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**Uganda Agricultural Productivity
Enhancement Program (APEP)**
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Third Annual Work Plan
October 2005 to September 2006



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Third Annual Work Plan

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LIST OF ACRONYMS

ABSP II	Agricultural Biotechnology Support Program II (USAID)
ABDC	AgriBusiness Development Component (of ASPII/DANIDA)
ASPSII	Agricultural Sector Programme Support (DANIDA)
ACDI/VOCA	Agricultural Cooperative Development International/ Volunteers in Overseas Cooperative Assistance
AGOA	African Growth and Opportunity Act
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
CBOs	Community-Based Organizations
CDO	Cotton Development Organization
CERUDEB	Centenary Rural Development Bank
CIAT	International Center for Tropical Agriculture
CO	Contracting Officer
COMPETE	Competitive Private Enterprise and Trade Expansion project (USAID)
CORI	Coffee Research Institute
CT	Conservation Tillage
CTO	Cognizant Technical Officer
DANIDA	Danish International Development Agency
DCA	Development Credit Authority (USAID)
DfID	Department for International Development (UK)
EAFCA	East African Fine Coffee Association
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
GMO	Genetically Modified Organism
GOU	Government of Uganda
ICRAF	International Center for Research in Agro Forestry
ICT	Information and Communications Technology
IDEA	Investment in Developing Export Agriculture project (USAID)
IDP	Internally Displaced Person
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
ISTA	International Seed Testing Association
ITI	International Technology Investment, Ltd.
KRA	Key Result Area
LOP	life of project
M&E	Monitoring and Evaluation
MAAIF	Ministry of Agriculture, Animal Industry & Fisheries
MEMS	Monitoring and Evaluation Management Services
MFI	micro-finance institution
MOES	Ministry of Education and Sports
MOU	Memorandum of Understanding

LIST OF ACRONYMS (CONTINUED)

MSU	Michigan State University
MTCS	Medium-Term Competitiveness Strategy
MUFA	Makerere University Faculty of Agriculture
NAADS	National Agricultural Advisory Service
NARO	National Agricultural Research Organization
NARS	National Agricultural Research System
NCBA/CLUSA	National Cooperative Business Association/Cooperative League of the USA
NBC	National Biosafety Committee
NGO	Non-Governmental Organization
NRI	Natural Resources Institute
NUCAFE	National Union of Coffee Agribusiness and Farm Enterprises
OECD	Organization for Economic Cooperation and Development
OGS	Out grower Scheme
PBS	Program for Biosafety Systems (USAID)
PEAP	Poverty Eradication Action Plan
PERSUAP	Pesticide Evaluation Report and Safer Use 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
RATES	Regional Agricultural Trade Expansion Support (USAID)
RATIN	Regional Agricultural Trade Intelligence Network
RF	Results Framework
Rural SPEED	Rural Support for Private Enterprise Expansion and Development project
SACCO	Savings and Credit Co-operatives
SAF	Strategic Activities Fund
SAARI	Serere Agricultural and Animal Research Centre
SCAA	Specialty Coffee Association of America
SCOPE	Strengthening the Competitiveness of Private Enterprise project (USAID)
SCRIP	Strategic Criteria for Rural Investments in Productivity (USAID)
SME	Small and Medium-Sized Enterprises
SO	Strategic Objective
STTA	short-term technical assistance
TA	technical assistance
TASO	The AIDS Support Organization
TMG	The Mitchell Group
TOT	Training-Of-Trainers
UCDA	Uganda Coffee Development Authority
UCIL	Uganda Crop Industries Limited
UFEA	Uganda Flower Exporter's Association
UGCEA	Uganda Ginners and Cotton Exporters Association
UGTL	Uganda Grain Traders Limited
UNADA	Uganda National Agro-inputs Dealers Association
UNCST	Uganda National Council of Science and Technology
UNBS	Uganda National Bureau of Standards
UNEP	United Nations Environment Programme
UPTOP	Uganda Program for Trade Opportunities and Policy (EU)
USAID	United States Agency for International Development
USTA	Uganda Seed Traders Association
VANEX	Uganda Vanilla Exporters Association
WFP	World Food Program

INTRODUCTION

This third annual work plan covers the period from October 1, 2005 through September 30, 2006. The APEP technical team and a representative from the International Fertilizer Development Center (IFDC) conducted a work planning workshop during the week of September 12, 2005. Participants included the expatriate technical assistance (TA) team, their local counterparts, the IFDC Director of Market Development, representatives from Rural SPEED and SCOPE, Ugandan commodity sector stakeholders, and USAID. Chemonics home office PMU reviewed an early draft. Further comment was then received on the draft document submitted to USAID.

The team reviewed APEP goals and strategies, the Results Framework, and life-of-project (LOP) outputs expected from APEP. From these discussions, and progress achieved to-date, implementation strategies for each program objective were developed and key activities identified. These were then elaborated by the TA team and their local counterparts to include resource requirements, and realistic benchmarks. Comments were solicited during the workshop and after production of the draft document.

Below, we present an overview of APEP, the program organizational structure, and the Results Framework. In the section that follows, 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. There are 15 objectives.

Program Description

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 and financial services, technology transfer, and Producer Organizations (POs); and development of competitive agricultural and rural enterprises. The project is consistent with the Government of Uganda (GOU) 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. During the third work plan year, APEP will focus on the following sectors: coffee (primarily Robusta and to limited extent Arabica), cotton, grains and oilseeds, flowers, vanilla, bananas, and Northern Uganda food security crops. 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 continue to work with producer organizations to develop and strengthen 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 the project performance monitoring plan. The technical core of the project comprises four units: the Commodity Commercialization Unit, the Business Expansion Unit, the Program Services Unit, and a cross-cutting Technical Support Unit:

- The **Commodity Commercialization Unit** team 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. Portfolio A includes cotton, grains, oilseeds, and Northern Uganda food security crops; while Portfolio B includes coffee, flowers, vanilla and banana (matooke).
- The **Business Expansion Unit** offers supporting, specialized technical assistance services and coordination to the Commodity Commercialization Unit in PO management and commercialization.
- The **Program Services Unit** houses the Strategic Activities Fund (SAF) management and project administrative services.
- A cross-cutting **Technical Support Unit** covers biotechnology and biosafety, agribusiness finance, agricultural input supply and agricultural commercialization-focused research, education, and training.

The Chemonics Home Office (HO) 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. This RF encapsulates the implementation approach of APEP and is used to guide APEP work-planning and results monitoring and reporting.

At the highest level of the APEP RF is SO7—Expanded Sustainable Economic Opportunities for Rural Sector Growth. This is the project goal. While APEP contributes significantly to this goal, it does 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 SO7, APEP works 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 work-planning, we address each sub-PIR as an objective. In the following section, we present details of the FY06 work plan 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

