

Forced displacement

# Building durable solutions for refugees and host communities through inclusive value chain development in Uganda

A comprehensive agricultural livelihoods approach in Kiryandongo Refugee Settlement

#### Context

Uganda hosts over 1.5 million refugees, primarily displaced due to violence and civil unrest in neighbouring South Sudan and the Democratic Republic of the Congo. Around 95 percent of refugees live in settlements across eleven refugee-hosting districts, with 54 percent experiencing food insecurity. Despite Uganda's progressive refugee policy, refugee communities struggle to integrate into local economies.

Uganda's refugee policies, which provide refugees with the right to freedom of movement, access to education and healthcare, and the right to work and own property, are guided by the ReHope Strategy, Uganda's National Framework for implementing the Comprehensive Refugee Response Framework (CRRF). The CRRF is a global framework adopted in 2016 by the United Nations General Assembly to guide the management of large-scale refugee movements, and encourage comprehensive, coordinated and sustainable responses by host countries and international partners. The ReHope Strategy is based on four key pillars: protection and safety, provision of basic needs, expanding self-reliance opportunities and creating an enabling environment for self-reliance. It emphasizes a whole-of-society approach that involves refugees, host communities, government agencies, international organizations, non-governmental organizations (NGOs) and the private sector to work together to address the challenges of forced displacement. Uganda further reaffirmed its commitment to the CRRF during the 2019 Global Refugee Forum which led to the inclusion of refugees in the National Development Plan 2020/21–2024/25 by calling for the integration of refugee programming in all national, sectoral and district development plans and statistics, and the creation of sector-specific response plans. Uganda is co-convening the 2023 Global Refugee Forum, which will build on these achievements.

Uganda practices a settlement-based model, which means that refugees are allocated 30 x 30 m plots of land to build homes, cultivate crops and integrate with the local communities. This approach aims to promote self-reliance, reduce dependence on humanitarian assistance and foster peaceful coexistence between refugees and host communities.

#### **Key facts**



#### Geographical coverage

Kiryandongo Refugee Settlement, Uganda



United Nations Geospatial. 2003. Map of Uganda. Cited 01 June 2023. <u>un.org/geospatial/content/Uganda</u>



#### Target group

1 365 refugees and 1 000 members of Ugandan host communities



#### Gender

The intervention promoted women's economic empowerment while also engaging men to adjust gender norms. Youth involvement in agriculture was enhanced throughout the project.



#### Food system components

Value chain creation, including production, handling, trade and markets, and access to credit; and nutrition, including consumer behaviour and diets

Ongoing instability and continuing refugee influxes from South Sudan and the Democratic Republic of the Congo mean that local integration is the most realistic durable solution for refugees in Uganda.

Despite the progressive policy environment, many refugees face challenges accessing basic services, securing stable livelihoods and integrating with host communities – and the refugee settlement areas themselves are often under-resourced and under-developed, with influxes of refugees causing a strain on natural resources, infrastructure and services. In the context of a constrained humanitarian funding environment, emergency food distribution to refugees has been reduced since 2020, which, coupled with the increase in the prices of most basic food items partly due to the conflict in Ukraine, as well as drought conditions, has had a dramatic impact on the food security and self-reliance of the refugees. The protracted displacement situation of most refugees and limited prospects of return to South Sudan and the Democratic Republic of the Congo, given the ongoing instability and continuing refugee influxes from those countries, mean that local integration is the most realistic durable solution for refugees in Uganda. Nevertheless, 72 percent of refugees remain reliant on humanitarian assistance as their primary source of food, and there has been limited investment by humanitarian and development partners in long-term resilience building approaches for refugees that would make self-reliance possible.

Thus longer-term, innovative solutions are needed. Humanitarian and development approaches that holistically address food insecurity and malnutrition, climate change impacts, natural resource scarcity, while building the socioeconomic inclusion and empowerment of both refugees and host communities, are necessary to realize the ReHope strategy and achieve durable solutions for refugees through local integration within Ugandan communities.

In this context, the Food and Agriculture Organization of the United Nations (FAO) is implementing a project funded by the IKEA Foundation between 2020 and 2024, which aims to address food insecurity and reliance on short-term humanitarian aid in refugee-hosting communities in Uganda and in Kenya, by providing comprehensive agricultural livelihoods support that can build a durable solution for refugees. This good practice documents the outcomes of the first two years of the project and its comprehensive livelihoods approach, built around inclusive value chain development that is unlocking the productive potential of agriculture for refugees and Ugandans.



# How does building an inclusive value chain contribute to increasing the resilience of refugee and host community livelihoods?



