local government staff members from Buwunga and Buluguyi subcounties in Bugiri district participated in a 10-day ToT course on the FBS concept. The main objective of the course was to strengthen entrepreneurial and business management capacities of smallholder farmers, and covered the following: establishing an FBS system; farm business concepts – building business skills; farm business planning and implementation; communication and facilitation skills; and team building. Given that these farmers were to cascade this training to fellow farmers in their subcounties, emphasis was also put on facilitation skills, with an understanding of adult learning.
Activity 4.3	Create awareness for business-oriented farmer organizations and agrodealers on agroprocessing technologies to facilitate access to better agribusiness innovations	
	Achieved	Yes
	Comments	<ul style="list-style-type: none"> – A total of 30 farmers (15 female, 15 male) were facilitated to conduct exposure visits to Benir and Gavamukulya rice millers in Bugiri for ToTs on rice value chains. – Exposure visits were conducted for 30 farmers (15 female, 15 male) to the Uganda Industrial Research Institute's (UIRI) fruit wine processing plant and incubation centres in Maziba for ToTs on the pineapple value chain. – Exposure visits were organized for 30 farmers (12 female, 18 male) to UIRI's value addition and incubation centres in Kabale for ToTs on the mushroom value chain. – Business-oriented farmers 'organizations and agroprocessors were supported and facilitated to participate in two agriculture trade shows, in order to expose agrodealers and farmers to available modern agroprocessing technologies for adoption. <p>In addition, rice millers, namely Upland Rice Millers Company Ltd and Tilda Uganda Limited-Kibimba, Bugiri, and MTRC and UIRI-Kabale facilitated two district-organized workshops aimed at creating awareness about agroprocessing technologies. Forty-five farmer organization leaders (20 female, 25 male) were facilitated to participate in two trade shows in both Bugiri and Kabale and the district-organized workshops.</p>

Output 5	Increased gender equitable access to sustainable financial services		
	Indicators	Target	Achieved
	Number of value chain actors accessing financial services	The six cooperatives have the opportunity to access appropriate financial services from government financial institutions and/or commercial banks, and the beneficiaries have been facilitated to save UGX 50 million through VSLA methodology	Partially
Baseline	0		
Comments	<p>VSLAs were established at FBS level. 30 supported FBS were trained in the VSLA methodology and savings schemes set up at each FBS. Thirty saving kits were procured and distributed among FBS in Kabale and Bugiri districts. So far UGX 50 million (approximately USD 13 157) have been mobilized through the VSLAs, and the supported VSLAs have been able to raise capital of over UGX 6 million (USD 1 578).</p> <p><u>Impediments:</u> Limited time and resources made it difficult to translate the project interventions into long-term development benefits.</p> <p><u>Follow-up:</u> Continue promoting saving culture and effective loans utilization and management. The engagement of the financial institutions should be continued, to design appropriate and tailor-made products and services for the project-supported cooperatives.</p>		
Activity 5.1	Conduct business-oriented farmer organizations and financial institutions workshops for awareness on available financial products and services, financial and loan management		
	Achieved	Yes	
	Comments	VSLAs were established at the FBS. 30 supported FBS were trained in the VSLA methodology and savings schemes were set up at each FBS.	
Activity 5.2	Facilitate financial services development and refinement tailored to business-oriented farmer organizations' needs		
	Achieved	Yes	
	Comments	Thirty saving kits were procured and distributed among the FBS in Kabale and Bugiri districts. So far, UGX 50 million (approximately USD 13 157) have been mobilized through the VSLAs, and the supported VSLAs have been able to raise capital of over UGX 6 million (USD 1 578).	

Output 6	Gender equitable access to market information by value chain actors for trade promotion enhanced		
	Indicators	Target	Achieved
	Functional district-based information centres established/operationalized; number of women accessing market information	Two district-based information centres established/ operationalized; 355 women accessing market information	Yes
Baseline	0		
Comments	<p>ICT equipment to facilitate the provision of agricultural market information was delivered and installed in Kabale and Bugiri districts. The farmers were facilitated through their respective groups to access agricultural market information on a regular basis, to empower them to bargain for better prices for their commodities. A total of 10 PIAs were trained in the use of the equipment, and were supported to digitize farmer records and to map farmer cooperatives in their respective districts.</p> <p>A total of 214 farmers were trained In Bugiri, and 20 PIAs in Kabale to map their cooperatives and have their membership digitized in a traceable database. They were also trained in developing farm records, using farm books provided by Fit Insights Ltd as a tool, and coached on establishing business linkages for sustainable business growth. Only one cooperative was successfully mapped, while the others were still undergoing training.</p> <p>Selected farmers were trained in record-keeping and farm enterprise, using the farm books to assess the profitability of their enterprises on their own. A total of 20 farmer leaders were trained, five from Muwayo United, five from Kibimba Outgrowers Association, and ten from Maziba pineapple growers group.</p> <p>Selected farmers were profiled and enlisted for Infotrade Basic Plus to receive market information on their smartphones, or share with group leaders on a regular basis. A total of 417 farmers were profiled and enlisted, including 145 from Muwayo United Cooperative Society; 68 from Kibimba Outgrowers Association; 69 from Kabale Municipality Mushroom Growers Cooperative Society Limited; and 135 from Nyanja Pineapple Growers Cooperative Society Limited (Kabale).</p> <p>Packaged market information was disseminated to 281 farmers from the target farmer groups in Kabale and Bugiri, 144 from Muwayo, 68 from Kibimba, and 69 from Kabale.</p> <p><u>Impediments:</u> Insufficient mobile network coverage and reliability of information disseminated, especially climate change information. Farmers also receive product prices for markets in Kampala, these are usually different from the prices in the local markets where farmers sell their produce.</p> <p><u>Follow-up:</u> It is recommended that funding be sought to assist in providing more support in the form of technical and financial resources, to ensure the sustainability of the initiatives.</p>		