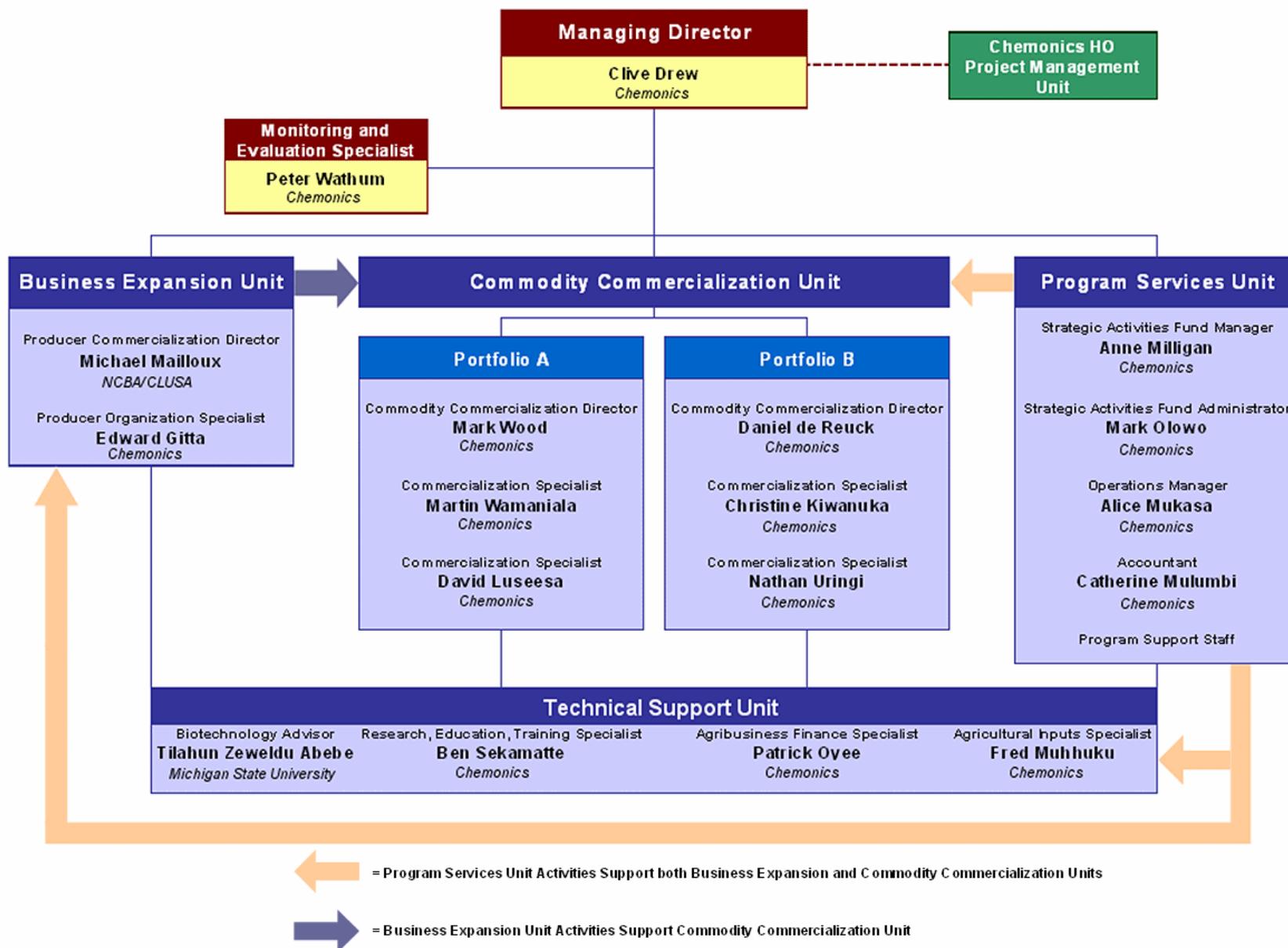
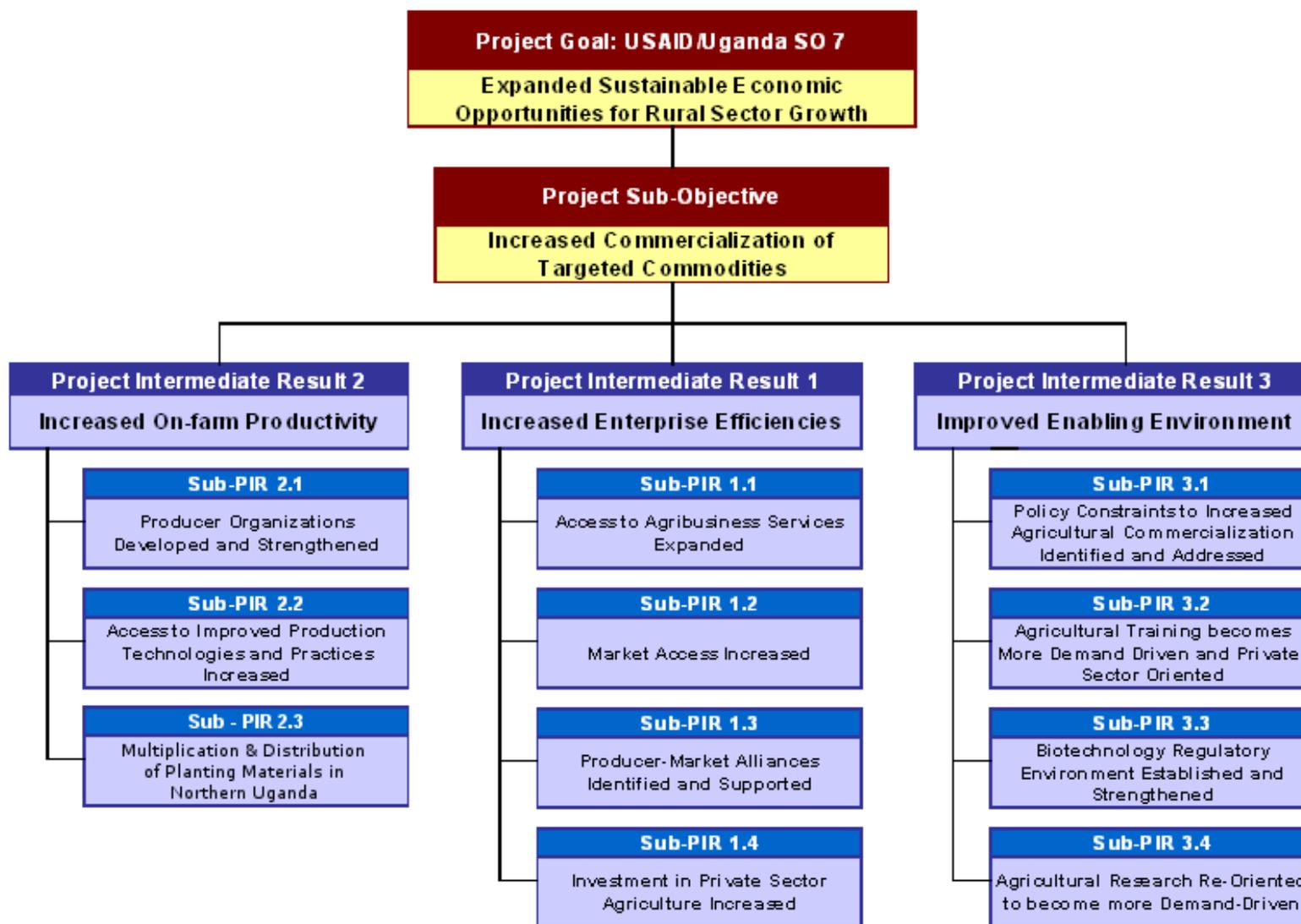


Exhibit II. APEP Results Framework



WORKPLAN 2006

PIR 1: INCREASED ENTERPRISE EFFICIENCIES

LOP 600 new off-farm enterprises

LOP 60% Change in the total gross revenue received by off-farm enterprises

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

LOP 400 Input suppliers providing services to APEP supported farmers and groups

LOP 30 Local credit service points providing commercial agricultural credit

LOP 45% Change in total amount of commercial agricultural credit provided

- **Strategy:** Increased access to agribusiness services, including input delivery and financial services, implies working on both the supply and demand sides. During the work plan year, APEP will work with individual farmers and farmer groups to promote increased use of and demand for appropriate services and inputs. APEP will also work with service providers to improve their capability to deliver quality services to clients. This will result in increasing efficiencies of market linkages that contribute to increased business efficiencies for the overall commodity chain. Particularly important will be the continued development of the rapidly changing cotton input supply systems. This intervention is critical to quality seed distribution and adoption. Activities in regard to improving access to rural finance will continue to be emphasized. This will focus on the strengthening of producer organizations, commercial farmer associations, and their depot committees.
- **Activities:** The development of input stockists will continue to be a focus under APEP. Building on the successful industry survey jointly undertaken during the last work plan year, APEP will work with Uganda National Agro-inputs Dealers Association (UNADA) to further train at least an additional 100 input stockists in basic stock handling, marketing and safe use. The stockists who have received basic instructions over the last year will benefit from a new advanced stockist training manual to be developed jointly by APEP and IFDC. This will address import issues, safe use and handling, nutrient deficiencies/crop fertilizer recommendations, etc. Stockist training will also be provided to at least 20 PO Depot Managers during the work plan year. This will ensure that information and quality training continues to raise the level of proficiency at the input supply–farmer interface.

