

**UGANDA AGRICULTURAL PRODUCTIVITY ENHANCEMENT PROGRAM
(APEP)**

Contract Number 617-C-00-03-00012-00

First Annual Work Plan
January to December 2004



Submitted by:

Chemonics International Inc.

With

National Cooperative Business Association/Cooperative League of the USA
Institute for International Agriculture, Michigan State University
International Fertilizer Development Center
International Technology Investment, Ltd.
The Mitchell Group

December 2003

LIST OF EXHIBITS

Exhibit I.	APEP Organizational Structure	3
Exhibit II.	APEP Results Framework.....	4

LIST OF ACRONYMS

ABSP II	Agricultural Biotechnology Support Program II (USAID)
ACDI	Agricultural Cooperative Development International
ADC	Agribusiness Development Centre (IDEA Project)
AGOA	African Growth and Opportunity Act
AIC	AIDS Information Centre
APEP	Agricultural Productivity Enhancement Program
ARDC	Agricultural Research and Development Centre (NARO)
ASPS II	Agriculture Sector Programme Support (DANIDA)
ATAIN	Agribusiness Training and Input Network
BIO-EARN	East African Regional Programme and Research Network for Biotechnology, Biosafety and Biotechnology Policy Development
CBNRM	community-based natural resource management
CBOs	community-based organizations
CDO	Cotton Development Organisation
CERUDEB	Centenary Rural Development Bank
CIAT	International Center for Tropical Agriculture
CLUSA	Cooperative League of the USA (NCBA/CLUSA)
CO	contracting officer
COMPETE	Competitive Private Enterprise and Trade Expansion project (USAID)
CT	conservation tillage
CTO	cognizant technical officer
DANIDA	Danish International Development Agency
DAP	design and perform
DCA	Development Credit Authority (USAID)
DDP	Dairy Development Program (USAID)
DfID	Department for International Development (UK)
EU	European Union
FEWS NET	Famine Early Warning System Network project (USAID)
GDA	Global Development Alliance
GDP	gross domestic product
GEF	Global Environment Facility
GIFAP	Global Crop Protection Association
GIS	geographic information systems
GM	genetically modified
GMO	genetically modified organism
GOU	Government of Uganda
ICRAF	World Agroforestry Centre
ICT	information and communications technology
IDEA	Investment in Developing Export Agriculture project (USAID)
IDP	internally-displaced persons
IEHA	Initiative to End Hunger in Africa
IFAD	International Fund for Agricultural Development
IFDC	International Fertilizer Development Corporation
IFPRI	International Food Policy Research Institute
IITA	International Institute of Tropical Agriculture
IPM	integrated pest management
IPM CRSP	Integrated Pest Management Collaborative Research Support Program
ISNAR	International Service for National Agricultural Research
ISP	Integrated Strategic Plan
ITI	International Technology Investment, Ltd.
KRA	key result area
M&E	monitoring and evaluation
MAAIF	Ministry of Agriculture, Animal Industry & Fisheries
MFI	microfinance institution

LIST OF ACRONYMS (CONTINUED)

MOU	memorandum of understanding
MSU	Michigan State University
MTCS	Medium-Term Competitiveness Strategy
NAADS	National Agricultural Advisory Service
NARO	National Agricultural Research Organization
NARS	National Agricultural Research System
NBC	National Biosafety Committee
NCBA	National Cooperative Business Association
NGO	non-governmental organization
NRI	Natural Resources Institute
NUPR II	Northern Uganda Reconstruction Program
NUSAF	Northern Uganda Social Action Fund (World Bank)
OFDA	Office of Foreign Disaster Assistance (USAID)
OPIN	Online Presidential Initiatives Network
PBS	Program for Biosafety Systems (USAID)
PEAP	Poverty Eradication Action Plan
PIR	project intermediate results
PMA	Plan for Modernisation of Agriculture
PMP	Performance Monitoring Plan
PO	producer organization
PRIME	Productive Resource Investments for Managing the Environment
PSI/CMS	Population Services International/Commercial Marketing Services Project
PPPAI	Public-Private Partnership Alliance Initiative
RATES	Regional Agricultural Trade Expansion Support (USAID)
RATIN	Regional Agricultural Trade Intelligence Network
RF	results framework
SABD	Support to Agri-Business Development Component (DANIDA)
SACCO	Savings and Credit Co-operatives
SAF	Strategic Activities Fund
SAFSC	Strategic Activities Fund Selection Committee
SAARI	Serere Agricultural and Animal Research Centre
SCOPE	Strengthening the Competitiveness of Private Enterprise project (USAID)
SCRIP	Strategic Criteria for Rural Investments in Productivity (USAID)
SME	small and medium-sized enterprises
SMS	short message service
SO	Strategic Objective
SPEED	Support for Private Enterprise Expansion and Development project
TASO	The AIDS Support Organization
TMG	The Mitchell Group
TOT	training-of-trainers
TRADE	Trade for African Development and Enterprise Initiative
UCDA	Uganda Coffee Development Authority
UFEA	Uganda Flower Exporter's Association
UGCEA	Uganda Ginners and Cotton Exporters Association
UGTL	Uganda Grain Traders Limited
UN	United Nations
UNCST	Uganda National Council of Science and Technology
UNEP	United Nations Environment Programme
UPHOLD	Uganda Program for Human and Holistic Development
UPTOP	Uganda Program for Trade Opportunities and Policy (EU)
US	United States
USAID	United States Agency for International Development
VANEX	Uganda Vanilla Exporters Association
VOCA	Volunteers in Overseas Cooperative Assistance

INTRODUCTION

The Chemonics Consortium presents this first annual work plan under the United States Agency for International Development (USAID)-funded Agricultural Productivity Enhancement Program (APEP). Chemonics International Inc. was awarded the institutional contract to Design APEP on July 7, 2003. Following a successful design that was accepted by USAID, Chemonics was awarded the option to Implement APEP on October 29, 2003. The implementation period of APEP is programmed to last 56 months.

This work plan covers the period from January 1, 2004 through December 31, 2004. The APEP technical team, with Chemonics home office support, conducted a work planning workshop during the week of December 1, 2003. Participants included the expatriate technical assistance (TA) team, their local counterparts, and project management personnel from the Chemonics Home Office (HO). The team reviewed APEP goals and strategies, the program organizational structure, the Results Framework, and life-of-project (LOP) outputs expected from APEP. From these discussions, implementation strategies for each program objective were developed and key first-year activities were established. These were then elaborated by the TA team and their local counterparts to include timelines, resources requirements, and realistic first-year benchmarks. Joint sessions were held with IDEA on transition activities.