- 1. Value chain development involves analysing the existing interlinkages of actors in a food system, developing support strategies and plans, and assessing their impact. It encompasses the system of production and trade for a particular crop or commodity from top to bottom from the selection of seeds and planting of the crop to its processing, transport and sale. Value chains are inclusive when they are economically viable, socially beneficial and environmentally sustainable with a particular emphasis on inclusion of people who do not typically experience the benefits of agricultural or economic activity, such as refugees.
- 2. In a refugee-hosting setting, building an inclusive value chain means that refugees, who often lack the access to natural resources (land and water resources), social networks and economic resources (credit) to initiate commercial production in particular women and youth are given the tools to participate productively in the food system. This approach is particularly well-adapted to Uganda, with its progressive refugee policy that aims to enable the long-term self-reliance of refugee households living in settlements.
- 3. By promoting sustainable agricultural practices and building an inclusive value chain that can support other types of agricultural livelihoods, including on-farm wage labour, agroprocessing and other forms of value addition, the FAO action funded by the IKEA Foundation in Uganda sought to increase food production and income generation for both refugees and host communities, with the aim of improving overall food security and increasing self-reliance and economic inclusion.
- 4. A market systems approach to value chain development selecting high-value, desirable crops based on existing market demand, while considering agroecological viability of the crops also helps to ground the value chain in existing commercial networks, and increase its sustainability once the intervention ends.
- 5. Empowering refugees to engage in market-oriented food production together with their host communities has boosted food production, enabled income generation thus contributing to improved resilience and self-reliance and increased peaceful coexistence between refugees and their host communities.

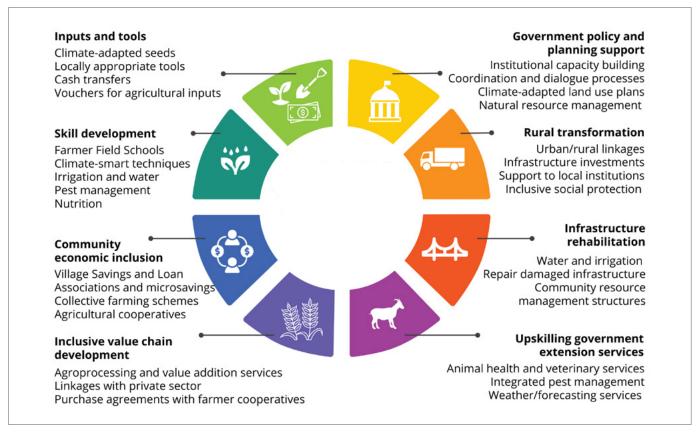


#### Methodological approach

A comprehensive agricultural livelihoods approach is to go beyond the humanitarian cycle of provision of basic needs, and provide the building blocks for longer-term resilience and socioeconomic inclusion.

The aim of a comprehensive agricultural livelihoods approach is to go beyond the humanitarian cycle of provision of basic needs, and provide the building blocks for longer-term resilience and socioeconomic inclusion, which moves refugees away from dependence on humanitarian assistance and towards self-reliance built on strengthened local agrifood systems. FAO's agricultural livelihoods approach is a holistic system of interventions, which is flexible and adapted to displacement contexts. It is a whole-of-system approach that can work at multiple levels simultaneously to build the skills and capacities of individuals, promote peaceful coexistence between different groups, leverage the collective economic power of communities, create entry points and opportunities for market-based livelihoods approaches, and assist governments to create an enabling environment that supports sustainable, climate-resilient livelihoods.

Figure 1. FAO's comprehensive agricultural livelihoods approach in forced displacement settings



This type of long-term, comprehensive intervention is only possible through flexible multi-year funding with a robust learning agenda to ensure the approach is scalable, replicable and adapted to rapidly changing contextual environments. In contrast to traditional funding approaches in refugee contexts which focus on short-term outcomes, the IKEA Foundation provided a framework that enabled FAO to invest in the longer-term process of developing an inclusive agricultural value chain – a complex multi-step process that required several years of investment to (literally) bear fruit.

In this case, FAO's approach was to assess the market and agroecological opportunities, and develop and implement an inclusive agricultural value chain that considered existing power dynamics alongside the needs and capacities of refugees, hosts, women and youth. With that understanding, the project sought to influence the enabling community, market and policy environment to build a set of complementary activities that explicitly aimed to increase productive agricultural livelihoods and ultimately, increase household income, moving beyond subsistence and towards self-reliance over the course of several years.