Training in collaboration with Crop Life Africa will target 30 PO trainers in pesticide safe use and handling to enable them to pass on greater awareness of issues raised in the APEP PERSUAP in terms of safe use and handling at the stockist and producer levels. Training will also address safe use and handling of fertilizers.

All of these activities will continue to be enhanced through the production of the monthly stockist newsletter, done in collaboration with APEP subcontractor, IFDC.

Output marketing continues to be a key activity under this objective as it forms the demand side of the supply chain. To this end, focus will intensify this work plan year at the level of the Depot Committee (DC). These aggregations of POs will be better equipped to effectively negotiate, handle, store and distribute the inputs to PO members. Additionally, at least 25 Depot managers will be trained to set up and manage stock card systems to more effectively manage and account for inputs received and product moved. This will lead to increased bulk marketing agreements by the DCs.

In order to meet the needs of producers, financial service providers will continue to receive technical support to better analyze rural financial service opportunities. This support will lead to a cumulative of 25 financial service provision points (such as bank branches and UNADA credit centers) created over baseline levels. Through these service points, the expected number of bankable farmers and because of improved linkages from field to service point, the project is anticipating at least US\$800,000 in rural credit advanced by these facilities to small holder producers. Financial services will also be strengthened in collaboration with Rural SPEED at the off-take end of the chain. APEP will establish a clientele of bankable farmers (through training) and link them to credit service points.

Financial service outreach shall be expanded through appropriate advocacy and capacity building of financial service providers to benefit APEP clients that include farmers, commodity traders and agro-input dealers. Capacity building of financial institutions providing agricultural production credit shall be achieved through target commodity education, information sharing, and relevant TA.

Expansion of the amount of commercial agricultural production credit provided shall continue through the creation and development of prospective agricultural credit clientele of bankable farmers and their subsequent linkage to appropriate financial service providers. This shall involve specific financial and credit management training, loan sensitization and preliminary pre-loan appraisals of APEP supported farmers who have achieved the required technology adoption levels. The resultant bankable farmers shall then be linked to the new or already existing financial service outlets for independent assessment and consideration.

Commodity trade finance shall be expanded using the available Grain Collateral Management DCA Guarantee that was jointly designed by the USAID mission, Rural SPEED and APEP. The DCA Guarantee is expected to encourage banks to finance non-contracted grain trade. APEP shall continue to provide the vital TA in Structured Commodity and Trade Finance to Rural SPEED, the participating Banks and the qualifying traders throughout the tenure of the guarantee. In addition, APEP shall spearhead the development of support software for grain price forecasting and warehouse receipt discounting for banks to complement the DCA guarantee program. This will be in partnership with the DANIDA/ASPSII program.

Credit to APEP agro-input dealers shall continue to be promoted using the existing PL-480/ATAIN guarantee funds currently being used for the UNADA stockist credit guarantee program as well as selected agro-input supplier loan guarantees with their respective financiers.

Seed production zones for cotton have been clearly defined by the industry and Quton Seed Company (Quton) will continue to play a greater role in the seed sector this year. APEP will work with Quton to enhance the quality of seed production and processing,

with a view to total delinting of quality seed and seed treatment with product approved under the APEP PERSUAP. At least 5,000 ha of cotton seed production is expected to be handled by the private sector.

APEP TA has initiated a training program of coffee Training of Trainers in which extension agents of local private coffee exporters and the lead farmers will be equipped with necessary skills and knowledge to disseminate technical messages down to the grassroots through hands-on coffee field demonstration plots. It is anticipated that through this approach a cumulative 50,000 coffee farmers will be provided with extension support. In this undertaking, APEP through its SAF program, shall collaborate with a number of coffee exporters, including MTL, Kaweri Coffee Farmers Alliance, Ibero, Olam, Ankole Coffee Processors Ltd, UNEX (U) Ltd and Kawacom (U) Ltd.

Through the existing SAF agreement, APEP will continue to provide financial support to VANEX for the broadcast of weekly radio programs in Central and Western regions that focus on improved production, productivity and quality of Vanilla. Extension support will also be provided through 60 VANEX extension workers and demonstration sites for continuous training activities in at least three different regions of the country. APEP will collaborate with VANEX in maintaining liaison with international vanilla buyers.

- **Resources:** APEP TA, SAF, STTA, Rural SPEED, Private firms and associations, NAADS, ASPSII.

Benchmark 1.1:	At least 100 new input supply stockists (cumulative 300) trained and linked to suppliers by 9/30/2006
Benchmark 1.2:	Advanced stockists training manual produced by 3/31/2006
Benchmark 1.3:	Stockist training provided to at least 20 new PO Depot Managers (cumulative 40) by 9/30/2006
Benchmark 1.4:	Advanced safe use training provided to at least 30 new PO Trainers (cumulative 60) by 9/30/2006
Benchmark 1.5:	At least 12 agri-input stockist monthly newsletters (cumulative 21) produced and distributed by 9/30/2006
Benchmark 1.6:	At least 25 DCs conclude bulk inputs procurement agreements by 9/30/2006
Benchmark 1.7:	At least 8 new agricultural financial service provider branches (cumulative 25) providing services to APEP clients by 9/30/2006
Benchmark 1.8:	At least US\$800,000 in agricultural credit extended to APEP small holder clients by 9/30/2006
Benchmark 1.9:	At least 3 banks supported to provide structured trade finance to grain traders by 9/30/2006
Benchmark 1.10:	At least 5,000 ha cotton seed production handled by the private sector by 9/30/2006
Benchmark 1.11:	Coffee extension support provided to at least 46,000 new coffee farmers (cumulative 50,000) farmers by 9/30/2006
Benchmark 1.12:	Vanilla extension support provided in at least 3 regions by 9/30/2006

Objective 2. Increase Access to Markets

LOP 50 Agribusiness enterprises engaged in processing

LOP 100% Change in the total value of products after processing

LOP 100 Firms involved in regional and international exports of agricultural products

- **Strategy:** The strategy for this objective remains essentially unchanged during this work plan year. This objective focuses on strengthening and developing competitive marketing strategies so that Uganda's products reach local, regional, and international markets. Improved efficiency activity interventions will focus on: productivity at the farm-level; quality at the farm or business levels; and organizational efficiencies. The approach will work to link established groups of producers more directly with markets where possible, develop and implement grades and standards and 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 well as inward marketing visits. In addition to farm level support, this objective will seek to promote better quality, traceability and reliability from the farm level in order to service markets better.

Although APEP is not primarily an export-oriented project, work will continue with exporter clients to enable them meet requirements in the regional and international markets.

- **Activities:** The core activity shall be the strengthening of the production-market linkage between small scale growers (or more importantly, aggregated growers through POs and DCs). In this way, it is anticipated that a cumulative total of 40 agro-processors will have improved producer linkages during the work plan year. In achieving this, at least one specific business plan will be developed with a new entrant into the market to stimulate the establishment of specific producer market linkages.

Through APEP STTA, the coffee sector will be evaluated for national grades and standards, particularly at the level of the farmer sustainability index. Despite the fact that there are numerous standards, APEP is of the view that there is still a need to harmonize a Uganda standard along the lines of the newly released AfricaGAP by Crop Life. This will lead to the establishment of a national sustainability index and traceability applicable to Uganda conditions. APEP will continue to provide TA and financial support to Ibero (U) Ltd, Ankole Coffee Processors Ltd and Kawacom (U) Ltd to extend training to the smallholders towards productivity and compliance to sustainability standards. At least 7,000 smallholder coffee farmers are expected to comply with the sustainability standards.

