



Empowered Lives
Resilient Nations

Annual Progress Report 2011

Project Title	Support for the Development of Inclusive Markets in Agriculture and Trade
UNDAF Outcome(s):	Outcome 2.2; Vulnerable segments of the population increasingly benefit from sustainable livelihoods and in particular improved agricultural systems and employment opportunities to cope the population dynamics, increasing economic disparities, economic impact of HIV/AIDS, environment shocks and recovery challenges by 2014.
Expected CP Outcome(s):	Outcome 2.2; Increased productivity, competitiveness and employment in agriculture and trade sectors particularly benefiting women and youth
Expected Output(s):	Output 2.2.2; Functional and Inclusive markets in Agriculture and Trade sectors in place
Implementing Partner	Enterprise Uganda
Responsible Parties	Kilimo Trust and PSDCs
Reporting Period	October 2011 - December 2011

Brief Description

The United Nations Development Programme (UNDP) in Uganda is implementing a four year project titled the Support for the Development of Inclusive Markets in Agriculture and Trade. This project is contributing to the: "Market Access and Value Addition" program of the agriculture sector's development strategy by improving market access through linkages with large buyers and addressing the market deficiencies affecting business support services, inputs and financial markets. It will also contribute to the initiatives geared towards fully exploiting the agriculture sector's potential to improve livelihoods. Given the imbalance in market power between large buyers and individual farmers, efforts will be made to enhance group trading capabilities, expand their selling options, as well as improve market knowledge.

This report highlights the preliminary accomplishments by Enterprise Uganda and Kilimo Trust during the fourth quarter of 2011 (October 2011 - December 2011). A total of 164,334,197 Uganda shillings were disbursed by Enterprise Uganda. The financial report is enclosed.

ANNUAL PROGRESS REPORT (Oct – Dec 2011)

EXPECTED OUTPUTS Include indicators	ANNUAL TAGET	ACHIEVEMENTS	RESOURCES		CHALLENGES
			ANNUAL BUDGET	AMOUNT UTILIZED	
<p>Output 1: Business Linkages established and operationalized</p> <p>Baseline: Business linkages, access to productive markets and small holder producers weak and unstructured</p> <p>Indicator: Number of business linkages supported.</p>	<p>At least 50 high potential business linkages identified</p>	<ul style="list-style-type: none"> Scoping criteria developed (4 criteria developed which include potential for growth and competitiveness, potential for impacting large numbers of small holder farmers and the poor, Uganda wide value proposition and likelihood of attracting critical mass of value chain actors). 30 data analysts trained who collected and 	114,578,408	98,868,228	<ul style="list-style-type: none"> Funds were disbursed late and so only a limited number of activities could be implemented The nature of accounting (cash accounting) made it difficult to achieve all the set targets, despite the fact that the work plan had been approved. Accrual accounting is recommended in order to enable the IP & RPs to implement planned activities

		<p>data and produced a partial profile report (from secondary data sources)</p> <ul style="list-style-type: none"> ▪ ▪ One market leader identified and agreed in principal, to join the program. Nile Breweries identified and selected already selected basing on criteria. TNC nominated 10 MSMEs to the program. Other TNCs to be sourced basing on this criteria ▪ Draft criteria report for selecting market ready MSMEs prepared. Eight key criteria to be used. ▪ Eight small holder MSMEs assessed basing on criteria and using an assessment 		whenever there are anticipated delays in disbursements
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					<p>tool developed. Barley MSMEs in Zombo, Kanungu, Kisoro, Kabale and Bukwo identified and assessed. Sorghum (epuripuri) MSMEs in Nwoya, Oyam and Arua identified and assessed. Nwoya could be dropped because it could not fulfill the majority of the key criteria, while Kisoro will be further scrutinized depending on commitments demanded from the market leader. A total of 412 farmers participated in the assessment. (88 participants from Kabale, 36 participants from Kisoro, 66 participants from Kanungu, and 65 from Bukwo - (barley). 52 participants from Zombo, 55 participants</p>																																																																																																									

			participants from Nwoya - (sorgum/epuripuri).		

<p>Output 2: Capacity of small holder business support associations strengthened.</p>	<p>Annual Target: At least four training programs developed and implemented.</p>	-				
<p>Indicator: Number of business support associations supported to increase productivity and market power of small holder farmers</p> <p>Baseline: business support associations have weak capacity to deliver solid solutions to enhance small holder farmers' access to markets and sustaining of trading relationships</p>						

<p>Output 3: innovative pro-poor business concepts developed and operationalized</p> <p>Baseline: few lead firms have business solutions involving profitable business collaboration with the MSMEs.</p> <p>Indicator: Number of innovative pro-poor business innovations developed and operational</p>	<p>Targets: 2011: 50 corporate private sector companies identified and 5 corporate private sector companies selected, sensitized and facilitated to identify appropriate pro-poor business solutions.</p> <ul style="list-style-type: none"> • Conduct a BCtA mapping study • Prepare draft concept notes for the BCtA initiative • Mobilise and sensitise the corporate Private sector 	<ul style="list-style-type: none"> • A BCtA mapping study was conducted • 3 draft Business Concept notes were prepared. 	<p>14,000,000</p>	<p>14,000,000</p>	<ul style="list-style-type: none"> ▪ Due to late disbursement of funds, the corporate Private Sector could not be mobilized and sensitized. ▪ Because of limited understanding of the BCtA initiative by companies, it took much more time to get information on possible Project Concepts and to complete some key aspects of the BCtA Mapping Study
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<p>Output 4: MSMEs access to assets for productive uses (finance, market information and technology) increased.</p> <p>Baseline: MSMEs have limited access to appropriate financial and productive assets</p> <p>Indicator: Number of individuals accessing appropriate productive assets (finance, market information and/or appropriate technologies) technology</p>	<p>Annual Target: At least 6 products developed to increase access to productive assets</p>				
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