



Evaluation e-Library (EeL) cover pages

Note: To be filled out and inserted at top of evaluation reports submitted for uploading to the EeL. For words given in blue, select (delete words that do not apply). Full cover page(s) should not be more than 3 pages in length.

Name of document	LBDS END OF PROJECT EVALUATION REPORT LIRA DISTRICT
Full title	Lango Business Development Services (LBDS) project
Acronym/PN	LBDS, UGA090
Country	Uganda
Date of report	December 2010
Dates of project	The project was started in January 2009 closed in December 2010
Evaluator(s)	Habib Tibrichu, BDS Specialist
External?	Yes
Language	English
Donor(s)	Wellspring
Life-of-Project Cost (Expenditure in \$US)	US\$ 502,341 for 2 Years
Scope	<i>Project</i>
Type of report	<i>final evaluation</i>
Length of report	<i>76 pages</i>
Sector(s)	Business Development services
Brief abstract (description of project)	<p>Lango Business Development Services (LBDS) project was a two year project implemented by CARE International in Uganda in the Lango sub-region. The project was started in January 2009 and was expected to close in December 2010. The project funded by Wellspring, was planned to support a target of 5,000 individual small farmers, of whom 60 percent of are women. The project's mandate was to increase food production and household income.</p> <p>The target beneficiaries included households engaged in small farm related enterprises, who were small scale farmers, located in the two sub counties of Aloï and Aromo in Lira district. The project aimed at creating profitable markets for the three sub sectors of Soya beans, Ground nuts and Sesame as well as promoting the Village Savings and Loans Associations (VSLA) as an alternative financing mechanism since most of the target population had no access to formalized financial services. It also promoted input seed loaning and Farmer Seed multiplication development to enhance access to improved seed. The project also promoted product development and commercialization, linkages to financial service providers as well as capacity building of implementing partners.</p>
Program (higher-level) Goal (to which)	The project's goal was to address household poverty and increase livelihood opportunities in Lira District by increasing agricultural

the project contributes)	productivity and household income.
Project Goal (for which project is accountable)	The 2 year project aimed at increasing household incomes for 5,000 small scale subsistence smallholder producers with a special focus on women composed of 60% of project participants.
Objectives (more specific outputs/ outcomes)	<p>The project's specific objectives included the following:</p> <ul style="list-style-type: none"> • Increase production of soya, groundnuts and sesame to cover at least 70% of the targeted households through the use of new high-yield seeds and modern, environmentally sound agronomic practices and methods to maximize the utilization and productivity of available land. • Increase participation in farming and marketing groups that respond to existing competitive market conditions for agricultural products and commodities. • Establish a viable input supply chain of private operators to satisfy at least 80 percent of the target groups' demand for high quality seeds, ox ploughs, ground Sheller, cassava crushers, hoes, etc. • Increase access to financial services through the promotion of village savings and loan associations (VSLAs)¹ and micro-leasing.
Evaluation design	<i>Formative (process)</i>
Evaluation Methodology	The evaluation mission employed a two-pronged approach in compiling an understanding of LBDS in Uganda. Firstly, review of literature on LBDS design and implementation was studied and analyzed. These included documents from LBDS design, progress reports, other studies, narrative and financial reports from partner beneficiaries. The literature from LBDS also included design proposal, log framework, work plan, quarterly progress reports, monitoring report and financial reports. The second approach involved interviews with individuals, group leaders, project staff, local partner staff, and other stakeholders who were directly involved with LBDS. LBDS manager, Project Officer and Admin and VSLA officer played key role in coordinating the field work with the local partners. The methodology used included face to face interviews, physical inspection, focus group discussion, roundtable meetings, literature reviews, and data collection and analysis.
Survey?	<i>community-level survey</i>
Summary of lessons learned (evaluation findings of interest to other audiences)	<ul style="list-style-type: none"> • Baseline data provides critical information on the situation before interventions has been undertaken. It is therefore very difficult to measure the impact of project initiative if the project does not know what the situation was when it began implementation. • Should conduct market assessment in the context of assessment frameworks that are based on market development model that traces beneficiary linkages to input, product, financial service and business service markets (within the context of value chains) to enterprises and households. • Since the project implementation was based on value chain approach, strengthening service providers as a major BDS intervention is essential because the market development sustainability depends on how the demand and supply side support each other. • VSLA for Value Chain: Strategically integrate VSLA and other

	<p>financial products into the value chain development activities.</p> <ul style="list-style-type: none"> • Promote sustainable value addition initiatives through introducing small scale processing facility (by micro leasing), grading system, and develop new products such as soya bread, soya cake etc.
Contribution to MDG(s)?	<i>Income, Hunger and Women's Empowerment.</i>
Address main UCP "interim outcomes"?	<i>Gender Equity, Financial services, Social Inclusion [empowered poor]</i>
Comment	



LBDS CARE PROJECT

(LANGO BUSINESS DEVELOPMENT SERVICES)



LBDS END OF PROJECT EVALUATION REPORT LIRA DISTRICT

Prepared for:
LBDS/ CARE International in Uganda

Prepared By:
Habib Tibrichu, BDS Specialist
Creative Business Development Group
Kampala Serena Conference Center
Suite 4, Basement Floor
Kampala, Uganda
Mobile: +256-782-555-403/0702-501039
E-mail: hat_bud@yahoo.com

DECEMBER 2010

TABLE OF CONTENTS

ACRONYMS.....	3
EXECUTIVE SUMMARY	4
EVALUATION BIODATA FORM	8
INTRODUCTION.....	9
Project Background.....	9
Objectives of Evaluation.....	10
Scope of work	10
Methodology and Approach.....	10
Evaluation Study Limitation.....	11
MAJOR FINDINGS AND PROJECT PERFORMANCE REVIEW	12
LBDS Project Design	12
Project Relevancy and Strategic Fit	12
Validity of the Project Design	13
Project Performance and Results.....	15
VSLA Performance and Integration	16
Project Impact on Beneficiaries and Sustainability	18
Project Effectiveness	20
Project Efficiency of Resource Use.....	22
Analysis of Implementation Approaches and Methodologies.....	23
Value chain Approach Review & Development Opportunities.....	32
Project Implementation Gaps	37
PROJECT SUCCESS STORIES	40
CONCLUSION	42
RECOMMENDATIONS.....	43
ANNEXES.....	48
Annex 1: Terms of Reference	49
Annex 2: Project Design Summary	52
Annex 3: Evaluation Schedule	54
Annex 4: Map of Lira District and Counties, Sub counties, Parishes and Villages	55
Annex 5: Project Budget and Budget Performance.....	57
Annex 6: Summary of Field Findings	59
Annex 7: Value Chain Development	62
Annex 8: List of People Contacted	71
Annex 9: List of References	76

ACRONYMS

AIDS	Acquired Immunodeficiency Syndrome
BDS	Business Development Services
CARE	Cooperation for Assistance and Relief Everywhere Inc.
CBF	Community Based Lead Farmers
CBT	Community Based Trainers
CPA	Concerned Parents Association
EOP	End of Project
FAO	Food and Agriculture Organization
FGD	Focus Group Discussion
HIV	Human Immunodeficiency Virus
IDP	Internally Displaced People
IGAs	Income Generating Activities
LBDS	Lango Business Development Service Project
LSDP	Lira Strategic Development Plan
M&E	Monitoring and Evaluation
MTR	Mid-term Review
NAADS	National Agricultural Advisory Services
NARO	National Agricultural Research Organization
NGO	Non-Governmental Organization
NURDP	Northern Uganda Reconstruction Development Plan
NUSAFU	Northern Uganda Social Action Fund
OPSEL	Tooke Private Sector Enterprises Limited
PMA	Plan for Modernization of Agriculture
R&D	Research and Development
SMEs	Small and Medium Enterprises
UBOS	Uganda Bureau of Statistics
UNADA	Uganda National Agro input Dealers Association
UOSPA	Uganda Oil Seeds Producers and Processors Association
VSLA	Village Savings and Loan Association

EXECUTIVE SUMMARY

Background

Lango Business Development Services (LBDS) project is a two year project implemented by CARE International in Uganda in the Lango sub-region. The project was started in January 2009 and is expected to close in December 2010. The project funded by Wellsprings, was planned to support a target of 5,000 individual small farmers, of whom 60 percent of are women. The project's mandate is to increase food production and household income. The project is due to close by December 2010 and hence, necessitating this evaluation assignment commissioned by CARE International, to assess the project outcome, impact, efficiency and effectiveness.

The purpose of this end of a project evaluation is to determine how well the project design was implemented, and the results achieved during the project cycle. The goal of this end of project evaluation is to establish the project's relevance, achievement of goal and objectives, efficiency, effectiveness, impact and sustainability.

The evaluation study scope covered the assessment of activities in the three selected value chains of groundnuts, soya beans and sesame in two sub counties of Aloi and Aromo in Lira district. The two sub counties are comprised of 16 parishes. The methodology used to carry out the evaluation included the following: face to face interviews, physical inspection, focus group discussion, roundtable meeting, literature review, and data collection and analysis.

Major Findings

The project was designed based on the concept of increasing agricultural productivity through promotion of market linkages in two counties of Moroto and Otuke in Lira district. The project's target group included the returning internally displaced people of conflict plagued Lira district comprised of 5,000 individual small-scale farmers, of whom 60% are women and 40% men.

The project concept and design was found to be relevant and strategically developed to address the socioeconomic development of the target project area. The mission further concludes that the project design strategically fits well with the domestic policy framework on Plan for Modernization of Agriculture (PMA), NUSAFU II, NURDP, Lira Local Government Strategic Development Plan (LSDP), government's prosperity for all program and the promotion of private sector led development strategy to eradicate poverty.

The mission therefore, observed that the project design was appropriate and was implemented partially successful although with constraints. It should also be noted that the project implementation was carried out under difficult conditions such as **limited project budget, politically tense environment, poor infrastructure network, targeting traumatized returning IDPs with rigid attitude, high poverty levels, and limited access to basic needs, and finally, coupled with staff turnover at project and partner level.**

The project did not develop a comprehensive M&E system and therefore, the project did not collect and analyze statistical data to measure some of the major project performance indicators apart from number of beneficiaries. It should be noted that the consultant carried out beneficiary perception survey to assess if the project results were achieved. Over the period 2009-2010, the project managed to mobilize and support 5,958 farmers of whom 3,567 are women representing 60% of the total beneficiaries. The project was implemented in two sub counties of Aromo (2,838 beneficiaries – 59.3% (1682) women) and Aloi (3,120 beneficiaries – 60.4% (1885) women). Of the 169 project beneficiaries sampled 96% reported an increased household income and savings (for example on soya beans the average income increased from Ushs 160,000 to Ushs 400,000 per acre per harvest season), 90% reported high rate of production technology adoption (for example

Aromo and Aloi farmers procured 1036 kg of soya beans and 2634kg of sesame improved high yielding seeds by second season 2010) and while 84% reported increased agricultural productivity (for example productivity of soya beans increased from an average of 2 bags to more than 5 bags per acre per season).

According to the respondents interviewed by the consultant, 96% of the 169 farmer's representatives reported that the intervention in seed distribution, seed multiplication, training, extension services and animal traction increased household income and savings; 95% reported an increase in agro input access, 92% reported an increase in agribusiness skills and knowledge, 91% reported an improvement in social network and gender, and 90% reported access to modern farming methods and technology. Farmers demonstrated impact on increased productivity through the following key indicators: on one acre of soya beans, the farmers used to harvest 2 bags but with the improved seeds, the farmers can harvest more than 5 bags (i.e. income from produce increased from Ushs 160,000 to Ushs 400,000 per acre).

Of the 169 farmer representatives interviewed only 153 managed to access VSLA loan. VSLA loan utilization was assessed and the borrowers reported the following: 56% of beneficiaries borrowed funds from VSLA groups to purchase agro inputs, 45% reported use of loan for expansion of farmland, 38% used loan for payment of school fees for their children, 36% used loan fund for meeting medical expenses and 30% used the loan fund to start a new business line.

VSLA played key role in promoting agricultural productivity, which in turn increases income and savings as it provides alternative sources of funding. Collective marketing can be successful with introduction of VSLA to support the value chain development. The project mobilized, and sensitized 167 groups with over 4,000 members to build confidence in saving money for their future development. The project activities instilled strong ownership and commitment in the local community, which resulted into savings of **Ushs 161 million**. This is commendable project achievement and this was made possible by building confidence among traumatized former IDP community.

The project implementation started six (6) months late due to delay in recruiting staff and establishing the logistical setup. The Project Manager was recruited and commenced work in June-July 2009. The first project manager resigned 8 months before the closure of the project and the support staff resigned in May 2010. CARE was compelled to recruited three new project staff with extensive experience in BDS and agribusiness. The new Project Manager started work in Lira on February 2010, and while the Project Officer started on March 2010 and Agricultural BDS Production Officer started on August 2010. The project staff turnover constrained the project implementation and has contributed to incomplete project activities. Nevertheless, the new staff has done commendable work to implement several interventions that have contributed to the current project results.

The LBDS project utilized the resources adequately to achieve the goal and objectives. In the design, it was planned that it would spend about US\$ 100 per beneficiary over the next two years (2009-2010). The assessment of the project efficiency by the mission has revealed that project managed to actually spend about US\$ 50 per beneficiary in the last quarter of year 2010. In terms of project overhead costs, the project planned to spend about US\$ 47 per beneficiary over two years, the budget actual performance indicated a good result of total expenditure of US\$ 27 per beneficiary as of October 2010.

The project planned to spend sub grant of about US\$ 21 per beneficiary but during the implementation, it managed to spend about US\$ 14 per beneficiary. The project used the resources conservatively to reach large number of beneficiaries. The balance of US\$ 161,889 has already been committed but not disbursed. Once this outstanding balance is disbursed the burn rate will stand at about 98%.

The project employed several strategies, approaches and methodologies to deliver support services to the local community. These included; seed multiplication, capacity building, seed loan/input credit, technology transfer (pay phone, animal traction, Sheller, weighing scale, bicycle, and spray pump) support, sub grant

arrangement, market linkages, VSLA package, value chain approach, extension services and value addition. These strategies and approaches have helped to transfer new skills and appropriate technology to the farmers, which have resulted into improved agricultural productivity, increased income and savings. The main challenge identified by the mission on the application of the selected project strategies, and approaches was the issue of sustainability. Hence, sustainability potential has been affected by limited involvement of private sector service suppliers, low beneficiary's willingness and ability to pay. Seed loan or input credit and technology support are partly commercialized through cost sharing system. The consultant made several recommendations to help CARE improve on these strategies, approaches and methodologies so as to support future project implementation. However, the value chain approach was not adequately integrated into the implementation of the project. This was because, the project did not carry out a detailed value chain analysis at the inception and in addition, it didn't create a deliberate chain governance structures, and local network of all major actors in the different chain. However, the process of integrating the value chain concept had just started in the year 2010. The consultant identified value chain constraints and opportunities that can be useful in the future project design.

The project managed to register success stories in VSLA implementation and agricultural productivity improvement. The project implementation has gaps in the areas of capacity building, staff recruitment delay, baseline survey content, midterm review, accountability delay, innovative BDS, sustainable market linkages, untimely delivery of inputs, low willingness to pay, and provide information, resistance to change, and low Household income. These gaps constrained the implementation of the project and the subsequent achievement of project results.

Conclusion

The project made great success over the year 2010, which has resulted in the positive results outlined above. The project has successfully created and supported 219 farmer groups (5,958 beneficiaries) that are actively engaged in production of sesame, soya beans, and groundnuts. These groups have developed strong ownership of these interventions and are willing to continue to promote these commodities. **The LBDS project support to VSLA groups has generated satisfactory results, as evidenced by the amount of money saved and the loans accessed by the members to the tune of about Ushs 161 million and Ushs 196 million respectively. For instance, for every 14 US dollars used as sub grants on a beneficiary, the VSLA beneficiary generated savings of worth 16 US dollars.** This VSLA intervention has helped to build strong group bound, ownership and, there is hope for better life as the farmers now have taken control of their savings. The knowledge and skills provided by the project to local partners and beneficiaries may continue to sustain several of these interventions to some of the selected and committed farmers and partners. This is because the target beneficiaries have managed to see the benefits and advantages of doing things differently using better and modern technology. However, there are several project management gaps that have been identified and these gaps need to be addressed in the future project design and implementation to enhance future project performance.

Recommendation

The mission recommends that the project life be extended by 2 or 3 years to maximize project benefits to these disadvantage target beneficiaries (former IDPs). It should be noted that the project has ignited a socio economic development transformation among these target beneficiaries, whose moment needs not to be constrained by the closure of the project. Promoting an agricultural based project with a community that has just emerged from post conflict situation is very challenging as has been outlined in this evaluation. The consultant therefore, recommends that this project be scaled up and prolonged for another period of two to three years. The proposed extension will strengthen and consolidate the interventions already underway and shall allow the target beneficiaries to build stronger marketing groups and sustainable linkages with buyers, which are critical in creating sustainable income to improve livelihoods. CARE should review and integrate the above recommendations to redesign the project. The proposed project re-design should enable CARE to scale up the project activities in order to achieve better results. The next project should provide incentives

for adoption of business development services by enhancing ability of beneficiaries to pay. Sustainability of these services will facilitate value chain growth and improvement in livelihood. The future project needs to focus on the development of sustainable business service markets by promoting demand-side incentives such as vouchers and matching grants and finally establish sound project implementation framework and operational guidelines to ensure that efficient and effective management.

EVALUATION BIODATA FORM

PROJECT GENERAL INFORMATION						
Name of Project: Lango Business Development Services CARE Project			Name of Contact Person: Jimm Kava, Project Manager			
Address: P.O. Box, Lira, Uganda			Mobile Phone: +256 – 772-589595 Business Phone: +256-392721106			
Physical Address Office: Lira Town Council, Lira District			Project Cost and Duration: US\$ 502,341 for 2 Years			
Number of Staff:		Female	Male	Total	Year of Project Commencement: 1st January 2009	
Management/technical		1	2	3	Year of Project Completion: 31th December 2010	
Support Staff		0	1	1	Project Central Supervisor	1
PROJECT GOAL						
Goal		To achieve sustainable livelihoods and increase incomes for 5000 capital and land poor farmers in the district of Lira.				
Target Beneficiaries		5,000 (70% Report Increased Production), smallholder farmers (those who own and/or cultivate less than two hectares of land)				
Project Financier & Budget		Wellspring funded the project to the tune of US Dollars 502,341				
LOCAL PARTNERS						
Local Project Partners		Location		Private	Public	
1	Uganda Oil Seeds Producers and Processors Association (UOSPA),	Lira		√	×	
2	Concerned Parents Association (CPA)	Lira		√	×	
3	Otuke Private Sector Enterprises Limited (OPSEL)	Lira		√	×	
VALUE CHAIN SUPPORTED						
Particulars		Sesame	Groundnuts	Soya Beans	Micro Savings & Credit (VSLA)	Other Cross Cutting Activities
Target Value chains		√	√	√	√	√
PROJECT EVALUATION						
Evaluation Schedule		January 2009			December 2010	
Data Collection		Primary Data – Field Survey			Second Data – Literature Review	
Evaluation Coverage		Value chains-Sesame, Groundnuts, and Soya Beans			Lira District, Aloi and Aromo Sub counties	

INTRODUCTION

This report provides an end of project evaluation of the Lango Business Development Services (LBDS) CARE Uganda project in Lira District which covered the period from January 2009 to December 2010. To evaluate the performance of LBDS, the project engaged a BDS Specialist namely **Mr. Habib Tibrichu** of **Creative Business Development Group** to undertake the assignment.

This report provides a documentation of the findings based on the above scope of work. It provides basic information on how LBDS project was implemented, and the related impact of various interventions on the target beneficiaries. This report reviewed the project design, approaches and methodologies, BDS initiatives, performance and results, value chain and VSLA interventions, challenges faced in implementing LBDS project, and highlight of recommendations for future project.

Project Background

Lango Business Development Services (LBDS) project is a two year project implemented by CARE International in Uganda in Lango sub-region. The project was started in January 2009 and is expected to close in December 2010. The project is funded by Wellsprings and it was planned to support 5,000 individual small farmers, 60 percent of whom are women. The project was charged with the mandate to increase food production and household income.

The target beneficiaries included small farmers that have the potential to engage in agribusiness, and the project was expected to initially support farmers who are located in the two sub counties of Aloï and Aromo in Lira district. The project is expected to create profitable markets by focusing its interventions in three selected value chains namely Soya beans, Ground nuts and Sesame as well as promoting the Village Savings and Loans Associations (VSLA) as an alternative financing mechanism. It also mandated to develop input seed loaning scheme and farmer seed multiplication initiatives to enhance increased access to improved seeds to beneficiaries. The project used BDS market development approach to develop viable BDS markets in the three selected enterprises.

The project's specific objectives include the following:

- Increase production of soya, groundnuts and sesame to cover at least 70% of the targeted households through the use of new high-yield seeds and modern, environmentally sound agronomic practices and methods to maximize the utilization and productivity of available land.
- Increase participation in farming and marketing groups that respond to existing competitive market conditions for agricultural products and commodities.
- Establish a viable input supply chain of private operators to satisfy at least 80 percent of the target groups' demand for high quality seeds, ox ploughs, ground Sheller, cassava crushers, hoes, etc.
- Increase access to financial services through the promotion of village savings and loan associations (VSLAs)¹ and micro-leasing.

Working through partnerships is part of CARE Uganda's strategy to ensure that, even beyond the life span of the project, the local partners continue delivering services to small holder producers. The project therefore, has since year 2009, worked with three local partners, these include; Uganda Oil Seeds Producers Association (UOSPA) contracted to promote seed multiplication, Otuke Private Sector Enterprises Limited (OPSEL) contracted to promote market for seed loan scheme, and Concerned Parents Association (CPA) contracted to

¹ VSLAs are self-governed groups that run solely on members' savings. CARE staff helps participants to form the group, elect officials, establish bylaws and create a system of savings, insurance and credit that meets their needs. After this initial training (which lasts 9-12 months), the VSLAs manage themselves.

build capacity in modern agronomic practices, value addition, quality improvement, business skills development, promotion of collective marketing, and including integration of VSLA methodologies using value chain approach.

Purpose of the Evaluation

The purpose of this end of project evaluation is to assess how well the project design was implemented, and document the results achieved during the project cycle. The goal of this end of project evaluation is to determine the project's relevance, achievement of goal and objectives, efficiency, effectiveness, impact and sustainability.

Objectives of Evaluation

The overall objective of this evaluation was to assess the extent to which the LBDS project achieved its stated goal and objectives. Specifically the evaluation process was expected to:

- Assess the extent to which small holder producers/entrepreneurs in the target area have increased the production and productivity of soya beans, groundnuts and sesame.
- Determine whether beneficiaries have registered improvements in household incomes as a result of participating in the project.
- Determine whether beneficiaries have increased access to financial services through the promotion of village savings and loan associations (VSLAs) and other loan schemes.
- Assess the capacity of the partner organizations and BDS providers to sustain the project interventions after the project has closed
- Assess the extent to which women were involved in project activities including planning and decision making.

Scope of work

Geographically Coverage

The evaluation study covered assessment of activities in the three selected value chains of groundnuts, soya beans and sesame and targeting two sub counties of Aloi and Aromo in Lira district. The two sub counties are comprised of 16 parishes.

Study Duration

The evaluation study commenced on 4th November 2010 and fieldwork ended on 16th November 2010 after the stakeholder's consultative roundtable workshop in Lira. The submission of the final report is expected on 19th November 2010.