With SAF support, UFEA will continue to provide useful market information and analysis and disseminate information through various sources, including their website. Figures showing monthly export volumes for roses and chrysanthemum cuttings and an update of the activities within the flower industry are part of the reports. At least 10 market analysis reports shall be produced and disseminated during the work plan year.

APEP TA, together with VANEX, will maintain a database of international buyers liaising with them regularly to keep them informed of the industry developments. VANEX shall

provide bi-monthly market information and, where appropriate, disseminate it through its website and other sources.

In order for Uganda vanilla to remain competitive in the international market, a guideline to the growers, processors and exporters with reference to quality during production and processing has been laid down in the vanilla Code of Practice (CoP). Continuous training in implementation of the CoP will be extended to vanilla growers and processors through VANEX. Adherence to these guidelines will benefit the industry in relation to quality and market acceptability.

In working with the producer market chain, a cumulative 60 exporter firms will be supported. These firms include those working to supply the World Food Program (WFP) with food grains and emerging opportunities in regional trade in rice and vegetable oil. It is anticipated that WFP will become more fully engaged in the concept of a rural processing hub during the work plan year. Although no specific benchmarks have been framed, it is possible that at least three rural processor hubs will be created in partnership with Rural SPEED, UGTL, APEP and WFP.

- **Resources:** APEP TA, STTA, Rural SPEED, international trading houses, SAF, and Uganda exporter associations.

Benchmark 2.1:	Technical and market linkage support provided to at least 5 new agro-processors (cumulative 40) by 9/30/2006
Benchmark 2.2:	Technical guidance provided to 1 new agribusiness firm to develop production, sourcing and marketing plans by 9/30/2006
Benchmark 2.3:	Coffee sustainability market standards for Uganda small holders harmonized and utilized by at least 7,000 farmers by 9/30/06
Benchmark 2.4:	At least 10 flower market analysis reports produced by 9/30/2006
Benchmark 2.5:	At least 6 vanilla market analysis reports produced by 9/30/2006
Benchmark 2.6:	The Vanilla Code of Practice implemented and adopted by 9/30/2006
Benchmark 2.7:	At least 30 new exporter firms (cumulative 60) assisted by 9/30/2006

Objective 3: Identify and Support Producer-Market Alliances

LOP 25 APEP supported firms managing outgrower schemes

LOP 125,000 Farmers involved in integrated outgrower schemes

- **Strategy:** This objective focuses on fostering linkages between producers and the rest of the commodity market chain. APEP will continue work in two main areas, at the business or large association level, and at the producer level through DC and PO

commercialization to build producer-market linkages. Quality standards, buyer requirements, and other market chain support activities will be emphasized. The strategy will focus on individual commodity chains and clusters and link the various partners in the supply chain in order to forge formal or semi-formal marketing alliances. The intensity of the market linkages or alliances will depend on the nature of the commodity and the potential existing for significant contract arrangements. The strategy will focus on established linkages created over the past 2 years to take lessons learned and make necessary modifications. The project will also evaluate possibilities in multiple channel markets such as rice and conventional sesame, where dedicated outgrower linkages remain significant challenges. Lessons learned from cotton, coffee and sunflower – all crops with similar multiple channel risks to formal outgrower schemes, will be identified.

- **Activities:** With SAF support from APEP, coffee farmers in collaboration with outgrower scheme (OGS) companies such as Kaweri Coffee Farmers Alliance will continue to work to refine their respective POs and improve linkages with coffee exporters. This activity will include farmer registration, targeted extension activities, input supply and output procurement field support programs. APEP will collaborate with RATES and SCAA in Arabica coffee specialty training programs for the Uganda small coffee holders through regional and global coffee market information. Through this activity, at least 50,000 coffee growers will be more closely linked with coffee processors and exporters. APEP will promote and facilitate the establishment of exporter's field site-coordination through which there will be joint management of training, marketing, monitoring and evaluation of smallholders' coffee- exporter relationships.

The cotton sub-sector, although suffering a decline in grower confidence due to price reduction in 2005, will continue to receive support in strengthening producer-market alliances. It is estimated that 120,000 growers will be supported by the industry through provision of extension services in partnership with APEP and others.

The Mukwano oilseeds outgrower program will receive support in terms of consolidation work through PO strengthening as well as the newly designed Rural Buying Centre Model in conjunction with ASPSII. It is anticipated that at least 5 rural buying centers will be established through this partnership. This will result in at least 15,000 growers continuing to engage in the Mukwano relationship.

General conventional sesame work will continue in West Nile in conjunction with the Dutch Partnership Fund and the Uganda National Farmers Federation (UNFFE). Specific targeted work will continue through two well-established organic sesame exporters – Shares (U) Ltd and Outspan Enterprises, both operating in Apac and Lira districts. Outspan Enterprises will also be supported with its activities in Kaberamaido district. It is anticipated that at least 8,000 existing sesame farmers will be linked to these exporters.

Seed growers will continue to receive support and during the work plan year will be joined by a specific group of cotton seed growers. It is anticipated the Quton will begin to take a firm stand in the cotton seed production system, in advance of full privatization of the seed supply in the years to come. APEP will partner with Quton in this activity. An estimated 4,000 seed growers are expected to be linked to 5 seed marketing firms.

Although rice has multiple marketing channels, APEP will work with at least two rice processors, Savannah Foods and Sunrise Commodities, to link some 3,000 farmers in Masindi, Luwero, Kabarole, Kyenjojo and Kamwenge districts.

Maize growers, although not receiving demonstration support during this work plan, will receive targeted commercial training to enhance uptake of new varieties and

technologies, particularly conservation tillage practices. It is expected that at least 500 commercial maize farmers will be trained during the work plan year.

Barley has been receiving support by APEP, in partnership with Uganda Breweries Ltd (with UBL contributing 34% of the program cost) and UGTL, working with the Kapchorwa Commercial Farmers Association and its attendant DCs. During the work plan year, APEP will continue to play its role as technical and facilitating partner with at least 1,000 barley producers being linked to one agribusiness enterprise, UBL.

- **Resources:** APEP TA, STTA, SAF agreements, PL-480 Title II, regional USAID programs, private firms and associations.

Benchmark 3.1:	At least 36,000 new assisted coffee farmers (cumulative 50,000) linked with coffee exporters by 9/30/2006
Benchmark 3.2:	At least one training event in specialty coffee conducted in collaboration with RATES and SCAA by 9/30/2006
Benchmark 3.3:	At least 50,000 new APEP assisted cotton farmers (cumulative 120,000) linked with cotton ginners by 9/30/2006
Benchmark 3.4:	At least 15,000 existing APEP assisted sunflower farmers engaged with at least 1 sunflower processing firm in OGS by 9/30/2006
Benchmark 3.5:	At least 5 sunflower rural buying centers established under ASPSII/Mukwano partnership by 9/30/2006
Benchmark 3.6:	At least 8,000 existing APEP assisted sesame farmers engaged with at least 2 sesame exporting firms by 9/30/2006
Benchmark 3.7:	At least 3,000 new APEP assisted seed growers (cumulative 4,000) linked with 5 seed marketing firms by 9/30/2006
Benchmark 3.8:	At least 3,000 existing APEP assisted rice growers linked with 2 rice processors by 9/30/2006
Benchmark 3.9:	At least 500 commercial maize farmers trained in commercial technologies by 9/30/2006
Benchmark 3.10:	At least 1,000 barley producers linked with 1 agribusiness enterprise by 9/30/2006

Objective 4. Increase Investment in Private Sector Agriculture

LOP US\$6,000,000 in resources leveraged by APEP

LOP 125 Public/Private partnerships developed by APEP

- **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. During the third work plan year, APEP will continue to provide the catalyst to such investments, promoting and actively seeking out opportunities for

investment in the selected commodity sectors. Investments may take the form of new installations/plants, expansions, improvements in processing capacity, or general value addition activities. The bulk of the leveraged investment comes through the SAF partnership where partners, stimulated by SAF support, invest their own resources. Additional investment comes from clients taking the next steps to invest additionally beyond the initial SAF partnership. This will continue to be realized as the project matures. Resource leveraging and private sector investment will be additionally seen as APEP leverages other donor resources in support of private sector activities. It is anticipated that NAADS and the Dutch Government will support APEP activities by direct contribution to private sector partners.

