

### WFP'S AGRICULTURE AND MARKET SUPPORT (AMS), UGANDA



2024

## EXECUTIVE SUMMARY

From 2018 until 2023, Self-Help Africa (SHA) implemented WFP's Agriculture and Market Support (AMS) project in the districts of Adjumani and Kiryandongo, Uganda. This case study delves into the results of Phase 4 (2022-2023), which aimed to support 6,000 smallholder farmers (including 40% refugees) to promote their participation in an inclusive agrifood system.

The results were significant:

- The AMS project achieved the targeted participation of 5,992 beneficiaries. The rates for women (60%) and youth (40%) were achieved
- The project fostered collaboration within the market ecosystem and facilitated more than 80 new commercial partnerships with market actors
- Two thirds of the beneficiaries saw their production and trade increase for key crops, such as maize, beans, groundnuts, sesame, and soya beans
- 96,5% of the beneficiaries obtained access to finance, through Village, Savings and Loans (VSLAs), commercial banks, and governmental funds
- The project kept the costs at a comparable level with previous phases, at 165-170 EUR per farmer
- The strategy adopted to achieve these results included a market systems development approach centred around Business Development Services (BDS) for organizational development and complemented by a Lead Farmer model (for extension services), an access to finance model, a gender empowerment model, and a youth-focused village agent model for market access
- The strategy catered for a sustainable exit for the program with two main components: a) AMS strengthened the capacity of the market actors (especially the farmer groups) to develop and maintain long-term relationships and b) AMS aligned the interests of market actors and embedded the program's activities into public and private interventions
- To replicate and scale up the results of AMS, SHA has worked on raising awareness of the effectiveness of its interventions, such as with MAAIF/Government of Uganda (GoU). A combination of public and private uptake of the interventions will support the results to reach more farmers and refugees, and their organizations. The relative low cost per farmer of AMS enhances this potential
- Therefore, AMS represents a project that significantly enhanced the market inclusion of vulnerable groups, particularly refugees in Northern Uganda. The AMS project has been scaled up since its first phase in 2018 and has the potential to be taken up by more public and private actors

# BACKGROUND

Uganda is one of the most welcoming countries for refugees in Africa<sup>1</sup>, hosting 1.6 million refugees from countries like South Sudan, Sudan, the Democratic Republic of Congo, Burundi, and Somalia. To improve the livelihoods of both refugees and host communities, the government, Development Partners, and UN agencies, such as the Refugee Agency (UNHCR) and the World Food Programme (WFP), have organised efforts aimed to support communities. These efforts include providing humanitarian assistance, vocational training, and initiatives to foster self-reliance among refugees.

In this context, Self Help Africa (SHA) worked with host and refugee communities in Adjumani and Kiryandongo districts, Uganda, implementing WFP's Agriculture and Market Support (AMS) project. Since 2018, SHA has worked in West Nile and Northern Uganda, working to integrate refugees and host communities into productive and profitable value chains. Overall, SHA delivered training and capacity building to 335 farmer groups with a combined membership of 8,500 (including 4,000 refugees), to improve their productivity and market engagement.

Since 2022, SHA supported an additional 5,992 smallholders in Kiryandongo and Adjumani, 60% of whom are women and at least 40% of whom are youths, to promote their participation in an inclusive agri-food system. The results to date, further explored in this report, demonstrate that 72.4% of smallholders are engaged in viable business ventures because of business skills capacity building, 68.2% of the target farmers have increased production of key crops such as maize, beans, groundnuts, sesame and soya bean, 96.5% have accessed financial services informally through VSLAs, and at least 53% reported improvement in market access influencing factors such as better transport facilities, access to buyers and access to market information.