Methodology and Approach

The evaluation mission employed a two-pronged approach in compiling an understanding of LBDS in Uganda. Firstly, review of literature on LBDS design and implementation was studied and analyzed. These included documents from LBDS design, progress reports, other studies, narrative and financial reports from partner beneficiaries. The literature from LBDS also included design proposal, log framework, work plan, quarterly progress reports, monitoring report and financial reports. The second approach involved interviews with individuals, group leaders, project staff, local partner staff, and other stakeholders who were directly

involved with LBDS. LBDS manager, Project Officer and Admin and VSLA officer played key role in coordinating the field work with the local partners. The methodology used included face to face interviews, physical inspection, focus group discussion, roundtable meetings, literature reviews, and data collection and analysis.

The mission started the assignment with literature review on 4th November 2010 and later continued with fieldwork on 5th November 2010, later holding roundtable meetings with LBDS management staff and with local partners (CPA, UOSPA, and OPSEL). The consultant further held focus group discussions in Aloï Sub County with CBTs, Seed Multipliers, Producers, Marketing Committee Executives, and Group Chairpersons to assess the project performance and impact on the livelihood of the local communities. On 7th November 2010, the Consultant held several meetings with produce traders in Lira Town and on 8th November 2010, the consultant and the local partner staff continued with fieldwork in Aromo Sub County; held focus group discussion with CBTs, Seed Multipliers, Producers, Marketing Committee Executives, and Group Chairpersons. On 9th November 2010, the consultant held several face to face interviews with key informants in Lira town. On 18th November 2010, the consultant facilitated a roundtable consultative workshop with the project stakeholders as means to validate data collected and analyzed. This workshop also acted as a feedback to the local community about the project implementation and the outcome of the interventions. The consultant carried out a quick market assessment of the three value chains to determine possible interventions gaps whose solution can lead to improvement in the implementation of LBDS. Final draft report was submitted on 19th November 2010 and the feedback from CARE LBDS was received on 1st December 2010. The list of persons contacted is in Annex 5 of this report.

Evaluation Study Limitation

During the evaluation, the following were the study limitations:

- Some of project's vital reports such as final project design proposal and log frame were not easily accessed by the consultant. Project monitoring and evaluation plan including system were not available at the project offices except VSLA MIS. Some of the data in these official reports are conflicting especially on the total project budget, and number of beneficiaries. Some of the literatures compiled during year 2009 were not easily accessible because the computer, where the data was stored had crashed. Hence, the review process consumed much time especially, the data verification process.
- The project carried out a baseline survey and baseline data was not found or entered into an M&E system to measure performance of key indicators. Therefore, it was difficult for the consultant to access quantitative project performance data to carry out more through project outcome and performance analysis except data was available on budget, VSLA and target beneficiaries.

MAJOR FINDINGS AND PROJECT PERFORMANCE REVIEW

LBDS Project Design

The project was designed based on the concept of increasing agricultural productivity through promotion of market linkages in two counties of Moroto and Otuke in Lira district. The project's target group included the internally displaced returning persons in conflict plagued Lira district comprised of 5,000 individual small-scale farmers, of whom 60% are women and 40% men. In addition, the indirect beneficiaries are children who suffer from food insecurity.

The project goal therefore is to address household poverty and increase livelihood opportunities among the target beneficiaries by increasing agricultural productivity and income. The project was expected to promote vertical integration along the value chains of sesame, groundnuts and soya beans. It was designed based on several challenges facing the local community in agribusiness development. Please see project design summary in Annex 2. The planned project implementation strategy was to support and facilitate the development of value chain opportunities in groundnuts, soya beans and sesame sub sectors. This strategy according to the design proposal would be achieved by increasing access to financial services, farm inputs, extension services, competitive market entry through increased productivity and collective marketing to target beneficiaries and hence increase profitability.

The design proposal further mandated the project management to engage the local partners in promoting agribusiness among the target beneficiaries. It encouraged the project and its partners to support subsistence farmers by organizing them into viable commercial producer groups. It further mandated the project and its partners to provide the target beneficiaries with skill training and technical support, and technology transfer to facilitate sustainable value chain linkages. The design proposal outlined key project results and performance indicators.

The mission therefore, interprets the project design concept as follow. **The project was designed to be implemented using market development approach as integrated within the selected value chains. In this approach the project management and the local partners were expected to carry out value chain analysis for the three commodities in the project target area as part of market assessment. This value chain analysis provided the project with agribusiness development opportunities, clear points of leverage and interventions. Thereafter, the project can facilitate the development of commercial business services and financial services to develop the different value chains. The major driving forces of the project implementation are improvement of agricultural productivity, increased market linkages within the value chains, integration of financial services and other crossing cutting interventions. This project implementation would require a baseline survey, the development of sound monitoring and evaluation system, and capacity building for all the key stakeholders especially the local partner organizations.**

It should be noted that the mission has undertaken this evaluation based on the terms of reference (see Annex 1), and project design proposal, which clearly outlined the project goal, objectives, approach, and results. The mission therefore, has performed all the evaluation activities based on the project design, terms of reference requirements, and implementation plan as detailed in next paragraphs.

Project Relevancy and Strategic Fit

It should be noted that Lira is a district in Lango sub-region in northern Uganda. Like other Ugandan districts, it is named after its 'chief town', Lira town. The majority ethnic group is the Lango. Long untouched by the Lord's Resistance Army insurgency ravaging Kitgum and Pader district just north of the district border, the increased violence of 2002 resulted in massive population displacement within the district. Until

2005, Lira district was formerly comprised of six counties; Erute, Dokolo, Kyoga, Otuke, Moroto and Lira Municipality but Otuke and Moroto have been recently granted a district status. These counties were further subdivided into 28 sub-counties. Of the 28 sub-counties, four are Municipal Divisions. There are a total of 192 parishes with 2,247 villages. Today, with the creation of 2 new districts in 2005, Lira is made up of 5 separate counties; Erute North, Erute South, Otuke, Moroto, and Lira Municipality. In 2006-07, Lira experienced a massive return of IDP's (Internally Displaced Persons) and over 310,000 of the estimated 350,000 left camps to return to home villages in a period of 14 months. Otuke and Moroto are now 2 different districts from Lira. However, during the implementation period of LBDS project, Aloï was still under Moroto before it was officially made into a new district.

There are 10 financial institutions some of which extend micro-credit facilities to the public. There are over 60 Non-Governmental Organizations operating in Lira district. The district receives support from over 20 international donor and relief organizations. The district has more than 30 hotels and restaurants within it that mainly serve visitors to the district. Income levels in Lira are still low, with average per capita income standing at Ush 170,000 per annum and households below the relative poverty line at 53 percent. Those living in hardcore (absolute) poverty are 33 percent. Central government transfers fund 87.4 percent of the district's budget.

The mission observed that following the above Lira district background, the project concept and design was relevant and strategically developed to address the socioeconomic development of the target project area. The mission further observed that the project fits well with the domestic policy framework on Plan for Modernization of Agriculture (PMA), NUSAFU II, NURDP, and Prosperity for All Program, Lira Local Government Strategic Development Plan (LSDP) and promotion of private sector led development as a strategy to eradicate poverty. The economy of Lira district in Lango sub region like any other part of Uganda depends on agriculture by over 95% and therefore, the livelihood of the local population heavily depends on agriculture. The project provided support to over 5,000 persons out of a total population of Lira district of 669,900 persons as reported on UBOS Statistical Abstract of year 2010.

Validity of the Project Design

The mission has reviewed the project design proposal and assessed its implementation by literature review and interviewing the project key stakeholders. The mission has found the following:

- The mission has assessed the strategic framework of the project design and found the planned project goal, objectives and outcomes relevant and realistic to the situation in the project implementation area.
- The proposed implementation strategies in the design did not provide concise systematic means to support project implementation (logical framework). It further does not define the appropriate logical methodologies to achieve the project results. For example, the design proposal has a budget but the budget is not supported by a well-designed logical framework. There is no mention of a detailed value chain analysis, and BDS market assessment especially if the project was intended to develop agribusiness initiatives within an entire value chain.
- The project was designed to take about 2 years and yet the reality of promoting agribusiness in rural post conflict areas with target beneficiaries (former IDPs) would require minimum of at least 3 years or maximum of 5 years project initiative. This timeframe can enable the project to develop skills, introduce new technologies, and practices, carry out meaningful market linkages and develop commercially viable business services, which can generate substantive results and impact.
- The project design document outlined project indicators, which the mission has found to be consistent but however, some of the key indicators on business services were found missing in the design document. For example number of business services developed, value of business services consumed; number of service providers delivering commercial services, gross value of turnover of

service providers and in addition, the value of micro lease offered, volume of equipment leased, volume of produce bulked, and percentage of lease repayment as key indicators for financial services.

The mission therefore, observed that the project design was appropriate but with some gaps that have been identified. These gaps have constrained the project implementation as detailed out in the findings below. It should also be noted that LBDS project has managed to implement the project under difficult conditions such as limited project budget, politically tense environment, poor infrastructure network, targeting traumatized returning IDPs with rigid attitude, high poverty levels, and limited access to basic needs, and finally, coupled with staff turnover at project and partner levels.

The first year of project implementation (Year 2009) was used to carry out beneficiary mobilization, capacity building support for beneficiaries and local partners, and supporting group formation. The interventions geared to promote agricultural production and market linkages intensively started in year 2010. During the rebellion, the local community who lived in these camps developed new cultural belief such as lack of trust and overdependence on free goods and services. By the time the project commenced operations in year 2009, a lot of effort was needed to sensitize and mobilize the beneficiaries. Hence, the implementation of this project under such conditions created by rebellion and post conflict environment has posed major challenges in the implementation of the two year project. This is because the former IDP are people faced with several socioeconomic challenges such as loss of their assets, poor social networks, large number of population with psychological trauma, lack of confidence that comes from losing strong family members and lack of basic human needs. The mission therefore, observed that these prevailing conditions and the socioeconomic environment at the time of inception constrained by the implementation of the project and the subsequent results. Therefore, future market development projects should be differentiated institutionally and philosophically from relief efforts.

Project Performance and Results

The mission assessed the project performance over the period 2009-2010 and summarized the project results as follow: The project goal was to achieve sustainable livelihoods and increase incomes for 5000 beneficiaries in Lira district. The project was designed to achieve this goal through increasing productivity and income of 5,000 target beneficiaries. Over the period 2009-2010, the project managed to mobilize and support 5958 beneficiaries of whom 3,567 were women representing 60% of the total beneficiaries. The project was implemented in two sub counties of Aromo (2,838 beneficiaries – 59.3% women) and Aloï (3,120 beneficiaries – 60.4% women). 96% of the target beneficiaries sampled reported an increase in household income, 96% also reported increased savings, 90% reported that they have acquired new production technology, and 84% reported increased agricultural productivity of sesame, groundnuts, and soya beans. The project results are summarized in table 2 below.

Table 2: Project Performance Results Assessment 2009-2010

Result 1: Supported and organized 200 viable commercial producer groups
<i>Performance:</i> The project mobilized and supported 219 groups with 5958 beneficiaries of whom 60% are women.
Result 2: Promoted market linkages to support 70% of the producers
<i>Performance:</i> 6 market collection centers established, Buyers like Mt Meru, Olam, Shares, Mukwano, Lira produce buyers linked to producers e.g. UOSPA purchased 1 tons from farmers and Meru purchased about 8 tones
Result 3: Improved Methods in Production and Post-harvest handling
<i>Performance:</i> 90% of the target beneficiaries interviewed reported access to new production technology e.g. animal traction, use of improved seeds, modern agronomic practices, and use of spray pumps. No production statistics available – However, UOSPA reported an increase of production of soya beans (8.4 tones)
Result 4: Increased Household Income and Profitability;
<i>Performance:</i> 96% of the target beneficiaries interviewed reported an increase in household income (no statistical figures are available on HH income including no baseline data). No beneficiary has reported increase profitability.
Result 5: Stronger cooperation among target population (group networking)
<i>Performance:</i> 91% of the target beneficiaries reported a stronger cooperation among members because of VSLA activities, farmer group networking, collective marketing activities and other project activities such as spray pump use & animal traction sharing.
Result 6: Increased access to appropriate inputs by 80% of the target beneficiaries;
<i>Performance:</i> 95% of the target beneficiaries reported an increase to agro input access due to the LBDS project interventions.
Result 7: Increased control of household income from agriculture by at least 60% of women;
<i>Performance:</i> No change in this status because of stronger cultural beliefs and most gender activities. However, 95% of the agricultural and household activities are managed by women.
Result 8: Increased access to financial services
<i>Performance:</i> At least 90% of the target beneficiaries have reported an increased access to VSLA loans. No Micro leasing deals were concluded and 15,390 kg of improved seeds was provided to farmers on credit
Result 9: Increased institutional capacity of local partners to deliver BDS
<i>Performance:</i> 3 local partners reported an increase in capacity to implement project activities and 91% of the target beneficiaries reported a stronger cooperation among the members and groups.

Source: Project Literature and FGD Results with Farmer Representatives in Aloï and Aromo Sub counties

Note: The above project results were mostly achieved in year 2010 because the project commenced operation in July 2009 instead of January 2009. However, the main activities during the year 2009 were mobilization, capacity building, and VSLA promotion, which have contributed to the current project results.

VSLA Performance and Integration

LBDS project integrated into its business service market development initiatives VSLA package. VSLA has played a key role in promoting agricultural productivity, income and savings culture among the beneficiaries as well as it has provided alternative sources of funding. The project stimulated and supported 165 groups with over 4,000 members to build confidence in saving money for their future development. The project activities on VSLA package delivery instilled strong ownership and commitment from the local community, which has resulted into increased savings of Ushs 161 million. This is commendable achievement, which has been made possible by building confidence in traumatized former IDP community members. It should be noted that collective marketing can be successful with introduction of VSLA to support the value chain development and its integration into the entire value chain development initiative is critical input to increase success.

In summary 219 groups been mobilized with a grand total membership of 5,958 {3,567 female (60%), 2,391 males (40%)}. Out of these, 30 are purely for farming alone, 189 groups are under VSLA participation with a membership of 5,176(86.9%) of whom 3,129 members (60.45%) are females. A total of 167 groups (4,342 members, of which 2,742 are females) are already saving and 22 have just accomplished their training.

The value of VSLA cumulative loan was about Ushs 196 million. The cumulative savings for LBDS supported groups of 167 was about Ushs 161 million. LBDS project through local partner CPA signed up sub grant agreement to expand and increase access to VSLA in all the three value chains. CPA's role was to ensure that the already trained CBTs are providing services to target beneficiaries, monitoring groups; mobilization of new groups, and reporting the VSLA implementation progress to the project. This effort from the local partner was instrumental and therefore, has contributed to overall project performance.

VSLA mobilization and training package are offered at 100% grant funds supported by the project. This initiative increased access to loan funds for the groups, who in turn invested the funds into other income generating activities and hence generated more income. Business services such as market survey, awareness campaign, training, and provision of inputs are provided during the setup of the VSLA groups. The capacity building for the groups continued until the first cycle was completed through provision of short term technical assistance, and advisory services by CBTs. The project introduced cost sharing mechanism, where the VSLA groups pay for VSLA tool kit cost through a cost recovery process.

Market linkage services are provided through collective marketing initiative to increase the number of farmers in VSLA groups and to increase access to the markets. This strategy helped to increase some household income, investment and savings but not so significantly yet. The demand for services to set up the VSLA groups has increased tremendously, the willingness to pay was found by the mission through FGD to be still low due to constraints that have been discussed above. The market development process has taken gradual process, and to stimulate the market demand, the project has provided 100% grant support for capacity building. However, the mission observed that this grant support should be tailored for a short period of time because it can have negative impact on the sustainability of VSLA package. The number of trained CBTs needed to increase to support large number of beneficiaries but also introduce some cost sharing initiative to start commercialization of CBT services.

The CBTs that have been trained by LBDS have never offered VSLA services at commercial basis and only through allowances from sub grants. VSLA tool kits have been commercialized but the technical services were delivered using subsidize rates because VSLA is a new technology and has specific standards, its commercialization at early stage of market development would affect the quality of its delivery and demand. However, the mission observed that some element of the initiatives has started taking direction towards commercialization such as tool kits, which has reduced the cost of service delivery. However, commercialization of the VSLA package through cost sharing arrangement could be a better exit strategy in all aspects. It should be noted that the VSLA concept integration into BDS market development and value

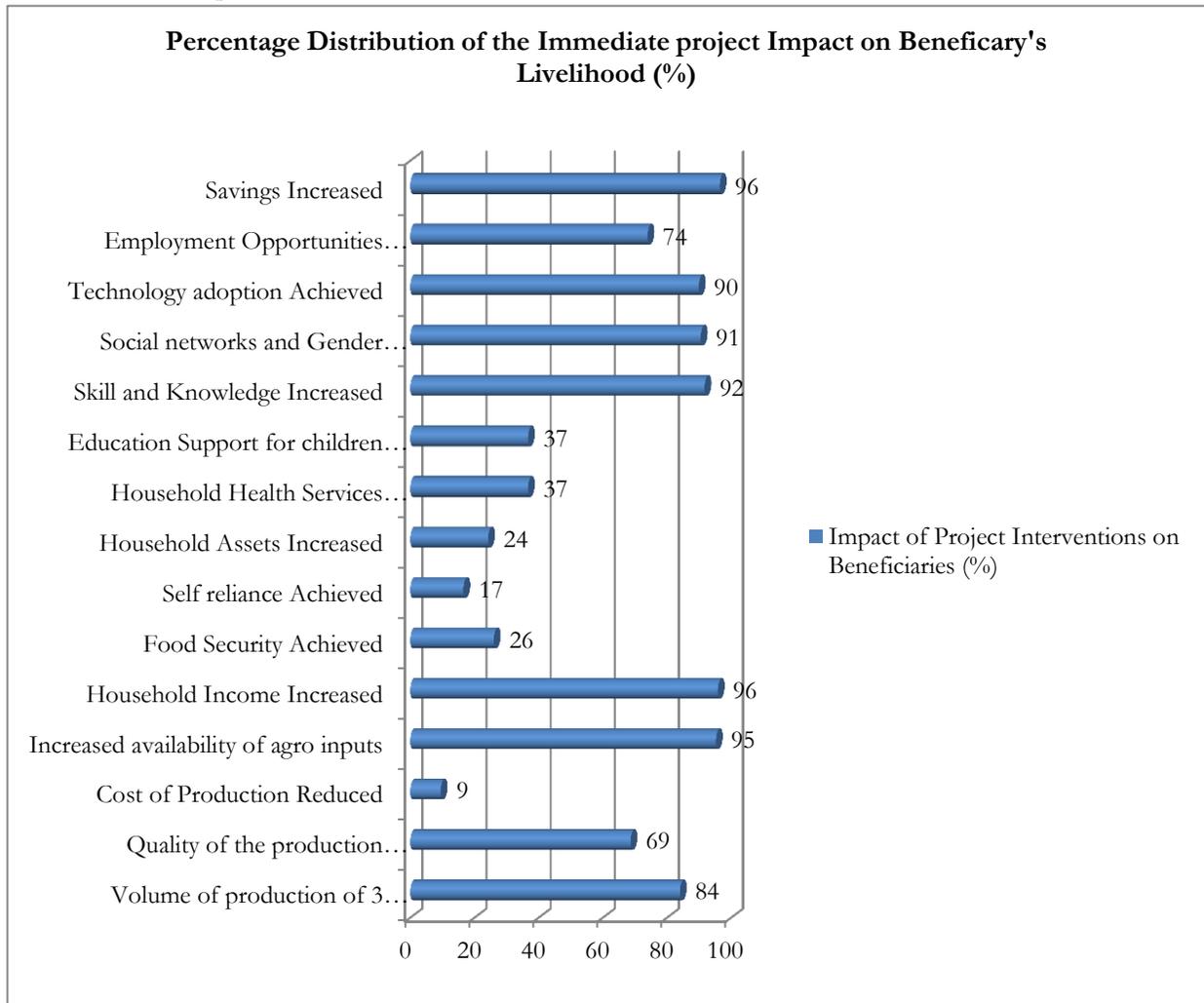
chain could not be achieved. This was because; the project was still at the stage of developing appropriate value chain structures and business service packages, whose market demand was still developing. However, VSLA would be more instrumental to provide credit facility to purchase inputs instead of using providing sub grant to stimulate improved seed supply for example.

Project Impact on Beneficiaries and Sustainability

The mission carried out a project impact assessment on randomly selected target beneficiaries (farmer’s representative in two sub counties). Impact assessment was carried out through collection of primary data in the field from farmer representatives of about 169 (representing an average of 25 farmers) through face to face interviews and focus group discussions. The mission considered collecting primary data to make justification on the immediate project results on beneficiaries. Adequate data was collected on critical variables relating to LBDS project interventions through the local partners. Some of the variables investigated include:

- Natural capital: land cultivation, and climatic conditions.
- Physical capital: shelter, technology, and household assets.
- Financial capital: savings (cash as well as liquid assets), credit (formal and informal)
- Human capital: education, skills, knowledge, health, nutrition, and labor power.
- Social capital: networks that increase trust, ability to work together, access to opportunities, reciprocity; informal safety nets; and membership in groups.

Using a SCORE Matrix tool, the consultant made a detailed analysis of the impact perception. The results of the assessment are presented in the bar chart 1 below.

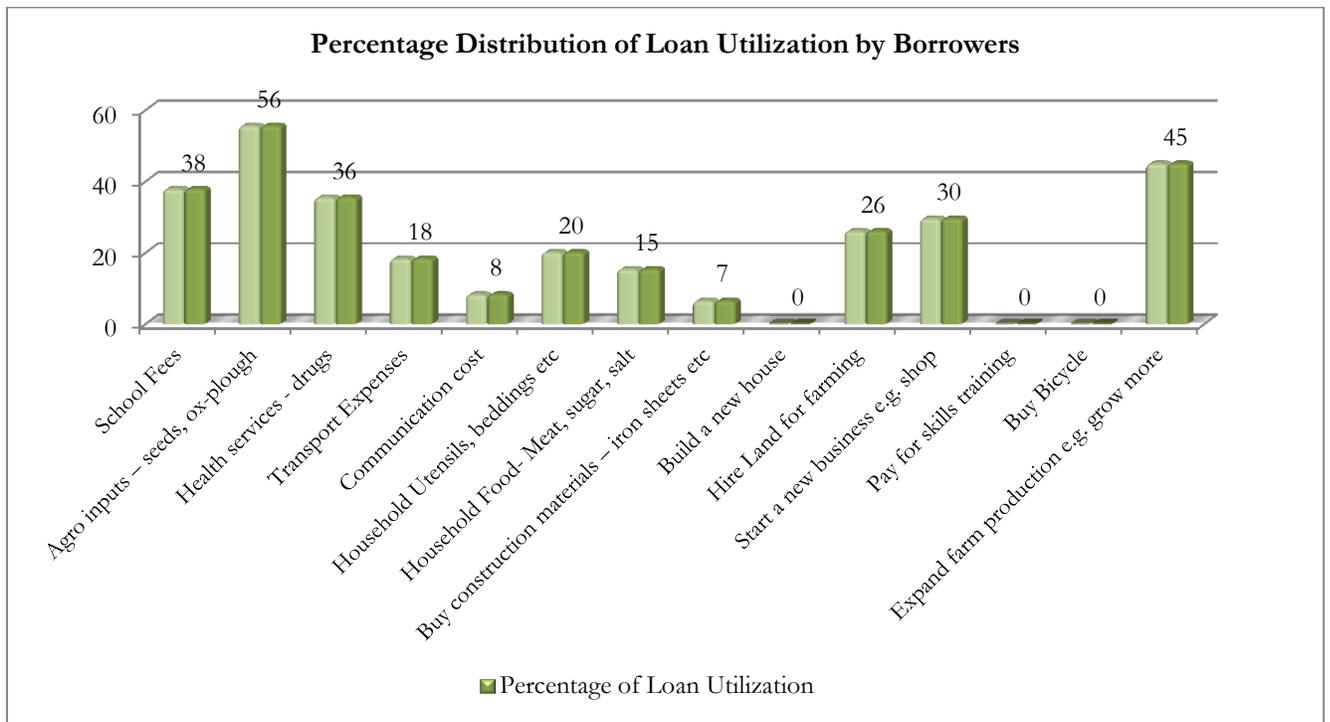


According to the respondents interviewed by the mission, 96% of 169 farmer’s representatives reported that the interventions in seed distribution, seed multiplication, training, extension services and animal traction yielded into increased household income and savings. 95% reported an increase in agro input access, 92% reported an increase in agribusiness skills and knowledge, 91% reported an improvement in social network and gender, and 90% reported access to modern farming methods and technology. Farmers have demonstrated impact on increased productivity through the following key indicators: In one acre of soya beans, the farmers used to harvest 2 bags but with the improved seeds, the farmers can harvest more than 5 bags (this meant that the income from produce has increased from Ushs 160,000 to Ushs 400,000 per acre). The farmers used to open land with hand hoes, which took about 12 days to complete an acre but with the use of animal traction one acre can be completed within 3 days, which has reduced burden on women who are heavily involved in digging, and harvesting. The groundnut Sheller has reduced the time for post harvesting handling, which in turn relief women from manual system of groundnut cleaning.