#### Complementary programming: energy and environment

A project funded by **Innovation Norway**, which complemented the IKEA Foundation project in the same refugee-hosting district, addressed one of the primary drivers of environmental degradation, inter-community disputes and gender-based violence in the refugee-hosting areas: competition for firewood. Many of Uganda's forests in refugee-hosting areas have been heavily degraded by overreliance on wood for charcoal and building of shelters, and some women refugees who benefited from

the intervention reported that host community members would attack them if they tried to collect firewood in certain areas. This project focused in the short term on providing an alternative energy source to firewood through provision of improved stoves and eco-briquettes (made from agricultural waste). The project complemented the holistic value chain approach of the IKEA Foundation project and emphasized the shift from subsistence to productive agriculture for participating farmers.



#### Partnership and localization approach

This approach relied on the collaboration of technical partners, including:

- the United Nations High Commissioner for Refugees (UNHCR), which is responsible for overall coordination of the refugee response in Uganda;
- Office of the Prime Minister of Uganda, which provides oversight of the refugee response in Uganda and undertakes project monitoring visits. The Office is also responsible for the creation and implementation of Uganda's CRRF commitments to sustainable and inclusive refugee hosting;
- KadAfrica, a social enterprise partner, which provides technical guidance on good passion fruit agronomic practices and value chain development in the Farmer Field Schools (FFSs);
- SORUDA, a local grassroots NGO, has been a main implementing partner of the project. The NGO works across food security and livelihoods, environmental management, water, sanitation and hygiene, and community development to alleviate poverty and promote socioeconomic inclusion. In this project, SORUDA worked throughout the project cycle in cooperation with FAO on beneficiary selection and recruitment, provision of inputs and trainings to FFS groups, and linking production groups to market opportunities;
- the Ugandan Ministry of Agriculture, Animal Industry and Fisheries which conducted joint monitoring visits, and is in ongoing discussions over the inclusion of the enterprise model in national planning; and
- the United Nations Fund for Population Action (UNFPA), which provided male role model training in the FFSs to improve gender dynamics within households.

SORUDA, originally called the Soroti Rural Development Agency, was founded in Soroti, eastern Uganda, an area affected by violence and displacement caused by internal conflict in Uganda in the late 1990s. SORUDA was founded as a volunteer organization which aimed at meeting the basic needs of the people affected by conflict and displacement in areas where the government could not provide basic services. Over time, it became a civil society organization, and then a registered NGO.

SORUDA has been a long-standing partner of FAO in Uganda, beginning in 2018, when SORUDA was selected by FAO to implement a sub-activity of a larger project in the refugee response. Since then, their excellent performance and understanding of the local context and dynamics has made them a partner of choice for FAO in the refugee response.

In their words, the collaboration with FAO has built their operational capacity, especially in terms of project cycle management, and has allowed them to expand geographically and in terms of human resources. At the same time, the endorsement of working with FAO has opened the doors to collaborate with international NGOs and other United Nations (UN) agencies as an implementing partner. They thank FAO for giving them the opportunity to collaborate with them when they were still a small NGO, breaking the tendency of UN agencies to rely on international organizations to implement project activities.

The collaboration of FAO and SORUDA is a perfect example of localization, building capacity and transferring know-how to the local level, which at the same time contributes to national development.





#### **Project activities**

The project aimed to promote the self-reliance of refugees and host communities through economic integration in agricultural value chains in refugee settlements in Kenya and Uganda. This brief focuses on the Uganda component of the project; see box inset for more information about the Kenya component. The theory of change involved three main outcomes: building capacities among refugees and host communities for market-oriented sustainable production and agribusiness; developing profitable and inclusive value chains with refugees and host communities as key actors; and fostering an enabling policy and programming environment for agribusiness investment in fragile contexts.

#### 1. Site selection and beneficiary targeting

Kiryandongo Refugee Settlement in Uganda was chosen based on market and biophysical feasibility analyses of passion fruit and considering refugees' access to the area. Targeting of households was largely though a random selection, based on pre-set criteria for selection of target and control locations, defined through the impact assessment methodology. The project created 95 FFS groups, with approximately 25 farmers per group, for a total of 2 365 participants, of whom 1 365 were refugees and 1 000 were host community members. The project benefited approximately 17 160 people who make up the households of the project participants. Approximately 70 percent of direct participants were women, who are the heads of their households, 42 percent were from host communities, and 58 percent were refugees.

#### 2. Participatory and conflict-sensitive programme development

A Conflict Sensitivity Programme Clinic, led by FAO technical specialists in the areas of conflict sensitivity and forced displacement, was conducted early in the project, together with the FAO Uganda Programme Team. The Programme Clinic is a structured participatory analysis process conducted to identify and attempt to address drivers of conflict that might impact the project or be exacerbated by it. The recommendations from the process included the need to improve community and household gender and age dynamics within the project, so the Gender Action Learning System (GALS) methodology was incorporated. The GALS process is a participatory and gender transformative approach to enhance women's empowerment and gender equality in rural communities, conducted through a series of workshops and action planning.