To achieve these results, the specific objectives of the intervention were to:

Improve post-harvest management (PHM), food safety and quality among women and smallholders, Agri-Small and Medium Enterprises (SMEs), and aggregators



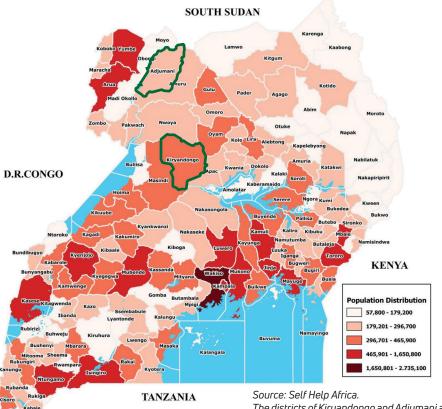
Increase pro-smallholder marketing among smallholders, especially women and youths



Strengthen national and sub-national institutions for smallholder policies and programs

This case study looks into the project activities that directly targeted these Agri-SMEs (farmer groups, primary cooperatives, aggregators, millers, food traders, village aggregators, shelling businesses), and other Agri-SMEs, such as buyers, financial institutions, and input suppliers. It is a deep dive into the AMS business development services (BDS) approach to deliver results on objective 2.





The districts of Kiryandongo and Adjumani are circled in green in the map above.

### STRATEGY AND PARTNER SELECTION STRATEGY

In the 2022/23 intervention SHA consolidated, scaled up and employed a sustainable market system approach to improve sustainability and impact at scale through increased utilisation and returns from the target value chains, especially for women and youth. SHA based its implementation strategy on its previous years' experience implementing AMS in Adjumani and Kiryandongo. The implementation approach linked closely with the activities and programmes of District Local Governments (DLGs) as well as the WFP and other development actors. In this phase, SHA put a strong emphasis on supporting youth and women, while maintaining the existing focus on supporting refugees and on embedding an exit strategy in the local market ecosystem to sustain results.

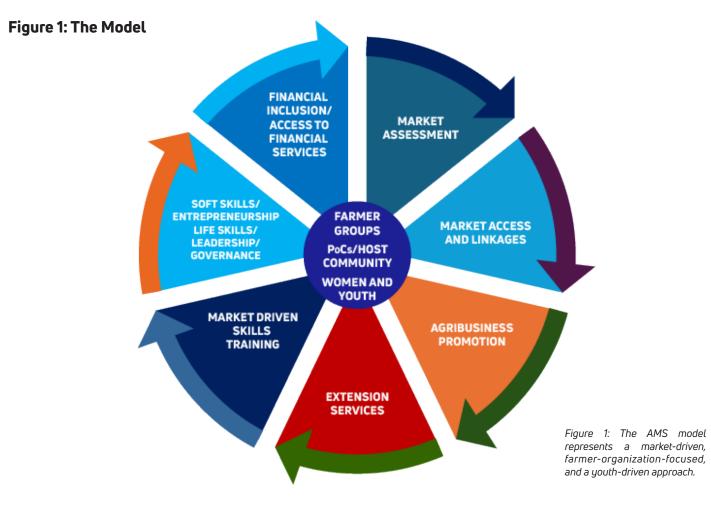
For the objective to **increase pro-smallholder marketing among smallholders, especially women and youth**, SHA adopts an inclusive market systems development approach, with "light touch" efforts to leverage relationships across market actors instead of directly intervening value chains. SHA induces change in market systems by identifying and incentivizing capable market actors to scaleup businesses that in turn make value chains more competitive, resilient, and inclusive. Under AMS project, SHA implements a model called Lead Farmer (LF) Model and engages an array of public and private sector actors (existing SME) under shared-value partnerships to increase the productivity of agribusinesses and non farm enterprises by facilitating access to goods (inputs, seeds, equipment, etc.), services, markets, information, as well as to productive and social assets. The AMS approach also responds to the other two objectives as follows:

- Improve PHM, food safety and quality among women and youth smallholders, MSEs and Aggregators: The AMS includes value addition training for farmer groups, scaling up the fabrication of improved and affordable hand maize shellers by local artisans.
- Strengthen national and sub-national institutions for pro-smallholder policies and programs: AMS focuses on engaging with district local governments (DLGs) and other relevant stakeholders to advocate for pro-smallholder change in the areas of i) improved management of market places; ii) improved (pro-smallholder) communication and coordination along the value chain by supporting DLGs to facilitate multi-stakeholder agricultural value chain platforms<sup>2</sup>; iii) continued advocacy and support for the integration of the WFP PHM model into the DLG development plan; and iv) facilitation of the integration of nutrition-sensitive enterprises into markets and food systems.