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 (STTA), to assist in the identification of investment 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 firms, financial institutions, technical service providers and international markets.

- **Activities:** APEP in collaboration with the coffee industry will continue to support the promotion of value-added green coffee through central pulping stations. APEP will provide TA and financial assistance to facilitate a smooth and efficient cherry-collection system and provide technical training to increase the quantity and quality of at least one collection system in Robusta and Arabica regions. At least 2 new investments are expected in the coffee sub-sector.

The cotton seed company, Quton, will receive APEP TA as it continues its operation. APEP TA will also collaborate with at least 2 newly established cotton ginneries in order to develop their production and procurement programs in conjunction with the zone leadership.

At least 2 new rice mills by Mukwano and Rwenzori Upland Company are expected to be installed during the work plan year. The two companies will receive technical support and market linkage by APEP. It is anticipated that there will be at least one significant new investment in seed production and processing.

Through the SAF, APEP will support Pearl Flowers in the establishment of a higher altitude rose production facility in Ntungamo. It is hoped that this investment will enable Uganda to compete directly with neighboring Kenya, Ethiopia and Tanzania.

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

Benchmark 4.1:	At least 2 new investments (cumulative 6) in the coffee sector in place by 9/30/2006
Benchmark 4.2:	At least 2 new investments (cumulative 4) in the cotton sector in place by 9/30/2006
Benchmark 4.3:	At least 2 new investments (cumulative 4) in the grains sector in place by 9/30/2006

Benchmark 4.4: At least 1 new investment (cumulative 2) in the agri-inputs sector in place by 9/30/2006

Benchmark 4.5: At least 1 new investment (cumulative 2) in the flowers sector in place by 9/30/2006

PIR 2. INCREASED ON-FARM PRODUCTIVITY

LOP 33% change in value per unit of targeted commodities marketed

Another important pre-requisite to achieving the project sub-objective of increased commercialization of targeted commodities is the transformation of a significant number of Ugandan 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 value through improved harvest and post-harvest techniques and product transformation. Initiatives for multiplication and distribution of planting materials in Northern Uganda are included in this PIR. Objectives 5, 6 and 7 are designed to generate results that contribute to the achievement of PIR 2.

Objective 5. Strengthen and Develop Producer Organizations

LOP 200 Depot Committees developed and strengthened

- **Strategy:** APEP will continue to focus on six main areas to address weaknesses and constraints facing POs and their secondary tier DCs. These will emphasize PO and DC management training, contracting for specialized services, farmer-to-farmer extension, membership management and incentives, credit management and savings, developing capacities to handle bulk procurement of inputs and bulk marketing. Greater emphasis will also be placed on getting both POs and their DCs to open up and manage commercial bank accounts. This will be very important for both security and transparency reasons as larger volumes of crop are marketed through the DCs. During the period addressed by this work plan, APEP will further strengthen the existing POs and will place a stronger emphasis on secondary structure DC strengthening. Expansion into new geographic areas will be reduced this coming year as we seek to consolidate and further strengthen the existing POs and their DCs. Both POs and their DCs will achieve greater economies of scale through bulk marketing and bulk input supply activities. An emphasis will also be placed on internal expansions. POs that do not have 25-30 members will, with the assistance from the 28 PO Trainers (POTs), effectively screen and add new farmers. Furthermore, DCs who have less than 10 PO members will also be assisted in their drive to screen and add new PO members. APEP will continue to work with POs in the North, as the security situation permits.

It should be noted that Objective 5 and Objective 3, "Identify and Support to Producer-Market Alliances" go hand-in-hand as the commercialization of POs and their DCs is a critical means towards the development and strengthening of successful POs.

- **Activities:** PO Trainers will participate in technical production training that will be conducted by APEP Commercialization Specialists and the Agricultural Input Specialist. The PO Trainers will also provide technical training and support to POs and their DCs. Continued Depot Committee formation and training will include management, financial

and bookkeeping systems. More emphasis during the work plan year will focus on POs and DCs building up future working capital in order to have the capital reserves necessary for them to continue to carry out their economic activities after formal technical assistance from APEP has finished. New and existing Depot Managers will also continue to receive bulk input supply and marketing training. Some Depot Managers will also receive advanced technical training in safe use, handling and storage of agricultural inputs. This TA will be conducted by the APEP Agri-inputs Specialist.

Farmer groups will be trained and encouraged to conduct bulk input supply and marketing activities. To this effect at least 200 coffee POs, 250 cotton POs and 250 grains POs shall be trained and encouraged to undertake bulk input procurement and produce marketing. At least 70 DCs shall be trained and encouraged to conduct bulk input supply and marketing activities, while 25 DCs shall be assisted to have formal buyer contracts.

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

Benchmark 5.1: At least 160 new coffee POs (cumulative 200) trained and conducting bulk input supply and marketing activities by 9/30/2006

Benchmark 5.2: At least 200 new cotton POs (cumulative 250) trained and conducting bulk input supply and marketing activities by 3/31/2006

Benchmark 5.3: At least 210 grains POs (cumulative 250) trained and conducting bulk input supply and marketing activities by 9/30/2006

Benchmark 5.4: At least 60 new Depot Committees (cumulative 70) trained and conducting bulk input supply and marketing activities by 9/30/2006

Benchmark 5.5: At least 25 Depot Committees assisted to have formal buyer contracts by 9/30/2006

Objective 6. Increase Access to Improved Production Technologies and Practices

LOP 150,000 producers using 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 formed 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. Each demonstration site will continue to focus strategically on the “see the difference” principle, with unit cost of production as the foundation of technology support and adoption. APEP will continue to support activities such as the field demonstration programs for targeted commodity enterprises. Analysis of data from demonstration activities will be carried out for the various commodities, and disseminated.

Initial screening of POs will, in certain cases, continue to dictate placement of demonstration sites for APEP-supported commodities. For commodities such as cotton, where PO development is limited, lead farmer selection will be the determinant in site selection in conjunction with the private sector.

Due to funding constraints, there will be a considerable reduction in demonstration activity for several of the commodities, cotton and grains in particular. A strategy will be to seek other collaborators to join in the demonstration programs.

- **Activities:** APEP, in collaboration with the coffee industry, will promote the production and export of “natural washed coffee” which demands a higher premium than natural processed coffees. Jointly with a private coffee exporter through the SAF, appropriate smallholder natural washed coffee machinery will be procured for a pilot project.

APEP will continue to work with Coffee Research Institute (CORI) as well as the industry to review the current artificial fertilizer recommendations for coffee so they better address the crop requirement and corresponds with the nutrient requirements. Through the SAF, APEP will provide financial support for collaborative work with the International Institute for Tropical Agriculture (IITA) on improved fertilizer recommendations in banana and banana-coffee cropping systems.

APEP TA in collaboration with the industry and local authority extension staff will promote, through 500 demonstration sites, combinations of both affordable inorganic and available organic fertilizers to help farmers make balanced and cost-effective decisions about how to best manage soil fertility. At least 20,000 coffee farmers are expected to be exposed to these practices through this activity.

APEP will also work with ginneries to refine their farmer registration process and field support programs. Through 2,000 demonstration sites, at least 50,000 cotton farmers will be exposed to improved production techniques.

In collaboration with Mukwano Agro Industries, APEP will provide technical support to at least 20,000 farmers through 1,000 sunflower demonstration sites. Activities will include holding field days, field visits and local training events.