The approach was included in existing training modules to build household-level and community-level conflict resolution skills and train male role models to act as gender transformation leaders in their communities. UNFPA provided support on the GALS methodology, and the Innovation Norway project provided access to alternative energy sources to mitigate the stress on forest resources, which participants had identified as a key source of conflict.

#### 3. Value chain development

The capacities of refugees and host communities to engage in marketoriented sustainable production and agribusiness were built through:

- training farmers on good agricultural practices (such as intercropping, drip irrigation, pest management and creation of organic fertilizer and pesticides);
- provision of inputs, including agricultural tools and seedlings (passion fruit, horticultural seeds, fruit trees and poultry);
- creating group experimental plots and ongoing training and collaboration through FFSs;
- creating producer groups for collective selling and training on business and market-oriented practices (negotiating prices);
- facilitating the creation of Village Savings and Loan Associations (VSLAs) for producer groups and training on financial literacy and savings; and
- facilitating access to land and land tenure agreements for refugees, women and other marginalized groups.

With refugees and host communities as key actors, profitable and inclusive value chains were built through:

- conducting value chain analysis;
- identifying potential agroprocessors and buyers for passion fruit products; and
- strengthening inclusive agricultural value chains by engaging stakeholders and training producer organizations.





### An enabling policy and programming environment for agribusiness investment in fragile situations was fostered by:

- collecting and documenting impact through quantitative and qualitative surveys, case studies and lessons learned;
- developing policy briefs and programmatic guidance documents for public dissemination across various stakeholders; and
- conducting advocacy campaigns and engaging in dialogue events to promote refugee rights and inclusive market-based approaches.

Additional project activities included support to household food security and nutrition, where extremely vulnerable households (including new mothers, elderly people and people living with disabilities) received poultry starter kits (which included chicks, vaccinations and feed) to improve dietary diversity and economic security.

#### 4. Monitoring and evaluation

Coordinated through the ongoing monitoring of activities, a qualitative field assessment exercise was conducted in 2022 by FAO's Forced Displacement Unit, followed by a mid-term impact assessment conducted in 2023 and an endline evaluation planned for 2025.

The qualitative field assessment had the objective of understanding the participants' experiences of the project and the impact it had on their lives, as well as to capture refugees' and Ugandans' perspectives on gaps and opportunity areas. The data collection included structured focus group discussions and key informant interviews with male, female, refugee and host project participants, as well as field-based implementing partners and government stakeholders. Specific questionnaires were developed for each of the stakeholders and population profiles (including women, men, refugees and Ugandans). The key areas the data collection team sought to understand were income generation opportunities, level of access to productive assets, and the impact of the project on the food production and income of the participants, as well as relationships between communities. It also captured gaps, recommendations and areas of opportunity for scaling up, from the point of view of the participants. Specific questions were also developed to understand the specific challenges and project outcomes for women, youth, refugees and Ugandans.

A rigorous impact evaluation was embedded within the project design, in order to build an evidence base to analyse to what extent the project intervention was effective in building self-reliance and resilience among the target communities. The outcome indicators measured in this evaluation include food security, income and income diversification information collected through survey tools at three points in time: a baseline, a midterm review and an endline data collection at the end of the project. In April–June 2021, the baseline survey was undertaken, which provided the foundation for subsequent evaluations to assess the causal effect of activities on the self-reliance and resilience of the targeted communities.

#### The Farmer Field School approach in Kiryandongo

The project used FAO's FFS approach, which is an applied participatory learning methodology well-adapted to displacement settings, that also contributes towards the peaceful coexistence between host communities and refugees. Farmer Field Schools are organized around learning plots, where refugees and hosts communities come together and jointly learn both proven and innovative agronomic practices with the guidance of a facilitator. Participants learn by doing and are able to earn an income from the production as they learn, an aspect that keeps many motivated to continue learning, particularly youth. The participants apply the acquired knowledge at their households or in shared plots, and can come back to the FFS with questions and new knowledge, which is shared and debated in the groups.

In this project, FFS groups were trained on agricultural techniques including intercropping, vertical gardening, circular and line planting, and other innovative techniques that maximize the use and productivity of small plots of land to produce high quality and high-value crops adapted to local agroecological realities. The learning portfolio also included how to make and use organic fertilizers and pesticides with locally available resources, and how to effectively water crops in a low-water setting, promoting climate-smart agriculture.