Therefore, improving PHM and strengthening national and sub-national institutions are key components of SHA's strategy that complement the objective to increase pro-smallholder marketing

### THE AMS APPROACH

The AMS approach is a combination of several tested models. It places Farmer Groups at the centre (Figure 1). Extension is delivered through the Lead Farmer Model, finance through the VSLA/SWAPP (Saving With A Productive Purpose) model, market access through the Village Agent Model Network, and organizational development is provided through Business Development Services (BDS). Finally, the Family Life Model supports women empowerment and addresses gender issues in relation to agricultural value chains.



<sup>2</sup> With representation from farmer leaders, private sector actors, DLG stakeholders, National Agricultural Research organisation, Ministry of Agriculture, Animal Industries and Fisheries staff and NGOs working in the agricultural value chain

AMS promotes financial inclusion by (i) leveraging existing relationships with FINCA and PostBank in Kiryandongo and exploring opportunities with Equity Bank in Adjumani; and (ii) embedding VSLA and Saving With A Productive Purpose (SWAPP) activities within all farmer groups.

During implementation of WFP's AMS project, SHA adopted a graduation approach for farmer organizations (FOs) that have worked with SHA for more than 3 years. This is to ensure a smooth exit. SHA holds a close-out meeting with FOs that are considered ready for graduation. A re-assessment of their capacity gaps is undertaken. The modalities for graduation are shared and a gradual 3-month process when exit is agreed upon. FOs need to have work plans involving critical activities for their businesses. SHA continues to provide market linkages for the old groups based on their demand and the Lead Farmers are key in this last phase of mentorship.

Finally, the AMS approach lies in an equitable participation of women in development as a rewarding investment in increasing food security and reducing poverty. The AMS approach to gender is divided into two types of initiatives: gender mainstreaming and gender-specific actions (direct support and women's empowerment). The Family Life Model is focussed towards ensuring that women, men, boys, and girls have an equal voice, can make choices, and gain control over resources and income for the overall wellbeing of the family.

### **PARTNER SELECTION**

AMS targeted aggregation and distribution actors, cooperatives, retailers, and food processors, among others. This was majorly to foster market facilitation among the smallholders to improve on poverty alleviation, market growth, broader growth and employment and job creation in a sustainable manner. SHA recruited agri-SMEs partners in the program through a three-pronged approach of profiling, market analysis, and sensitization.

#### PROFILING

Profiling ensured that the project targeted 60% women and 40% men. Participants had to be willing to participate and to have the capacity to adopt climate-smart farming practices as well as market opportunities for income generation. The entry point for smallholder selection were producer groups formed by national programs, as well as other development and private-sector initiatives in Adjumani and Kiryandongo. A clear selection criterion for the farmers groups included possession of leadership structure, engagement in any economic activity (preferably farming), operational track record for more than one year, registration at sub-county level, and willingness to participate in WFP trainings.

SHA mapped and verified a total of 403 farmer groups across all phases of AMS in both districts. Overall, a total of 5,972 participants were profiled for the 2022/2023 phase, representing a 99.7% target reach.

DISTRICT	CATEGORY	TARGET	GENDER		GRAND
			MALE	FEMALE	TOTAL
Adjumani	National	2209	687	1393	2080
	Refugee	1473	305	1278	1583
	Youth	1657	538	1220	1758
Adjumani Total		3682	992	2671	3663
Kiryandongo	National	1386	501	1010	1511
	Refugee	924	196	602	798
	Youth	1040	405	742	1147
Kiryandongo Total		2310	697	1612	2309
Grand Total		5992	1689	4283	5972

#### **PROFILING DATA SUMMARY**

#### **MARKET ANALYSIS**

SHA conducted a thorough analysis of the market system, where key actors were identified, and their relationships and dynamics were analysed. This gave a clear understanding of the roles, relations, and power dynamics of farmers, traders, processors, and other market participants in the agribusiness ecosystem. Based on the analysis, SHA established functional partnerships with relevant government agencies, NGOs, and private sector entities to leverage resources and expertise, as well as facilitating platforms for dialogue and collaboration among market actors for shared-learning and problem-solving.

#### AWARENESS AND SENSITIZATION

To complement, SHA and DLG sensitized participants about the interventions, general supporting functions (e.g. existing government programs), and how to access the services and products delivered by the program. The sensitization was meant to ensure that the project beneficiaries understood their roles and responsibilities as well as to level the expectations.