Upland rice will continue to receive support through training and demonstration of a refined upland rice technology package to the farmers. A farmer extension guide for upland rice production in Uganda shall be produced. APEP will collaborate with Sasakawa Global 2000 and NAADS. Additionally, APEP TA, through private companies and NAADS will evaluate two rice production technologies. The rice planter to assist farmers in planting rice in lines will be tested, modified and promoted to farmers. At least 20,000 rice farmers are expected to be exposed to improved production techniques through 600 demonstration sites.

APEP will work with Outspan Enterprises and Shares (U) Ltd to establish 400 sesame demonstration sites in Lira, Apac and Kaberamaido. Through these sites at least 8,000 farmers will be exposed to improved sesame production techniques.

Through SAF support, VANEX will maintain the 60 vanilla demonstration sites. Monthly training in improved production techniques will be conducted by the 8 regional coordinators and 60 extension workers. Through these vanilla outreach programs, and other avenues, at least 15,000 vanilla producers will be exposed to improved production techniques.

Training of at least 10,000 banana producers will continue at over 200 demonstration sites and other avenues. The improved production techniques will incorporate improved farming practices such as improved sucker management, rapid multiplication of clean planting materials, control of BBW and improved fertilizer recommendations taking into account the different agro-ecological zones. APEP will continue to attend meetings of the BBW task force and provide technical support as appropriate. In conjunction with the BBW working group, APEP will distribute at least 40,000 BBW posters to various banana growing areas, reaching at least 40,000 banana producers.

APEP, through the SAF, will continue to provide financial support to the Rwenzori Vanilla Growers Association in Bundibugyo district to train farmers in improved production techniques of cardamom. At least 700 cardamom farmers will be exposed to these practices during the work plan year.

APEP in collaboration with National Agricultural Research Organization (NARO) and Makerere University (MUK) with support from IFDC will focus on updating and refining fertilizer recommendations for sunflowers and rice, while taking into account the different agro-ecological zones where these commodities are grown. Recommendations refined last work plan year will be put into practice through demonstration activity. Issues of environmental concern identified in the APEP IEE will be investigated and incorporated into recommendations.

APEP will continue to leverage resources by collaborating with other donors to support direct field intervention. It is anticipated that Dutch Development funding, through Uganda National Farmers Federation and NAADS, will be forthcoming this year. After having advanced improved technologies for a number of seasons, APEP will refine its M&E activity under this objective to reflect collaborating farmer adoptions as well as any multiplier effects noticed. This will impact the LOP target of producers *using* production technologies. At least 80,000 farmers are expected to have adopted APEP-demonstrated improved technologies by the end of the work plan year.

- **Resources:** APEP TA, SAF, private firms, NAADS, Commercialization teams, STTA, donors.

Benchmark 6.1:	At least 1 new coffee processing technique (cumulative 2) introduced and evaluated by 9/30/2006
Benchmark 6.2:	Improved coffee fertilizer recommendations submitted by IITA by 9/30/2006
Benchmark 6.3:	At least 20,000 existing coffee farmers exposed to improved production techniques through 500 demonstration sites by 9/30/2006
Benchmark 6.4:	At least 50,000 existing cotton farmers exposed to improved production techniques through 2,000 demonstration sites by 9/30/2006
Benchmark 6.5:	At least 20,000 sunflower farmers exposed to improved production techniques through 1,000 sunflower demonstration sites by 9/30/2006

Benchmark 6.6:	At least 20,000 existing upland rice farmers exposed to improved production techniques through 600 upland rice demonstration sites by 9/30/2006
Benchmark 6.7:	At least 8,000 existing sesame farmers exposed to improved production techniques through 400 sesame demonstration sites by 9/30/2006
Benchmark 6.8:	At least 15,000 existing vanilla growers exposed to improved production techniques through the vanilla outreach program 9/30/2006
Benchmark 6.9:	At least 1 new improved banana farming practice (cumulative 3) disseminated by 9/30/2006
Benchmark 6.10:	At least 10,000 existing banana farmers exposed to improved production techniques through 200 banana demonstration sites by 9/30/2006
Benchmark 6.11:	At least 40,000 BBW posters distributed to various banana producing districts, reaching an estimated 40,000 banana farmers by 9/30/2006
Benchmark 6.12:	At least 700 cardamom farmers exposed to improved production techniques by 9/30/2006
Benchmark 6.13:	Refined fertilizer recommendations developed for at least 2 key APEP commodities by 9/30/2006
Benchmark 6.14:	At least 40,000 additional farmers (cumulative 80,000) adopting APEP demonstrated improved technologies and practices by 9/30/2006

Objective 7. Multiplication and Distribution of Planting Materials in Northern Uganda

LOP 20 tons of certified finger millet and sorghum seed distributed

LOP Planting materials multiplied and distributed from 200 acres of mother gardens in Northern Uganda

- **Strategy:** This objective commenced in 2005 as a supplemental activity when prospects for peace in Northern Uganda looked promising. The strategy adopted by APEP was to insure availability of quality planting materials for reintegrating Internally Displaced Persons (IDPs). Under its resource envelope, APEP procured 8 tons of certified finger millet seed and 12 tons of certified sorghum seed. APEP also established 100 acres each of mother gardens of improved cassava and sweet potato varieties. Distribution of sweet potato vines commenced in September 2005. Much is predicated on cessation of hostilities, but at least in the interim, something can be accomplished.

- **Activities:** During FY06 APEP will continue to hold the 20,000 kg finger millet and sorghum seed, and work out a program with NGO partners for planting it when rains commence in 2006. There is sufficient seed to plant approximately 4,000 acres.

The program for sweet potato is to distribute up to 30,000 bags, approximately 30,000,000 sweet potato vines, from the mother garden in 2005/06. This will be sufficient to plant approximately 2,000 acres of sweet potato.

The program for the slower maturing cassava cuttings will commence after the first rains are established in 2006. Field conditions look very good, but it is difficult to project the volume of cuttings, but we do plan to distribute all the cuttings from the 100 acres of mother gardens, estimated at 8,000,000 sticks, sufficient to plant 1,600 acres of cassava.

A major activity will be mobilizing NGOs to have recipient families prepare their gardens for planting these materials at the start of rains in 2006, so a full harvesting and distribution campaign can be launched.

- **Resources:** APEP TA, NGOs, Donors

Benchmark 7.1:	8,000 kg finger millet seed distributed by 5/30/2006
Benchmark 7.2:	12,000 kg sorghum seed distributed by 5/30/2006
Benchmark 7.3:	30,000 bags sweet potato vines distributed by 5/30/2006
Benchmark 7.4:	Cassava cuttings from 100 acres mother garden distributed by 5/30/2006

PIR 3. IMPROVED ENABLING ENVIRONMENT

LOP 10 Key policy and institutional constraints alleviated

To support activities carried out under PIRs 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 8 to 11 are designed to generate results that contribute to the achievement of PIR 3.

Objective 8. Identify and Address Agricultural Policy Constraints

LOP 15 Key policy constraints addressed

- **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 expert opinion, guidance, and issue profiles. 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:** Considerable progress has been made in moving the seed industry to be private sector run while still having government regulated seed inspection services. The recent support from the Commissioner of Crop Protection in this development is significant. It is essential that activities focus on bringing to fruition the public-private partnership in terms of seed inspectorate. In support of this activity, APEP, ASPSII and others will work together to develop, refine and implement the required training process and see that the final product is harmonized with both the ISTA and OECD accreditation processes already underway.

Rice production is increasing dramatically and policy issues remain. These include EAC member adherence to the Common External Tariff (CET) arrangement as well as quality standards as they pertain to local and regional market development. It is anticipated that these two issues will be resolved during the work plan year. APEP will provide technical input as appropriate.

In support of the quality standards, a national awareness campaign will be carried out in collaboration with field partners to ensure sensitization of producers, processors, traders and consumers on quality (including quality aspects/management and quality rewards). Should these issues remain unresolved, it is likely that the tariff protection will break down and development of the rice industry will be hampered.