Activity 6.1	Increase market access opportunities through support to market research and promotional activities	
	Achieved	Yes
	Comments	<p>Farmers were facilitated to sell their produce (fresh pineapples, fresh mushrooms, dried mushrooms and processed rice) through participation in agricultural trade shows (Kabale and Bugiri), and enhanced linkages with actors, and by undertaking market research and market intelligence in the respective value chains. These products were sold to supermarkets, /high-value markets in Kampala and other urban centres.</p> <p>The farmers were also facilitated through their respective groups to access agricultural market research information on a regular basis on their smartphones, to empower them to bargain for better prices for their commodities.</p>
Activity 6.2	Facilitate collection and dissemination of market information, with special regard to required commodity standards	
	Achieved	Yes
	Comments	<p>Selected farmers were profiled and enlisted for Info trade Basic Plus, to receive market information on their smartphones, or share with group leaders on a regular basis. A total of 417 farmers were profiled and enlisted, including 145 from Muwayo United Cooperative Society; 68 from Kibimba Out-growers Association; 69 from Kabale Municipality Mushroom Growers Cooperative Society Limited; and 135 from Nyanja Pineapple Growers Cooperative Society Limited (Kabale).</p> <p>Packaged market information was disseminated to 281 farmers from the target farmer groups in Kabale and Bugiri districts, 144 from Muwayo, 68 from Kibimba, and 69 from Kabale.</p>
Activity 6.3	Support setting up of district-based information centres (DICs) to enhance access to agricultural market information	
	Achieved	Yes
	Comments	<p>Two district-based information centres with internet connectivity, scanning and printing facilities were set up in Bugiri and Kabale Districts. These were linked with the FIT Insights Ltd national market information system, ensuring that, on a weekly basis, agricultural market information would be sent to the information centres at the two districts, and District Commercial Officers would then print and disseminate the information through the six cooperatives regularly.</p> <p>In addition, Fit Insights Ltd would reinforce the market information dissemination through the smartphones for 60% (478 farmers [355 female, 123 male) of the farmers profiled during the project.</p>

Output 7	Enhanced gender equitable access to regional and international markets		
	Indicators	Target	Achieved
	Number of products accessing regional and international markets	At least three value added products from the three enterprises supported	Partially
Baseline	0		
Comments	<p>Through linkages with actors in the respective value chains, supported farmers were able to sell their produce (fresh pineapples, fresh mushrooms, dried mushrooms and processed rice) to supermarkets and produce exporters in Rwanda and the Democratic Republic of the Congo.</p> <p><u>Impediments:</u> With the exception of rice, the supported crops are highly perishable, and if they do not reach consumers immediately they will deteriorate. Specialized shelf-life enhancing technologies would contribute to reducing the risks of high post-harvest losses, as most farmers do not have refrigerated trucks and other means of transport to maintain the quality of their produce as it is transported to the markets.</p> <p><u>Follow-up:</u> There are opportunities to liaise with the supported cooperatives, to ensure the acquisition of trucks for transporting, good storage facilities, branding, and quality standards certification for their products, as well as post-harvest handling and better packaging, to improve the competitiveness of the products in the national and regional markets.</p>		
Activity 7.1	Promote quality control, product standardization, packaging and branding along the value chain		
	Achieved	Yes	
	Comments	A total of 30 farmers (18 female, 12 male) were trained in SOPs for dried pineapples, quality control, product development, and food safety. Product quality and implementation of quality assurance practices for pineapples were also carried out. Training in SOPs for milled rice quality control, product standardization, packaging and branding was also held. In addition, 30 mushroom cooperative leaders were trained in SOPs for dried mushrooms, quality control, product standardization, packaging and branding.	
Activity 7.2	Conduct awareness campaigns for policy-makers on trading protocols		
	Achieved	Yes	
	Comments	Awareness-creation training on the EAC common market trading protocols, including export procedures (under Simplified and Standard Trade Regimes), were conducted for a total of 134 (54 female, 80 male) policy-makers from Kabale and Bugiri districts. Awareness creation on sustainable agricultural commodities export to regional and international markets was also conducted for district policy-makers and key stakeholders, for a total of 70 delegates from Bugiri and Kabale.	
Activity 7.3	Promote legislative and regulatory reforms (standards with regard to safety, health, protecting poor or vulnerable ecosystems)		
	Achieved	Yes	
	Comments	The MTIC, through a participatory process, developed the National Grain Trade Implementation Strategy, and is working on the draft produce marketing bill to ensure that there is a law to help enforce compliance with the standards, food safety and protection of environment, in collaboration with the National Environment Management Authority (NEMA).	
Activity 7.4	Facilitate regional and international study tours		
	Achieved	No	
	Comments	It was not possible to carry out this activity, owing to budgetary constraints.	

Outreach, Marketing and Reporting Unit (PSRR)
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