## BDS DESIGN AND DELIVERY

SHA uses <u>WFP's FO/ RPO survey tool</u> to assess the capacity of FOs in areas such as legal framework, strategic planning, financial management, staffing and operations, membership strategies, members, cooperative production and market linkages. The data obtained serves as a baseline for assessing the outcomes of project interventions over time. It also informs the identification and establishment of necessary linkages, enhancing overall project effectiveness and sustainability. Finally, it allows SHA to target capacity building support for FOs using the <u>WFP approved business development training curriculum</u> (See Annex for modules and further details).

The trainings were delivered by WFP, SHA, and the public (DLG) and private sectors (BDS providers, business companies). The trainings delivered by SHA were based on the in-house capacities of SHA staff, country advisors, and project team, whose capacity was built by WFP. The BDS providers, business companies and DLG were considered for the purposes of sustainability of results.

## **RESULTS: BDS EFFECTIVENESS**

Regarding the effectiveness of the AMS model presented above in respect to its objective to **increase pro-smallholder marketing among smallholders, especially women and youth**, this section delves into improvements in access of smallholders to FO services, to markets and inputs, and to financial and digital inclusion.

### **IMPROVED ACCESS TO FO SERVICES**

The AMS project focuses on developing FOs as independent business entities. This focus resulted in FOs having robust business plans at project phase-out and being capable of continuing operations independently. At farmer level, the farmer-to-farmer learning enhanced access to unique and workable best practices, with farmers supporting each other to grow their businesses. Smallholder farmers built on this strategy to form and strengthen the business groups and associations and create linkages with other private sector players. Through networks and linkages, targeted smallholder farmers influenced and reached additional non-targeted smallholder farmers by sharing experiences and best practices through lead farmers.

Due to increased access to extension and mentorship services, both from the project's direct support and linkage to other private sector actors, FOs were able to improve on their leadership and management skills and structures, governing policies, record-keeping, member mobilization, and advocacy and lobbying capacity. Member services offered also improved due to enhanced FO leadership and management capacities. These include extension services, financial services (loans), marketing services, bulking services, access to inputs, tractor hire services. This has enabled farmers to increase their productivity, acreage, and incomes.

### **IMPROVED ACCESS TO MARKETS AND INPUTS**

Prior to the implementation of AMS, scattered production and the lack of collective input purchase and output marketing limited the bargaining power of smallholder farmers. Additionally, the poor quality and usually mixed variety of agricultural inputs led to low prices and thus low income for producers. This problem used to be exacerbated by weak extension support systems, low adoption rates of improved varieties, and the application of fertilisers to improve yields, implying limited productivity.

To address these concerns, the AMS approach promotes the use of the Village Agent Model network together with other strategies (see results section). A total of 50 youths were identified and subsequently trained as village agents. Their role was to aggregate demand from farmers and place orders for inputs, which would then be delivered and sold at a more affordable cost to the farmers. The number of village agents has increased to 90 currently.

This approach aimed to enhance accessibility and affordability of agricultural inputs for farmers while creating entrepreneurial opportunities for the trained youth village agents. The village agent model is highly effective in achieving the last mile objective of easing access to inputs through a self-sustaining model. The Village Agent receives a commission from the input dealer. Agents are not paid by the project.

Additionally, SHA facilitated linkages with different private sector input dealers including seeds, fertilisers and PHM technologies to develop business partnerships that enabled farmers to access quality and improved technologies for improved production and quality. These partnerships also improved access to collective bulking and marketing services by supporting farmer groups to develop collective aggregation mechanisms, partnering with the private sector through contract farming, and the training of young people under the Village Agent model.

The linkages between farmers and prominent off-takers resulted in access to high-quality inputs. For instance, farmers signed contract farming agreements with buyers, such as Farm Uganda, which in collaboration with SHA successfully sold 13,210 kilograms of subsidised maize seeds to 507 women and youth farmers in both settlement and host communities in Kiryandongo. Other partnerships that SHA helped establish were with Acila Enterprise Ltd, Agri-Exim, Omia Agribusiness, and Mukwano in Adjumani and Kiryandongo.

To enhance the retail supply chain network, SHA strengthened existing partnerships and held a meeting between a total of 83 market vendors, retailers, wholesalers, produce dealers, field officers, millers, and other business operators within and outside the settlement.