Below, we present an overview of APEP, the program organizational structure, and the Results Framework. In the following section, we give a brief narrative description of the work plan organized by program objectives that are linked directly to the Results Framework; and Project Management, Monitoring and Evaluation.

Program Description

The Agricultural Productivity Enhancement Program (APEP) aims to expand rural economic opportunities in the agricultural sector by increasing food and cash crop productivity and marketing. APEP builds on sector successes with added emphasis on creating economies of scale that catalyze transformation of agriculture from low input/low output, subsistence farming to commercially competitive agriculture. APEP addresses targeted commodities and related systems; production-to-market transactions; improvements in input distribution, technology transfer, and POs; and development of competitive agricultural and rural enterprises. The project is consistent with the Government of Uganda's Poverty Eradication Action Plan (PEAP), Plan for Modernisation of Agriculture (PMA), and the Medium-Term Competitiveness Strategy (MTCS).

APEP uses a commodity and intervention selection system to identify market-driven opportunities and allocate resources; and to guide its selection of commodity focus and interventions. For the first year, APEP will focus on the following sectors: coffee, cotton, grains, flowers, vanilla and bananas. APEP has two additional components that will address biotechnology and biosafety concerns as well as agricultural education.

APEP will build on and use proven approaches to support agricultural competitiveness and commercialization. These include working with business and industry leaders to design corporate structures to reach producers and work with producers to respond and organize themselves. APEP will also work with producer organizations to develop linkages, management systems, and revenue streams.

Organizational Structure

The organizational structure of APEP is shown in Exhibit I. APEP is headed by a Managing Director (MD) who acts as the chief-of-party. A monitoring and evaluation specialist works directly with the MD to implement a project performance monitoring plan. The technical core of the project is comprised of three units: the Commodity Commercialization Unit, the Business Expansion Unit, and the Program Services Unit:

- The Commodity Commercialization Unit chooses commodities and interventions in consultation with the rest of the team, they oversee the “national business and marketing development strategies” of the “national business” commodities, and they work directly with the private sector, as well as public sector and donor representatives in planning. The unit staff is divided across two portfolios. To start, Portfolio A will include cotton and grains; Portfolio B will include coffee, flowers, vanilla and bananas.
- The Business Expansion Unit offers supporting, specialized technical assistance services and coordination to the Commodity Commercialization Unit in PO management and commercialization, biotechnology and biosafety, and agricultural commercialization-focused research, education, and training.
- The Program Services Unit houses the Strategic Activities Fund (SAF) management and project administrative services.

The Chemonics home office provides contract management and support services through a Program Management Unit (PMU) that liaises directly with the MD.

Results Framework

The APEP Results Framework (RF), developed jointly between the APEP design team and USAID/Uganda, is presented in Exhibit II on the following page. This RF encapsulates the implementation approach of APEP and is used to guide APEP workplanning and results monitoring.

At the highest level of the APEP RF is SO 7—Expanded Sustainable Economic Opportunities for Rural Sector Growth. This is the project goal. While APEP will contribute significantly to this goal, it will do so through the project’s sub-objective—increased commercialization of targeted commodities. To achieve the project sub-objective that will lead to the achievement of SO 7, APEP will work through three project intermediate results (PIRs). These are:

- Increased enterprise efficiencies
- Increased on-farm productivity
- Improved enabling environment

These PIRs are further supported by sub-PIRs as shown in the RF. In this workplanning, we address each sub-PIR as an objective. In the following section, we present details of the 2004 workplan organized by PIR and objectives. In each, we present the program strategy, activities for the plan year, resources required, and benchmarks for measuring achievements at semi-annual reporting periods.