The consultant measured the above benefits based on assessment of target beneficiary’s perception on key socioeconomic indicators. The change in yields and the quantities sold to the buyers between the year 2009 and 2010 has no statistical data. Since the project was unable to obtain historical baseline data, measurements for only a two-year period - 2009-2010, will have questionable statistical validity. Nevertheless, what the mission found out in the field was that quite a lot has been achieved with no data collected to measure trend.

However, the least impact areas reported by the respondents included cost of production, food security, household assets, and self-reliance as shown in the table above. This level of impact has provided evidence on low level of household income among the beneficiaries and this low income has constrained the opportunity to acquire some of most needed basic items to improve livelihood.

The mission also carried out an assessment of how the target beneficiaries used their VSLA loans to improve livelihood. The result of the FGD with the farmer representatives is shown in bar chart 2 below.



Of the 169 farmer representatives interviewed only 153 managed to access VSLA loan. During the field assessment the respondents were interviewed on how they have managed to utilize the VSLA loans. Of those interviewed, 56% borrowed VSLA loans to purchase agro inputs, followed by 45% who reported use of loan for expansion of their farmland, 38% used loan for payment of school fees for their children, 36% used their loan funds for meeting medical expenses and 30% used loan to start a new business line. However, the mission was equally interested to assess the areas where, the borrowers used VSLA loan least. These included items like transport, building new house, communication and purchase of food. The respondents considered these items as non - priority areas because their impact on agricultural productivity is low.

Project Effectiveness

The project was designed to start on January 2009 and end in December 2010. The project implementation started six (6) months late due to delay to recruit project staff and logistical setup. This situation resulted into the Project Manager commencing work after six month of the official project commencement period. However, the project finally started in June-July 2009 and the first project manager resigned 8 months before the closure of the project and support staff resigned in May 2010. CARE was compelled to recruited three new project staff with extensive experience in BDS and agribusiness. The new Project Manager started to work in Lira on February 2010, Project Officer started in March 2010 and Agric BDS Production Officer started August 2010. This project staff turnover constrained the project implementation and has contributed to incomplete project activities. However, the new staff according to the mission has done commendable work that has contributed to the current project results. The project local partner especially CPA also experienced similar staff turnover.

The assessment of the project staff's competence and managerial capacities was carried out through interviews. The mission found out that the new project staff are all competent and have the right skills and experience to manage the project. The staff understanding of BDS concept and its application was found to be good and sound but time has constrained the effective application of their expertise. The project management and governance structure was found inappropriate and inadequate to support efficient delivery of timely services to target beneficiaries. This is because the project depends on its implementation on decision and disbursement from Gulu sub office, which has resulted into delays in resource allocation, disbursement and accountability.

The new Project Manager has developed a participatory practice among staff and the local partners through effective sharing of information and project activities. Decision making process has been based on participatory methods and this has helped to build capacity of the staff and motivate subordinate. During the field survey the beneficiaries expressed great satisfaction with the quality of support received from project staff and partners but however, the beneficiaries and local partners complained about poor time management and delays to delivery timely services by project staff including local partners.

The project staff management roles and responsibilities were found to be comprehensive as outlined in the job descriptions. However, no staff appraisals have been done yet. The mission also discovered that some of the responsibilities outlined in the Job descriptions have not been fully accomplished especially on monitoring and evaluation, and leveraging project interventions with other development agencies in a well-structured manner. It should be noted that the staff started to work late in this project and the first priority was to concentrate on delivering urgent interventions direct to the beneficiaries and some of the project element shall have been developed at the inception of the project.

The communication between the project management team, Headquarter office in Kampala, Gulu Sub office and the local partners was found be inadequate due to delays in the decision making chain, and provision of feedback. Communication breakdown incidents have been experienced especially between the project and Gulu sub office including delays in the procurement of services and products. These delays have been caused by bureaucratic processes and procedures at the organizational level. However, internet, telephone, mobile

phone and meetings are frequently used to handle project activities and decision making. The project team has all the contact phone of the local partner staff, CBTs, other development agencies, and the Local Government offices, which has helped to improve communication.

The project did not develop a comprehensive Monitoring and Evaluation (M&E) system except for the VSLA component. The available data in the VSLA MIS was entered and analyzed for the period of May 2010 to September 2010 and with no baseline data. This situation has made measurement of the project performance difficult and challenging.

The mission further found out that, the baseline survey was not adequately developed to produce the required baseline data to support the design of sound M&E system. According to interviews held with the partners and literature review, the mission observe that the inappropriate design of the terms of reference for the baseline survey and its content resulted into preparation of baseline survey report that has no relevant baseline data on key project indicators.

The mission did not review or come across any M&E system manual for both the project and the local partners but there are some M&E tools for VSLA. The mission further did not find any M&E system developed by the local partners to ensure sustainable monitoring of the project activities. The mission therefore, observed that due to the above anomalies and constraints, the project was ineffectively implemented. It should be noted that some of the instruments such as M&E system are critical tools for project management and implementation.

Project Efficiency of Resource Use

LBDS project utilized the resources adequately to achieve the goal and objectives of the project. The project had planned to spend about US\$ 100 per beneficiary over the next two years (2009-2010). The assessment of the project efficiency has revealed to the mission that project management actual expenditure per beneficiary was only US\$ 50 in the last quarter of year 2010. In terms of project overheads, it planned to spend about US\$ 47 per beneficiary over two years, the budget performance indicate a good result of total expenditure per beneficiary of US\$ 27 by October 2010. The project planned to spend sub grant of US\$ 21 per beneficiary but during the implementation the project has spent about US\$ 14. The project used the resources conservatively to reach large number of beneficiaries. The balance of US\$ 161,889 was already committed but not disbursed. Once disbursed the burn rate can stand at about 98%. The mission therefore, commended the project management for efficient use of financial resources. The summary of the budget performance is shown in table 3 below.

Table 3: Project Budget Performance and Efficiency Assessment (2009-2010)

Contributions	YEAR 1	YEAR 2	WELLSPG Grant	CARE Contribtn	PROJECT VALUE	Cumm Exps USD	Balance on Budget (USD)	Burn Rate in %
A: SALARIES AND BENEFITS	Planned	Planned	Grant	Grant	Total	Cum	Balance	Rate
Sub-Total - Salaries and Benefits Costs	77,960	80,518	158,478	0	158,478	96,536	61,942	61%
Sub Total Country Office Cost	12,000	12,720	24,720	0	24,720	29,130	-4,410	118%
B: MATERIALS AND EQUIPMENT			183,198			125,666		
Sub Total: Material & Equipment	34,300	0	34,300	1,073	35,373	30,683	4,690	87%
C: OPERATING COSTS	125,936	110,380	236,316				184,194.13	
Sub Total Travel Costs	12,960	14,904	27,864	0	27,864	13,287.88	14,576.12	48%
Sub Total Travel Costs	32,000	14,800	46,800	0	46,800	44,347.73	2,452.27	95%
Sub Total Grant to Partners	55,780	51,000	106,780	0	106,780	94,160.23	12,619.77	88%
Sub Total Vehicle Costs	14,900	14,900	29,800	0	29,800	10,973.93	18,826.07	37%
Sub Total Field Office Costs	9,600	10,080	19,680	600	20,280	21,267.36	(987.36)	105%
Sub Total Other	696	4,696	5,392	0	5,392	157	5,235	3%
E: MONITORING AND EVALUATION					236,916			
Sub Total M&E	3,500	5,000	8,500	0	8,500	0	8,500	0%
F: CARE HQ ADMIN & TECH SUPPORT @ 9%								
Subtotal CARE HQ Admin Costs	19,070	19,374	38,445	0	38,445	-	38,444.57	0%
TOTAL (USD)	272,766	227,992	500,758	1,673	502,431	340,541.92	161,889	68%
Beneficiary Planned and Actual	2,500	2,500	5,000	-	5,000	6,781		
Percentage of Women	30%	30%	60%		60%	57.2%		
Beneficiary Total Project Cost Ratio	1:109	1:91	1:100		1:100	1:50		
Beneficiary Operating Costs Ratio	1:51	1:44	1:47		1:47	1:27		
Beneficiary Sub grant Ratio	1:22	1:20	1:21		1:21	1:14		

Analysis of Implementation Approaches and Methodologies

The project design document placed emphasis on the following implementation strategies, these included:

- Developing business and farm management skills;
- Providing farm support services;
- Building alliances among local agencies along the value chain of specific enterprises;
- The project interventions shall be competitive (demand driven), sustainable and shall involve low income rural population;
- Increasing productivity through institutional development and strengthening local partner organizations and producer organizations;
- Promote collective marketing and market linkages;
- Promote modern farming methods (promoting high yield seeds);
- Promote vertical integration along the value chains;
- Promote VSLA and micro leasing of farm equipment in collaboration with existing financial institutions and suppliers of equipment;
- Working with the local partners to reach large number of beneficiaries; and
- Promoting contract farming and linkages with traders in Lira and Kampala.

The mission evaluated the implementation approaches and methodologies based on the above strategies defined in the project design proposal. The mission reviewed the approaches used by LBDS project and the appropriate strategies used to implement the project to date. It should be noted that the design proposed that the project shall be specifically implemented in the two selected counties of Moroto and Otuke but however, during the implementation, Aromo and Aloï sub counties were selected for the implementation of the project. As earlier stated, this change of project coverage was after the two counties were elevated to district status levels.

The project commenced operations six months after the commencement date of January 2009. At the inception of the project, Concerned Parents Association (CPA) was selected as the local partner through a competitive selection process. A capacity building program was immediately implemented which covered areas of partnership guidelines and principles, project conceptual framework, methodologies, approaches, partnership roles and responsibilities, and a sub grant agreement was signed. CPA immediately started implementation by sensitizing and identifying groups, carried out survey to assess production potentials, provided training to groups, and established 112 demonstrations plots in 16 parishes in two sub counties of Aromo and Aloï.

The project implementers consequently, hired a consultant to carry out a baseline survey, which informed the project management team on key areas of project management. However, the mission observed that some vital baseline information was missing and these included information on the actual baseline data on all the key performance indicators and baseline data on project results to facilitate the measuring of project performance over its life. However, the mission also found out that the project log frame was not available to inform the baseline survey. Hence, the project failed to create comprehensive monitoring and evaluation system to measure performance. The mission also found out in the field survey that target beneficiaries reported quite number of benefits and results that have not been captured due to lack of M&E system both at project and local partners levels. For example, there are no production statistics on the increased productivity of soya beans from 2 bags (old variety) to more than 5 bags per acre (High yield variety).

The project implementers further went ahead to launch the project and invited the stakeholders in the district, which was a good inception event. Subsequent meetings were held with sub county officials in the two sub counties including official from NAADS, other NGOs, and CBOs. The mission commended this approach of introducing the project to local community as means strengthen local ownership of the project

interventions. The local community and local government officials welcomed the use of new approach of value chain development by CARE as opposed to traditional approach, which unfortunately, the mission found out that it was not systematically integrated, adopted and implemented by the project team immediately at the inception.

In order to increase knowledge and skills in implementing BDS project, 2 LBDS project personnel and 2 local partner staff were taken for exposure visit of LBDS KBDS project in Kabale district. The mission observed that this initiative was appropriate and significant to enhance the project implementation knowledge and skills. The project further developed strategic alliance with strategic partners such as Victoria seeds Ltd, UOSPA, OPSEL, and Meru Millers to support the implementation initiatives.

The project used VSLA to enhance the group formation and strengthening. The project identified and recruited 32 CBTs for both VSLA and agribusiness development. The project trained these CBTs on VSLA methodology and Training of Trainers course on agribusiness development. The objective of this initiative was to make available human resource base with capacity to delivery training and technical advisory services to the target beneficiaries. However, the major constraint of this initiative is that the sustainability of these services provided by CBTs to local community is uncertain. This is because LBDS through its local partners paid 100% of the allowances to introduce CBTs services to the target beneficiaries, which was found to be good. It helped to demonstrate service usage and the accrued benefits to target groups but its continuity over one year tends to distort service market. The subsidy in the current context it can be justified as an appropriate step to develop service provider capacity so as to increase access to services for beneficiaries but sustainability of these services after the project closure leaves a lot to be desired. The major challenge to sustainability was found to be the inability of local partners to mobilize resources to continue providing same support services after the project close up. During the FGD with beneficiaries, the willingness to pay for these services by beneficiaries was reported to be very low because of some factors. These included the market distortion by other NGOs who offer free services and goods in large volume, the attitude of the local community to receive free services, inadequate market for commodities, which can help earn income, and lack of innovative BDS market approaches.

The above strategic interventions provided a foundation to support BDS market development. The recruitment of the new project staff helped to drastically change the project implementation strategies as described below.

The new project staff developed a log frame and reviewed the implementation approach together with the three local partners of CPA, UOSPA and OPSEL to enhance the project implementation strategies. The project staff developed initiatives to increase productivity and market linkages. These interventions included aggressive implementation of seed multiplication initiative with UOSPA targeting 4 groups in Aloi sub county, Introduction of input credit especially on improved high yield seeds with OPSEL, group transport scheme (using bicycle loan), spray pump loan cost share scheme (to promote spray pump hire), groundnut Sheller cost share scheme (to promote hiring shelling services), group animal traction system credit scheme (to promote ox-plough hiring services), and capacity building for local partners and CBTs to expand extension services, technical assistance and advisory services. In addition, the project promoted VSLA packages to large number of groups to enhance access to financing. However, these initiatives were developed with the support of local partners and the beneficiaries in order to support transfer of appropriate agribusiness technology to boost agricultural productivity of the three enterprises, stimulate demand for business services among beneficiaries, enhance skills and knowledge and promote agriculture as a business.

In summary, the implementation strategies, approaches and methods employed by the project had advantages and disadvantages as discussed below. In general terms, the interventions have been implemented in most cases through 100% sub grants. Most of these interventions have started in year 2010, and the immediate results are yet to be realized may be in the first quarter of year 2011. Self-reliance by beneficiaries is extremely low and that renders the interventions unsustainable. The consultant carried out analytical assessment of the beneficiaries rating of the above interventions and the following are the results of the assessment.

Table 1: The Percentage Rating of Usefulness of BDS Interventions by Sampled Beneficiaries

Interventions	Rating Usefulness of LBDS Interventions by Beneficiaries						Total Percent
	V. Good	Good	Average	Poor	V. Poor	No Change	
Training of different types	%	%	%	%	%	%	%
<i>Agronomy Training</i>	87	8	0	0	0	5	100
<i>Demonstration Plot</i>	60	3	8	15	0	14	100
<i>Business Management Training</i>	82	6	0	0	1	11	100
<i>Institutional Development</i>	92	2	1	0	0	6	100
<i>Study Tour Visits</i>	16	1	0	0	0	83	100
Seed Loan	74	5	6	1	0	14	100
Seed Multiplication Scheme	12	0	0	0	0	88	100
Bicycle Transport Initiative	83	2	0	3	0	11	100
Spray Pump Hire	88	2	0	0	0	10	100
Mobile Phone Pay Service	83	2	0	0	0	15	100
Collective Marketing	96	3	0	0	0	1	100
Animal Traction Services	86	0	0	0	0	14	100
Ground Sheller Hire Services	79	4	0	0	0	17	100
Extension services (Vet services, & CBT)	86	10	1	0	0	4	100
VSLA Package	98	0	1	0	0	1	100
Agro-input Dealer Outreach	15	69	1	0	0	14	100
Value chain Development	0	0	0	0	0	100	100

Source: Field Survey November 2010

Note: The beneficiaries interviewed through FGD rated VSLA package as most useful and beneficial by over 98% of the respondents. The beneficiaries also rated very highly the interventions in collective marketing, and the equipment (technology transfer) provided to enhance the market linkage by over 85% of respondents and followed by CBT services by 86% of the respondents. Capacity building program was also rated by over 80% of the beneficiaries as being very useful and of good quality. Seed multiplication was rated very useful by 12% of the respondents because 88% of the respondents had not participated in seed multiplication. The beneficiaries are not aware about the value chain development activities and hence rated it zero because there were no specific value chain development interventions in this project.

The mission reviewed and assessed each of the approach and methodology used to implement the different business services and products with the local partners as discussed above. These practice areas include the following:

Capacity Building

The LBDS capacity building package covered the provision of training to local partners, CBTs, and the target beneficiaries in different areas such as agronomy, institutional development, VSLA package, market development, business management, and Training of Trainers. In addition to training, provided demonstration services through lead farmers, and offered study tour opportunities to selected farmers. In implementing this program, needs assessment are carried out, program is developed, resources made available through sub grant, and it's implemented by the local partners. In some cases, LBDS staff provided direct training services to beneficiaries, local partner staff, and CBTs as part of CARE's capacity building especially

in business management skills, VSLA methodology and market development. Monitoring is supposed to be done by the local partners and CBTs.

However, the mission has observed some benefits of these initiatives. The capacity building for local partners has helped to introduce new institutional development practices such as accountability and reporting, better office management facilities, improved skills among staff on business services and VSLA. It has further helped to build local ownership of the project interventions and increased commitment of the local partners to provide technical support to the local community. On the other hand, the capacity building initiative had some challenges. All trainings are offered free of charge including extension and technical assistance, CBTs are paid some allowances from the sub grant support on activity basis, training, and study tour activities are not adequately monitored to ensure that skills and knowledge acquired are put into appropriate use to increase productivity and income. In addition, the mission observed that the capacity building for local partners in business development services including project design concept was not adequately done as reported by the partners. Hence, the sustainability of these interventions remains uncertain, and the capacity of the local partners to continue with these initiatives is unsustainable.

Seed Loan

LBDS promoted high yielding seed loan or credit scheme as an initiative to increase access to improved high yield seeds for soya beans, groundnuts, and sesame through its local partner OPSEL. Through this initiative, LBDS signed up sub grant agreement and disbursed about Ushs 35 million to local partner to procure high yield improved seeds. CPA carried out sensitization, mobilization and training of the target beneficiaries. LBDS advanced funds worth 60% of the seed cost to OPSEL through sub grant to increase supply of improved seeds. The local partner then managed the distribution of the improved seeds through its rural input dealers (stockists) on cost sharing basis where OPSEL recovered 40% from beneficiaries upon delivery of improved seeds with 10% interest. The balance of 50% was paid by the beneficiary directly to the group as a revolving fund for next season seed procurement. The payment is made by chairpersons on behalf of group members. The monitoring is done by CBTs/input dealer, Local partner and LBDS staff. However, this initiative meant that OPSEL would receive 100% of the costs for procurement and distribution of improved seeds from LBDS plus 10% interest. According to OPSEL management, the interest of 10% was used by the company to provide outreach services through rural input dealers and for carrying out sales promotion to reach large number of farmers.

The mission has observed that the implementation of the current seed loan scheme has helped farmers to access high yielding improved seeds, which has in turn helped to increase agricultural productivity, the high productivity has increased farmers income and savings, the level of adoption of the improved seed technology has been high due to the accrued benefits, and accessibility to improved seeds has been achieved to some extent in hard to reach rural areas. The objective of this initiative is to increase access to improved seeds for the farmers and this can be achieved through commercialization of the input business. The scheme due to inadequate working capital cannot deliver the volume of the seeds demanded by the target beneficiary on time. However, more support is needed to increase knowledge of farmers in using improved seeds, increase information dissemination, expand the rural outreach of the input dealers, and to strengthen the capacity of input dealers to market products. Another challenge is that the project and the local partners have not adequately monitored the repayment of 50% seed loan balance to the group fund account and the subsequent use of these funds to access more seeds by the members of the group. There is no contractual arrangement between farmers and OPSEL to ensure accountability and increased ownership of the initiative by the local community.

Seed Multiplication Initiative

The seed multiplication initiative was setup to improve the quality of seeds and quantity available in the project area. The seed multiplication was implemented by UOSPA, which has experience in handling oil seeds. The project provided grants for the purchase of foundation seeds (sesame, groundnuts, and soya beans), and provision of technical assistance including logistics. The project invested about Ushs 45 million into the seed multiplication initiative of which Ushs 8.5 million was used to purchase foundation seeds of soya beans, sesame and groundnuts. The local partner carried out the mobilization and selection of the farmers. The farmers were supported to form groups and training was provided. The local partner carried out monitoring of the crops and provided advisory services. In addition, the local partner facilitated market

linkages, and prepared quarterly progress reports. The main objectives of developing seed multiplication included the need to produce consistently quality seeds to support large number of the target beneficiaries, to improve timely delivery of seeds supply to farmers as a mitigation measure against climatic change, and make improved seeds affordable to the local farmers. The seed multipliers would do this farming as a business by producing and selling quality seeds to an agro input dealers, which can in turn condition and distribute the improved seeds to the target beneficiaries on commercial basis.

The seed multiplication initiative was an excellent approach to support rapid increase in agricultural productivity. The beneficiaries have highly appreciated the initiative and it has provided an important learning curve. The farmers have acquired practical knowledge in agronomic practices, quality assurance and post-harvest handling including market linkages. The pilot scheme is small scale but with good results on crop trials and performance. The seed multiplication concept is a vital initiative that can help increase agricultural productivity significantly in the district and the initiative was strategically designed to address one of the fundamental constraints to agribusiness development.

However, the evaluation mission identified some of key fundamental issues which were not adequately addressed by the project and its local partner organization. The challenge of maintaining seeds for planting purpose and controlling quality to avoid disease spread was identified. For example, the recent soya beans harvested was sold to a processor of soya beans and hence this implied that improved seeds, which would have been conditioned and sold to farmers, did not achieve its purpose. However, the project implementers argued that the undisclosed seed formed part of the retained amounts and that sold to neighbors as seed for planting. The seed producers failed to disclose to UOSPA the actual volume of seeds multiplied in order to enhance planning and continuity. Hence, the monitoring of the crop was not adequate. The systematic process of seed multiplication was not adequately designed to ensure consistent flow of activities and products from input to seed multiplier, from seed multiplier to the agro seed conditioning and Distribution Company, and back to the target beneficiaries to improve productivity and income. The design of the scheme did not take in account the seed procurement from farmers, and the subsequent conditioning of the seeds by a certified private agro input dealer based in the sub region. The seed multiplication initiative did not have any scientific research and development linkage with the national agricultural research organization, and therefore, the agronomy practices and other operational activities might have a lot to be desired. There was again no linkage between UOSPA and OPSEL yet both are engaged in seed supply. The mission observed that if this initiative can be improved by building strong institutional arrangement, ownership and systematic process to increase outreach, it can generate substantial benefits for the entire sub region.