Finally, there was an increase in the level and quality of the grain and pulses being bulked at both FO and group level, attributed to the PHM, collective bulking, and marketing training and mentorships, linkages to agro-input dealers in PHM equipment, and access to markets.

A total of 594,816 kgs of produce was bulked with a total sale value of UGX 904,225,742 (more than USD 236,000 in current value), or UGX 151,410/farmer.

S/N	<b>CROP TYPE</b>	BASELINE	2022/2023 PHASE	CHANGE
1	Beans	607	4,276	704%
2	Cassava	297	19,295	6497%
3	Maize	347	392,953	113243%
4	Sesame	170	3,680	216%
5	Soyabean	591	169,964	28759%
6	Sunflower	571	4,648	814%
TOTAL KG SOLD		2,583	594,816	23028%

TABLE SHOWING BREAKDOWN OF CROPS BULKED AND MARKETED.

### FINANCIAL AND DIGITAL INCLUSION

In November 2019, the Uganda Assessment Technical Working Group found that the main source of capital for both refugees and host communities in both refugee settlements are their own savings (89.4% in Kiryandongo and 95.8% in Adjumani). Other sources of capital are credit/loans (between 9.7% and 12.4%), business partners (between 7.8% and 8.2%) and support from NGOs (between 0.5% and 1.6%).

To tackle the challenges with financial and digital inclusion of target groups, SHA invested in financial literacy and VSLA training, creating linkages to financial service providers, and forming partnerships with digital service providers.

#### FINANCIAL LITERACY/VSLA: TRAINING ON SAVING WITH A PRODUCTIVE PURPOSE

Financial literacy training provided smallholder farmers with the basics on building a stronger foundation for their businesses. Under AMS, SHA developed sustainable financing mechanisms for farmer groups through the Village Savings and Loans Association / Saving With A Productive Purpose (VSLA/ SWAPP) approach and through creating linkages with formal financial institutions. Using the VSLA/ SWAPP approach, SHA introduced financial skills that fostered a culture of saving, group cohesion and investment among farmer groups towards acquisition of PHM technologies and other farm inputs.

All farmer groups targeted received financial literacy training. Improvements in record keeping and financial literacy have enabled target groups to gain greater access credit through better demonstration of their business performance and financial history when applying for loans.

#### LINKAGE TO FINANCIAL SERVICES

SHA has developed partnerships with Equity Bank and FINCA Bank Ltd in Kiryandongo district. These relationships were scaled to areas where new farmer groups had already been targeted, but also to Adjumani where this service had not been established. Additionally, new partnerships were formed with other appropriate financial service providers, including SACCOs, and commercial banks such as Post Bank and Centenary Bank. SHA facilitated the engagement between financial service providers and the farmers and businesses.

SHA estimates that 90% of the farmer groups are able to access financial services from commercial banks. They are largely prepared to present the requirements needed by the banks. However, farmer groups that are more likely to succeed are those that also present bank accounts, income-generating activities, business plans, good record-keeping, and good loan repayment record. Additionally, there are 2 SACCOs (one in each district) offering alternative finance access. SHA estimates that 20% of the farmer groups make use of SACCOs.

#### **DIGITAL SERVICES AND PRODUCTS**

In partnership with a local fintech company, Ensibuuko, SHA digitised the operations of 30 VSLAs, using a digital platform and a dedicated FO WhatsApp group. Digitisation is expected to enable greater accountability and operational efficiency, as well as to simplify the reporting process through tracking VSLA records. It disseminates agricultural information, including real-time weather updates, alerts regarding disease and pest outbreaks, and recommendations on disease and pest control.

### LESSONS ON SUSTAINABILITY AND SCALABILITY

Based on the results of implementation of AMS, SHA shared their reflections on key lessons on the scalability and sustainability of similar approaches after the conclusion of the program. These are also based on SHA and partners' perception of the success factors of the program.

#### LESSONS ON THE PARTNERING STAGE

From implementing WFP's AMS project, SHA derived three main lessons regarding the partnering stage. Firstly, SHA is convinced that the three-pronged approach (profiling, market analysis, and sensitization) was crucial. Continuous monitoring and evaluation were also deemed essential for the market analysis process, to ensure agility and foster adaptive management practices to respond to evolving market conditions.