Exhibit I. APEP Organizational Structure

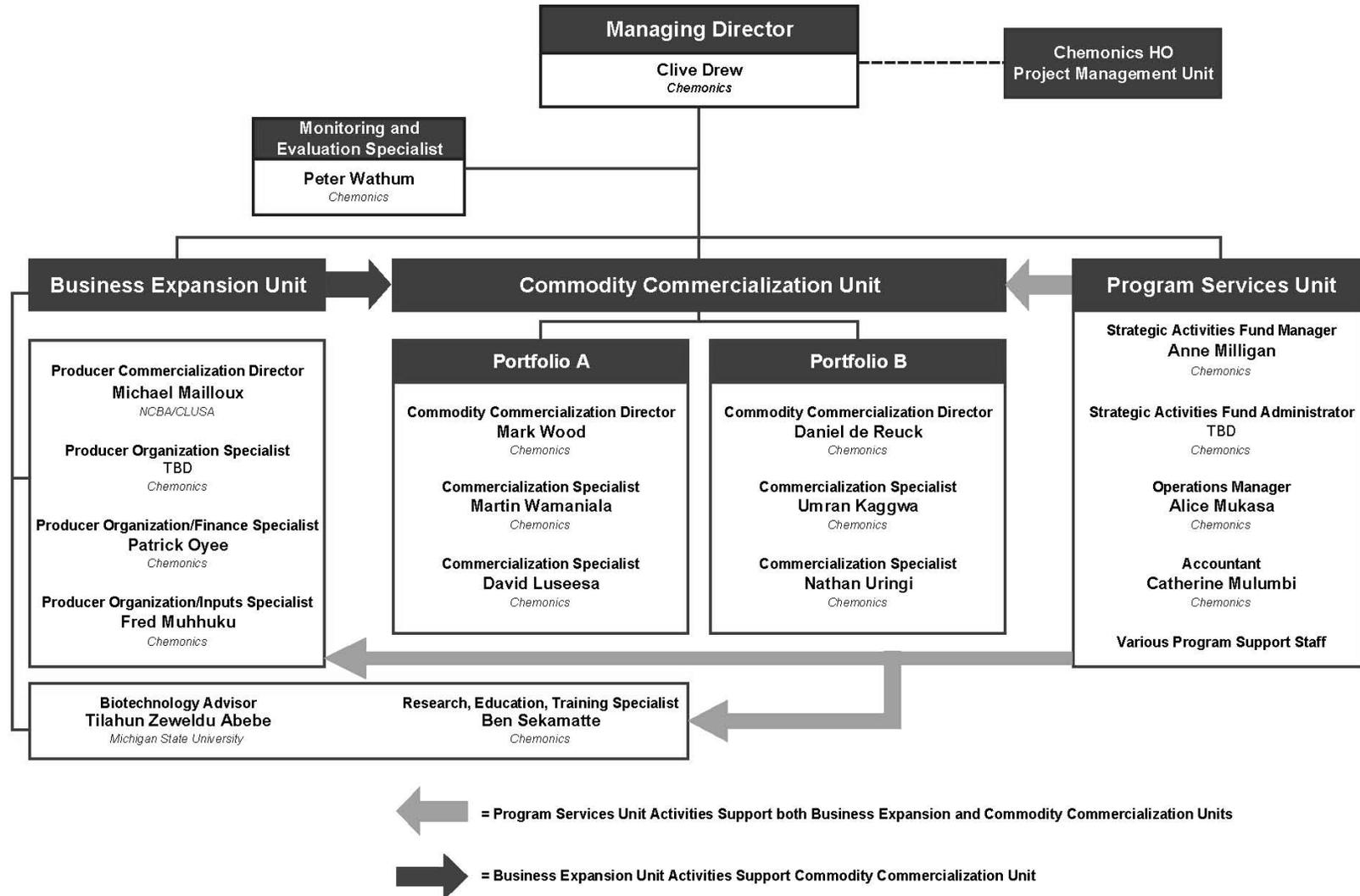
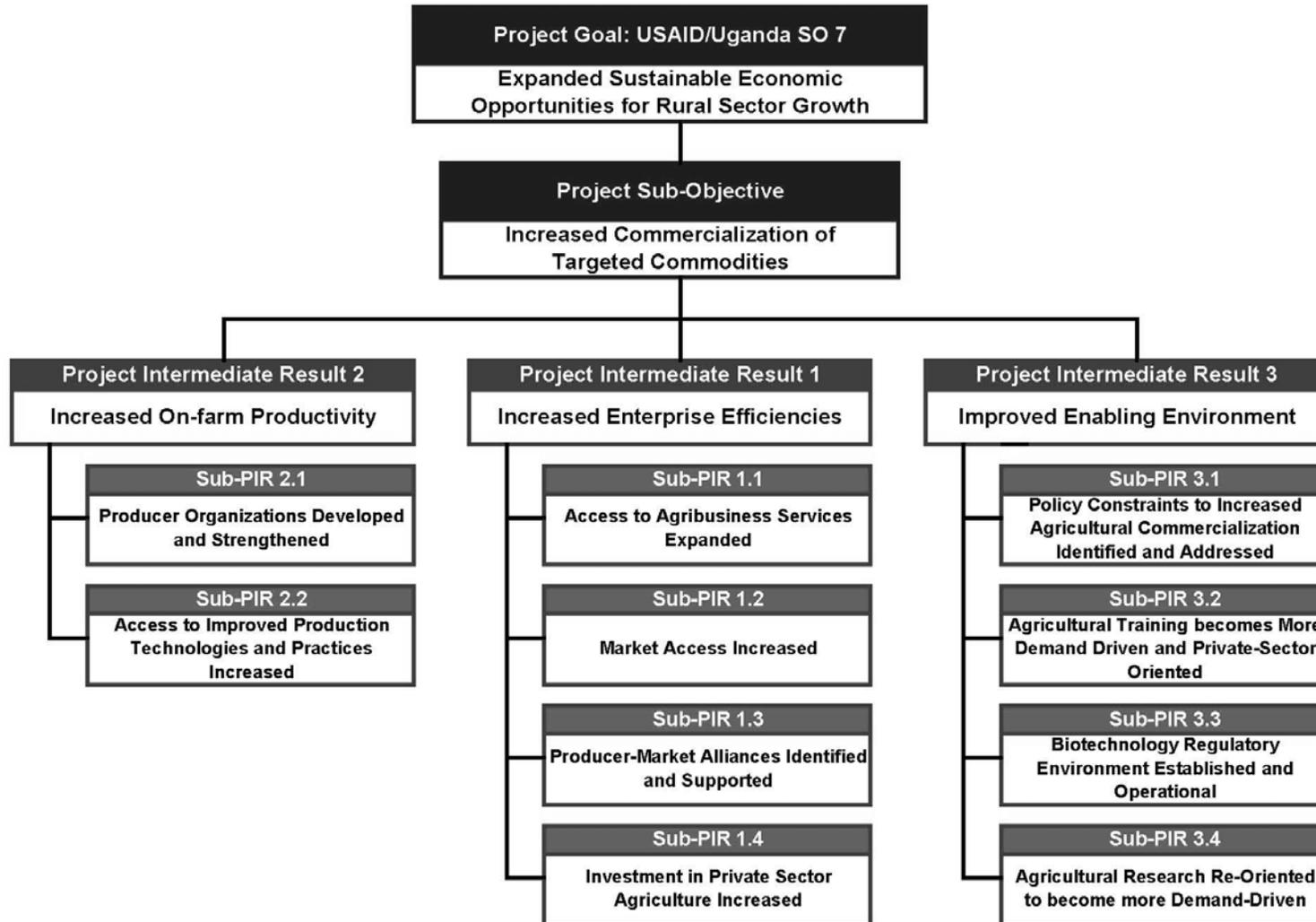


Exhibit II. APEP Results Framework



WORKPLAN 2004

PIR 1. Increased Enterprise Efficiencies

An important strategy to achieving the APEP goal is working with enterprises to increase their capabilities to support commercialization and participation in commercialization of agricultural commodities. PIR 1 is designed to address this part of the commodity chain. Objectives 1 to 4 are designed to generate results that contribute to the achievement of this PIR.

Objective 1. Expand Access to Agribusiness Services

- **Strategy:** Increased access to agribusiness services implies working on both the supply and demand sides. On one hand, APEP will work with farmer groups to promote increased use of appropriate services and inputs. On the other hand, APEP will also work with service providers to improve their capability to deliver quality services to clients. This work will result in increasing efficiencies of market linkages that contribute towards increased business efficiencies for the overall commodity chain.
- **Activities.** The stockist network will transition from IDEA over the first 4 months. APEP TA will evaluate the ATAIN training modules, redraw where appropriate and determine the current needs of the developing input supply network. Additionally, the team will assess the current status of the network as it serves the various distributors of essential agricultural inputs. Particularly important will be the development of the rapidly changing cotton input supply model. Significant work will be carried out prior to the 2004/05 cotton season to ensure that ginner involvement delivers on the requirement for timely input supply.