Bicycle Transport Initiative

In the event of promoting market linkages, transport was identified as a major constraint to collective marketing. LBDS project, the local partners and the farmer groups introduced an initiative to improve transport services by jump starting a bicycle transport scheme. In this scheme, LBDS project would procure a brand new bicycle at Ushs 143,698 and a successful member of the group is selected through a competitive process. One successful and hardworking member of the group and has ability to pay a security deposit of 35% (Ushs 50,000) is selected and the bicycle is given to him or her to take care of the asset as a property of CARE Intentional. At the end of the project, CARE can then make the decision to take or give the asset away or retain it. However, the 35% contribution is made to the group revolving fund account, which can enable the group acquire another bicycle to increase transport services. The successful member who receive the bicycle is mandated to provide transport services to the entirely members on commercial basis. Therefore, the bicycle scheme would enable farmers to transport their produce to the market or buying centers, facilitate members in surveying of produce prices, strengthen the collective marketing and market linkages, and finally the scheme was expected to generate income to the beneficiary.

The demand for the bicycles has increased among the group members, and this is a credit to the project for having successful stimulated demand. This initiative has created competition among the producers, because only those high performers have been given the access to the facility. The initiative was highly rated as satisfactory by the beneficiaries and its purpose has been well conceived. The mission therefore found out that this initiative was critical component of market development system and its consolidation can add a lot of value to the project. This initiative was also highly rated by the target beneficiaries as evident in the field survey.

However, the mission has noted with concern that there are fundamental gaps in the implementation of this initiative. The MoU states that the asset remains property of CARE International, and the recipient is charged with responsibility to maintain and repair. In clause II of the MoU, it states that the property is loaned to the recipient, which is an individual. The MoU does not mention anything to do with 35% contribution from asset recipient and it never states the value of asset loan, repayment period, and the mandate for the recipient to make 35% payment of the balance to the group members. However, according to the project staff, the value of assets could not be quoted in the MOUs because it had to be participatory fixed with the farmers.

It would have added value to sustainability if the project had made an arrangement with private bicycle suppliers to increase access to affordable bicycle to potential farmers. The selection of one member out of a group of 25-30 members as asset recipient has not been communicated clearly to members and has been misunderstood. Hence this has created conflict and biasness among the beneficiaries. This is because some of the bicycle beneficiaries are not willing to share and provide services to other members. This is because they perceived the bicycles which were given out are direct donation to them as a result of their hard work. It's also true that the motive of the bicycle initiative was to introduce the concept of group transport services to the members but unfortunately the facts on the group is quite different. The beneficiaries did not report any usage of the proposed transport on basis. This initiative has not been monitored adequately in order to find out whether the members are already using the transport service at commercial basis, whether the group has received 35% contribution from recipient, the income generated from the transport services, market linkages created using the bicycle transport service, and volume of goods transported to markets.

The mission therefore, observed that the sustainability of this intervention is uncertain in the long-run because of ownership challenges described above. The project would have made an alternative arrangement with private bicycle suppliers to guarantee access through a credit scheme other beneficiaries. The mission also observed that if the project had created a transport service support as a separate entity using the youth groups in villages using micro leasing facility with MFIs to provide commercial transport services, this initiative would have remained more sustainable. This is because it would have been demand driven and commercially oriented. However, in the event that the asset is not given out by CARE International to the asset recipient, the MoU does not have any provision for a refund or part payment of the deposit to the recipient. In addition, it's not clear whether the deposit made by the recipient is an asset rental charge or part payment towards purchase of the asset.

Spray Pump Hire Initiative

LBDS project promoted spray pump technology to improve on productivity among the target beneficiaries. The main rationale to promote this service was to reduce the spread of diseases and pests and improve quality of produce especially in groundnuts. At the time the project commenced operation access to such technology was a major constraint. The main objectives of introducing the technology to farmer groups are: to enable farmers to easily spray their crops to avoid pests and disease infections easily after harvest and at affordable costs, and generate income for the members through spray pump hire services. However, the income generated through hire system shall help the recipient recover part of the amount he/she deposited, maintain and repair the equipment. LBDS/CARE International procured the spray pump at a cost of Ushs 190,000 (100%) and for the recipient to be supplied with the equipment; they have to provide a deposit of Ushs 75,000 (39%) to the member group account. The fund deposited in the member group account is expected to be used by members for purchasing more pumps based on the consensus reached. The said asset remains property of CARE International until 30 days after the closure of the project.

This initiative has helped to reduce disease spread and pests, which has improved the quality of produce. The farmers are willing to spend money to buy chemicals because of threat pose by pests and diseases. The mission observed that the same conclusion made under the bicycle hire scheme applies to this initiative of the spray pump hire. However, the spray pump hire service has higher demand because unlike bicycle, which at least 60% -80% of farmers have access but the pump is expensive and not easily available. The mission also observed that this initiative could have worked out much better through micro leasing scheme because it would guarantee access and consistent supply.

Groundnut Sheller Hire Initiative

LBDS project with the local partners promoted the use of groundnut Sheller's as value addition initiative and as well as to improve on productivity of groundnuts. The main objectives of introducing the Sheller technology to farmer groups include: the promotion of value addition and quality improvement, for income generation through hire services, enable women reduce labor toil or hard work created by direct human labor and the technology helps to save time for especially women who are engaged in several household activities. However, the income generated through hire system shall help the recipient recover part of the amount he/she deposited to maintain and repair the equipment. LBDS/CARE International procured the groundnut Shellers at a cost of Ushs 240,000 (100%) and for the recipient to be supplied with the equipment; they have to provide a deposit of Ushs 50,000 (21%) to the member group account. The fund deposited in the member group account is expected to be used by members to purchase more groundnuts Sheller. The asset remains property of CARE International until 30 days after the closure of the project. This initiative also created employment opportunity for the youths as they are engaged to operate the machines and hence, creating them a chance for business development services and employment.

The mission observed that the same conclusion made under the section of bicycle hire applies to this initiative. However, the groundnut hire service has higher demand because it reduces workload on the farmers and improves quality of produce but however, it is very expensive to farmers and not easily available. The project failed to support and strengthens capacity of local service providers to produce and supply this equipment. The mission also observed that this equipment could be equitably promoted through micro leasing scheme.

Mobile Pay Phone Service and Weighing scale Initiatives

In order to strengthen the collective marketing intervention, LBDS project and the local partners identified the need to improve market information and product grading system. To achieve this, village pay phones were introduced to facilitate the target beneficiaries to access market information. The pay phones were expected to enable the farmers' link with potential buyers, generate income for maintenance and repair. LBDS/CARE International procured the phones at cost of Ushs 240,000 (100%) each. The phone remains a property of CARE International. MoU is signed between the project and the recipients of the asset, who have been selected by the local partners. The asset recipient is required to deposit Ushs 50,000 (21% value asset value) to the membership group account. The same situation applies to the weighing scale.

The mission observed that the initiative has helped the beneficiaries to communicate and has potential to support the collective marketing initiative. However, other challenges remain same as discussed under the section of bicycle hire applies to this initiative

Animal Traction Hire Services Initiative

Unlike the bicycle, groundnut Shellers, pay phones, spray pumps and weighing scales, the animal traction system were procured and supplied directly to farmer groups. For example 32 Oxen and 16 Ox-ploughs supplied to 16 farmer groups. This initiative is part of technology demonstration meant to increase productivity and reduce on the burden on women who spent much of their time in the gardens digging and youth engagement. For instance, using hoes, the farmers would take about 12 to 15 days opening the land but with the introduction of the animal technology, it only takes about 3 days to finish an acre of land. The project procured the animal traction system each at cost of Ushs 748,375. The groups use the animal traction to open their farmland at cost (In Aromo farmers paid Ushs 5,000 to hire the system for a week). The farmer groups can also hire the system to non-members at a higher cost than charges paid by their members.

The mission observed that the project introduced the technology without making a sustainable linkage between the beneficiaries and the service providers. This business service linkage could help the farmers to access repair and maintenance services of ox-ploughs, veterinary services, and training of Oxen to replace dead ones or in case the beneficiaries wanted to increase the number of Oxen. The mission also observed that the animal traction technology could have best worked out through micro leasing scheme to increase ownership, and ensure equitable supply of animal traction system in the project area. The project would facilitate the

beneficiaries by addressing some of the major constraints hindering access to this technology, increase knowledge and skills, and disseminate information. The project would facilitate the beneficiaries to ensure that their produce from the farms have access to sustainable markets in order to guarantee lease repayment.

Production Extension Services

LBDS project paid all the cost for the extension services provided to target beneficiaries through its local partners. The project paid salary to the field staff, and also allowances to 23 CBTs working with the local community through sub grant arrangement with the local partners. The local partners established demonstration plots managed by 112 lead farmers, carried out training and advisory services, and field monitoring. CBTs are assigned to farmer groups to supervise and coordinate to ensure the project objectives are achieved. However, in the case of veterinary services, the project and its partners relied on the local government veterinary service staff charging a small a fee for the services. The extension services are offered free of charge to the beneficiaries, and the extension is managed by the local partners especially CPA. On the demonstration plots alone, the project has spent about Ushs 8.5 million by end of October 2010.

This initiative is unsustainable as per the consultant's analysis of the field findings. An agribusiness extension services has to be developed on demand driven principle and has to be commercially oriented. This means that the cost of extension service is paid by the users to maintain the services. Hence, charge the extension service cost of the agricultural produce. Once the market for produce is guaranteed, the extension service can be sustained through increased farmer's income. In initial stages of market development, the CBTs needs to start charging some fees with minimum contribution from the project and phase out the grant contribution as the farmers income stabilizes through market linkages. To charge fees, the extension services needs to be standardized and package at affordable fees through group approach. The project sub grants could be used to promote the extension packages as a commercial service to the beneficiaries. However, the CBTs should be encouraged to offer services to non-member in other sub counties to expand their market coverage and income levels.

Collective Marketing

The project piloted on collective marketing through establishment of sixteen (16) marketing executive committees comprised of 319 members. The committee represents farmer groups in a parish and the project is currently working in 16 parishes in two sub counties. The selection criteria for the committee members include all the active members who received the farmer group assets such as phone, weighing scale, spray pumps, groundnut Sheller, and the bicycles. This strategy is to enable the asset recipient to effectively put the assets in use for the benefit of the target group. Other criterion included selection of members from active groups with high production records, and members from active VSLA groups. In the plan for this initiative, the committee would eventually establish a parish market collection centre with all the key facility needed to bulk and market the different produce. Training was provided to the members by the project covering key areas such as post-harvest handling, farming as a business, financial planning, and group marketing. The marketing committees are supposed to mobilize farmers to increase productivity, keep record of production projections and harvests, monitor quality of produce, create market linkages, support members to bulk produce, and provide advisory services including managing the collection centers.

According to the evaluation mission, this initiative is good and strategic in the process of stimulating market development. This is clearly evidenced in the high rating by the sampled target beneficiaries during the focus group discussion. The mission recommends that the project should not only provide training but offer more comprehensive technical assistance through mentoring to actualize the market linkage intervention. Lack of sustainable market is a major constraint in the development of BDS in the project area. Therefore, all efforts and resources needed to transform this component creates sustainable livelihood to the local community. Further, the project would have facilitated local community and partners to develop ownership of the market structure by investing resources. If the project had established these committees at the inception and promoted all agricultural produce available among the target farmers, the results would have been so great and the market would have developed at a higher rate. According to the field findings only 6 marketing committees are so far active.

Financial Services

The component of financial services under LBDS project is comprised of Village Savings and Loans Associations (VSLA), Micro leasing and agro-input credit facilities. The agro input credit was implemented with OPSEL as outlined above – Seed loan. The VSLA is one of the models being implemented by CARE Uganda under the Market Development Approach model to improve livelihood. It involves a group of 25-30 people accumulating savings on weekly basis. The amount saved usually varies across groups but the minimum amount is 500/- per person per month. Once the group savings accumulate, the money is loaned out to members at a monthly interest rate of 5-10%. The groups are supported in record keeping and group management skills by Community based Trainers (CBTs), who have been prior trained by the project on the VSLA methodology. To ensure safety of the money, groups are expected to acquire savings kits from LBDS on loan recovery arrangements. It should be noted that the project did not implement the micro leasing facility with any of the financial institutions because project delayed to implement the financial service activities due to labor turnover.

The implementation of VSLA is over subsidized by the project. It should be noted that targeted subsidies may be warranted if they are transparent, capped, explicitly budgeted, fiscally sustainable, and economically justified. Further, project should not subsidize the ultimate beneficiaries, but rather grants should be aimed at building the capacity of financial intermediaries (VSLA service providers) or supporting institutions (e.g., supervisory authorities like CPA), which may include partial subsidies for operating costs over the medium term if necessary to achieve poverty reduction outreach objectives. Subsidies in promotion of VSLA may be justified in the short term as an investment in the development of BDS markets (e.g., through development of new products and models). However, even temporary subsidies can create distortions, and are justified only if their market development impacts outweigh their distortion effects. However, the project would have facilitated the establishment of private suppliers of VSLA tool kits to increase accessibility to the target beneficiaries and reduce the cost of acquisition. The demand for affordable kits is high and the supply is low and therefore sustainability of the interventions leaves a lot to be desired.

The mission therefore observed that subsidies (sub grants) should be designed to achieve specific market development objectives, it should be time-bound with specific criteria for their reduction and elimination as market development objectives are achieved (clear exit strategy), and VSLA sub grants applied at the level of the BDS transaction (i.e., direct subsidies to reduce the cost or price of services) are likely to be more distortion than pre- and post-transactional subsidies e.g. capacity building. LBDS project invested grants to promote VSLA methodology as a package rather than focusing on commercialization. As already mentioned, the groups are paying 100% tool kit money that is already a huge contribution on long term cost recovery basis. As much as communities need to contribute towards CBTs costs, the field findings indicated it's still very hard at this initial stage of development.

The mission therefore commends the VSLA model implementation because this approach is especially suitable in rural areas of Lira district where regular MFIs are absent, to help community groups effectively mobilize and lend their own savings, thereby building a basis for subsequent relations with MFIs in future. Nevertheless, such interventions should focus on situations where target beneficiaries should become financially self-sufficient, move to a more formal status, or become clients of MFIs or SACCOs. It must have an exit strategy, so as to avoid creating VSLA groups that remain dependent on external funds like in this case as confirmed by sampled respondents. VSLA CBTs should therefore gradually introduce fee based services as means to start commercialization of the initiative and to serve as exit strategy.

Value chain Approach Review & Development Opportunities

The project design referred to the implementation of the project based on value chain approach where there is a vertical integration of the activities from inputs to the final market. In this case, value chain refers to all the activities and services that bring a product (or a service) from conception to end use in a particular industry—from input supply to production, processing, wholesale and finally, retail. It is so called value chain because value is being added to the product or service at each step. Taking a “value chain approach” to economic development means addressing the major constraints and opportunities faced by target beneficiaries at multiple levels of the value chain. The project selected three enterprises namely soya beans, sesame and groundnuts. However, at the inception of the project a detailed value chain analysis was not carried out but some market assessment is done and the recommendations were never integrated into the implementation work plans. The project has attempted to create value chain structure especially at the input, production and market level although not so solid with clear guidelines, defined actors and governance system. In Annex 7 find detailed value chain structure and maps for soya beans, sesame, and groundnuts.

It should be noted that using a value chain approach can promote economic development in rural areas faster than other traditional rural economic development approaches. Value chain can help to achieve economic growth through the mobilization of target beneficiaries and actors, to increase economies of scale and the competitiveness of commodities and the sustainability of CARE LBDS interventions in support of economic growth. The value chain analysis can identify mechanisms for financial service delivery embedded in market transactions and assist project increase access to loans, leasing and other form of credit facilities for well-targeted interventions to unlock constraints that hinder improvement in livelihoods. By using this value chain approach and tools, project would have mobilized target beneficiaries to identify and address constraints to competitiveness of soya beans, sesame and groundnuts and therefore that can help to increase the effectiveness of service delivery within the different value chain channels.

The consultant has reviewed literature and collected primary data on the three selected enterprises. The mission therefore, recommends that the future project needs to develop appropriate value chain structure that should take the following characteristics.

The end market opportunities at the local, national, regional and global levels, is important in that the framework should prioritize the above elements because demand in end markets defines the characteristics of a successful product or service in any value chain. Sesame market is driven by export opportunities and demand.

The structure must take into account the business and enabling environment at the local, national and international levels. This is because rural economies operate as part of national and global markets and therefore it is important to integrated laws, regulations, policies, international trade agreements and public infrastructure (roads, electricity, etc.) that enable the product or service to move through the value chain.

The project design emphasized vertical linkages between actors at different levels of the value chain. This vertical integration is critical for moving a product or service to the end market and for transferring benefits, learning and embedded services between actors up and down the chain. For instance, the structure should include the method for subsistence farmers to be integrated into viable and profitable markets upstream through collective marketing initiative.

The structure should also have horizontal linkages between actors at the same level of the value chain; for example among suppliers of different inputs such as groundnuts Sheller, seeds, chemicals, and animal drugs. This integration can help to reduce transaction costs, enable economies of scale, increase bargaining power of all players, and facilitate the creation of value chain standards and marketing campaigns.

The supporting markets are a powerful driving force. LBDS project has attempted to put appropriate infrastructure to support this component but with limited involvement of commercial service providers. The supporting market includes things like financial services – VSLA and input loan, cross-cutting services CBTs, Lead Farmers with demonstration plots, business consulting, telecommunication services and sector-specific services for example animal traction services, and agricultural equipment supplies. Note that the technology initiatives introduced were meant to stimulate demand driven business services and this was identified as business service development opportunity after successful linkages of service providers to the potential consumers.

The major actors of the three value chains include input suppliers – suppliers of seeds, farm implements, training and advisory services, fertilizers, and general input services; producers comprised of mainly subsistence farmers, groups, and few commercial farmers; transporters – village bicycle transporters, district truck transporters and urban long distance transporters based in Kampala, traders of all kinds – village mobile traders, village small scale traders, district agents, urban traders – wholesale and retail; there are also small scale primary processors in most urban area of Lira town operating small scale processing facilities and finally, the major exporters of produce such as Olam, Mt Meru, and others.

The mission therefore observed that the project and its partners have not done enough to develop the value chain approach and integrate the model into the project implementation. There are already attempts to introduce some critical initiative to support value chain development but these initiatives have not been developed in systematic and logical manner. However, it should also be noted that the political environment in year 2009 and year 2010 has changed tremendously. The project time frame limitation is yet another factor that has hindered comprehensive integration of value chain concept coupled with high staff turnover from both CPA and LBDS. The consultant managed to collect primary and secondary data from the key stakeholders and summarized the soya beans, groundnuts, and sesame value chain general constraints, and opportunities as shown below. This information shall be useful in the re-design of LBDS project.

Category	Major Constraints	Opportunities/Business services	Commodity	Actors
Market Access	Seasonal demand for soya beans by traders reduces the incentive for farmers to increase production to supply market demand	Provision of access to market linkages for contract farming/ forward and backward linkages with processors	Soya beans	Traders Processors Farmers
	Large number of middlemen in the value chains reducing profit margins for major actors and increases the opportunity to supply poor quality produce to markets	Establish and strengthen collective marketing system empowering farmers to undertake more value chain functions to reduce number of actors	Groundnuts, Sesame, and Soya beans	All Actors
	Lack of market access to large buyers or suppliers offering higher prices	Provision of access to multiple large buyers through more commercial focused business forum	Groundnuts, Sesame, and Soya beans	Traders Farmers Processors
	Willingness to pay for services and products is low among especially the producers	Stimulate demand for services and products through upgrading and sensitization of consumers	Groundnuts, Sesame, and Soya beans	Traders Farmers Processors
	Lack of accurate and consistent market information to all the actors on the market demand and prices	Provision of access to market information on domestic, regional and global markets	Groundnuts, Sesame, and Soya beans	Traders Farmers NGOs
	General lack of market organizations from the farmers, transporters, traders, and processors e.g. Organized farmers marketing groups, organized traders network etc.	Provision of access to technical assistance to structure and organize rural marketing system including guidelines and policies.	Groundnuts, Sesame, and Soya beans	Traders Farmers Transporters Processors Exporters
Technology/Product development	Lack of access to affordable processing technology to add value to sesame, groundnuts, and soya beans	Provision of access to appropriate technology supplier for processing in Lira district e.g. Sheller, grinding machinery, roasting machine etc.	Groundnuts, Sesame, and Soya beans	Traders Farmers
	Inadequate technical skills on production techniques to add value to especially sesame, and soya beans (New product development)	Provision of access to technical assistance and technology transfer on value addition e.g. soya milk, soya oil, tahini, soya cake and paste etc.	Sesame and Soya beans	Traders Potential Processors
	Lack of information on the product development for soya beans, sesame, and groundnuts	Facilitate access to product development information and market research	Groundnuts, Sesame, and Soya beans	Traders Farmers Processors
	Diseases and pests reduce productivity especially groundnuts	Provision of access to disease resistant seed varieties for all commodities and high yielding and control diseases and pests through private extension.	Groundnuts, Sesame, and Soya beans	All Actors

Technical Assistance /training	Inadequate access to affordable and sustainable business management training and mentoring on agribusiness and marketing	Provision of access to commercial training programs through strengthening private service providers	Groundnuts, Sesame, and Soya beans	Traders Farmers Input suppliers
	Inadequate knowledge and skills in soya beans production, post-harvest handling and processing	Provision of access to technology skill transfer to farmers and processors on soya bean production and value addition	Soya beans	Farmers Traders Processors
Organization/management	Lack of well-organized producer groups that can achieve economies of scale to reduce costs and increase profit margins through bulking and collective marketing	Provision of access to technical assistance to organize producer marketing groups or associations at all levels and strengthen capacity.	Groundnuts, Sesame, and Soya beans	Farmers Traders Transporters
	Lack of value chain governance system, structure and personnel and inadequate capacity of local partners to operate sustainably.	Provision of access to technical assistance to develop value chain governance system	Groundnuts, Sesame, and Soya beans	All Actors
	Lack of trust and cooperation among stakeholders because of lack of trust, cultural differences, and partly due to effects on the rebellion in the region which hinders effective group networking	Provision of access to advisory services and mentoring to build confidence among players and strengthening networking system through study tours.	Groundnuts, Sesame, and Soya beans	All Actors
	Unreliable crop estimates inject a great deal of guesswork into the production balance sheet that CBTs use to estimate production and other requirements	Facilitate investment into an improved crop production forecasting system (M&E) to serve as a foundation for improved consultation and coordination between the value chain actors	Groundnuts, Sesame, and Soya beans	All Actors
Input Supply	Lack of access to affordable quality and quantity of high yielding seeds, and ox-plough technology in rural high production areas	Provision of access to inputs by increasing volume and improving quality and quantity of improve seeds to farmers	Groundnuts, Sesame, and Soya beans	Farmers Traders
	The existing input suppliers have limited outreach and limited volume of improved seeds and other inputs e.g. OPSEL, UOSPA, and other UNADA members.	Increase outreach of input suppliers to reach deep in the rural areas especially at villages' level by strengthening their capacity and stimulating demand for their services.	Groundnuts, Sesame, and Soya beans	Farmers Traders
	Inadequate number of service providers e.g. transporters, CBT trainers and advisory service providers, packaging suppliers, farm equipment suppliers.	Provision of technical assistance to strengthen the capacity of the providers to expand services to actors through cost sharing, and micro leasing etc.	Groundnuts, Sesame, and Soya beans	Farmers Traders Transporters