- **Resources:** APEP TA, STTA, Donors, GOU, Private sector.

Benchmark 8.1:	STTA provided to private sector seed inspectors in partnership with ASPSII to develop training manuals by 9/30/2006
Benchmark 8.2:	TA provided in compiling rice quality standards developed and presented to EAC policy makers by 9/30/2006
Benchmark 8.3:	TA provided in support of common external tariff agreements at EAC level by 9/30/2006

Objective 9. Stimulate Demand Driven Commercial Agricultural Training

LOP 200 Individuals completing internships with private sector firms

LOP 365,000 Individuals trained in private sector agriculture disciplines

- **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 will continue to assist the GOU agencies and institutions to 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 continue to be sought out and developed for each commodity sector under APEP with special attention given to the training of seed growers and inspectors from the private sector.

The internship program that has to date placed 100 students with local agribusinesses will be continued during the work plan year. Fifty (50) Makerere University Faculty of

Agriculture (MUFA) interns will be screened and selected using the same criteria from previous years. Interns will be placed in time for full completion of the third round of private sector internships by June 2006.

Based on an action plan developed by previous STTA work, APEP in conjunction with Cotton Development Organisation (CDO), Uganda Ginners and Cotton Exporters Association (UGCEA), and Ministry of Education and Sports (MOES), will work to raise 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 and other stakeholders involved in technology transfer activities, as well as ginnery management and operation.

At least 5 seed company personnel shall attend short courses on seed technology and related industry concerns.

During the work plan year, APEP will implement its formal educational plan with MUFA. By March 2006, three PhD candidates will be placed at US universities. The candidates will remain in the US for one year and then return to MUK to continue their PhD research under this "sandwich program." APEP will fund the MSc scholarships at MUFA and the Visiting Professor program will be implemented. Also through this partnership with MUFA, APEP will support the publication of the proceedings from the 7th African Crop Science Conference, which is scheduled in Entebbe, 5– 0th December, 2005.

The current collaboration with UFEA will continue throughout the third year and at least 16 individuals will complete the Applied Tropical Floriculture course. This course will feature intensive on-farm training activities in Uganda, Kenya and the Netherlands.

Several local short-term training of farmers and extension agents will be conducted across all the APEP commodity sub-sectors. Through these informal training events, a cumulative total of 200,000 participants will be trained in various agricultural disciplines.

APEP will also provide training to selected bank staff involved in agricultural lending to enhance their efficiency in agricultural production lending. This shall be done in collaboration with Rural SPEED, where at least 20 agricultural bank staff will be trained in agricultural lending.

Following on from the IEE, environmental management modules will be developed and implanted through all commodity technology transfer mechanisms. In response to the recommendations made under the APEP PERSUAP, at least 6 pesticide safe-use trainings shall be conducted across all commodity chains. Following a recent consultancy for PRIME/W, APEP will develop new guidelines for input use around protected areas. The agreed guidelines will be used to develop joint activities with UWA in consultation with PRIME/W.

- **Resources:** APEP TA, Rural SPEED, STTA, SAF, MUFA faculty, UWA, PRIME/W, Private sector.

Benchmark 9.1:	50 new MUFA internships (cumulative 150) placed with private firms and public sector institutions by 9/30/2006
Benchmark 9.2:	Expanded training program implemented at the Busiitema Cotton Training Centre in collaboration with UGCEA by 9/30/2006

Benchmark 9.3:	At least 5 seed company personnel attend short courses on seed technology by 9/30/2006
Benchmark 9.4:	3 PhD candidates placed at US universities by 3/31/2006
Benchmark 9.5:	5 MSc candidates placed at MUK by 3/31/2006
Benchmark 9.6:	110 MUFA staff and students complete “faculty on wheels” study tour by 7/31/2006
Benchmark 9.7:	2 guest professors complete attachments to MUFA by 9/30/2006
Benchmark 9.8:	2 MUFA staff complete retooling short courses by 9/30/2006
Benchmark 9.9:	African Crop Science Conference proceedings published by 3/31/2006
Benchmark 9.10:	At least 16 new participants (cumulative 32) from floriculture industry complete the Applied Tropical Floriculture course by 6/30/2006
Benchmark 9.11:	At least 200,000 participants locally trained in various agricultural disciplines through APEP’s training events by 9/30/2006
Benchmark 9.12:	At least 20 agricultural bank staff trained in agricultural lending practices by 9/30/2006
Benchmark 9.13:	APEP technology packages realigned to address IEE concerns by 9/30/2006
Benchmark 9.14:	At least 6 pesticide and fertilizer safe-use trainings conducted by 9/30/2006

Objective 10. Establish and Operationalize Biotechnology Regulatory Environment

LOP 3 Biotechnology and Biosafety regulations improved

LOP Biosafety committee has capacity to review applications for trials

- Strategy:** Biotechnology applications in agriculture have the potential to maximize productivity. Biotech crops can increase productivity, reduce pesticide, fuel, and water usage, promote commercialization of smallholder agriculture, and tackle nutrition issues in malnourished communities. APEP activities in biotechnology are supported by other initiatives, including the Program for Biosafety Systems (PBS) and Agricultural Biotechnology Support Program II (ABSPII). APEP TA activities will focus on three areas of biotechnology support. These include the strengthening of the biotechnology and biosafety regulatory and policy framework; strengthening of the National Biosafety Committee (NBC); and provision of managerial, technical and financial support to agricultural biotechnology research and technology transfer undertakings in Uganda.

- **Activities:** Biotechnology and biosafety related activities shall include short term training in biosafety and biotechnology regulatory systems in order to build capacity at national and institutional levels; strengthen the NBC through training; and strengthen the National Biosafety Secretariat through the ongoing SAF support and APEP TA.

APEP/Michigan State University (MSU) will fund the participation of one member of the NBC in biosafety short-course training at MSU.

APEP shall assist in the development of biotechnology and biosafety communication and outreach activities, and the organization of biotech study tours for relevant stakeholders, which may include representatives of civil society, policy makers, legislators, scientists, journalists, farmers, processors, traders and consumers. This activity will be carried out in collaboration with PBS-Uganda and other partners.

Research and technology transfer activity under APEP will provide collaborative and coordinating support towards effective implementation of biotechnology research and technology transfer activities in Uganda. APEP shall serve as a catalyst in providing support for technology transfer opportunities such as GM cotton. APEP will build on the initiatives of the cotton stakeholders by providing assistance on proposal preparation and negotiation documents for technology transfer of *Bt* and herbicide tolerant (HT) traits. The target is to have confined field testing underway in FY06.

- **Resources:** APEP TA, STTA, SAF, Donors, GOU, NARO, UNCST, ABSPII-Uganda, PBS-Uganda, local and international public and private sector institutions, multinational biotech firms.

Benchmark 10.1:	Technical and financial assistance provided towards strengthening the National Biosafety Secretariat at the UNCST by 9/30/2006
Benchmark 10.2:	Technical assistance provided towards final approval of national biotechnology and biosafety policy and regulatory framework by the Uganda Government in collaboration with PBS and UNCST by 9/30/2006
Benchmark 10.3:	At least 1 participant sponsored for biosafety short course training at MSU by 9/30/2006
Benchmark 10.4:	One communications/outreach module developed and disseminated in collaboration with PBS-Uganda by 9/30/2006
Benchmark 10.5:	GM Cotton technology transfer and confined field testing started by 9/30/2006
Benchmark 10.6:	One external study tour completed for key biotech stakeholders in collaboration with PBS-Uganda by 9/30/2006

Objective 11. Stimulate Demand Driven Agricultural Research

LOP 25 Research contracts implemented by public sector

- **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. APEPs mandate is to help in this process. APEPs 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:** Through NARO, the private sector, CDO and Quton, an assessment of the seed quality problems with special reference to poor germination and the spread of cotton wilts will be undertaken. To conform with the pesticide replacement schedules in the PERSUAP, APEP and NARO will conduct field-screening trials to identify alternative cotton pesticides. In addition the practice of IPM will be implemented through the expanded training program at Busitema in order to address PERSUAP requirements. It is expected that at least 2 cotton research contracts shall be established to address the PERSUAP requirements.