Stockist selection will be carried out through selected distributors following an in house input supply training activity carried out in early 2004. This will be essential to inform all APEP field teams of the methodology of input interventions. The selection will be in conjunction with all industry stakeholders, including NGO's and private sector firms active in northern Uganda. Where possible, early linkages will be made with PO's who are deemed qualified to take on the role of input distribution to members. Stockists and Distributors will continue as under IDEA to receive technical and marketing support as well as continuous mentoring in the procurement process. Existing distributors in the critical seed sector will be revisited to determine effective production and marketing strategies especially within the current policy confines of the Uganda Seed Certification system.

Additionally, the financial services sector will receive attention early in the work plan year. APEP TA will revisit the IDEA/Title II credit guarantee models and investigate ways to build on successes and avoid the pitfalls. The deposit and savings ethos of the SPEED project will be assessed and incorporated into the financial services intervention that will be crafted by APEP TA during February 2004. New service providers will be sought in both the commercial banking sector and the micro credit sector particularly with new MDI service providers.

Service provision to the agricultural sector will be supported through associations such as UNVA and VANEX and private firms such as ginners and coffee processors to enable them to reach out to membership through extension services. The cotton

seed sector will be supported through at least one private firm engaging in private supply of high quality cotton seed to the industry.

- **Resources.** APEP TA, SAF, STTA, Private firms and associations, NAADS, PL-480 Title II.

<p>Benchmark 1.1: At least 100 new input supply stockists trained and linked to suppliers by 12/31/2004</p> <p>Benchmark 1.2: At least 2 PO's concluded bulk inputs procurement agreements by 12/31/2004</p> <p>Benchmark 1.3: At least 10 new agricultural financial service provider branches providing services to APEP clients by 12/31/2004</p> <p>Benchmark 1.4: At least 500mt maize hybrid seed produced and marketed in the domestic market by 12/31/2004</p> <p>Benchmark 1.5: At least 1,000mt cottonseed produced by the private sector by 12/31/2004</p> <p>Benchmark 1.6: UNVA and VANEX providing association extension support to vanilla growers in at least 3 regions by 12/31/2004</p>

Objective 2. Increase Access to Markets

- **Strategy:** This objective focuses on strengthening market development systems and developing competitive marketing strategies so that Uganda's products reach local, regional, and international markets. Improved efficiency activities will be a focus and the three potential areas will be analyzed within each potential intervention: productivity at the farm-level; quality at the farm or business; and organizational efficiencies. The approach will work to link established groups of producers more directly with the markets where possible, develop and implement grades and standards and to ensure that producer incentives are realized to sustain efforts to improve quality. Market information and analysis services will be evaluated through industry firms and associations, as will the potential for inward marketing visits so successfully implemented under the IDEA project activity. In addition to firm level support, this objective will seek to promote better quality and reliability from the farm level in order to service markets better.
- **Activities.** APEP commodity TA teams will identify viable agribusiness firms able to provide more effective market linkages through to the producers. Opportunities for enhanced market penetration will be investigated and outward marketing strategies drawn up for each commodity sector. This work will build on the existing recommendation of the COMPETE, SPEED and IDEA activities.

A significant activity early on in the work plan will be to facilitate industry wide acceptance of grades and standards. These may exist notionally or may not exist at all. APEP will work with UGT and WFP, two principal grains markets, to standardize up to export levels, acceptable grades for maize and beans. Acceptable grades in the cotton sector will be evaluated leading to the development of ginnery sample frames for grade standards. The coffee sector will be evaluated for national grades and standards particularly at the level of farmer sustainability index leading to the establishment of a national sustainability index applicable to Ugandan conditions.

APEP commodity TA will work to develop specific business plans for their respective industries. These will provide practical guidance to the industry in developing

opportunities to further streamline market access for producers as well as for the industry as a whole.

Where appropriate, APEP will work with industry associations and firms to develop, or continue to provide useful and timely market information and analysis. APEP will work closely with RATES and RATIN as they provide regional market analyses. APEP will continue to support the monthly grain marketing forums in conjunction with RATIN.

- **Resources.** APEP TA, STTA, international trading houses, SAF, Regional projects.

Benchmark 2.1:	Technical and market linkage support provided to at least 10 agribusiness firms by 12/31/2004
Benchmark 2.2:	Technical and market linkage support provided to at least 30 agro-processors by 12/31/2004
Benchmark 2.3:	Banana commodity business plan developed and implemented commenced by 12/31/2004
Benchmark 2.4:	Rural maize processing business plan developed and implemented commenced by 12/31/2004
Benchmark 2.5:	Coffee sustainability indexes for Uganda harmonized and implemented commenced by 12/31/2004
Benchmark 2.6:	National grade standards for grains harmonized and implemented commenced by 12/31/2004
Benchmark 2.7:	UFEA supported to produce 10 market analysis reports by 12/31/2004
Benchmark 2.8:	VANEX supported to produce 4 market analysis reports by 12/31/2004
Benchmark 2.9:	RATIN supported to produce 10 market analysis reports by 12/31/2004

Objective 3. Identify and Support Producer-Market Alliances

- **Strategy:** This objective focuses on fostering linkages between producers and the rest of the commodity market chain. APEP will work in two main areas, at the business or large association level—through the business or PO driven models, and at the producer level through PO commercialization to build producer-market linkages. Activities will include transition of the enterprise-linked business model utilized by SPEED and IDEA at the cotton ginneries, as well as out grower schemes. Quality standards, buyer requirements, and other market chain support activities will be emphasized. The strategy will be to focus on individual commodity chains and clusters and link the various players together such that formal or semi-formal marketing alliances are forged. The intensity of the market linkage or alliance will depend on the nature of the commodity and the potential existing for significant contract arrangements.
- **Activities.** Work under this objective is closely associated with all previously mentioned activities. Specific activities will focus on the promotion of real out grower schemes (OGS) or initiatives. This work will bear in mind the issues of risk, investment and grower loyalty, but will seek to strengthen linkages between specific terminal markets in Uganda and producers. Initially, identification of early opportunities will be made, picking up from both IDEA and SPEED initiatives.