The FFS also served as a platform where farmers were sensitized on the positive impact and potential of passion fruit, a crop which was not traditionally grown in Kiryandongo. Cultural barriers to unknown or non-traditional crops can play a detrimental role in the adoption of certain food varieties; as such, the learning

aspect of the FFS approach was critical to demonstrating the value of the crop to the participating farmers and the community at large. KadAfrica provided specific training on passion fruit production and agronomy, necessary to grow quality, marketable passion fruit. Farmers were also trained on how to identify different passion fruit quality categories to understand how to price them. Passion fruit production was such a resounding success in Kiryandongo, with both host and refugee communities earning income from production, that the Office of the Prime Minister of Uganda and UNHCR have requested a scale-up of the project to other areas of the settlement.

The FFSs were not limited to the production of passion fruit; other horticultural products, including tomatoes, kale and eggplants were also grown. These not only contributed to the increased food security and nutrition of the participants, but also provided an additional source of income.

To further ground the participants in market-based approaches, FFS groups were encouraged to evolve into more formal producer groups, including registering with local authorities. Learning topics such as land tenure protection agreements, negotiations processes, business management and sales skills were included in the FFS curriculum. Groups were further encouraged to negotiate prices and sell produce collectively, as well as to form VSLAs. At mid-project, FAO had helped around 40 percent of these associations to legally register as community-based organizations, which enables them to access formal financial services and be eligible for government development programs including grants.



# Snapshot: Kenya component of the project

The IKEA Foundation project has catalysed inclusive value chain development for refugees and local communities in refugee-hosting areas of both Kenya and Uganda.

In Kenya, the intervention began in the context of the worst drought in 40 years in East Africa, which has resulted in 4.4 million people experiencing food insecurity and 205 000 people internally displaced. Turkana County, which hosts 248 000 refugees in Kakuma Refugee Camp and Kalobeyei Refugee Settlement, suffers from infrastructural and socioeconomic underinvestment. In 2021, 63 percent of refugees in Kakuma and 65 percent of refugees in Kalobeyei reported not being able to access enough food for their households, while the Government of Kenya reports that 79 percent of the population of Turkana County, many of whom are nomadic pastoralists, are living in poverty.

To support a market-based approach to building livelihood resilience for both refugees and the Kenyan host community in Turkana, FAO conducted inclusive value chain development activities.

FAO partnered with INSTA Products, a Kenya-based company that manufactures ready-to-use therapeutic food made of groundnut paste, to introduce and expand groundnut production in Turkana County. Ready-to-use therapeutic food is largely used in emergency relief operations to treat acute malnutrition in children.

Groundnut, while grown elsewhere in Kenya, was new to Turkana County, which boasts excellent biophysical conditions for producing aflatoxin-free groundnuts. Aflatoxin is a fungal toxin that can cause serious health complications if consumed, and spreads easily, contaminating whole shipments of nuts. With the help of a research partner, Egerton University, FAO in Kenya tested suitable crop varieties for the location, developed local seed systems and ensured good agronomic practice.

Farmer mobilization and training was conducted through the FFS approach and trained community-based facilitators. By early 2023, 80 hectares of groundnuts were being cultivated by 400 farmers in the Turkana host community, with the nuts sold through a contract farming model to INSTA. After some delays due to drought conditions, mixed refugee and host groups have since commenced production of groundnuts in sites in the settlement.

The host community in Turkana was initially sceptical of the project, but the success of the demonstration plot and immediate saleability of the crop has convinced the community of the viability of groundnuts as a cash crop and led to early project participants sharing seeds and training others informally on how to grow them. Host community members in Turkana have since reported that the production of groundnuts, as well as vegetables including tomatoes and kale, has improved the immediate nutritional status of children in the community, and some people are able to send their children to school for the first time using the profits from selling the groundnuts. Behavioural changes have been recorded among the traditionally agropastoral communities of Turkana, with shifting mindsets from a focus on subsistence farming or livestock rearing to market-driven cash crop production. Meanwhile, refugees from South Sudan appreciated the opportunity to grow and buy groundnuts, a familiar food crop from South Sudan. The Turkana County Government, recognizing the commercial potential of the crop, has issued an agricultural strategy to expand its production.

Despite the numerous challenges of expanding commercial market-oriented production at scale in a remote and marginalized climate change-affected location like Turkana, the initiative demonstrates the possibility of moving towards self-reliance and dignified income generation though value chain development among the most vulnerable, including refugees.



#### **Impacts**

#### **Nutrition benefits**

The intervention supported increased crop diversification through kitchen gardens, as well as the production of high-value crops to improve dietary diversity at the household and community level, with **one partner agency** official reporting that the trading centres were full of fresh vegetables and fruits as a direct result of the project.