Secondly, identifying and training the right lead farmers to provide training, mentorship/coaching, and market facilitation to farmer groups was considered key to improving the delivery of extension services. In some cases, there are opportunities to develop partnerships with public providers, such as the local government (agriculture, production, and community development officers). In other cases, working with private training and BDS providers is the preferred option, such as financial institutions, agro-input dealers, off-takers, and consultancy firms. In AMS, a mixture of partnership models was used.

Finally, partnerships with private sector actors should be clearly based on well-defined business cases which benefit both the private sector companies and the farmers.

#### LESSONS ON THE QUALITY OF BDS DESIGN AND DELIVERY

Instead of directly providing the necessary training to refugees and host communities, the project collaborates with private partners (such as off-takers and input suppliers), who have the capacity and incentives to deliver the services in a more financially sustainable way. This enabled the use of cash transfers to support market development, activate markets, and positively impact sustainability.

While some initiatives experienced low adoption rates, they remain relevant. For instance, collective bulking and marketing among farmer groups and youth groups empower beneficiaries by providing a collective voice to negotiate for fair pricing. Supplementary initiatives can address initial low adoption rates. For example, providing access to affordable, subsidised inputs due to aggregated demand by farmers has increased collective bulking and marketing. Consequently, SHA will continue to reinforce the organisational capacities of farmer groups to encourage greater participation in collective schemes aimed at enhancing supply chain efficiency and aggregating demand. Stronger farmer organizations are anticipated to enable off-takers to access produce of sufficient volume and quality while reducing transactional costs associated with bulking.

The village agent model proved highly effective in achieving the last mile objective of enhancing access to inputs as well as acquiring basic agronomic knowledge. SHA intends to further strengthen and expand village agents' capacities to access financial and technical resources. This support will aid agents in establishing business that offers locally led agricultural extension goods and services, thereby creating job opportunities and income streams for the youth.

#### **LESSONS ON INCLUSION**

To promote gender inclusivity, SHA ensured that gender mainstreaming was prioritised in every activity, including trainings and engagements with FOs and enterprises using the Gender Action Learning System (GALS), SHA's Family Life Model, and the Adopting a Gender Lens in Business approach.

As for youth empowerment, the engagement of 50 young people through the Village Agents Model have effectively supported the supply of improved inputs, outputs, and store management. This led the model to expand to 90 young agents more recently.

SHA strongly believes that participatory approaches and a two-way dialogue with communities are crucial for raising awareness of critical issues affecting communities. This not only enhances programme efficiency with transversal themes such as women and youth inclusion, but also contributes to improved project visibility and uptake of project approaches among target communities.

#### LESSONS ON THE SUSTAINABILITY OF THE OUTCOMES

SHA expects the outcomes of AMS to be sustainable in the long term, as AMS planned the integration of its strategy into District Development Plans and annual budgets. AMS activities have been aligned with or integrated into government and donor projects in the areas of intervention. By ensuring close collaboration with DLG and building the capacity of their staff, it is anticipated that AMS activities and budgets will be included in annual districts plans and budget, thus becoming part of district programmes, which lays a strong foundation for sustainability.

SHA strengthened its current partnerships with local and regional government administrations to better address agribusiness issues and leverage their programs supporting smallholder farmers. At the district level, the project has forged a partnership primarily with district community development, production, and marketing departments. These partnerships provide access to extension services, technical and supervision services, and linkages to existing local government programs such as the Parish Development Model (PDM) and Operation Wealth Creation (OWC). Alignment with existing governmental development programs like OWC amplifies the project's impact and is essential for sustainability.

Finally, SHA has empowered DLG in engaging market actors, policy influencers, and stakeholders by facilitating the establishment of two multi-stakeholder agricultural value chain platforms. These are expected to facilitate information sharing and collaboration for business and policy dialogue. These platforms bring together farmer leaders, private sector actors, DLG stakeholders, National Agricultural Research Organization (NARO) agencies like National Crop Resources Research Institute (NaCRRI), Ministry of Agriculture, Animal Industry, and Fisheries staff, as well as NGOs working in the agricultural value chain.