Despite the difficulties associated with multiple channel marketing, specific grower agreements will be drawn up, appropriate to the commodity cluster involved and the issues of parallel purchase. These will serve as a template in formalizing marketing arrangements between producers and processors/exporters.

- **Resources.** APEP TA, STTA, SAF agreements, PL-480 Title II, Private firms and associations.

<p>Benchmark 3.1: At least 4,000 farmers linked with Coffee Exporters by 12/31/2004</p> <p>Benchmark 3.2: At least 10,000 cotton farmers linked with cotton ginners by 12/31/2004</p> <p>Benchmark 3.3: Farmers engaged with at least 1 sunflower-exporting firm in OGS by 12/31/2004</p> <p>Benchmark 3.4: Farmers engaged with at least 2 rice-exporting firms in OGS by 12/31/2004</p> <p>Benchmark 3.5: Farmers engaged with at least 2 sesame-exporting firms in OGS by 12/31/2004</p> <p>Benchmark 3.6: At least 200 seed producing farmers linked with seed processing and marketing firms by 12/31/2004</p> <p>Benchmark 3.7: At least 1,000 vanilla growers linked with curing/exporting firms by 12/31/2004</p> <p>Benchmark 3.8: At least 10 formal buyer contracts established between POs and agribusinesses by 12/31/2004</p>

Objective 4. Increase Investment in Private Sector Agriculture

- **Strategy:** Increased private investment and exports in the agricultural sector is critical to Uganda's economic growth. This objective involves activities supporting investment in private sector agriculture. APEP will provide the catalyst to such investments, promoting and actively seeking out opportunities for investment in the selected commodity sectors.
- **Activities.** APEP TA will continuously seek out viable investment opportunities in each intervention sector. The team will evaluate internally, as well as looking to short-term technical assistance to assist in the identification of opportunities. Once opportunities have been identified, both internal and external consultation will take place to accurately cost and model the opportunity. These investment opportunities will be clearly and simply documented to provide a template for private sector intervention.

APEP TA will work with each investor not only in the initial investment decision-making process but also throughout the process of implementation and development to bring added comfort to the process and help reduce investment risk, perceived or real. This will involve working closely with the firms, financial institutions, technical service providers and international markets.

- **Resources.** APEP TA, STTA, SAF, Private firms and associations.

<p>Benchmark 4.1: At least 2 new investments in the coffee sector confirmed by 12/31/2004</p> <p>Benchmark 4.2: At least 1 new investment in the cotton sector confirmed by 12/31/2004</p>
--

Benchmark 4.3: At least 2 new investments in the inputs sector confirmed by 12/31/2004
Benchmark 4.4: At least 1 new investment in the flowers sector confirmed by 12/31/2004
Benchmark 4.5: At least 2 new investments in the biotechnology sector confirmed by 12/31/2004
Benchmark 4.6: At least 4 new investments in the grains sector confirmed by 12/31/2004

PIR 2. Increased On-Farm Productivity

Another important pre-requisite to achieving the project sub-objective of increased commercialization of targeted commodities is the transformation of a significant number of Uganda farmers from subsistence farming to profitable commercial enterprises. Production efficiency increases are important to sustain this transformation. They may be obtained in a number of ways, including productivity or yield increases through improved farming practices and proper application of appropriate inputs; product cost reductions through better planning and organization to achieve economies of scale; improved quality of commodities; and added values through improved harvest and post-harvest techniques and product transformation. Objectives 5 and 6 are designed to generate results that contribute to the achievement of PIR 2.

Objective 5. Strengthen and Develop Producer Organizations

- **Strategy:** Uganda's agricultural production is mostly smallholder farming. For any significant and sustainable improvements in commercialization to take place, farmers must be organized into effective producer organizations. APEP will focus on six main areas to address weaknesses and constraints facing POs. These will emphasize PO management training, contracting for specialized services, farmer-to-farmer extension, membership management and incentives, credit management and developing capacities to handle bulk procurement of inputs where appropriate. It should be noted that activities under this objective and activities under objective 3, Identify and Support to Producer-Market Alliances go hand-in-hand given that commercialization of POs is a critical means to develop and strengthen successful POs. Where POs are nascent or non-existent, APEP will work with commercially active lead farmers in stimulating group formation.
- **Activities.** Early on in the work plan year, APEP TA will identify a number of PO trainers and ensure that they receive full training in order to qualify them to support the project producer organization training activities. Additionally, in order to ensure effective selection of the target PO's, a full screening and criteria list will be compiled. It is anticipated that initial PO screening will take place in February prior to the first rains of 2004.

Training of selected POs will take place during the first season 2004. In addition to PO trainers, all APEP technical staff will be fully engaged in the training where possible to ensure that all are aware of the training content. APEP commodity TA will provide the necessary technical training to the courses.

Following selection, support will include training of management and members, technical commodity support as well as market development and linkages. The APEP commercial lead TA for each group or commodity sector will provide the front end support, working with the APEP PO development teams.

- **Resources.** PO Director and team, APEP TA, STTA, SAF, private sector firms, PMA.

<p>Benchmark 5.1: Support provided to at least 10 coffee POs by 12/31/2004</p> <p>Benchmark 5.2: Support provided to at least 8 cotton POs by 12/31/2004</p> <p>Benchmark 5.3: Support provided to at least 10 grain POs by 12/31/2004</p> <p>Benchmark 5.4: Identification and development of at least 20 Banana POs, initially for technology transfer, by 12/31/2004</p> <p>Benchmark 5.5: Support provided to at least 20 vanilla POs by 12/31/2004</p>
--

Objective 6. Increase Access to Improved Production Technologies and Practices

- **Strategy:** For all commodities under APEP, production enhancement will be carried out through demonstration activities. Site coordinators who are either part of the local public or private extension community or lead farmers working within established or newly forming producer organizations will manage the demonstration sites. The demonstration sites form the core of the technology transfer mechanism of APEP, and hence the key to productivity enhancements. The size, site and management structure of the demonstrations will vary from commodity to commodity, but all will focus on production, harvest and post harvest aspects to enhance efficiencies.
- **Activities.** Initial screening of POs will in certain cases dictate placement of demonstrations for commodities such as banana and possibly coffee. For commodities such as cotton where PO development is limited, lead farmer selection will be the determinant in site selection. Where APEP is taking up transition activities from IDEA or SPEED, such as in upland rice and sesame and in some cases cotton, existing placement will be the initial criteria.