The project approach incorporated elements of nutrient-diverse kitchen gardening to improve household-level nutrition, but was primarily focused on developing a viable value chain for a cash crop to increase refugees' economic security and self-reliance. This involved encouraging a mindset shift from considering agriculture as a subsistence activity to supplement their family's meals, to an opportunity to produce at larger scale, sell their crops and earn income, a part of which could be invested back into the farm. Some of the project's participants are now making further investments outside of the project to expand their agricultural livelihoods. One male host community member mentioned that due to his involvement in the project, his intention was to grow coffee on his land – a high-value cash crop that requires several years of cultivation to be productive – indicating that the project was successful in changing attitudes about the economic potential of agricultural cultivation and promoting productive agricultural land use as a means of building a sustainable livelihood, food security and nutrition.

#### Women's economic empowerment

This project aimed to reduce the gap in women's agricultural productivity compared to men, and to increase access to women's extension services and inputs. While agriculture is the most important form of employment for women globally, women's farms are 24 percent less productive than men's – largely due to reduced access to inputs and technical support, according to FAO's 2023 The Status of Women in Agrifood Systems report. Participants reported that the project has positively impacted gender dynamics in Kiryandongo, with the inclusion of women in productive agricultural activities, like marketing and selling products, fostering greater understanding and appreciation of women's abilities among men. Men who took part in the male role model activities reported changes in their attitudes towards traditional gender roles, sharing domestic responsibilities, and the need to address

gender-based violence. Participants reported that many of the household heads and primary breadwinners for their families were women, and the project built women's productive skills not only in agricultural techniques but particularly in business and marketing, enabling the women to produce both for the family to consume but also to sell to pay for school fees and other household necessities, and in some cases, further invest in their businesses. The project used a participatory group approach to increase women's economic inclusion, where the women sold their products collectively.

#### **Engaging youth**

In the context of high youth unemployment rates among both hosts and refugees in Uganda, the project served as an opportunity for youth, many of whom had previously expressed a lack of interest in agriculture, to 'earn as they learned' through the FFS model. One participant reported that he had become a local role model for youth participation in agriculture. By organizing a specific FFS for youth, the project has engaged previously unemployed young people who also lacked the opportunity to acquire new productive skills. The project not only built their capacity on marketable agricultural production, but also improved their financial management and planning skills thanks to the VSLAs organized around the FFS where they were trained and reported improvement in financial literacy. One youth reported saving the income he had generated thanks to his newly acquired agricultural skills as an informal safety net against future shocks and for future investment plans in the VSLAs. The qualitative data collection team also observed that the project brought a sense of unity, pride and purpose to the youth group.





#### Promoting peaceful coexistence

The project focused on building sustainable livelihoods through food security and income generation for both refugees and host communities through a collaborative, cooperative approach within the FFS, many of which were composed of mixed host/refugee groups. This approach enabled both groups to learn and work together, share unique knowledge and skills, and to discuss the experience of applying the techniques learned in the FFS at home, asking each other questions, debating the best ways to implement them, and sharing knowledge and experience. Qualitative data collection demonstrated that the project had created a sense of group unity, as both communities worked together for a common goal. The intergroup interaction in the FFS allowed people from different cultural backgrounds to build relationships and jointly participate in social and religious events. Additionally, by improving farmers' productive capacity through the project, refugees and hosts interacted more frequently in the markets – a proven means of promoting peaceful coexistence between refugees and hosts. The project created productive buying and selling relationships between refugees and host communities, and the overall improvement in economic security reduced tensions between the communities. One host community farmer, for example, noted that the refugees always had cash and were good customers for his passion fruit crop. Host communities also reported being thankful for the economic development that the presence of refugees brought to their area, thanks to the implementation of projects that target both communities and to improved infrastructure investments in the area.

# Increase in skills leading to increased food security and economic security

Participants reported an increase in their skills in agricultural production and confidence gained as a result of the project, with both host communities and refugees reporting that they were using more systematic and effective ways of planting crops, using intercropping techniques to increase production, and using improved climate-resilient water management techniques. Farmers also reported they know how to make their own organic fertilizers and pesticides using locally available ingredients at the household level, reducing their dependence on external products and applicable in the future regardless of the crops being grown.

Participants reported that the project had improved their own food security to the point that they were producing enough for their own consumption and to sell in the markets, and were able to sell high-value crops, especially passion fruit, to buy other foods to diversify their diets. One refugee woman noted that she was able to sell passion fruit in the market to buy chickens, and to use their eggs to feed her family.