#### LESSONS FOR THE REPLICABILITY AND SCALING UP OF SIMILAR PROGRAMMES

SHA considers it crucial for the objectives of replicability and scaling up objectives to raise awareness about existing pro-smallholder policies, government programmes, and WFP interventions. Under WFP's AMS, SHA created awareness and facilitated the linkage of targeted smallholder farmers to existing government and WFP policies and programs. This enabled the project to achieve scale and develop sustainability by leveraging on existing MAAIF/Government of Uganda (GoU) projects in the targeted area such as Emyooga program, Operation Wealth Creation, Agro-economic Impact Deepening

in the Albertine Basin, NUSAF, Development Response to Displacement Impact Project (DRDIP) and Agriculture Development Cluster Project.

The project also captured, documented, and shared success stories, models, and case studies through forums, social media, and websites. The aim was to disseminate the learning generated by the project and showcase opportunities for other stakeholders to catalyse market-driven change in the project area.

In addition, the AMS strategy model considers it key to crowd-in the private sector. Through partnerships with private-sector agribusiness, SHA worked to reduce market gaps and ensure the existence of a healthy business ecosystem providing essential services in the project area. Throughout the project, SHA collaborated with private-sector partners to develop business models addressing market gaps. In the project's final year, these business models were reviewed to ensure that private-sector partners were prepared to step in and address any viable gaps in access to goods and services created by the project's closure.

Finally, SHA kept the implementation costs per farmer at 165-170 EUR since AMS inception phase (2018-2019). This has likely influenced the continuity of a partnership with WFP over time. It stresses the relevance of keeping costs per farmer low, while generating income for previously vulnerable groups.

# RECOMMENDATIONS

Inspired by WFP's AMS strategy model, SHA recommends the implementation of strategies that focus on:

- Designing interventions that increase agricultural productivity, production, and marketable volumes to achieve food security, reduce poverty, and promote economic growth in rural areas. These should be a combination of proven and innovative approaches and working models for impact, scale-up interventions that have high potential and are proven to promote job creation, employment opportunity and increase incomes.
- Mixed partner models, depending on opportunities: strengthening the engagement and partnerships with the private and public sectors based on economically viable business models as well as optimising the utilisation of existing demand and supply aggregation systems and agro-processing capacities.
- Ensuring partner selection prioritizes the program's success criteria. For example, in AMS agri-SMEs selected had to respect a predetermined gender balance (60% women and 40% men) and they had to demonstrate willingness to adopt climate-smart farming practices. AMS also targeted smallholder groups with established leadership, operational experience, and willingness to engage. Partner selection should be complemented with an analysis of the market dynamics to form strategic partnerships and thorough participant sensitization for clarity and alignment of expectations, roles, and responsibilities.
- Setting up a monitoring and evaluation system from the start, to ensure timely adaptation of management practices to evolving and changing project conditions. Regular assessments can help identify strengths, weaknesses, and areas for improvement, enabling SHA to refine their support strategies and ensure accountability.
- BDS design and delivery: a mixture of proven models to form a more holistic approach. Linking young people and women to input dealers, off-takers and financial services providers improves the supply chain efficiency, promotes competitiveness and access to quality inputs, markets, and financial products.
  - Access to finance criteria that are most often requested by financial service providers: farmer groups that are more likely to succeed are those that present bank accounts, income-generating

activities, business plans, good record-keeping, and good loan repayment record.

- Complementing the access to finance strategy with alternative financing methods, such as VSLAs, SACCOs, and government funding available.
- Using digitalization to complement the program's approach when it can make services more efficient and effective. AMS digitalized the provision of access to finance services to enable greater accountability and operational efficiency. A careful selection of digital technologies to support BDS at the right moment of an agri-SME development curve is key.
- Ensuring sustainability of results by strengthening the capacity of cooperatives and FOs to develop long-term sustainability plans that encompass financial management, succession planning, risk management, and resilience-building measures. Capacity development should encourage the establishment of internal governance structures and mechanisms to ensure continuity and adaptability in the face of changing circumstances.
- Embedding the exit strategy in the local partners' activities and aligning it with their interests: SHA recommends an exit strategy that combines self-sustaining agri-SME learning and improvement practices with integration of the strategy in local extension service plans and budgets. Like this, the exit strategy tackles both the sustainability and scalability concerns of an ending program. The mixture of a public (extension service) and private (agri-SME demand and private sector supply) approach offers alternatives for BDS provision at the end of such a program.
- Working with local stakeholders in the public and private sector to embed the interventions in a local market ecosystem also to enable scale. In AMS, this has been done by disseminating results and raising awareness of the program's success cases to other local partners.
- Reducing costs/Keeping costs of programs low to enable scale: SHA has been working with WFP on AMS since 2018. From the first phase (2018-2019) SHA has kept the cost per farmer at 165-170 EUR. This has enabled continuous investment of WFP on upscaling the interventions from 3000 to 6000 farmers.