In order to begin this key activity in as transparent a way as possible, APEP will issue an Annual Program Statement (APS) early in the work plan year. This will be followed by small commodity stakeholder workshops to discuss the methodology of APEP interaction within the commodity groups.

APEP will assume certain SPEED and IDEA commodity/client support activity. APEP will not, however, simply continue to implement the demonstration work using exactly the same format. Technology packages will be reworked or designed from scratch, in conjunction with NARO and Future Harvest Centers where appropriate, as well as industry bodies such as CDO and UCDA. Methodologies too will be looked at afresh to ensure uniform project modalities in terms of costing, management and supervision as well as collaborator compensation structures. These project modalities and package designs will be worked out in a staff planning workshop to be held in early January 2004. As part of this planning, a dedicated STTA assignment will be initiated to look at soil fertility issues by commodity and region of production. This will be key to finalizing refined production packages. Additionally, a communication strategy will be devised such that full integration with appropriate print and radio media can be incorporated into the technology transfer activities, where appropriate.

Demonstration work is a very intensive activity. Post selection and pre implementation training workshops will be held for each commodity group in each area of placement. APEP TA will identify suitable district or area coordinators who will then assist in identifying qualified site coordinators for training.

It is likely that a number of banana technologies will be moved from research to field placement. These are likely to include improved sucker management and rapid multiplication techniques using conventional approaches. Additionally at least one new technology will be developed to be field-applicable in a short time - possible opportunities include bio-control of banana weevil in conjunction with IITA

- **Resources.** APEP TA, SAF cost share and purchase order support, private firms, GOU staff (NAADS where appropriate), Commercialization teams, STTA.

Benchmark 6.1: At least 1 new coffee processing technique introduced and evaluated by 12/31/2004
Benchmark 6.2: At least 60,000 cotton farmers exposed to improved production techniques through 6,000 demonstration sites by 12/31/2004
Benchmark 6.3: At least 500 sunflower, 600 upland Rice, 500 Sesame, and 100 maize demonstration sites through private sector partnerships established and monitored by 12/31/2004
Benchmark 6.4: At least 55 vanilla demonstration sites maintained by 12/31/2004
Benchmark 6.5: 1 new banana technology developed by 12/31/2004
Benchmark 6.6: 2 new banana technologies disseminated by 12/31/2004
Benchmark 6.7: At least 100 banana demonstration sites established and maintained by 12/31/2004
Benchmark 6.8: At least 4,000 coffee farmers exposed to improved production technologies and practices by 12/31/2004

PIR 3. Improved Enabling Environment

To support activities carried out under PIR 1 and 2, there are certain policy, regulatory or bureaucratic issues, as well as cross-cutting issues that APEP should address. PIR 3 is designed to support these activities, which aim to address and alleviate constraints to increasing commercialization of agricultural commodities. Objectives 7 to 10 are designed to generate results that contribute to the achievement of PIR 3.

Objective 7. Identify and Address Agricultural Policy Constraints

- **Strategy:** This objective covers the identification and provision of support to mitigate policy, regulatory and bureaucratic bottlenecks to targeted commodity production and marketing. Policy and regulatory change is beyond APEP's manageable control; however APEP can support efforts through and to partners by providing information, guidance, and profile. Policy interventions take enormous time and effort to resolve. APEP will take care not to become totally engaged in any of the processes, but will leverage industry and public sector (donor and GOU) in order to address the issues.
- **Activities.** There are policy issues already manifested in the various commodity sectors selected by APEP. It is however important to revisit these and rank them in order of priority by sector or across sectors. APEP TA will produce a list derived by industry interaction of ranked policy constraints in each sector by 03/31/2004. This list will form the guide to policy interventions through the work plan year.

Key issues that will be addressed this work plan year however are certainly national seed certification and pesticide quality policy specifically as it affects the cotton sector

- **Resources.** APEP TA, STTA, Donors, GOU, Private Sector.

<p>Benchmark 7.1: List of key policy constraints established by sector by 03/31/2004</p> <p>Benchmark 7.2: Cotton seed policy reviewed by 12/31/2004</p> <p>Benchmark 7.3: OECD and ISTA accreditation in the seed industry achieved by 12/31/2004</p> <p>Benchmark 7.4: Cotton pesticide quality monitoring mechanism in place by 12/31/2004</p>

Objective 8. Stimulate Demand Driven Commercial Agricultural Training

- **Strategy:** As stated in the PMA, Uganda's challenge is to develop education and outreach programs that are increasingly farmer-driven and farmer-oriented while also increasing the participation of the private sector. APEP can help by assisting GOU agencies and institutions provide more demand-driven commercially oriented formal and informal educational programs; supporting private sector training and outreach initiatives; and providing commercially oriented project training delivered directly by APEP or by partners and SAF awardees.
- **Activities.** Commercial agriculture training opportunities will be sought and developed for each commodity sector under APEP.

An action plan will be developed in conjunction with CDO and UGCEA and Ministry of Education for raising the profile of the Busiitema training centre in Tororo. This will bring expanded sustained cotton industry training to Uganda and ensure rapid skills transfer to ginnery staff involved in technology transfer activities, as well as ginnery management and operation.

The successful internship program developed by IDEA project will be continued and expanded under APEP. MUFA interns will be screened and selected for placement in time for full completion of the first round private sector internships by the end of 2004.

APEP will complete the identification of the training needs under IEHA and conclude a full educational plan by the end of February 2004 in order to enable placement of full and part time students as soon as practicable. The plan will involve a partnership between Makerere University Faculty of Agriculture (MUFA) and a U.S. University with expertise in tropical agriculture. This and other partnerships identified will enable MUFA to sandwich courses as well as benefit from visiting professor programs.

- **Resources.** APEP TA, STTA, SAF, MUFA faculty, private sector.