Alternative financing mechanism	Lack of access to affordable commercial financing because of inability to provide collateral by actors and high interest rates charged by the commercial banks	Provision of access to alternative financing mechanism e.g. expands CARE – VSLA model, Link actors to MFIs, and commercial banks.	Groundnuts, Sesame, and Soya beans	Farmers Traders
	Inadequate knowledge and skills about agricultural financing among formal financial institution staff	Provision of access to training for rural bank staff on agricultural lending techniques	Groundnuts, Sesame, and Soya beans	Farmers Traders Banks Transporters
	Inadequate access to financial services information from financial institutions by value chain actors	Provision of access to market linkages between banks and potential borrowers	Groundnuts, Sesame, and Soya beans	Farmers Traders Banks Transporters
	Inadequate access to affordable VSLA kits for the farmer groups including technical assistance	Provision of access to VSLA kits through promoting a commercial private suppliers	Groundnuts, Sesame, and Soya beans	
Infrastructure Development	Poor rural road network in the project area, lack of electricity and reliable water system hinders value addition, and product access to the markets	Lobbying by interest groups to improve infrastructure for all actors through Central Government and Local Governments	Groundnuts, Sesame, and Soya beans	All Actors
	Poor storage facilities in the rural areas and lack of full utilization of existing storage facilities by the traders, and farmers at the collection centers	Strengthen the actors to network and bulk produce as means to improve storage and utilize existing facilities	Groundnuts, Sesame, and Soya beans	Farmers Traders Transporters
Policy and Advocacy	Inadequate enforcement of food and healthy safety Act, weighing scale calibration, and quality assurance standards by UNBS, and Local Governments	Strengthen the capacity of producers' organizations to locally enforce government policies and regulations. Provide access to weighing scales.	Groundnuts, Sesame, and Soya beans	All Actors
	Lack of policy and advocacy platform to lobby for policy and regulation reforms	Establish policy and advocacy platform at the producer organizational level	Groundnuts, Sesame, and Soya beans	All Actors

Project Implementation Gaps

LBDS Project Management

- *Capacity Building* – The capacity building initiative for local partners was not developed from the institutional gap assessment but rather concentrated on core practices of implementing LBDS project. LBDS project needed to build capacity of the local partners in key areas such as integrating BDS into value chain development with a critical focus on market development approaches and sustainability strategic issues;
- *Staff Recruitment Delay* –In the inception of this project, the recruitment and deployment of the project staff in the field with appropriate skills and experience could not be done in time due to the nature of human resource policy framework. Therefore, the project design proposal did not take into account the logistical requirements and arrangement needed to jump start the project implementation. The logistical arrangement takes time due to several approval processes. Hence, this translates into delay to deploy personnel in order to start the implementation within the required project timeframe. The project time frame needs to be respected and adhered by all the parties involved in the management to ensure smooth and timely project completion;
- *Market Assessment*- The project staff failed to integrate market assessment findings identified by CPA during the design phase into the implementation plan at the inception of the project. Note that market assessment helps to gain a broad understanding of potential target markets, which eventually helps project designers and implementers to make broad, upfront program design decisions, including which markets to target. The integration would have helped to refine the project log frame and the implementation work plan and strategies;
- *Baseline Survey* – it is important to carry out a baseline survey at the commencement of the project because it helps to inform the design of detailed M&E system. In this case, the LBDS project successfully undertook a baseline survey at the project inception but the content of the survey could not support the design of M&E system. The terms of reference was reviewed and its content was found to be inconsistent with requirement of the baseline survey practices but however, the service providers had the opportunity to advise the client on the best possible adjustments, which in this case did not happen;
- *Strengthening Multiple Service Providers* - Lack of adequate capacity building of private service providers that for example can supply agricultural equipment and other technologies including technical assistance. This has created a gap in service delivery. The project would have built capacity of private-sector suppliers, and facilitating them to use temporary vouchers, to stimulate demand and sell services for a fee. This can involve the identification and training of low-cost alternative suppliers such as paravets, retired vet officers and individuals formerly playing a volunteer role as lead farmers.
- *Midterm Review (MTR)* – The project design did not recommend midterm review to be carried out since it was only a two year project but however, looking at the current situation it would have been very necessary and significant to carry out quick midterm review to provide the project with new strategic direction;

Local Partner Organization and other Service providers

- *Accountability Delay* – The local partners delayed to prepare and deliver accountability reports to LBDS project due to inefficient internal management practices and policy. This provides evidence that the capacity building for partners should have subsequently been supported with technical

assistance in financial management and reporting. It is also true that some of these delays have been caused by procurement conditions and requirements of CARE International, which resulted into delay in fund disbursements, the viscous cycle continues and yet the project has tight time bound.

- *Innovative BDS Products* – CARE works through local partners and the organization depends a lot on the innovativeness of its local partners to engage the local community to undertake project activities. The local partner organizations have limited skills and experience in developing innovative BDS models because they are mostly used to relief based activities.
- *Sustainable Market Linkages* – The promoting of both productivity improvement and market linkages simultaneously increases competitiveness of rural farmers to earn income, which in turns motivates them to produce more and more. At the inception of the project, if the project management and the local partners started to create market linkages for existing agricultural produce, the local community business service and VSLA markets would have grown faster. Therefore, project should have promoted sustainable market linkages and productivity growth, because this strategy increases the project chance to achieve results than only promoting only production and thereafter, start search for market alliances;
- *Untimely Delivery of Agro-inputs* – Value chain approach plays key role in increase efficiency and effectiveness of agro input supply to major actors. The fact that value chain approach was not adequately applied, the input suppliers and group relations remained not integrated to achieve the bigger picture within the competitive market. The ownership of the strategic alliance on inputs was not well developed to demand for accountability in terms of failures to deliver on time. Therefore, lack of contractual arrangement between the producers and suppliers of agro inputs failed to protect the interest of innocent farmers. Since, the farmers are on the receiving side and desperate for support, terms and condition to demand for the timely delivery cannot be enforced. Hence, the farmers get discouraged and this situation does not reflect positively towards facilitators of BDS market;
- *Overdependence on Donations* – In the implementation of LBDS, the local partners have continued to rely on sub grants and other resources from the development agencies to support local community. In the short run that is manageable and beneficial to all the parties. This situation has reduced their ability to create sustainable income generating activities to ensure sustainability of LBDS activities after the final closure of the project. The local partners should have developed their own strategic development plan and integrate community projects as part of long time program. This is evident where LBDS project has contributed funds to meet local partner's overheads. The subsidies are necessarily bad but must be directed in capacity building activities and it should be provided for a short period.
- *Stronger and Sound Relationship* – CARE strategically works through local partners. During the field survey it was found out the project staff only conducted field monitoring and back stopping as a way of capacity building and quality assurance. It was found out the local partners in some cases do not understand their roles and responsibilities within the project. This situation tends to create disincentive to work and building strong partnership during implementation. The roles and responsibilities of both parties have to be well defined to avoid misunderstanding. Project roles and responsibilities must be part of the initial training provided to the local partner organizations.

Target Beneficiaries

- *Willingness to Provide Information* – Target beneficiaries are not willing to provide vital production, income, savings, and household activities information to the project implementers by target beneficiaries has made quarterly reporting difficult for both partners and LBDS project;
- *Community Attitude* - Persistent culture of demanding free goods and services by most of IDPs. This attitude was adapted during the rebellion when the population was kept in IDP camps. This has reduced the ability of the local population to work hard towards eradicating poverty and achieving self-sustainability;
- *Resistance to Change* – The local community have sometimes resisted change due to cultural beliefs, lack of trust and cooperation. This gap has constrained the implementation of collective marketing and sharing of scarce agricultural technologies among the beneficiaries. The project therefore, is faced with multiple demands of the same facilities or services from members of the same group as the target beneficiaries concentrate on individual interest rather than group activities.
- *Low HH Income* - Inability to pay for services and goods due to very low household income. This has hindered the commercialization of the BDS and VSLA. The inability to raise money from other sources coupled with limited access to market has created a big challenge to the implementers because free goods and services are better received than commercial services and products.

PROJECT SUCCESS STORIES

LBDS Project Supported Returning IDP Groups in Lira District {Returning IDPs in Lira Successfully Saved Ushs 195 million}



The Lango Business Development Services (LBDS) project is a two year project implemented by CARE International in Uganda in Lango sub-region. The project was started in January 2009 and was designed to improve livelihood by increasing productivity, household income and profitability targeting 5000 former IDPs. In order to increase productivity, the project identified access to financial services as one of the major constraints to agribusiness development. During the two years (2009-2010), the project managed to mobilize, sensitize and train 5,958 members from 219 groups.

The successful trainings that were highly appreciated by the beneficiaries helped the farmers and the groups to build team and confidence to work in a group. This project strategy of strengthening the group network has helped to build a strong ownership of the interventions. LBDS project through CPA local partner managed to establish 165 Village Savings Loan Associations (VSLA).

VSLA involves a group of 25-30 people accumulating savings and meetings are done on weekly basis. The amount saved usually varies across groups but the minimum amount is Ushs 500/= per person per month. Once the group savings accumulate, the money is loaned out to members at a monthly interest rate of 5-10%. The groups are supported in record keeping and group management skills by Community based Trainers (CBTs), who have been prior trained by the project on the VSLA methodology. To ensure safety of the money, groups are expected to acquire savings kits from LBDS.

Through LBDS project support the Former IDPs were able to save up to about Ushs 161 million and VSLA groups were able to loan members about Ushs 195 million. The members who managed to borrow from the VSLA groups have used the loans for meeting several expenditures. These include purchase of agro inputs, paying school fees, expansion of the farmland, medical expenses and starting new businesses. VSLA is a life line for the local community in Aloii and Aromo sub-counties.

LBDS Project Supported Former IDP Farmer Groups to Increase Productivity in Lira (Agribusiness Turned to be Reality in Aloii Sub County)



The Lango Business Development Services (LBDS) project is a two year project implemented by CARE International in Uganda in Lango sub-region. The project was started in January 2009 and was designed to improve livelihood by increasing productivity, household income and profitability targeting 5000 former IDPs. The project promoted three enterprises namely soya beans, sesame and groundnuts using a value chain approach. The project through its partners CPA, UOSPA, and OPSEL provided training, demonstration trials, improved seeds, and market linkages. The farmers were sensitized to work in groups and these groups were supported with VSLA training and kits to help them start mobilizing funds for their groups.

Among others one of the groups in Aloii Sub County made great success over the project period. The group is called Otim Ikoma rural oil seed growers and processors and one of its successful farmer called Madam Atapara Mary, was supported by UOSPA a local partner of LBDS project to grow seeds for multiplication. This group has 30 members of whom 12 are women. During the first planting season of year 2010, one of the successful farmers mentioned above and whose picture is centered managed to open 5 acres of land for cultivating soya beans seeds for multiplication. The successful group member managed to access 5 kg (small variety) and 10kg (big variety) of improved foundation soya bean seeds from UOSPA for planting. However, by the end of the season the one of the successful member of the group managed to harvest 3 bags of small soya seeds and 3 bags of big sized soya seeds, all equivalent to 600 kg. The group member decided to distribute about 3 bags and 30 kg to other farmers during the second season. The group member reported that the big sized seeds did much better than the small size. Therefore, during the recent second planting season, the successful group member has managed to open up more land to grow soya beans and the member is expecting to harvest about 35 bags.

According to the successful group member, she has achieved a lot from the LBDS project and its local partners especially UOSPA. The group member has been able to pay school fees from the revenue generated from the sale of the seeds and other benefits included expansion of the farmland, and successful member has accessed loans to meet her household needs. The major challenge faced by the group member to date include inadequate access to affordable agro inputs such as ox-plough, and oxen, unpredictable weather (too much sunshine), lack of enough carpets for sorting, storage, and transport.

The group member plans to do quite a lot in future. In the year 2011, the group member plans to increase her production capacity to grow more than 35 bags of soya beans and she plans to access more training on seed conditioning and preservation. After three years, the successful group member plans to acquire animal traction system and spray pumps to increase productivity. The group member shall continue to work with UOSPA and any other project. Through its seed multiplication initiative, the group member plans to increase coverage of seed distribution to other fellow farmers and finally, the group member plans to construct her own storage facility to support bulking of produce. The successful member said the livelihood of her family has greatly improved from the support received from UOSPA and CARE LBDS. She thanked the project staff and CARE international for creatively supporting her after returning from the IDP camps and now her life at home is much better than ever before.

CONCLUSION

LBDS project was designed to address strategic needs of the local community in Otuke and Moroto Counties in Lira district. It was strategically changed and according to the project manager this decision was made after the Otuke County had changed status to a new different district from Lira. The project commenced operations in late June –July 2009 instead of Jan 2009. During year 2009, the project managed to mobilize target beneficiaries, provided training and jump started some production technology transfer. The project made great success in 2010, which has resulted into achievement as outlined above. The project has successfully created and supported 219 farmer groups that are actively engaged in production of sesame, soya beans, and groundnuts. These groups have developed strong ownership of the interventions and are willing to continue to promote these commodities. LBDS support to VSLA groups has generated satisfactory results, as evidenced by the growth of savings and the loans accessed by the members to the tune of Ushs 161 million and Ushs 195 million respectively. This VSLA intervention has helped to build strong group bond, ownership and hope for better life as the farmers now have taken control over their resources. The knowledge and skills provided has helped to implement several of these interventions.

Nevertheless, there are several project management gaps that need to be addressed in the future project to enhance performance. If these implementation gaps were addressed right from the inception, LBDS would have produced best results that are sustainable and the project would only require replication. It should be noted that some of the interventions such as extension service, training, and other technology transfer activities might not be sustained by the local partners and the local community because these interventions depend on the sub grants with no commercial orientation. It should be noted that if LBDS project was given more time and resources, it would have developed sustainable linkages for the delivery of business services. LBDS has successfully introduced the rural system for marketing, value addition, technology transfer, and group networking but still consolidation of these successful interventions requires additional support.

The first project manager and support staff resignation left the project activities in unstable state coupled with the crash of the computer system resulting in the loss of project data. The new project staff started to support the project activities with no strong foundation but they managed to develop new interventions, which has resulted into the above project results. These achievements have come within the last 8 months of the project implementation but with great contribution from the inception activities such as training, mobilization, sensitization and capacity building. However, there are project implementation gaps and challenges that hindered the project to achieve the best results. If the project was started on time, and if the staff worked throughout the period life, its performance would have been better than the current results. Therefore, time limitation has affected the implementation and subsequently affected the project outcome/results. The former IDPs are traumatized, very poor, lacked basic facilities yet they had no hope and confidence to succeed in life. In addition, free services and gifts offered by other NGOs has created unfavorable environment for the project implementation.

The findings from the project evaluation have helped to drive several lessons that can help to improve future project implementation. The future project can use more systematic and rigorous methodologies, conduct market assessment in the context of assessment frameworks that are based on market development model that traces beneficiary linkages to input, product, financial service and business service markets (within the context of value chains) and, from there, to enterprises and households. In addition, the project can focus more on issues related to the integration of beneficiaries into value chains, increase attention to program impacts as it relates to poverty reduction and improve dissemination of project interventions and evaluation findings. Therefore, extension of the project could help consolidate the gaps and enhance the current interventions to achieve sustainability and high impact.

RECOMMENDATIONS

The mission recommends that the project life be extended by 2 to 3 years to maximize project benefits to these target disadvantage beneficiaries (former IDPs). These socio economic development trends have just started to take course among beneficiaries and the momentum needs to be maintained.

The consultant has analyzed the conditions on the ground and the challenges faced during the implementation coupled with the nature of the socioeconomic environment prevailing in the Lira district and the sub region. The consultant therefore, recommends that this project be scaled up and prolonged for additional two to three years. Promoting an agricultural based project with a community that has just emerged from post conflict situation is very challenging as has been outlined in this evaluation.

Agriculture in the project area heavily depends on climatic condition, which over time has changed from bad to worst. Therefore, it was unrealistic estimation that LBDS would have delivered meaningful project results within two years. Mostly importantly in order to consolidate the benefits and values created by the project among the community, the project extension is vital. Therefore, as evidenced in the assessment that the community has just started appreciating and perceiving some project impact from the interventions. The target beneficiaries further has started to undergo a transformation from subsistence farmer groups to viable commercial farmer groups. The consultant therefore recommends that the best reward for this disadvantaged group could be an extension of the project life to consolidate the achievements and complete the process of building sustainable value chains and markets.

This proposed extension will allow the target beneficiaries to build stronger market groups and sustainable linkages with buyers, which is critical in creating sustainable income to improve livelihoods. Another aspect is that, CARE recruited experienced and skills staff that has helped to transform the project only within seven to eight months, given chance that these staff can still support the local partners and beneficiaries for another 2 to 3 years, the project results shall be tremendous. This shall provide opportunity for other NGOs, and LG agencies to replicate this successful concept of BDS market development integrated with VSLA during this critical economic recovery phase of Northern Uganda.

CARE international should review and integrate these recommendations made by the consultant below to redesign the project. The redesign shall enable CARE to scale up the project activities in order to achieve better results. The next project should provide incentives for adoption of business development services by enhancing ability to pay. For long term availability of such services shall facilitate value chain growth and improvement in livelihood. The project needs to focus on the development of sustainable business service markets by promoting demand-side incentives such as vouchers and matching grants.

Highlights of Priorities Future Project Recommendations/Interventions

Future Project Design

Re-design Project – LBDS project has made significant achievements in VSLA, and producer group mobilization for increased productivity and has experienced challenges both internal and external. These lessons shall be integrated into re-design of the successor project. During the re-design of the successor LBDS project, market assessment shall be critical in order to facilitate decisions related not only to project design but also to support project implementation, mid project redirection, and monitoring and evaluation.

In order to re-design the project, CARE shall have to gather basic quantitative information on the three sub sector as well as substantial qualitative information on producers and other market players, relationships in the different subsector, final markets, and support services. When the project commences operations, it should continue to build its understanding of market dynamics and key market relationships. Throughout implementation, the project should collect information and feedback from the market players involved in the

value chains. The information can include changes they have made in production, VSLA, and others, satisfaction with the changes and new issues, constraints, and opportunities. The project shall have to conduct frequent feedback sessions with value chain market players to help find win-win market solutions that will help producers and other market players. Regularly tracking of changes in the market and collecting information on a few key quantitative indicators that help to understand the impact of the project on the subsector especially producers. This information gathered from the field (key quantitative indicators) shall help to improve both the effectiveness of the project and continuously help to identify new opportunities and niches where the products of produced by target beneficiaries could be competitive.

During the redesign of the project, considerable has to be given to expansion of the project geographical scope to cover the original counties of proposed in the LBDS design proposal covering districts of Otuke and Moroto. This shall help to mobilize large number of target producers and other key players within the value chain to ensure that marketing initiative are supported by mass production of the three commodities.

CARE should ensure that a baseline survey is carried out. Baseline data is very important information the project has to gather because it provides critical information on the situation before interventions has been undertaken. It is the information on which project problem analysis was based. It is very difficult to measure the impact of project initiative if project does not know what the situation was when it began implementation. The project needs baseline data that is relevant to the indicators, which has been decided in design to help measure the impact of the project work. It is very difficult to go back and get this kind of baseline information after the project has begun work and the situation has changed. The baseline data and the project log frame shall help to develop a comprehensive monitoring and evaluation system.

Project Implementation

Design Me& E system for Project and Local partners – The future project must ensure that comprehensive monitoring and evaluation system is designed to support the project and the local partners. It is important to note that monitoring is the systematic collection and analysis of information as a project progresses. It is aimed at improving the efficiency and effectiveness of a project. It is based on targets set and activities planned during the planning phases of work. It helps to keep the work on track, and can let management know when things are going wrong. If done properly, it is an invaluable tool for good management, and it provides a useful base for evaluation. It enables the project to determine whether the resources it has available are sufficient and are being well utilized, whether the capacity of the project is sufficient and appropriate, and whether the project and its partners are implementing the project based on planned design benchmarks. Therefore, monitoring and evaluation shall enable project to check the bottom line (making a difference) of development work.

The local partners should be supported to develop monitoring and evaluation systems that can help review progress; identify problems in planning and/or implementation; make adjustments so that partners are more likely to make a difference. CARE International is certainly entitled to know whether their money is being properly spent by the local partners. But the primary (most important) use of monitoring and evaluation to the local partners should be for the local partners themselves to see how they are doing against objectives agreed in MoU, whether they are having an impact, whether they are working efficiently, and to learn how to do it better. Therefore, we recommend that project should be re-designed with a clear logical framework that can be used to inform the formulation of a system for monitoring, evaluating and measuring the impact of the project. Such a system should be based on an assessment of the major priorities facing major actors in the value chains.

Staff Recruitment – in the future project, CARE should ensure that identification of the potential project staff is done during the design phase. This will help facilitate quick commencement of the project work as soon as donors have approved the project proposal and design. In addition to enhance staff performance and capacity, the staff should be oriented right from the beginning on the project requirements, strategies and

reporting requirements as part of team building exercise. This can be done right at the project field offices before the project launch.

Service providers Strengthening – the future project should consider the identification of service providers and strengthen their capacity as major BDS interventions. This is because LBDS concentrated and invested resources to develop demand side of the market with limited considerations of supply side. The market development sustainability depends on how the demand and supply side support each other. This recommendation is essential especially when the project implementation is based on value chain approach. Develop and market commercial business services. The field findings of LBDS project identified weaknesses on both demand and supply side of BDS market. The target beneficiaries are largely unconvinced about the impact these services have on their businesses. They are at times unaware of BDS availability, with many unable or unwilling to pay for existing services.

On the other hand, business service providers mostly offer supply-driven services or services that are grant facilitated. Therefore, there is a need for intervention to stimulate BDS market development. LBDS has attempted to stimulate the market through use of sub grants but this intervention needs to be of temporary nature and only support business services transactions until the market for BDS operates alone with the help of market forces. The main aim of running subsidized business service initiative is not to encourage local partners to engage in direct service provision, but rather to develop a market for business services by facilitating business-to-business linkages between the demand side represented by the businesses and the supply side represented by business providers such as stockists, CBTs, transporters, Vet Providers, and equipment suppliers.

Commodity Market Development

Market Linkage - The future project should develop and implement aggressive market linkage initiative to cover main products produced by the target beneficiaries and should not only concentrate on the selected enterprises. This strategy can help to integrate the beneficiaries quickly into the main markets, stimulate community demand for services and it can create sustainable market channel for the commodities that are promoted directly by the project. For example, the local communities in Lira district grow a lot of maize, sorghum, millets, and rice and promoting market linkage for soya beans, sesame and groundnut alone cannot create the immediate result expected to improve livelihood in short term project.

Greater efforts are needed to encourage and facilitate the necessary collaboration with markets, exporting companies, business forums, etc. to be able to encourage farmers to play more of a role in the marketing process. There are currently collaborative links between the existing farmer groups and some buyers through the local partners. These relationships need to be reinforced and taken to new levels through provision of technical assistance and mentoring. The presence of a project in an area can greatly affect these relationships in a very positive way in the embryonic stages of farm development. Other contacts are being made in the marketing chain, such as with working with potential soya beans processors and UOSPA engaged in seed conditioning. Although the project does not have the time or the resources to pursue such a program, it is something that should be looked into as a possible future intervention.

Bulk transportation to other markets could bolster the prices farmers receive for their products. These wholesale markets could also serve as a venue for farmers to learn more about the packaging and preparation of quality produce and grading for different types of consumers. Small scale processing and storage at the village level, possibly in collaboration with the Farmer group network, would benefit farmers through higher quality produce and higher prices. Agro inputs are an important but expensive part of the production cycle. Vastly increased small-scale seed multiplication program would greatly benefit farmers, reducing costs and ensuring quality of the seeds.

CARE can promote the establishment of sub regional wholesale markets to benefit farmers, providing a ready outlet for their produce especially at the produce lane in Lira town. Consideration could be given to the value chain coordination unit, ownership of these farmer groups where small-scale processing and handling equipment can be purchased with revenues generated from farmer membership dues and fees for services. Farmers could buy second-hand equipment with own funds at relatively low prices or they could buy these equipment through a micro leasing arrangement. This will provide processing services to farmer groups.