## BOX 1 – LEAD FARMER MODEL

Chosen based on their expertise, the lead farmers are assumed to be effective innovators and disseminators of information. The lead farmers' approach has been adopted to address the high ratio of government extension workers to farmers. Lead Farmers are understood as farmers who continually demonstrate increased productivity per unit area while diversifying and integrating farm enterprises for food security and income generation at the household level. These translate into 'good practices', which are replicated in the community through peer-to-peer learning. This strategy has proved to contribute to increased extension service delivery and or coverage in addition to improved technology transfer and use. Additionally, with the agribusiness orientation, lead farmers play a significant role in organizing farmers toward collective and sustainable markets for their produce.

Regarding the delivery of training and mentoring, SHA is experienced in using the Lead Farmer (LF) Model TOT to deliver innovations to smallholder farmers. LFs function as an information bridge between the farmers (demand) and the extension workers and service providers (supply). Lead farmers:

- Are selected based on their technical expertise, their role in the community, and their level of literacy.
- Are trained in farming as a business, group strengthening, value addition, PHM, and collective marketing.
- Train other farmers to use new technologies as well as motivate them through example

Both lead farmers and farmer group leaders are equipped with training manuals, smart projectors, and relevant stationery to enable them to cascade the training to other members. Training typically costs UGX 100,000 per group and takes a maximum of 7 days, cascaded through field days, exposure visits, training materials and linkages to other service providers within and outside the community. Scaling up the LF Model for the 2022/23 interventions has enabled SHA to overcome language barriers by providing more localised focal points and ensuring greater sustainability of the project.



### ANNEX – LIST OF MATERIALS USED IN THE AMS TRAINING

## WFP'S ENABLING FARMERS TO ACCESS MARKETS – FACILITATORS' TRAINING MANUAL MODULES 1-4

- Module 1: How to Grow Your Farming Business
- Module 2: Financing Options for Your Farming
- Module 3: Harvest, Post-harvest Handling, and Household Storage
- Module 4: Bulking at the Business Center

#### ADDITIONALLY FOR MEMBERS OF SELECTED GROUPS

- Financial literacy
- Agro processing
- Digital and mobile money literacy

#### FOR FARMER LEADERS AND FARMER ORGANIZATIONS

- Financial literacy
- Agro processing
- Service / input distribution
- Digital and mobile money literacy

	THEME/TOPIC	FACILITATOR/TRAINER	
1	Training of the District and Lower Local Government officials on the World Food Program-Post Harvest Handling (WFP-PHM) model and market facilitation approach	SHA staff	
2	Conducted community sensitization on gender and equality	SHA project staff / gender champions and DLG (Community Development Officers)	
3	Training of Gender /Nutrition Champions	ition Champions SHA staff	
4	Conducted trainings and mentorships of FGs on post- harvest handling and management	SHA project staff (trained by WFP)	
5	Training on nutrition through conducting practical cooking demonstration	SHA staff	
6	Conducted trainings and mentorship on collective bulking and marketing	SHA staff (trained by WFP)	
7	Training of youth and women local artisans on post- harvest equipment	Business companies	
8	Training of Market vendors on Food safety, handling and quality control	SHA staff (trained by WFP's Training of Trainers – ToT)	
9	Training of FO Leaders on Food safety, handling and quality control	World Food Programme	
10	Training of village agents on business skills and marketing		
11	Training of youth group Leaders on Group Dynamics	SHA project staff	
12	Conducted a training in Value-addition.	Consultant from private sector	
13	Conducted Training of youth on pallet making	Private sector trainer	
14	Training of new group leaders on VSLA Methodologies	SHA project team and financial institutions	
15	Training of group leaders on VSLA digitalization	FIN TECH company	
16	Training of youth and FO leaders in Business skills development	Consultant from private sector	
17	Training of market management committees and District Local Government Officials (DLGs) on market management and hygiene promotion around the markets	DLG(District Commercial Officers and Health inspectors).	