<p>Benchmark 8.1: 50 MUFA internships completed in private and public sector by 12/31/2004</p> <p>Benchmark 8.2: IEHA formal Education Plan developed and implemented by 06/30/2004</p> <p>Benchmark 8.3: Expanded training program implemented at the Busiitema Cotton Training Centre by 12/31/2004</p> <p>Benchmark 8.4: Candidates for short courses, sandwich courses and full time training identified by 06/30/2004</p> <p>Benchmark 8.5: Full time MS and PhD candidates placed for spring semester 2005 by 12/31/2004</p> <p>Benchmark 8.6: Visiting professor program established by 06/30/2004</p>

Objective 9. Establish and Operationalize Biotechnology Regulatory Environment

- **Strategy:** Biotechnology applications in agriculture have the potential to maximize productivity through use of biotechnology. Modified plant materials can increase production; reduce pesticide, fuel, and water usage; promote commercialization of smallholder agriculture; and tackle nutrition issues in malnourished communities. The APEP contract includes guidance to support appropriate biotechnology-related opportunities; however in a limited way given other program priorities. APEP TA activities will work in three areas of biotechnology support:
 - biotechnology and biosafety regulatory and policy framework strengthening,
 - creation of an effective National Biosafety Committee (NBC), and
 - relevant and appropriate biotechnology research.
- **Activities.** APEP support to biotechnology is broken down into major categories as follows:

Biosafety

- Providing short term training in biotechnology/biosafety and management.
- Supporting legislation of national biosafety policy, regulatory frameworks
- Strengthening National Biosafety Council by training and SAF support
- Establishing and strengthening National Biosafety Secretariat

Intellectual Property Rights (IPR)

- Providing short term training in IP policy and technology management for key stakeholders (UNCST, NARO, Makerere University, etc)
- Drafting IP policy and strategy concerning biotechnology
- Public education in IP issues

Technology Transfer (TT)

- Providing training in technology transfer and management in collaboration with consortium members
- Setting up Biotechnology Transfer Office within NARO

Material Transfer Agreement (MTA)

- Designing Material Transfer Agreement (MTA) system appropriate to the Ugandan situation, policies and regulations

Research for Development (R4D)

- Banana transformation and enhancement of banana seed production
- Accessing the Anti Fungal Peptide Gene Construct through MSU, INIBAP, KUL Belgium joint negotiation
- First Phase banana transformation work at KARI Biotech Lab
- Review ongoing coffee mass micro-propagation activities
- Molecular characterization of vanilla and mass micro propagation research integrated into formal training program

Research for Development Capacity Building

- Strengthening KARI banana transformation capability through short and formal training to be identified early in the work plan year under IHEA support.
- Supporting graduate students and integrating their research work into vanilla and coffee biotechnology research objectives consistent with R4D strategy

- Identification of specific laboratory equipment needs and generation of SAF/IEHA/Other donor funding opportunities

Communication and Outreach

- Preparation of biotechnology and biosafety/food safety education modules for different levels of the society (school children, university students, the civil society, policy makers, legislators, scientists, journalists, farmers, processors, traders and consumers) in collaboration with ASARECA, ABSP II, PBS, GEF/UNEP.

Local, regional and international networking

- Create a website that provides an opportunity for Ugandan biotechnology stakeholders to communicate with the outside world with regard to biotechnology research, technology transfer, and information access
- **Resources.** APEP TA, STTA, SAF, Donors, GOU, NARO, public and private sector institutions locally and internationally.

Benchmark 9.1: Local bio-safety /bio-tech specialist hired and placed at UNCST by 04/30/2004
Benchmark 9.2: Assistance provided to implementation of Bio-safety policy and regulations by 12/31/2004
Benchmark 9.3: Ugandan Biotech Website established and hosted by 06/30/2004
Benchmark 9.4: Biotechnology and Biosafety educational modules developed by 12/31/2004
Benchmark 9.5: Biotechnology Material Transfer Office (MTO) established by 12/31/2004
Benchmark 9.6: At least one IP short course held for industry participants by 06/30/2004

Objective 10. Stimulate Demand Driven Agricultural Research

- **Strategy:** As with commercially oriented agricultural education and training, the GOU challenges the PMA and private sector to develop farmer-driven, commercially oriented agricultural research. APEP's mandate is to help in this process. APEP's role is to determine with the various commodity sectors the real research needs of each sector. These needs will be met by linking demand for the results of such research to the respective industry. This linkage will serve to stimulate continuing relations between research service providers (public and private) and the demand for results. Research activities under APEP will not be long term, generating results within 3 years at a maximum.
- **Activities.** Variety development will continue to receive support in grains, cotton and where appropriate in the banana and coffee sectors. Research opportunities will be explored for better processing and handling of commodities, specifically for coffee where lowland arabica's may provide a medium term solution to coffee wilt, provided the cupping quality is acceptable. Washed Robusta, an opportunity identified by COMPETE and capitalized by SPEED will be examined closely, with small research activities in determining the best quality and processing techniques to ensure viability of the process. Future Harvest Centers will be contracted where results can be seen on fields within the manageable time frame of APEP. It is likely that an initial production research contract will be for biological weevil control in bananas, rapid plant propagation opportunities for banana producers as well as plant nutrition plans

for all APEP commodities. Bacterial wilt in bananas and cotton is becoming a serious threat. Research opportunities will be examined for these issues. Additional banana research work will be facilitated by APEP through IFPRI in their ongoing banana impact study.

Grain research contracts will be limited initially to a continuation of the termite control work carried out under IDEA project. A specific activity essential in year one will be a research contract for soil nutrition management, bringing together central soils database specifically designed for APEP commodity interventions. Specific research agreements and contracts will be drawn to serve the needs of the APEP research partnerships. Support to the fisheries sector will be provided by a dedicated research contract to evaluate the technical and managerial aspects of commercializing caged rearing of Nile Perch and Tilapia.

- **Resources.** APEP TA, STTA, SAF, NARO, Private sector facilities and firms.

<p>Benchmark 10.1: 1 coffee research contract established by 12/31/2004</p> <p>Benchmark 10.2: 1 on farm research contract for lowland arabica established by 06/30/2004</p> <p>Benchmark 10.3: At least 2 banana research contracts completed by 12/31/2004</p> <p>Benchmark 10.4: At least 2 cotton research contracts completed by 12/31/2004</p> <p>Benchmark 10.5: 1 grain research contract completed by 12/31/2004</p> <p>Benchmark 10.6: 1 fisheries research contract initiated by 02/29/2004</p>
--

PROGRAM MANAGEMENT

Project Management, Monitoring and Evaluation are integral parts of the project. There are three essential components to APEP management: SAF management, monitoring and evaluation, and project administration.