Financial Services Integration

VSLA for Value Chain - Strategically integrate VSLA and other financial products into the value chain development activities. The different actors in the different value chain functions are constrained to grow and expand due to inadequate access to financial services. As the project develops interventions with different customers of actors in the different chain functions, VSLA shall be integrated to address the financing needs of the actors in order to enhance development and growth. It should be noted that the value chain analysis helps to identify key bottlenecks to economic growth, views financial service gaps in terms of these key bottlenecks, and identifies and incorporates key actors and champions in relevant value chains. Therefore, value chain analysis can be useful in identifying financial services for which there is significant economic demand and interventions that can expand existing supply in efficient and sustainable ways. For example, the project can support VSLA for youth transporter groups, and small rural traders association. However, it is relevant and important to develop micro leasing facility with two-to-three financial institutions to support technology transfer especially for animal traction, groundnut Sheller, and other small-scale processing technologies.

Agribusiness agents, brokers and farmer organizations can both play critical roles in reducing costs and risks and increasing the bargaining power of small producers by screening and organizing them, disbursing inputs and loans, monitoring, facilitating or delivering extension, collecting product, and disbursing payments. These services can help to increase the scale and quality of smallholders operations as well as their market access, while lowering agribusiness's unit cost of delivering these services.

Product Development

Value Addition - The future project should promote sustainable value addition initiatives through introducing small scale processing facility (by micro leasing), grading system, and develop new products such as soya bread, soya cake etc. The project should engage a product development specialist to develop new products that can be produced locally. This requires establishment of research and development center where demonstration and trials are done.

Youth Transport System - The future project should establish a transport service to promote rural transport system. The project can engage and work with youth groups to start transport venture using motor cycle leasing, ox –cart transport system, and bicycles as a major project interventions.

Private extension services - Advisory services could be incorporated into these participating farmer groups to work directly with members. The extension and advisory services shall be comprised of training, demonstration, and technical assistance centers at the parish level managed by the parish farmer group network. Lead farmers and CBTs are also possible candidates as conduits for these technology transfer services. Suppliers of inputs are also possible candidates for providing advisory services to farmers who might eventually become clients. Some grant funding would be necessary to initiate such a program which is commercially driven with some subsidize through costs sharing arrangement to develop the market. The farmers are generally knowledgeable and often ready to accept new technologies, but they need the assurance of demonstrations trials and discussion groups that could be provided through these advisory services.

Strategic Partnership Alliances and Building Ownership

Institutional Capacity Building – The project should identify and strengthen local partners and build a meaningful strategic partnership arrangement. This can be achieved through signing a long term MoU that extends the mandate of the partners to operate beyond the life of the project. For example LBDS project could contract the local partners to provide technical support to the beneficiaries through commercial arrangement. Build and strengthen the capacity of local partners through institutional assessment, by designing strategic development plans that defines sustainability strategies and reinforce management structures and income generation activities.

Strategic Alliances – The future project should engage specific local partners to champion the distribution of improved seed through a network of agro input dealers in the project areas. The project shall work closely with agro input support organizations such as UNADA, AT Uganda and other agencies that can create a good synergy to leverage resources. The project can also strengthen capacity of local partner to champion the value addition technology especially in processing using appropriate technologies. The local partner can also play a major role in market linkages as promoter of value addition through facilitating contract farming between the processors and producer groups. The project should facilitate and strengthen the capacity to champion market linkages with big buyers, build value chain structures, and ensure VSLA coverage is increased to all the beneficiaries along the value chain.

Value Chain Development

Creating sustainable value chain structure - The future project should develop sound value chain structure; build alliances and ownership to ensure sustainability of the model. This can be achieved by using the findings of value chain studies and creating a forum that can bring together all the key stakeholders to discuss the way forward. This platform shall provide an opportunity to establish a demand driven value chain alliance that link producers to profitable markets. The key outputs for this intervention should include development of commitment and ownership of the chain among the major actors, through participatory approach develop most promising structure of the chain values, strengthen the institutional arrangement necessary to support the value chain development, and preparation of comprehensive value chain development strategy that has to be approved by all the stakeholders.

Chain governance – After successfully creating value chain structures and operational guidelines, there are series of activities that describes only part of the chain. However, the project shall facilitate the establishment of governance systems that articulate how different functions should relate to each other such as leaders, followers or equals and the rules that govern their activities and relationships. These are critical components of a value chain development. The project shall not interfere with decisions on transactions but must be left entirely to the market, with multiple buyers and sellers of a commodity entering into transactions based mostly on price factors.

Policy and Advocacy

The project should facilitate the establishment of policy and advocacy program for value chain actors to lobby for improvement of business environment especially infrastructure, market distortion and elimination of poor quality inputs. This initiative requires capacity building, development of policy guidelines, and provision of technical assistance.

ANNEXES

Annex 1:	Terms of Reference
Annex 2:	Project Design Summary
Annex 3:	Assignment Schedule
Annex 4:	Map of Lira District and Project Area
Annex 5:	Budget and Budget Performance
Annex 6:	Summary of Field Data Findings
Annex 7:	Value Chain Development
Annex 8:	List of Persons Contacted
Annex 9:	List of References

Annex 1: Terms of Reference

TERMS OF REFERENCE FOR END OF LANGO BUSINESS DEVELOPMENT SERVICES (LBDS) PROJECT EVALUATION

A. Introduction

Lango Business Development Services (LBDS) project is a two year project implemented by CARE International in Uganda, Lango region that was started in January 2009 ends in December 2010. The project is funded by Wellsprings and targets to reach 5,000 individual small farmers, 60 percent of whom are women, who are mainly charged with food production and provision despite having fewer opportunities for income generation.

These include households engaged in small farm related enterprises, who are small scale farmers located in the two sub counties of Aloii and Aromo in Lira district. The project aims at creating profitable markets for the three sub sectors of Soya beans, Ground nuts and Sesame as well as promoting the Village Savings and Loans Associations (VSLA) as an alternative financing mechanism since most of the target population has no access to formalized financial services. It also promotes input seed loaning and Farmer Seed multiplication development to enhance access to improved seed. The project uses the market development approach which addresses the problem of limited access to markets for the 3 enterprises promoted. The project also promotes product development and commercialization, linkages to financial service providers as well as capacity building of implementing partners.

The project's specific objectives are as follows:

1. Increase production of soya, groundnuts and sesame of at least 70% of the targeted households through the use of new high-yield seeds and modern, environmentally sound agronomy practices and methods to maximize the utilization and productivity of available land.
2. Increase participation in farming and marketing groups that respond to existing competitive markets for agricultural products and commodities.
3. Establish a viable input supply chain of private operators to satisfy at least 80 percent of the target groups' demand for high quality seeds, ox ploughs, ground Sheller, cassava crushers, hoes, etc.
4. Increase access to financial services through the promotion of village savings and loan associations (VSLAs)² and micro-leasing.

Working through partnerships is part of CARE Uganda's strategy to ensure that, even beyond the life span of the project, these organizations continue delivering services to small holder producers. The project therefore, works in partnership with Uganda Oil Seeds Producers Association (UOSPA) mandated to promote seed multiplication, Otuke Private Sector Enterprises Limited (OPSEL) for promotion of seed loaning, and Concerned Parents Association (CPA) mandated to build capacity in modern agronomic practices, value addition and quality improvement, business skills development, promote collective marketing, and VSLA methodologies among participating communities.

B. Objectives of the evaluation:

The overall objective of the evaluation is to assess the extent to which the project achieved its stated objectives. Specifically the evaluation will;

² VSLAs are self-governed groups that run solely on members' savings. CARE staff helps participants to form the group, elect officials, establish bylaws and create a system of savings, insurance and credit that meets their needs. After this initial training (which lasts 9-12 months), the VSLAs manage themselves.

- Assess the extent to which small holder producers/entrepreneurs in the target area have increased their production and productivity of soya beans, g/nuts and sesame.
- Determine whether beneficiaries have registered improvements in household incomes as a result of participating in the project.
- Determine whether beneficiaries have increased access to financial services through the promotion of village savings and loan associations (VSLAs)³ and other loan schemes.
- Assess the capacity of the partner organizations and BDS providers to sustain the project interventions after the project has closed
- Assess the extent to which women were involved in project activities including planning and decision making.

CARE International in Uganda seeks to contract the services of a consultant to carry out end of project evaluation to determine the extent to which the project achieved its major objectives and goals.

C. Scope of work:

The consultant will:

1. Review project related literature including LBDS project proposal, strategies, work plans and reports;
2. Conduct an analysis of the approaches and methods employed by the project to achieve its objectives. This includes analyzing the various business development services provided by the project in the different sub sectors supported by the project;
3. Conduct discussions/interviews with beneficiaries to find out how the project has impacted their lives and the various benefits that they have derived from participating in the project;
4. Discuss with the key players in the soya beans, sesame and g/nuts value chains and VSLA to assess their roles and gaps at the different levels;
5. Provide in depth highlights on priorities and recommendations for a next project to enhance sustainability.

D. Outputs:

The consultant shall take the responsibility for ensuring the following outputs are completed to the satisfaction of the client as follows:

- ❑ The consultant will produce a technical and financial proposal for the assignment which will be submitted on and or before 8th October 2010 to **Project Manager**, so that work commences on October 18th, 2009:
- ❑ This will include an analysis of the findings, lessons learnt and recommendations for future projects. The recommendations will be in such a way that they can help the organization to design future projects or scale up the project.
- ❑ **Wrap up workshop:** The consultant is also expected to conduct a wrap up or debriefing workshop with LBDS team and partner organizations. This is later to be circulated to the relevant CARE partners in the LBDS implementation for consideration of findings and provide input in the recommendations.
- ❑ **Draft Report:** The consultant will submit the draft report to the client not later than **three weeks** after completion of the initial field work in Aloi and Aromo and the debriefing workshop.

³ VSLAs are self-governed groups that run solely on members' savings. CARE staff help participants to form the group, elect officials, establish bylaws and create a system of savings, insurance and credit that meets their needs. After this initial training (which lasts 9-12 months), the VSLAs manage themselves.

- ❑ **Final report:** A final report should be submitted after receiving comments from LBDS team and CARE Int. in Uganda key personnel. In any case, not later than a month after commencement of work. For every week that elapses beyond this agreed date, the consultant will meet a fine of not less than 5% of his total payment as will be imposed.

E Documents relevant for the evaluation

As part of the assignment, the consultant will need to read through the following key documents:-

1. LBDS project survey report
2. LBDS progress reports, including partner reports
3. LBDS Project proposal
4. LBDS Log frame

F. Expertise required

The consultant will be expected to possess extensive experience in project monitoring and evaluation, Business Development Services market development, value chain analysis, and enterprise development for poor people. In addition, s/he should be conversant in project management in all its major facets of planning, implementation, and monitoring reviews. The consultant should have fair knowledge in working with poor people as well as adequate knowledge of gender equity and diversity. S/he will be expected to have extensive experience in the adaptation and implementation of Uganda's PMA as well as partnership processes and implementation of community based programs, in a decentralized environment.

G. Work plan and duration of the assignment

The assignment shall take place in early October, 2010 and is expected to last 15 working days.

Activity	Number of days
Review project Literature and development of research tools/check lists.	2.5
Consultative meetings with CU – Lira Sub Office staff, partners to discuss tools and methodology to be used.	2
Field interviews in the two sub counties.	4
Writing of the Draft report	4
Wrap up workshop	0.5
Writing of the final report with a new proposal	2
	15

H. Payment and Payment Schedule

The consultant will produce and submit a technical and financial proposal for the assignment to the project manager. The payment schedule will be agreed and specified in the contract for the assignment; which is payable at an agreed date.

The Project Manager,
Lango Business Development Services (LBDS) project
Email: kava@careuganda.org

Annex 2: Project Design Summary

The project was designed based on the concept of increasing agricultural productivity through promotion of market linkages in two sub counties of Moroto and Otuke in Lira district. The project goal therefore is to address household poverty and increase livelihood opportunities among the target beneficiaries by increasing agricultural productivity and income. The project was expected to promote vertical integration along the value chains of sesame, groundnuts and soya beans.

CARE Uganda developed and designed this project proposal because of the following key strategic constraints prevailing in Lira district:-

- Lack of reliable market information;
- Limited farm to market linkages;
- Lack of knowledge and skills on value addition among subsistence smallholder farmers;
- Low household income and high cost of agricultural production;
- Inadequate capital to finance the purchase of agricultural inputs;
- Low agricultural productivity;
- Lack of adequate storage facility;
- Small and scattered subsistence farmland with no economies of scale leading to increased poverty
- Producing agricultural products no knowledge of its market demand; and
- Inadequate knowledge in modern agricultural techniques

The planned project implementation strategy was to support and facilitate the development of value chain opportunities in groundnuts, soya beans and sesame sub sectors. This strategy according the design proposal, would be achieved by increasing access to financial services, farm inputs, extension services, competitive market entry through increased productivity and collective marketing to target beneficiaries and hence increase profitability.

The design proposal further gave mandate to the project management to engage the local partners in promoting agribusiness among the target beneficiaries. The proposal recommended that the project and its partners should support subsistence farmers to organize themselves into viable commercial producer groups by providing the target beneficiaries with training and technical support, technology transfer, and facilitate sustainable value chain linkages.

The **Project Key Results** include the following:

- Supported and organized 200 viable commercial producer groups with approximately 25 farmers per group operating in three selected value chains;
- Promoted market linkages between 70% of the producers in groups and the private buyers in Lira and in Kampala;
- Increased productivity of sesame, groundnuts and soya beans value chains (Quality, Quantity, and Value);
- Increased Household Income and Profitability;
- Developed and strengthened the group networking through collective marketing, group demonstration plots, and extension services;
- Increased access to appropriate inputs by 80% of the target beneficiaries;
- Increased control of household income from agriculture by at least 60% of women;
- Increased access to financial services (VSLA, input credit, and Micro leasing for agro based technologies – ox-plough, groundnuts Sheller, cassava crushers and rice threshers.

- Increased institutional capacity of local partners to deliver business development services for agro based enterprises.

The project target group included the internally displaced returning persons of conflict plagued Lira district comprised of 5,000 individual small-scale farmers, of whom 60% are women and 40% men. Addition, the indirect beneficiaries shall include children who suffer from food insecurity.

The performance indicators outlined in the project design proposal include the following:-

Sesame, Groundnuts, and Soya beans Productivity

- # of Households engaged comprised of women, men and youth;
- Total volume (Metric tons) of sesame, groundnuts, and soya beans;
- Total Sales Value of sesame, groundnuts, and soya beans sold;
- Average household income from sesame, groundnuts, and soya beans sold;
- Gross Profit Margins;
- Average farm gate prices for all the commodities;
- Annual yield levels
- % of producers receiving market information
- # of micro and small enterprises involved

Financial Access

- Value of Savings (Ushs)
- # of loans disbursed
- Average Loan size;
- Portfolio at risk
- # of members by gender
- % of loan utilization

The project design proposed methods of selection of the sub grantees, these included:

- Competitive bidding
- Sole source/provider status
- Pre-existing partnership with CARE

Potential sub grantees selection criteria

- Standard financial and management systems
- Personnel capacity in implement systems
- Current and past activities and how they fit to CARE's mission and objectives
- Past dealings with organizations familiar to CARE in Uganda
- Reputation and standing of the entity and its key personnel in the community
- Legal position of the sub grant entity
- Availability and frequency of external audits

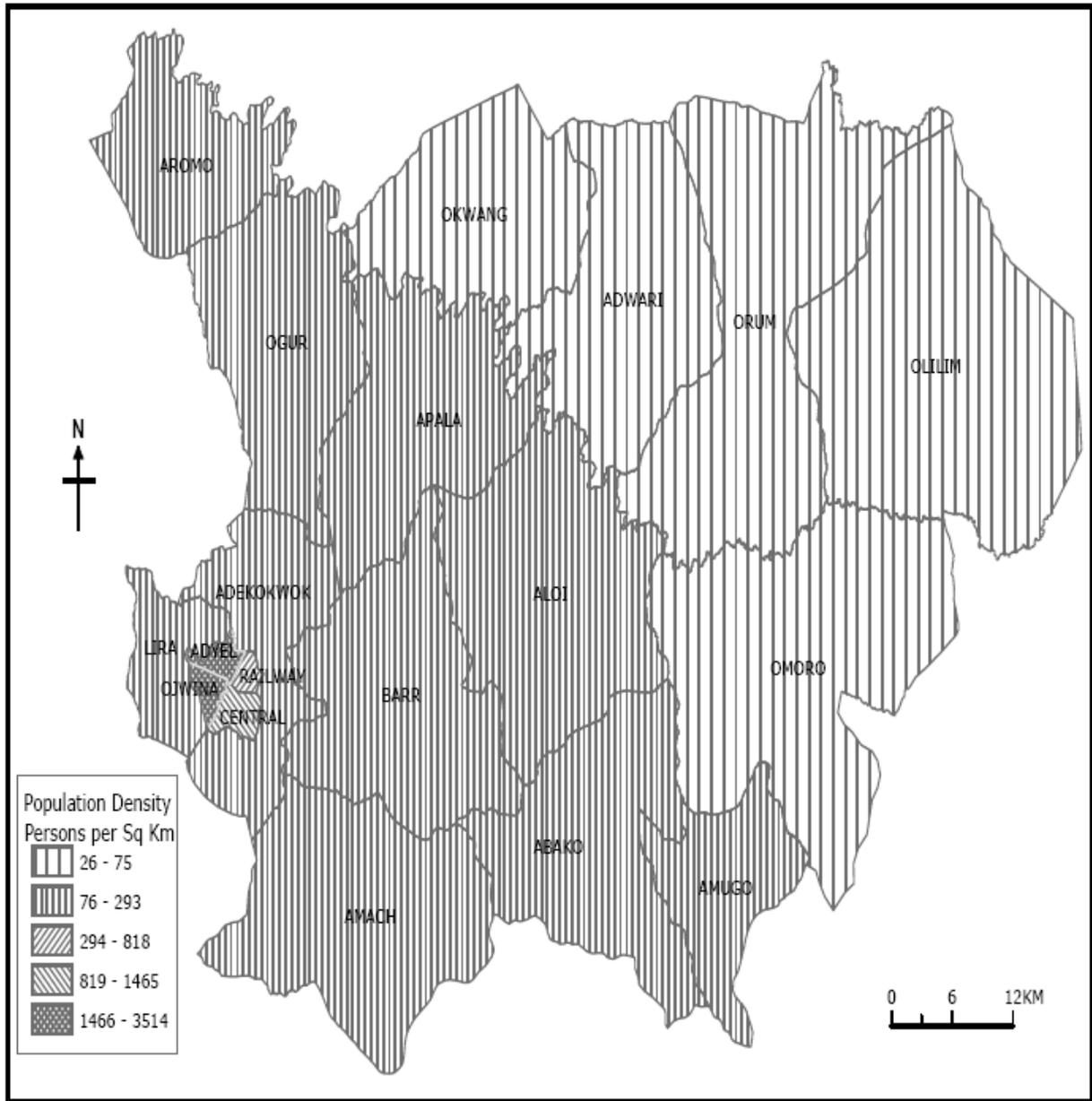
Monitoring and Evaluation System

- Detailed and systematic M&E process, M&E system for both Agribusiness and Financial Services (Standard VSLA MIS system).

Annex 3: Evaluation Schedule

Date	Time	Activity	Person's responsible
4/11/2010	3:00-5:00pm	Meeting CARE staff	Jimmy
5/11/2010	8:00-10:00am	Meeting UOSPA staff	Marie & Charles
	10:30-12:30 noon	meeting OPSEL staff	Marie & Charles
	2:00-5:00pm	Meeting CPA staff	Marie & Charles
6-7/11/2010	8:30-5:00pm	Field visit in Aloï	Charles
8-9/11/2010	8:30-5:00pm	Field visit in Aromo	Marie
10/11/2010	8:30-5:00pm	Drafting of the Preliminary findings	Consultant
11/11/2010	9:00-1:00pm	Presentation of Preliminary Findings to LBDS Team & Partners	Consultant
12/11/2010	8.30 -5.00 pm	Data analysis and interpretation	Consultant
13/11/2010	8.30 -5.00pm	Preparation of Draft Report	Consultant
14/11/2010	8.30 -5.00pm	Preparation of Draft Report	Consultant
15/11/2010	8.30 -5.00pm	Preparation of Draft Report	Consultant
16/11/2010	8:30-5:00pm	Completion of draft report and Presentation Stakeholders	Consultant
17/11/2010	8.30-5.00pm	Review of the draft by LBDS team	LBDS Team
18/11/2010	8.30-5.00pm	Incorporate Comments and Observations	Consultant
19/11/2010	8.30-5.00pm	Prepare and submit the final End of Project Report	Consultant

Annex 4: Map of Lira District and Counties, Sub counties, Parishes and Villages



County	Sub County	Parish	Village
Otuke	4	23	376
	Adwari	6	67
	Okwang	5	70
	Olilim	6	124
	Orum	6	115
Moroto	5	35	557
	Abako	7	130
	Aloi	8	136
	Amugo	4	54
	Apala	10	90
	Moro	6	147
Erute	6	44	554
	Adekokwok	7	96
	Amach	10	103
	Aromo	6	109
	Barr	7	77
	Lira	4	36
	Ogur	8	133

Annex 5: Project Budget and Budget Performance

Contributions	YEAR 1	YEAR 2	WELLSPG	CARE Contribtn	PROJECT VALUE	Previous Month Expenses	Current Months Expenses	Cumm Exps USD	Balance on Budget (USD)	Burn Rate in %
	TOTAL	TOTAL	GRANT TOTAL	TOTAL	TOTAL		Oct 2010			
A: SALARIES AND BENEFITS										
<i>Staff Costs</i>										
Project Manager	33,600	35,616	69,216	0	69,216	45,791.17	3,037.17	48,828.34	20,387.66	71%
BDS Advisor-Project Officer	22,800	24,168	46,968	0	46,968	20,157.66	2,167.00	22,324.66	24,643.34	48%
EcoDev. Sector Coordinator	5,760	6,106	11,866	0	11,866	12,750.64	-	12,750.64	(885.04)	107%
Team leader Northern Uganda	4,200	4,452	8,652	0	8,652	1,556.03	2,073.97	3,630.00	5,022.00	42%
Driver	9,600	10,176	19,776	0	19,776	7,171.31	565.58	7,736.89	12,039.11	39%
Recruitment	2,000	0	2,000	0	2,000	1,265.21	-	1,265.21	734.79	63%
Sub-Total - Salaries and Benefits Costs	77,960	80,518	158,478	0	158,478	88,692.02	7,843.72	96,536	61,942	61%
<i>Shared Country Office Costs</i>										
Sub Total-Country office support costs										
Admin and Finance	12,000	12,720	24,720	0	24,720	29,129.62		29,129.62	(4,409.62)	118%
Sub Total Country Office Cost	12,000	12,720	24,720	0	24,720	29,129.62	-	29,130	-4,410	118%
B: MATERIALS AND EQUIPMENT										
<i>Non-personnel inputs - Materials, and Equipment,</i>										
Desk top	2,800	0	2,800	0	2,800	3,853.86	-	3,853.86	(1,053.86)	138%
Printer	500	0	500	500	1,000	1,908.62	-	1,908.62	(908.62)	191%
Accessories - CARE	0	0	0	573	573	611.38	-	611.38	(38.38)	107%
Office furniture	3,000	0	3,000	0	3,000	1,899.10	-	1,899.10	1,100.90	63%
Pick-up Truck	28,000	0	28,000	0	28,000	22,409.65	-	22,409.65	5,590.35	80%
Sub Total: Material & Equipment	34,300	0	34,300	1,073	35,373	30,683	0	30,683	4,690	87%
C: OPERATING COSTS										
<i>Travel Costs</i>										
PER DIEMS AND LODGING										
Per Diem National	4,320	4,968	9,288	0	9,288	5,298.65	417.88	5,716.53	3,571.47	62%
Lodging National	8,640	9,936	18,576	0	18,576	7,156.86	414.49	7,571.35	11,004.65	41%
Sub Total Travel Costs	12,960	14,904	27,864	0	27,864	12,455.51	832.37	13,287.88	14,576.12	48%
<i>Field operations - Partners</i>										