Participants reported an increase in income and economic security, particularly through passion fruit production which was a novel, high-value crop. One farmer reported that he had earned enough income to rent additional land and was planning to employ labourers on his farm to help him expand his production. Many people reported that their production

groups have set up VSLAs, which they are able to contribute to and borrow from, increasing their resilience to economic shocks. One group of women refugees reported that they are now able to borrow from the VSLA in the short term to pay for school fees or in times of sickness.

#### **Testimony**

Thirty-one-year-old Betty is a South Sudanese refugee in Kiryandondo Refugee Settlement. She received training from FAO and KadAfrica on passion fruit, vegetable and crop production, and poultry keeping through the FFS. As a result of the training, she is now able to save money to meet her daily basic needs. She sells the passion fruit, kale, and eggplant, uses half of her income to feed her family, and spends the remainder on savings and for emergencies.

She emphasized the importance of the training on new techniques that expanded her crop production. "I acquired knowledge from FAO and KadAfrica, such as when growing

passion fruit, you prepare the land and then you dig holes, plant seedlings and add poles for the passion fruits to climb. Passion fruits grow within six months and I am currently enjoying it weekly." She says there is demand for these techniques within the settlement. "Many others come to learn from me."

Betty also benefited from being part of the producer group, saying that as a result she was able to make friends and have a source of support in case of any problems of unexpected expenses – for example, being able to borrow from the group to buy medicine in the case of sickness.





#### Sustainability

#### Institutional sustainability and country-level ownership

The FFS methodology promotes institutional sustainability through its partnership with the Ministry of Agriculture, Animal Industry and Fisheries in Uganda, as well as field-based NGO SORUDA. Further, as part of its commitments under the Malabo Declaration and commitment to rural transformation, the government is targeting agricultural regions including Kiryandongo for enterprise development. In order to take advantage of these enterprise development schemes, FAO has prioritized registering refugee and host community farmer cooperatives officially so that they can gain access to incentives and programmes aimed at rural regeneration in this region.

In order to further institutionalize the practice's sustainability, FAO plans to work with the Ministry to create technical guidance for embedding the value chain development approach in district-level extension services and the Ministry's plans through policy guidelines on passion fruit and other crops' value chain development at the national level.

#### Private sector linkages

Linkages with the private sector (e.g. for pulp agroprocessing, price setting, and offtake of agricultural waste materials) and the high market demand for these high-value crops mean that these activities are economically sustainable, and can continue without humanitarian funding – illustrating this approach's value in facilitating economic inclusion and integration of refugees over the long term.

Furthermore, formalizing producer groups into legally structured cooperatives enables the producers to sell to larger entities at stable prices – and to further formalize their economic inclusion and potential for growth via access to formal financial institutions.

#### Refugee land tenure

The intervention has increased access to land for refugees in refugee-hosting areas and developed legal tools for refugees (including land tenure protection agreements) to be able to continue negotiating secure access to land to be able to expand production in the future. The creation of mixed host/refugee FFS groups also helped to expand refugee access to land, as they were able to farm collectively with the host community on their land.



#### Replicability and upscaling

According to staff interviewed during the 2022 monitoring mission, the COVID-19 pandemic, food price increases and cuts to food rations have increased refugees' food and income insecurity in Kiryandongo. In particular, reductions in food rations were reportedly placing the most vulnerable refugees, especially women and girls, at risk of engaging in negative coping strategies due to lack of food and income. At the time of the baseline data collection, 91 percent of refugees and 63 percent of host community members in Kiryandongo surveyed said that they worried about not having enough food to eat.

According to feedback received by UNHCR, the local government, and refugee and host community participants, the project has contributed to increased food and economic security of the participants. The Office of the Prime Minister of Uganda and UNHCR reported observing an impressive improvement in food security and income, and thus, resilience and self-reliance of the participants of the project, not only thanks to the development of the passion fruit value chain, but also through the consumption and production of other horticultural food items such as tomatoes, kale and eggplant.

The ability to earn additional income also allowed participants to meet other pressing needs, such as paying school fees for their children. The Office of the Prime Minister of Uganda and UNHCR also reported that refugees who were not participants in the project frequently requested to be included in it; at the same time, many refugees who did not participate in the project have started to replicate what their neighbours are doing in the FFS, and attending the lessons of the FFS as much as possible. People who participated in the project also requested that their neighbours be included.

Prior to the initiation of the IKEA Foundation project, there was a distinct lack of livelihoods support available to provide pathways to self-reliance and resilience for refugees in the settlement. However, there is a clear need for further investment in livelihoods support, as the project is targeting 1 000 refugee households —only 10 percent of the total number of households in the settlement.

The project approach – developing inclusive value chains through the FFS model – is scalable within the same settlement, more widely within Uganda refugee-hosting districts, and in other country contexts where refugees (or other forcibly displaced people) have access to agricultural land.