Strategic Activities Fund Management

The Strategic Activities Fund (SAF) under APEP is established to complement core project activities and contribute to achieving the project sub-objective of increased commercialization of targeted commodities. The SAF will serve as a leveraging tool by providing funds for direct interventions to awardees as part of larger targeted opportunities, maximizing resources available to Ugandan partners. Support through SAF local contracts, grants, cost-sharing agreements, and purchase orders will be provided to public sector institutions, associations, businesses, NGOs, and individuals whose proposed activities meet APEP's eligibility and evaluation criteria, as well as contribute to project results.

Objective 11. Implement an Effective SAF Program

- **Strategy:** APEP will use a two-track approach for SAF awards, based on proposal size and type:
 - **A fast track approach.** This approach involves awards of less than \$50,000 or targeted awards to entities with specific mandates. For activities of this size or type, APEP will have a streamlined process to provide funds quickly to partners or clients. These awards are not always competed and allow APEP to very quickly access services for targeted or discrete activities that mitigate bottlenecks identified by APEP staff. While still adhering to USAID procurement regulations, these awards will be made by an internal project SAF committee, comprised of the APEP managing director, SAF manager, and relevant project technical staff.
 - **A full and open competition approach.** This approach involves awards of \$50,000 and above. The purpose of these awards is to provide funds for longer term or larger scope activities that will lead to significant impacts within commodity sectors or across sectors. Such activities require careful design. APEP will convene SAF Selection Committees (SAFSC) based on the technical requirements of each subject matter to evaluate proposal and select awards.
- **Activities.** Within the first two months of the plan year, the SAF manager will work with the Managing Director and the SAF administrator to develop a SAF policy and procedures manual. The manual will establish the process by which awards are made and lay out the guidelines that will govern the SAF program. Additionally, an Annual Program Statement (APS) will be prepared and publicized. The APS will define the parameters of the SAF and establish the technical focus of the program for the first year. Once the SAF is operational, the SAF manager will work with the APEP technical units to identify opportunities for strategic activities, to assist project TA and partners to prepare SAF proposals and contracting documents, to select the proper contracting instrument for awards, and to monitor the progress of programs funded by the SAF.
- **Resources.** APEP TA, Chemonics home-office Contracts department, USAID CTO.

Benchmark 11.1:	SAF policy and procedures manual submitted to USAID by 02/29/2004
Benchmark 11.2:	Annual Program Statement developed by 03/31/2004
Benchmark 11.3:	SAF Selection Committee members chosen by 03/31/2004
Benchmark 11.4:	Mid-year report of SAF activities submitted by 07/31/2004
Benchmark 11.5:	At least \$500,000 of SAF committed made by 12/31/2004

Monitoring and Evaluation

Monitoring progress and evaluating results are key management functions in APEP. Performance monitoring is an on-going process that allows APEP and USAID managers to determine whether or not the project is making progress towards its intended results.

Objective 12. Implement and Maintain an Effective Monitoring and Evaluation System

- **Strategy:** The M&E system is based on an impact design linking activities to desired outcomes and impacts. This design is reflected in the APEP Results Framework (RF) presented in the first section of this work plan. To achieve results, the APEP RF is used to guide this annual work plan. The APEP M&E system will provide the foundation for tracking the project's delivery of expected outputs and quantitative impacts to measure progress, as well as support USAID's M&E needs by providing input to the mission's SO 7 and associated IR indicators.

APEP will use a distributed approach to M&E where all APEP team members and partners are responsible for collecting M&E data in their technical areas. The M&E Specialist will coordinate this effort and consolidate all data collected and generate aggregate data for the M&E indicators.

- **Activities.** Within the first two months of the plan year, the M&E Specialist and the Chemonics home-office M&E consultant will work with project TA team to complete a Performance Monitoring Plan (PMP). The M&E Specialist and assistant will begin constructing baseline data sets for the PMP indicators. Data entry sheets will be setup and the project TA team will be trained to participate in the APEP M&E system. Towards the middle of the plan year, APEP will prepare its first semi-annual M&E report.
- **Resources.** APEP TA, Chemonics home-office M&E STTA.

Benchmark 12.1:	Performance Monitoring Plan submitted to USAID for approval by 02/29/2004
Benchmark 12.2:	M&E data entry modules completed by 04/30/2004
Benchmark 12.3:	Initial baseline information collected by 05/31/2004
Benchmark 12.4:	First M&E report submitted to USAID by 07/31/2004
Benchmark 12.5:	One M&E field data verification study designed and completed by 12/31/2004

Project Administration

Chemonics places great emphasis on providing effective administrative and logistical support to all field program; as well as assuring contract compliance. A home-office Project Management Unit (PMU) is assigned to each project. This unit comprises a project

supervisor who works closely with the field-based chief-of-party in all aspects of contract management; a project administrator who liaises directly with the field-office operations management to provide administrative and logistical support; and an assistant project administrator. Chemonics is committed to supporting APEP so the project will achieve results on schedule, within budget and in compliance with all applicable rules and regulations. The Chemonics Home Office PMU is not a direct cost to APEP, except where there are specific field assignments, pre-approved by the CTO.

Objective 13. Provide Effective Contract Administration

- **Strategy:** The home office PMU will provide an assistant project administrator to work at the project office for up to two months initially. The goal is to assist with rapid mobilization and build-up, while orienting field office administrative staff on proper Chemonics operating systems and USAID rules and regulations.

The PMU will work with the project office closely to assure contract compliance, to assist with regular contract reporting, and to provide financial analysis for management.

- **Activities.** The home office PMU and project office administrative and management staff will work together to setup effective systems for contract management, including a project policy and procedure manual that will also serve as a code-of-conduct for APEP staff. The PMU will assure all contractually required reports are prepared properly and submitted to USAID on time. The PMU, in conjunction with the MD, will also conduct an annual performance evaluation of project staff in November 2004.
- **Resources.** APEP MD, administrative staff, home-office PMU.

Benchmark 13.1:	Project Office build-out completed and TA team moved in by 01/15/2004
Benchmark 13.2:	Project policy and procedures manual completed by 01/31/2004
Benchmark 13.3:	Financial reports and pipeline analyses provided to USAID quarterly, by 03/15/2004, 06/15/2004, 09/15/2004 and 12/15/2004
Benchmark 13.4:	VAT payment and reimbursement report provided to USAID by 04/16/2004 and 11/17/2004
Benchmark 13.5:	Semi-annual project progress report submitted to USAID by 07/31/2004
Benchmark 13.6:	Annual property report submitted to USAID by 12/31/2004
Benchmark 13.7:	Second annual work plan for 2005 submitted to USAID by 12/15/2004