Participant field training/workshops/dissemination	10,000	4,000	14,000	0	14,000	16,942.99	-	16,942.99	(2,942.99)	121%
New technology development	10,000	7,000	17,000	0	17,000	14,100.69	-	14,100.69	2,899.31	83%
Promotional activities	6,000	3,800	9,800	0	9,800	6,085.85	2,085.31	8,171.16	1,628.84	83%
CARE staff training	3,000		3,000	0	3,000	1,262.39		1,262.39	1,737.61	42%
other consultancy	3,000	-	3,000	0	3,000	3,870.50	-	3,870.50	(870.50)	129%
Sub Total Travel Costs	32,000	14,800	46,800	0	46,800	42,262.42	2,085.31	44,347.73	2,452.27	95%
<i>Sub Grant to Partners</i>										
Sub Total Grant to Partners	55,780	51,000	106,780	0	106,780	84,595.49	9,564.74	94,160.23	12,619.77	88%
<i>Vehicle Costs</i>										
Maintenance	6,000	6,000	12,000	0	12,000	3,785.15	2.92	3,788.07	8,211.93	32%
Insurance	500	500	1,000	0	1,000	-	463.14	463.14	536.86	46%
Fuel	8,400	8,400	16,800	0	16,800	6,722.72		6,722.72	10,077.28	40%
Sub Total Vehicle Costs	14,900	14,900	29,800	0	29,800	10,507.87	466.06	10,973.93	18,826.07	37%
<i>Field Office Costs</i>										
Communication costs - tel./e-mails etc.	4,800	5,280	10,080	0	10,080	6,148.05	419.09	6,567.14	3,512.86	65%
Consumables Lira	1,800	1,800	3,600	0	3,600	4,132.36		4,132.36	(532.36)	115%
Office rent Lira	1,200	1,200	2,400	600	3,000	2,045.21	734.68	2,779.89	220.11	93%
Office utilities & Maintenance	1,800	1,800	3,600	0	3,600	7,787.97		7,787.97	(4,187.97)	216%
Sub Total Field Office Costs	9,600	10,080	19,680	600	20,280	20,113.59	1,153.77	21,267.36	(987.36)	105%
<i>Other (Specify)</i>										
Bank Charges	696	696	1,392	0	1,392	156.82		156.82	1,235.18	11%
Audit		4,000	4,000	0	4,000	-		-	4,000.00	0%
Sub Total Other	696	4,696	5,392	0	5,392	157	0	157	5,235	3%
E: MONITORING AND EVALUATION										
Impact assessment & end of project Evaluation	3,500	5,000	8,500	0	8,500	-		-	8,500.00	0%
Sub Total M&E	3,500	5,000	8,500	0	8,500	0	0	0	8,500	0%
F: CARE HQ ADMINISTRATION AND TECH SUPPORT @ 9%										
Subtotal CARE HQ Admin Costs	19,070	19,374	38,445	0	38,445	-		-	38,444.57	0%
TOTAL (USD)	272,766	227,992	500,758	1,673	502,431	318,595.95	21,945.97	340,541.92	161,889	68%

Annex 6: Summary of Field Findings

Interventions	Rating Quality of LBDS Interventions by Beneficiaries						Total
	V. Good	Good	Average	Poor	V. Poor	No Change	
Training of different types							
<i>Agronomy Training</i>	147	14	0	0	0	8	169
<i>Demonstration Plot</i>	102	5	14	25	0	23	169
<i>Business Management Training</i>	139	10	0	0	1	19	169
<i>Institutional Development</i>	155	3	1	0	0	10	169
<i>Study Tour Visits</i>	27	2	0	0	0	140	169
Seed Loan	125	9	10	1	0	24	169
Seed Multiplication Scheme	21	0	0	0	0	148	169
Bicycle Transport Initiative	141	4	0	5	0	19	169
Spray Pump Hire	149	3	0	0	0	17	169
Mobile Phone Pay Service	141	3	0	0	0	25	169
Collective Marketing	162	5	0	0	0	2	169
Animal Traction Services	146	0	0	0	0	23	169
Ground Sheller Hire Services	134	7	0	0	0	28	169
Extension services (Vet services, & CBT)	145	17	1	0	0	6	169
VSLA Package	166	0	2	0	0	1	169
Agro-input Dealer Outreach	26	117	2	0	0	24	169
Value chain Development	0	0	0	0	0	169	169

Assessment of impact of the interventions on key livelihood indicators

Impact of the Interventions	Yes	No	Total
Volume of production of 3 commodities	142	27	169
Quality of the production improved	116	53	169
Cost of Production Reduced	16	153	169
Increased availability of agro inputs	161	8	169
Household Income Increased	162	7	169
Food Security Achieved	44	125	169
Self reliance Achieved	28	141	169
Household Assets Increased	41	128	169
Household Health Services Improved	62	107	169
Education Support for children Improved	62	107	169
Skill and Knowledge Increased	155	14	169
Social networks and Gender Improved	153	16	169
Technology adoption Achieved	152	17	169
Employment Opportunities Created	125	44	169
Savings Increased	163	6	169

Assessment of impact of the interventions on key livelihood indicators (Percentage)

Impact of the Interventions	Yes	No	Total Percent
Volume of production of 3 commodities	84	16	100
Quality of the production improved	69	31	100
Cost of Production Reduced	9	91	100
Increased availability of agro inputs	95	5	100
Household Income Increased	96	4	100
Food Security Achieved	26	74	100
Self-reliance Achieved	17	83	100
Household Assets Increased	24	76	100
Household Health Services Improved	37	63	100
Education Support for children Improved	37	63	100
Skill and Knowledge Increased	92	8	100
Social networks and Gender Improved	91	9	100
Technology adoption Achieved	90	10	100
Employment Opportunities Created	74	26	100
Savings Increased	96	4	100

Distribution of VSLA Loan Utilization by Borrowers

Uses of VSLA Loan	Yes	No	No change	Total
School Fees	64	89	16	169
Agro inputs – seeds, ox-plough	94	59	16	169
Health services - drugs	60	93	16	169
Transport Expenses	31	122	16	169
Communication cost	14	139	16	169
Household Utensils, beddings etc.	34	119	16	169
Household Food- Meat, sugar, salt	26	127	16	169
Buy construction materials – iron sheets etc.	11	142	16	169
Build a new house	0	153	16	169
Hire Land for farming	44	109	16	169
Start a new business e.g. shop	50	103	16	169
Pay for skills training	0	153	16	169
Buy Bicycle	0	153	16	169
Expand farm production e.g. grow more	76	77	16	169

Distribution of VSLA Loan Utilization by Borrowers

Uses of VSLA Loan	Yes	No	No change	Total Percent
School Fees	38	53	9	100
Agro inputs – seeds, ox-plough	56	35	9	100
Health services - drugs	36	55	9	100
Transport Expenses	18	72	9	100
Communication cost	8	82	9	100
Household Utensils, beddings etc.	20	70	9	100
Household Food- Meat, sugar, salt	15	75	9	100
Buy construction materials – iron sheets etc.	7	84	9	100
Build a new house	0	91	9	100
Hire Land for farming	26	64	9	100
Start a new business e.g. shop	30	61	9	100
Pay for skills training	0	91	9	100
Buy Bicycle	0	91	9	100
Expand farm production e.g. grow more	45	46	9	100

Annex 7: Value Chain Development

Value chain functions, Major Actors and Activities

Sesame value chain function involves input supply, production, collection and bulking, management and organization, transportation, primary processing, trading and export.

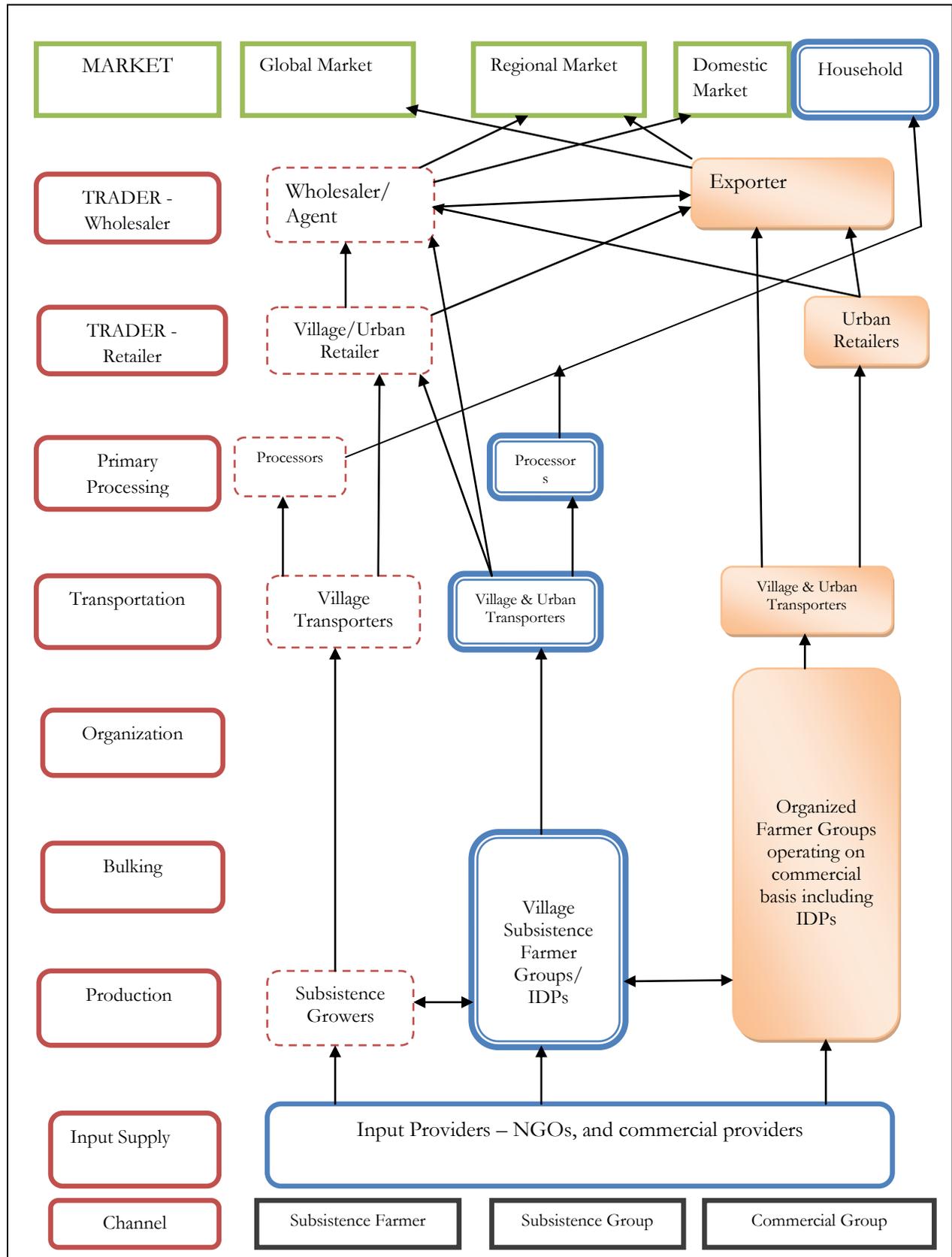
The major actors of the value chain includes input suppliers – suppliers of seeds, farm implements, training and advisory services, fertilizers, and general input services; growers of the sesame seeds comprised of mainly subsistence farmers, groups, and few commercial farmers; transporters – village bicycle transporters, district truck transporters and urban long distance transporters based in Kampala, traders of all kinds – village mobile traders, village small scale traders, district agents, urban traders – wholesale and retail; there are also primary processors in most urban areas operating small scale processing facilities and finally, the major exporters of sesame seeds. The statistics on the different actors was not available in all the 9 districts visited. This value chain has several players and each of the players gets some profit margin. The value chain function and actors including activities are summarized in table 18 below.

Sesame Value chain Function, Actors and Activities

FUNCTION	ACTOR	ACTIVITIES/ROLES
INPUT SUPPLY – Involves the supply of agro inputs needed for production of sesame e.g. seeds, chemicals, farm tools, training & advisory services, and packaging.	<ul style="list-style-type: none"> - Agro input dealers – UNADA Members/ Victoria seeds - NAADS – Local government program - Suppliers of farm tools and equipment – AT Uganda - NGOs – World Vision, CARE, FAO, CARITAS etc. - NARO etc. - Private service providers 	<ul style="list-style-type: none"> - <i>Provide training and advisory services</i> - <i>Supply Seeds and chemicals</i> - <i>Research and development services</i> - <i>Supply equipment e.g. spraying pump, farm tools etc.</i> - <i>Supply of package materials</i> - <i>Provision of research information</i> - <i>Product development</i>
PRODUCTION – Involves digging of land, planting, weeding, harvesting, and post-harvest handling	<ul style="list-style-type: none"> - Subsistence Farmers - Smallholder Farmer Groups - Commercial Farmers 	<ul style="list-style-type: none"> - <i>Prepare land for growing</i> - <i>Procure all the inputs e.g. seeds, tools and bags etc.</i> - <i>Handling weeding, and general maintenance of the farm</i> - <i>Harvest and post-harvest handling</i> - <i>Transportation of produce to the market</i>
COLLECTION & BULKING – Involves collection of small quantities of sesame from different farmers in the villages and bulked at central village small store. Transportation and bulking at the district level medium store and finally main urban warehouse in Kampala	<ul style="list-style-type: none"> - Village Traders - District Urban Traders - Urban Kampala Based Traders - Exporters E.g. Olam, & Hakan Agro etc. 	<ul style="list-style-type: none"> - <i>Provide information on market demand and requirements</i> - <i>Mobilize farmers to supply seeds to the village collection centers</i> - <i>Handling primary packaging, storage, and security</i> - <i>Dissemination of information on production forecast</i> - <i>Negotiation with buyers on behalf of farmers</i> - <i>Re-bagging and transportation</i>
ORGANIZATION & MANAGEMENT – Involves	<ul style="list-style-type: none"> - Farmers’ Federation - Smallholder Parish/ sub 	<ul style="list-style-type: none"> - <i>Provide information of technology to farmers</i>

mobilizing farmers, traders into groups to facilitate supply of seeds and inputs – facilitated by NGOs and projects	<ul style="list-style-type: none"> - county farmer groups - VODA/NAADS Farmer Groups 	<ul style="list-style-type: none"> - <i>Facilitate access to group training and advisory services</i> - <i>Mobilize farmers and traders to produce</i> - <i>Collect M&E data</i>
TRANSPORTATION – Involves moving sesame seeds from farmers premises to the final market using bicycles, pick-ups, trucks and by ship	<ul style="list-style-type: none"> - Village traders - District Urban Traders - Urban Kampala Based Traders - Exporters 	<ul style="list-style-type: none"> - <i>Move goods and services from one location to another</i>
PRIMARY PROCESSING – Involves transformation of the sesame seeds into other products – sesame oil, sesame pest, and roasted products	<ul style="list-style-type: none"> - Urban Traders - District small scale processors - Farmer Groups 	<ul style="list-style-type: none"> - <i>Transform the sesame seeds into a finished products</i> - <i>Search for technology and market</i> - <i>Dissemination information on value addition</i> - <i>Provide market for value added products</i>
TRADING – WHOLESALE & RETAIL – Involves trading in sesame seeds by selling on large quantities or breaking into smaller quantities to final consumers. <i>Wholesale</i>	<ul style="list-style-type: none"> - Urban Kampala Based Traders - District Urban Traders - Exporters - Exporters agents 	<ul style="list-style-type: none"> - <i>Collect and bulk produce for suppliers</i> - <i>Provide market information on prices to district agents and farmers</i> - <i>Supply and distribute produce to urban markets</i> - <i>Transport to the produce and provide storage</i> - <i>Determine the price of produce</i>
<i>Retailing</i>	<ul style="list-style-type: none"> - Market vendors - Supermarkets - Retail shop outlets 	<ul style="list-style-type: none"> - <i>Break the goods into small quantities and sell to consumers</i> - <i>Add value through packaging</i> - <i>Promote the products to the final consumers</i> - <i>Provide market information to suppliers</i>
CONSUMER – consumes of the final product e.g. seeds, oil , tahini etc.	<ul style="list-style-type: none"> - Households - Hotels - Restaurants - Institutions - Processing Factories 	<ul style="list-style-type: none"> - <i>Consume the final products</i> - <i>Provide feedback of quality of the finished products</i> - <i>Create market for the products</i>

The value chain Map – Sesame

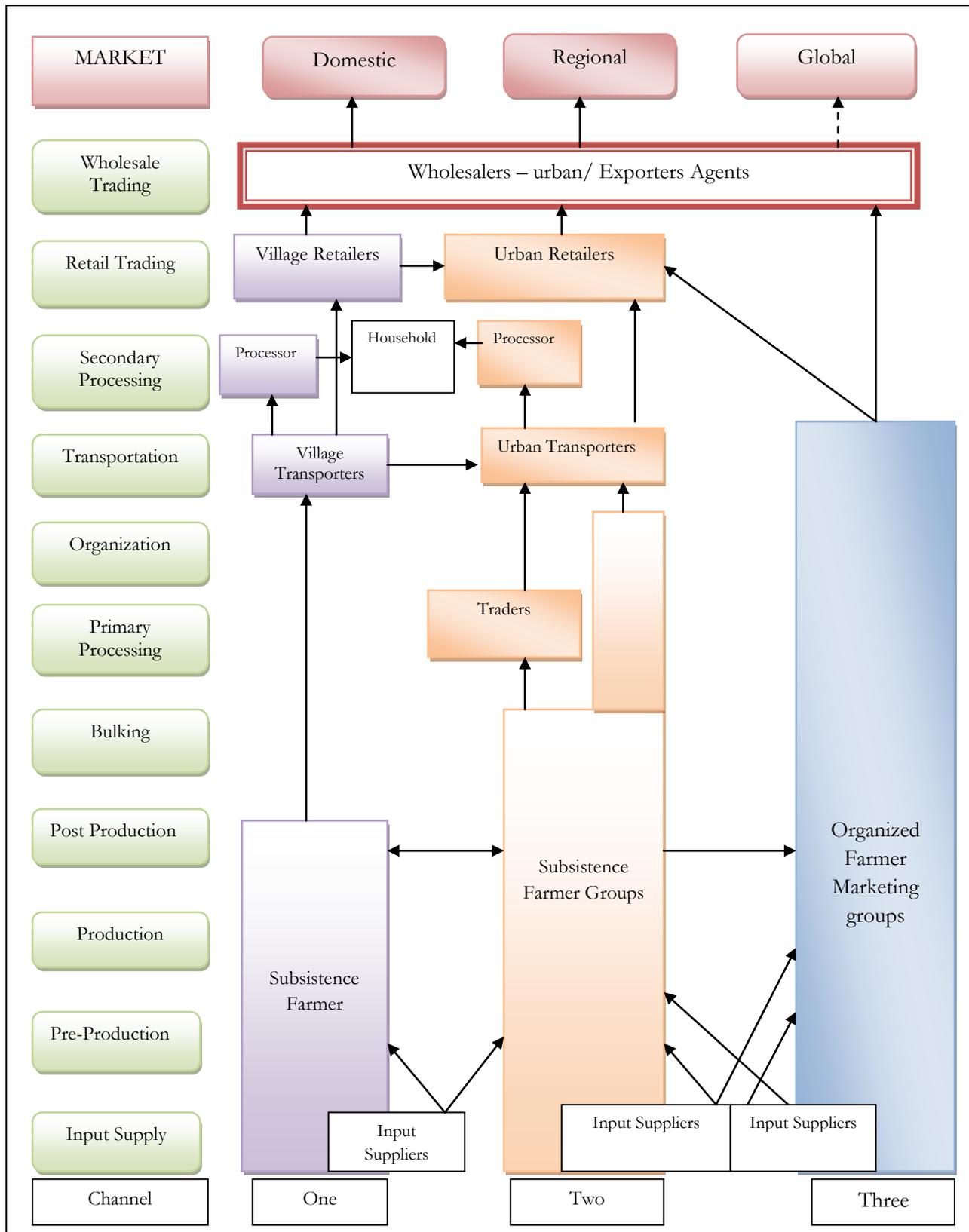


Groundnut Value chain Function, Actors and Activities

FUNCTION	ACTOR	ACTIVITIES/ROLES
INPUT SUPPLY – Involves the supply of agro inputs needed for production of groundnuts e.g. seeds, pesticides, farm tools, training & advisory services, and packaging.	<ul style="list-style-type: none"> - Agro input dealers – UNADA Members/ Victoria seeds - NAADS – Local government program - Suppliers of farm tools and equipment – AT Uganda - NGOs – World Vision, CARE, FAO, CARITAS etc. - NARO etc. - Private service providers 	<ul style="list-style-type: none"> - <i>Provide training and advisory services</i> - <i>Supply Seeds and chemicals</i> - <i>Research and development services</i> - <i>Supply equipment e.g. spraying pump, farm tools etc.</i> - <i>Supply of package materials</i> - <i>Provision of research information</i> - <i>Product development</i>
PRE PRODUCTION –Involves land preparation, application of fertilizers, land planning and sowing	<ul style="list-style-type: none"> - Subsistence Farmers - Smallholder Farmer Groups - Commercial Farmers 	<ul style="list-style-type: none"> - <i>Prepare land for sowing</i> - <i>Procure all the inputs e.g. seeds, tools and bags etc.</i> - <i>Land demarcation</i>
PRODUCTION – Involves weeding, application of fertilizers if any, application of pesticides, protection of pests and other animals	<ul style="list-style-type: none"> - Subsistence Farmers - Smallholder Farmer Groups - Commercial Farmers 	<ul style="list-style-type: none"> - <i>Handling weeding, and general maintenance of the farm</i> - <i>Monitoring of the farmland</i>
POST PRODUCTION – Involves digging out the plant, drying the plant for 3-5 days, separating pods from haulms, transportation and stacking at household and filling in bags for the market	<ul style="list-style-type: none"> - Subsistence Farmers - Smallholder Farmer Groups - Commercial Farmers 	<ul style="list-style-type: none"> - <i>Post-harvest handling and management of the produce until it reaches the village market</i>
COLLECTION & BULKING – Involves collection of small quantities of groundnuts from different farmers in the villages and bulked at central village small store. Transportation and bulking at the district level medium store and finally main urban warehouse in Kampala	<ul style="list-style-type: none"> - Village Traders - District Urban Traders - Urban Kampala Based Traders 	<ul style="list-style-type: none"> - <i>Provide information on market demand and requirements</i> - <i>Mobilize farmers to supply groundnuts to the village collection centers</i> - <i>handle packaging, storage, and security at the village</i> - <i>Dissemination of information on production forecast</i>
PRIMARY PROCESSING (Local Value addition)- involves Separating the nuts from the shell –shelling, Hand picking and grading, storage for seed purpose	<ul style="list-style-type: none"> - Village Traders - District Urban Traders - Farmers and farmer groups 	<ul style="list-style-type: none"> - <i>Cleaning and treatment</i> - <i>Grading</i> - <i>Re-bagging and transportation</i>
ORGANIZATION & MANAGEMENT – Involves mobilizing farmers, traders into groups to facilitate supply of groundnuts and inputs to farmers – facilitated by NGOs and projects	<ul style="list-style-type: none"> - Farmers' Federation - Smallholder Parish/ sub county farmer groups - VODA/NAADS Farmer Groups 	<ul style="list-style-type: none"> - <i>Provide information of technology to farmers</i> - <i>Facilitate access to group training and advisory services</i> - <i>Mobilize farmers and traders to produce</i> - <i>Collect M&E data</i>