#### **Key learning**

Refugees want livelihoods opportunities to end their reliance on humanitarian aid.

- Refugees want livelihoods opportunities and to end their reliance on humanitarian aid, especially in the context of increasing food prices and cuts to emergency assistance. Despite this, the Office of the Prime Minister of Uganda and UNHCR indicated that no substantive investment has been made by any partner on large-scale projects to build refugees' longer-term food security and economic self-reliance, aside from FAO's IKEA Foundation-funded project. The observations of the qualitative research team are of the project's clear positive impact on participants' food security and income, indicating the need to massively scale up both this project and the comprehensive approach to livelihoods creation within Kiryandongo Settlement to the 90 percent of households who are currently not being targeted, and further into other settlements in Uganda and Kenya. The overall comprehensive livelihoods approach employed by this project is replicable in a variety of other rural displacement settings where displaced people have access to land.
- The early years of the project in Kenya and Uganda took place in the context of a historic drought in the Horn of Africa, which demonstrated the critical necessity to adapt agricultural livelihoods programming to the realities of climate change, knowing that such droughts may become more frequent and affect livelihoods, local conflict dynamics and ongoing displacement. In the context of this project, water scarcity due to lack of rainfall was a key limiting factor of expanding production at scale. While the project included climate-sensitive agricultural practices, including low-water irrigation, further interventions are necessary at the settlement level to ensure that progress towards resilience can be sustained even

in the face of adverse climate conditions in Kiryandongo. During the project period, FAO in Uganda secured funds from the Government of the Kingdom of the Netherlands to construct some water infrastructure and water management structures, but there is a need to further expand and rehabilitate water points for production, as well as water harvesting and water collection infrastructure, to support the sustainability of the agricultural livelihoods of refugees. There is an opportunity to rehabilitate water points and other water infrastructure, through joint cash-for-work activities to bring a sense of cooperation between communities, ownership over the infrastructure, and ensure access to safe water throughout the year.

Further investment is needed to expand a market-driven approach to livelihoods development in refugee settlements at scale. A value chain analysis of the passion fruit market revealed the complexities of contract farming of a high-value crop in a refugee setting. Contract farming, while providing a secure market outlet, provides lower commodity prices along with higher quality and quantity thresholds compared to engaging in open commodity trade in a lucrative local market space. Further, farmers require a high level of cooperative organization with formal registration and bank accounts, which can be particularly challenging for refugees to achieve. While Kenyan refugee and host communities were able to produce sufficient groundnuts to sell to a national-level agroprocessor, in Uganda, partially as a consequence of the drought, production of passion fruit was not sufficiently scaled to make contract farming an attractive option. Farmers were able to sell their products directly to consumers in local markets for higher prices than large-scale buyers were offering. However, as production volumes increase, a ceiling may be reached in terms of what the local market can absorb, thereby increasing the business viability of contract farming. To increase the value of the livelihood and further develop the value chain, FFS trainings can continue investing in farmer groups' development to build out additional components, including teaching seed preservation, recycling techniques and agroprocessing, and provision of agricultural storage facilities and machinery.



- Comprehensive agricultural livelihoods support builds participants' skills, knowledge and confidence, leading to increased financial benefits, especially for people who do not typically benefit directly from agricultural production. Providing capacity development training in market-oriented sustainable production and agribusiness can improve the skills and confidence of participants, especially for women and youth, who are often disengaged from the entrepreneurial side of agriculture. Increased engagement coupled with the right skills and techniques leads to better yields and an increase in income, economic security and resilience. Women's productive skills and their access to information, resources, services and decision-making can be improved especially through business and marketing training, potentially leading to a change in gender roles and a reduction in women's work burden. The FFS methodology promoted group learning, sharing and social cohesion that maximized the economic value of the livelihood promoted, as the FFS groups were encouraged to form producer cooperatives and sell collectively for a higher price. This practice should be encouraged, legally formalized and linked to the financial sector, and supplemented with financial literacy and VSLA training. Some participants also proposed that the inclusion of grants for the cooperatives would have allowed them to better establish and invest in their businesses. This collaborative approach can also contribute to increased social cohesion, strengthen intergroup relations, and contribute to the peaceful coexistence between host communities and refugees through joint participation and collaboration in training and working towards a common goal.
- The inclusion of the Conflict Sensitivity Programme Clinic at an early phase of the project led to several important project adaptations, particularly related to gender dynamics and youth, that were ultimately critical to the success of the project. Future projects should incorporate a Programme Clinic to inform design, and include women and youth more intentionally at the participatory project design phase.





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