TRANSPORTATION – Involves moving ground nuts from farmers premises to the final market using bicycles, pick-ups, trucks and by ship	<ul style="list-style-type: none"> - Village traders - District Urban Traders - Urban Kampala Based Traders 	<ul style="list-style-type: none"> - <i>Move goods and services from one location to another</i>
SECONDARY PROCESSING – Involves transformation of the groundnuts into other products – fried nuts, peanut meal and other form of groundnut products	<ul style="list-style-type: none"> - Urban Traders - District small scale processors - Farmer Groups 	<ul style="list-style-type: none"> - <i>Transform the groundnuts into a finished products</i> - <i>Search for technology and market</i> - <i>Dissemination information on value addition</i> - <i>Provide market for value added products</i>
TRADING – WHOLESALE & RETAIL		
Wholesale Trading– Involves trading in groundnuts by selling to customers based on large quantities	<ul style="list-style-type: none"> - Urban Kampala Based Traders - District Urban Traders - Regional Exporters - Exporters agents 	<ul style="list-style-type: none"> - <i>Collect and bulk produce for suppliers</i> - <i>Provide market information on prices to district agents and farmers</i> - <i>Supply and distribute produce to urban markets</i> - <i>Transport to the produce and provide storage</i> - <i>Determine the price of produce</i>
<i>Retail Trading</i> - Breaking groundnut produce into smaller quantities to final consumers.	<ul style="list-style-type: none"> - Market vendors - Supermarkets - Retail shop outlets 	<ul style="list-style-type: none"> - <i>Break the goods into small quantities and sell to consumers</i> - <i>Add value through packaging</i> - <i>Promote the products to the final consumers</i> - <i>Provide market information to suppliers</i>
CONSUMER – consumes of the final product	<ul style="list-style-type: none"> - Households - Hotels - Restaurants - Institutions - Processors 	<ul style="list-style-type: none"> - <i>Consume the final products</i> - <i>Provide feedback of quality of the finished products</i> - <i>Create market for the products</i>

The value chain Map - Groundnuts

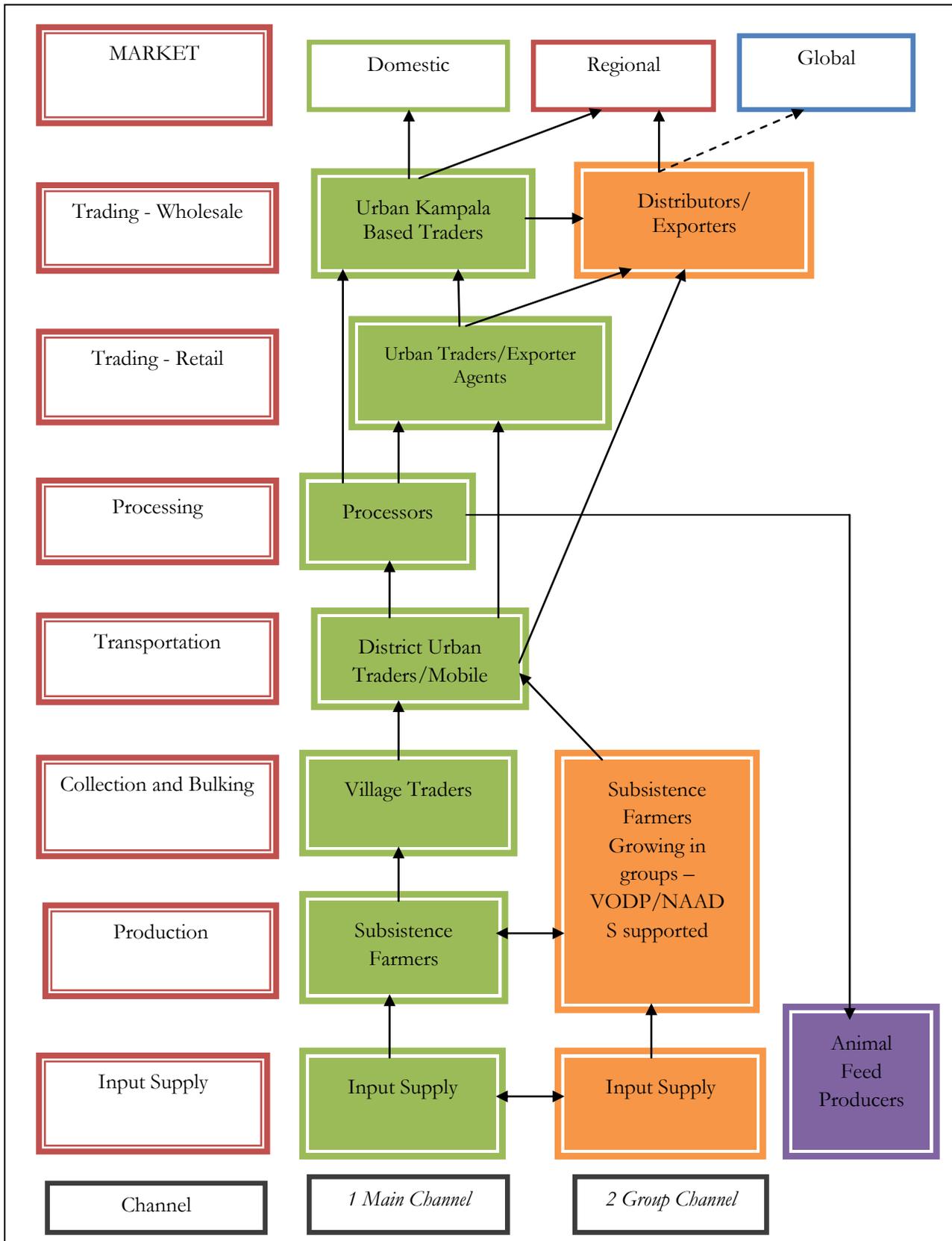


Soya Beans Value chain Function, Actors and Activities

FUNCTION	ACTOR	ACTIVITIES/ROLES
INPUT SUPPLY – Involves the supply of agro inputs needed for production of soya beans e.g. seeds, pesticides, farm tools, training & advisory services, and packaging.	<ul style="list-style-type: none"> - Agro input dealers – UNADA Members/ Victoria seeds - NAADS – Local government program - Suppliers of farm tools and equipment – AT Uganda - NGOs – World Vision, CARE, FAO, CARITAS etc. - NARO etc. - Private service providers 	<ul style="list-style-type: none"> - <i>Provide training and advisory services</i> - <i>Supply Seeds and chemicals</i> - <i>Research and development services</i> - <i>Supply equipment e.g. spraying pump, farm tools etc.</i> - <i>Supply of package materials</i> - <i>Provision of research information</i> - <i>Product development</i>
PRODUCTION – Involves digging of land, planting, weeding, harvesting, and post-harvest handling	<ul style="list-style-type: none"> - Subsistence Farmers - Smallholder Farmer Groups - Commercial Farmers 	<ul style="list-style-type: none"> - <i>Prepare land for growing</i> - <i>Procure all the inputs e.g. seeds, tools and bags etc.</i> - <i>Handling weeding, and general maintenance of the farm</i> - <i>Harvest and post-harvest handling</i> - <i>Transportation of produce to the market</i>
COLLECTION & BULKING – Involves collection of small quantities of Soya beans from different farmers in the villages and bulked at central village small store. Transportation and bulking at the district level medium store and finally main urban warehouse in Kampala and other markets	<ul style="list-style-type: none"> - Village Traders - District Urban Traders - Mobile Grain Traders - Urban Kampala Based Traders 	<ul style="list-style-type: none"> - <i>Provide information on market demand and requirements</i> - <i>Mobilize farmers to supply grains to the village collection centers</i> - <i>Handling primary packaging, storage, and security</i> - <i>Dissemination of information on production forecast</i> - <i>Negotiation with buyers on behalf of farmers</i> - <i>Re-bagging and transportation</i>
TRANSPORTATION – Involves moving soya beans from farmers premises to the final market using bicycles, pick-ups, trucks and by ship	<ul style="list-style-type: none"> - Village traders - District Urban Traders - Urban Kampala Based Traders - Mobile Grain Traders 	<ul style="list-style-type: none"> - <i>Move goods and services from one location to another and from one market to another market</i>
PROCESSING – Involves transformation of the soya beans into other products – baby soya, soya milk, soya oil, soya sauce, soya porridge, soya meal/animal feeds	<ul style="list-style-type: none"> - Processors 	<ul style="list-style-type: none"> - <i>Transform the soya beans into a finished products</i> - <i>Search for technology and market</i> - <i>Dissemination information on value addition</i> - <i>Provide market for value added products</i>
TRADING – <i>Wholesale –</i> Involves trading in soya beans by selling on large volume to processors, and exporters	<ul style="list-style-type: none"> - Urban Kampala Based Traders - District Urban Traders - Exporters - Exporters agents 	<ul style="list-style-type: none"> - <i>Collect and bulk produce for suppliers</i> - <i>Provide market information on prices to district agents and farmers</i> - <i>Supply and distribute produce to urban markets</i> - <i>Transport to the produce and provide storage</i> - <i>Determine the price of produce</i>

<p><i>Retailing</i> – Involve breaking the bulked packed soya beans into small quantities for the consumers</p>	<ul style="list-style-type: none"> - Market vendors - Supermarkets - Retail shop outlets 	<ul style="list-style-type: none"> - <i>Break the goods into small quantities and sell to consumers</i> - <i>Add value through packaging</i> - <i>Promote the products to the final consumers</i> - <i>Provide market information to suppliers</i>
<p>MARKET - CONSUMER – consumes of the final product or used it as an input Domestic, regional and global markets</p>	<ul style="list-style-type: none"> - Households - Hotels - Restaurants - Institutions 	<ul style="list-style-type: none"> - <i>Consume the final products</i> - <i>Provide feedback of quality of the finished products</i> - <i>Create market for the products</i>

The value chain Map – Soya Beans



Annex 8: List of People Contacted

No	Names of Respondents	Title	Organization	Contact
1.	Jimmy Kava	Project Manager	CARE LBDS	0772-589595
2.	Charles Ogwang	Project Officer	CARE LBDS	-
3.	Marie Ediu Alayo	Project Officer	CARE LBDS	-
4.	Omara Emmanuel	Field Coordinator	UOSPA	0773-232196
5.	Geoffrey Opori Okello	Managing Director	OPSEL	0772-992216
6.	Otim Andrew	Accountant	OPSEL	0783-944640
7.	Okwir Laban	Field Coordinator	OPSEL	0782-843144
8.	Anthony	Program Manager	CPA	-
9.	George	Program Officer	CPA	-
10.	Michael	Program Assistant	CPA	-

List of Respondents for Focus Group Discussion (FGD) in Aromo Sub County

No.	Name	Title	Group Name	Contact
1.	Opio Tom	Beaiworo	Ameiwnga group	-
2.	Everlyn Ogwang	Chairman	Bedigen group	0772586154
3.	Okello Geoffrey	Akan Lim	Kwo anyom	-
4.	Acaka Geoffry	MAkis	Odoka can ol	0785308943
5.	Elic James	Akanlim	Oribcing	0777803306
6.	Opio Tonny	Akanlim	Odoca Canolola	0782343524
7.	Gloria Omara	Chairperson	Odoca Canolola	-
8.	Okello Jimy	Aran	Odoca Canolola	0783190945
9.	Abila Tom	Member	Odoca Canolola	0783648670
10.	Ocipa Jaspher	CBT	Aromo S/B	0777113412
11.	Omara CP	A member	Wekwia wee	0785307686
12.	Odongo Yeko Opio	CBT	Apoicen	0773895614
13.	Odongo Leo	CPL	Odong tiyo	-
14.	Epele Aron	Aran	Tok idiro	-
15.	Okello Obwog	Aran	Note ber	0785089192
16.	Olaa Ambrose	Chaiman	Kica Arwot	0773895641
17.	Ojok Denis	Member	Bed igen	-
18.	Okot Tom	Chairman	Obangaa	-
19.	Acon Bosco	Aran	Wek wiya we	-
20.	Betty Ical	Akanlim	Wek wiya we	-
21.	Colline	Member	Wek wiya we	-
22.	Ageno MArgret	Chairperson	Konyakino	0785969857
23.	Odyek James	Chairman	Okonye ken wa	0777112362
24.	Adong Catherine	Member	Bed igen Dagopele	0771839470
25.	Okello Bosco	Chairman	Acan adiro	-
26.	Edonga Julius	Secretary	Oryem can ikwok	0785688668
27.	Sivia Adem	Chairman	Can pek	-
28.	David Okao	Member	Can pek	-
29.	Okwir Samuel	Chairman	Acan Adiro	-
30.	Seria Otim	Chairperson	Rwot Amio	0777787328
31.	Kristine Atali	Member	Obanga Amiyo	-
32.	Alice Ogwal	Member	Obanga Amiyo	-
33.	Pilicita Otyek	Member	Obanga Amiyo	-
34.	Rojoline Abwang	Member	Obanga Amiyo	-
35.	Okello Tonny	CBT	Obanga Amiyo	0781476002
36.	Among Scovia	Member	Ayiko Akelo	-
37.	Meri Hendry	Member	Ayiko Akelo	-
38.	AdolinOdongo	Member	Ayiko Akelo	-
39.	Sam Engola	Member	Can pek	-
40.	Nelson	Member	Aneni wanga	0783478279

41.	Okello Sam	Aran	Par Anyim	-
42.	Okwir Moses	Chairman	Bed Igen	-
43.	Ogong Wesley	Member	Bed Igen	-
44.	Ogwal	Chairman	Odoca "A"	-
45.	Odyek Tom Richard	Secretary	Loyibadi	-
46.	Obong James	Member	Loyibadi	-
47.	Florence Odongo	Member	Odoca "B"	-
48.	Agness Okello		Apiocen Barpii	-
49.	Odong Yuventino	Lead Farmer	Acan Too Ipur	0781407946
50.	Betty Ayo	Secretary	Ipur	-
51.	Agnes Awany	Member	Amio	-
52.	Lamwaka Flow	Member	Ipur	-
53.	Okello Albat	Member	Amio	-
54.	Okao Bosco	Member	Obalodanoteber	0788238464
55.	Eken Okelo	Member	Alebere	-
56.	Otia Jasper	Member	Odi cwiny	-
57.	Rota Johnson	Member	Odoca "A" P.A.J	0788449987
58.	Odongo Jimmy	Member	Okonye Kenwa	0777113722
59.	Obwona Jimmy	Secretary	Can nga kwia	0774189427
60.	Betty Ajok	Akanlim	Inyera gum	0777776271
61.	Adoline Okello	Member	Wore keni	-
62.	Otim Robert	Member	Mara pe yon	0777807756
63.	Okello Nelson	CBT Apuce	Apucce parish	0775176813
64.	Omara Kenneth	Secretary	Awackom parish	0785091736
65.	Omara Bonny	CBT	Awackom camo owara	0775259242
66.	Jasinta Rose	Omara	Otara parish	0785090902
67.	Ekuyu Jasper	Member	Kica enlonyo	0779617998
68.	Opio Bonny	Akanlim	Mara pe yon	0774267022
69.	Rojolina ABWANG	Treasurer	Kica en lonyo	0779511982
70.	Joy Acon	Member	Obanga mio	0779447743
71.	Odongo	Chairman	CPA	-
72.	Ogwang Francis	Chairman	Aromo youth roup	-
73.	Ogwang Francis	Chairman	Aromo youth roup	-
74.	Elem Edule	Chairman	Momotatwero Acantute teolam Apua	-
75.	Owidi Bosco	Secretary	Note en teko of opwodo-rwot	0777785333
76.	Onyala .P. Too	Otar	Mara pe yen	0783416084
77.	Okello	Otar	Mara pe yen	0787569416
78.	Okello Justine	CBT	Apua	0774850365
79.	Bua Denis	Secretary	Okonye kenwa	0777110948
80.	Opio Albino	Secretary	Bed iworo	0783418714
81.	Owiny C.P	Chairperson	Odoro	0775897875
82.	Olala Bonny	Member	Aromo Women Peace clib	0775897875
83.	Ketty Okello	Akanlim	Aromo Women Peace clib	0775897875
84.	Paskolina Aryam	Chairperson	Aromo Women Peace clib	0775897875
85.	Jenifer Ayer	Member	Aromo Women Peace clib	0775897875
86.	Oyar Stephen	Secretary	Mara pe yen	0781475663
87.	Apio Christine	Secretary	Aromo women peace club	0775897875
88.	Juliet Elem	Akan lim	Obanga ngeo group	-
89.	Arim Mildred	Member	Can pe gik farmer group	0777662379
90.	Phaibe Owiny	Secretary	Apo icen farmer group	0788559665
91.	Bala Alex	Chairman	Awac kom camo owara	0783417983

92.	Ogoa J.B	Member	Motmot atwero	0777110512
93.	Omara C.P	Achirmen	Bed Agen	0779310032
94.	Opito Bosco	Aran	Woro en Kuc	-
95.	Ongom Isaac	Akanlim	Kica Rwot	0789780285
96.	Otucu Jeromia	Member	Kwokikwec	-
97.	Joci	Member	Kwokikwec	-
98.	Gureti	Akenli	Kwokikwec	-
99.	Okai James	Chairman	Kwokikwec	0777786831
100.	Otiti Benson	Member	Kica Arwot	0773411916
101.	Sophie Ocen	OPSEL	Can Olola	0777035346
102.	Okot Bosco	Secretary	Acan too ipur	0783254401
103.	Olitie George	Member	Ocan oyere	0788241692
104.	Ojok Ronan	Chairperson	Oribcing	0785969291
105.	Apur Martin	Chairperson	Kica Arwot	-
106.	Ocen Andrew	Secretary	Oribcing	-
107.	Betty Anim	Money Counter	Aromo women Pes-cl	-
108.	Joan Ongola	Chairman	Note en teko	-
109.	Acen Betty	Member	Ogot	-
110.	Owidi Bosco	Secretary	Aneniwiang youth group	0777785333
111.	Santa Akimi	Ogot		-
112.	Rose Abun	Akanlim	Oryemcanikwok	-
113.	Packolina	Otara		-
114.	Eunis	Otara		-
115.	Okello Ray	Farmer	Can Omona nino	-
116.	Olet Moris	Member		-
117.	Ayo Mary	Member	Baio Dak note ber	-
118.	Okello Peter	Secretary	Pe-kobo Christian group	-
119.	Alila Jakob	Member	Apoicen	0785090404
120.	Okello Denisa	Member	Bediwo	0778163415
121.	Ogwal Bosco	Chairman	Conomonanino	-
122.	Odyek Ronald	Member	Okonger Kenwa	0777569911
123.	Opio Walter	CBT	Aromo S/B	-
124.	Gres Ayo	Member	Okonger Kenwa	-
125.	Ebong Bosco	Member	Wek Wiya we	-
126.	Festo Ojeke	Member	Acan mga okwia	0783252521
127.	Opio James	Member	Paranyim	0777614869
128.	Ogwal Martin	Chairman	Oryem can kwo	0775177257
129.	Odyek Lamex	Farmer	Paranyim	-
130.	Ekii James	Chairman	Obanga Angeo	-
131.	Ester Apio	Member	Obanga Angeo	-
132.	Okullu Charles	Member	Canpek	-
133.	Julliet Elem	Member	Obanga Angeo	-
134.	Ogwang	Member	Wek wia we	-
135.	Olal Patrick	Member	Oryem can ikwok	-
136.	Amongi Collins	Secretary	Wore keni	0714897818

Respondents Selected for Focus Group Discussion at Aloii Sub County

No.	Name	Title	Group Name	Mobile
137.	Ojok Veleo	Member	Dwog owe paco	-
138.	Susan Odongo	Marketing	Dwog owe paco	-
139.	Mary Oku	Cato wil	Dwog owe paco	-
140.	Okeng C.P. Akaki	Chairperson	Dwog owe paco	0775-711796
141.	Okot Paul	Chairperson	Par anyim	-
142.	Joan Okello	Adwong kom	Obanga Olara	0774093019
143.	Odura Bosco	Akanlim	Oti kede group	-
144.	Onyok Moses	CBT		0782143962
145.	Lilian Akello Otengo	Chairperson	Imakioboro women group	0775162290
146.	Ojok Isaac	Chairperson	Bedo dano tek	0783644433
147.	Okwir Richard	Chairperson	Par pi anyim	0787455375
148.	Ogwal Nelson	General Secretary	Kony ogwalo	-
149.	Ogwal Yublino	Wonkom	Ogoro onote	-
150.	Ogwang Joel		Ogoro onote	0788237058
151.	Odongo Leo	Chairperson	Onen can women group	-
152.	Okello C.P	Chairperson	Par pi anyim group	-
153.	Alyao Alex	Chairperson	Anyor united	0784081243
154.	Okello Samuel	Chairperson	Wekwiawe	0778123580
155.	Odur Geoffrey	Chairperson	Oti kede group	-
156.	Tony Oleke	Secretary	Yat can en pur	-
157.	Okeng Denis	Chairperson	Yat can en pur	-
158.	Ojota Zetta	Secretary	Me and you	-
159.	Opio Quirino	Chairperson	Apo icen	-
160.	Okumu Joakt	Chairperson	Amone pe tio	-
161.	Okii Thomas	Adwong kom	Lubu Gupu	0783646265
162.	Obala Jenasi	Balicap	Acan kwo ilwete	-
163.	Ogwal Benard	CBT	Awiepek Parish	0775711323
164.	Ala Bob	CBT	Alal Parish	0785088460
165.	Abura Richard	CBT	Otweotoke Parish	0777039931
166.	Odongo Francis	CBT	Otweotoke Parish	0781478795
167.	Omara Emma	Extensive Worker	VOSPA	0773232196
168.	Acon Joy	Volunteer	CPA	0774267022
169.	Okwir Laban	Field Coordinator	OPSEL	0782843144
170.	Okweng Michael	Field Coordinator	CPA-LIRA	0774805823
171.	Etuku Martin	Secretary	Otimikomwa	0777776451
172.	Odongo Michael	Treasurer		-
173.	Ogwang Amos	Member	Onot pit	-
174.	Aguma Tonny	Member	Otimikomwa	-
175.	Ogwal Alfred	Member	Onot pit	-
176.	Awany Patrick	Chairperson	Onot pit	0772053645
177.	Sofia Odic	Akanlim	Te iponga	0783417625
178.	Ajoli Benjamin	Vice Chairman	Otimikomwa	-
179.	Oyanga Chales	Vice chairman	Oribcing	0787714329
180.	Onyanga Joel	Chairman	Oribcing	0783251969
181.	Apio Christine	Member	Oribcing	0772947324
182.	Esther Betty Ofory	General Secretary	Oribcing	-
183.	Joyce Ojwang	Member	Oribcing	-
184.	Milly Nyanga	Member	Oribcing	-
185.	Christine Onyanga	Member	Oribcing	-
186.	Otim Joel	Member	Oribcing	-
187.	Opio Geoffrey	Member	Otimikomwa	0775985134
188.	Omara Emmanuel	Extension staff	UOSPA	0773232196
189.	Okwir Laban	Extension staff	OPSEL	0782843144
190.	Okello Patrico	Driver	CARE	0782992355
191.	Richard Ogwoa	Member	Otimikomwa	-
192.	Mrs Josephine Ongom	Member	Otimikomwa	0775172878
193.	Mary Atapara	Chairperson	Otimikomwa	-

194.	Acio Anna	Chairperson	Otimikomwa	-
195.	Omech Bob Ceaser	Secretary	UOSPA	0783251968

Annex 9: List of References

LBDS Design Proposal for funding - Well Spring, CARE International

CPA Second Quarter Progress Report, April-August 2010

UOSPA Progress Report, April- June 2010

LBDS Progress Report, January – March 2010

Draft Log frame

Project Budget, October 2010

VSLA MIS Data Summary, November 2010

Staff Job Description

Lira District Baseline Survey, June 2009