Through the SAF, APEP will support IITA to carry out research that will focus on increasing the profitability of bananas through improved agronomic management practices. Another research contract with IITA will focus on disseminating new banana hybrids to farmers. Furthermore, SAF will support INIBAP to carry out on-farm research on assessing Banana Bacterial Wilt control options.

APEP and the coffee industry have identified drying during rainy seasons as one of the major constraints. APEP will provide, through the SAF, support to a service provider to develop a sustainable simple and appropriate technology based on available local source of energy for drying coffee.

APEP will assist the coffee-banana smallholders to achieve optimum banana production to ensure food security and to supplement their income. Through the SAF, APEP in collaboration with IITA and CORI, will undertake research activities to identify opportunities and constraints for improvement of the coffee-banana intercropping system. The APEP supported research on soil fertility within banana and coffee cropping systems will be implemented. As bacterial wilt on a variety of crops is becoming a serious threat, additional research opportunities will be explored in coffee, banana and cotton.

Research in flowers will focus with on-farm trials of rose varieties at a higher altitude. The purpose of the project is to set up a small trial greenhouse of different rose varieties to determine which perform the best.

Grain research contracts for 2006 will include a NARO-private sector collaborative evaluation of new sorghum, upland rice, sunflower and sesame hybrids as well as evaluation of bird repellants in sunflower and rice. On-going work at SAARI will be intensified with a view to identifying suitable hybrid sunflower varieties that can be demonstrated through established partnership with Mukwano. These evaluations of new sunflower hybrids are also justified in light of recent disease attacks that threaten the crop. APEP under its technology transfer mechanism will evaluate one rice herbicide and one bird repellent pesticide.

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

Benchmark 11.1: At least 2 cotton research contracts addressing PERSUAP requirements established by 9/30/2006
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Benchmark 11.2:	At least 3 new banana research contracts established by 9/30/2006
Benchmark 11.3:	2 coffee research contracts established by 9/30/2006
Benchmark 11.4:	1 new flowers research contract established by 9/30/2006
Benchmark 11.5:	1 sunflower research contract through technology transfer partnership established by 9/30/2006
Benchmark 11.6:	At least 2 new rice production technologies tested by 9/30/2006

PROGRAM MANAGEMENT

Project Management, Monitoring and Evaluation are integral parts of the project. There are four essential components to APEP management: SAF management, environmental compliance, 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 APEPs eligibility and evaluation criteria, as well as contribute to project results.

Objective 12. Implement an Effective SAF Program

- **Strategy:** By leveraging SAF resources, APEP will continue to target opportunities for strategic intervention with clients and partners. The technical team and SAF manager will identify activities within APEPs commodity portfolio that will contribute to the program's overall objective. SAF awards will be issued and governed according to the procedures established in the SAF Instruction Manual and the SAF Operations Manual. In addition to developing cost-sharing relationships with clients, the SAF manager will also foster strategic alliances with private sector partners. Practically all of the SAF envelope will be committed during the work plan year.
- **Activities.** Throughout the upcoming period, the SAF office will continue to work with SAF clients to ensure that existing programs are effectively carried out to completion. The SAF manager, assisted by the SAF administrator, will monitor the progress of ongoing activities through client site visits and technical and financial reports. As SAF agreements are completed, the SAF office will adhere to USAID policies and procedures in order to close-out each contract.

The SAF office and technical team will continue to review and evaluate applicant proposals as they are received. The SAF manager and administrator will work with applicants to develop substantive proposals that are results oriented and focused on achievable benchmarks.

- **Resources.** APEP TA, SAF clients, donor partners, USAID CTO/CO.

Benchmark 12.1: SAF activities report submitted by 10/31/2005 and 4/30/2006

Benchmark 12.2: At least \$3,500,000 of SAF committed by 9/30/2006

Benchmark 12.3: Annual Program Statement published by 3/31/2006

Environmental Compliance

As per the contract Section 3.3 and in accordance with 22 CFR 216, Chemonics shall include in the annual work plan a section on environmental compliance that outlines the mitigation plan for the work plan year for all activities that were identified in the IEE as having a negative determination with conditions.

Objective 13. Implement and Maintain an Environmental Compliance and Mitigation Plan

- **Strategy:** As guiding documents, APEP has a an Initial Environmental Examination (IEE) with categorical exclusions and a negative determination with conditions that apply to: pesticide use, requiring a Pesticide Evaluation Report and Safer Use Action Plan (PERSUAP); fertilizer inputs; biotechnology applications, including biosafety; introduction of new seed varieties; training on safe use of pesticides and fertilizers; and an environmental review process for SAF awardees. These include mitigation and monitoring measures. Environmental compliance cuts across all IRs and sub-IRs and this objective synthesizes the reporting.
- **Activities:** The PERSUAP has been drafted, in conjunction with other SO7 partners, PRIME/W and Title II partners. It will be finalized in the early part of the work plan year, by December 2005. APEP received a waiver to procure commercial fertilizers for demonstration plots.

Under Objective 10, biotechnology, a benchmark is the establishment of confined field trials with GM cotton during the work plan year. All regulatory approvals will be documented.

Introduction of any new seed varieties, in many cases, will be NARO varieties. Introduction of new candidate varieties, such as sunflower hybrids and NERICA rice, will be carried out in concert with NARO and MNCs and private sector partners. Documentation of approval of new varieties through the Variety Release Committee (VRC) will be obtained before such varieties are promoted by APEP through demonstrations, input stockists or private sector partners.

Training on IPM and safe use of pesticides and fertilizers will be conducted and recorded in APEPs training log for activities carried out with farmers, POs, DCs and input stockists.

All of the APEP SAF awardees complete an Environmental Review Form. During the course of the work plan year, all awardees activities will be inspected during the normal course of delivering TA to determine compliance with environmental and mitigating actions, and if any additional environmental issues have arisen, including appropriate mitigation measures to be adopted.

Various actions will be carried out during the work plan year, such as phasing out of certain pesticides guided by the PERSUAP.

Following a recent consultancy for PRIME/W, APEP will develop new guidelines for input use around protected areas. The agreed guidelines will be used to develop joint activities with UWA in consultation with PRIME/W.

- **Resources.** APEP TA, STTA, SO7 implementing partners, NEMA, UWA, PRIME/W.

Benchmark 13.1:	PERSUAP submitted to USAID by 12/31/2005
Benchmark 13.2:	GM Cotton technology transfer and confined field testing started by 9/30/2006
Benchmark 13.3:	APEP technology packages realigned to address IEE concerns and PERSUAP recommendations by 9/30/2006
Benchmark 13.4:	At least 6 pesticide and fertilizer safe-use trainings conducted by 9/30/2006
Benchmark 13.5:	All SAF awardee environmental reviews completed by 9/30/2006
Benchmark 13.6:	At least 2 cotton research contracts addressing PERSUAP requirements established by 9/30/2006
Benchmark 13.7:	New guidelines established for input use around protected areas in conjunction with UWA and PRIME/W by 9/30/2006

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 14. 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 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 is intended to 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 continue to 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. Close liaison will be maintained with the USAID SO7 team and Monitoring and Evaluation Management Services (MEMS).

- **Activities.** During the work plan year, the Performance Monitoring Plan (PMP) will be revised in consultation with SO7. Thereafter, the M&E system will be updated to meet USAID M&E needs as well as ensuring the flexibility that allows other APEP TA to input data. In the middle of the work plan year, APEP will prepare a semi-annual M&E report. The M&E Specialist in consultation with the APEP TA will undertake regular field assessment to ensure that APEP is making strides towards achieving its LOP goals and targets. Early successes and lessons learned will be highlighted and disseminated to the relative stakeholders. At least nine impact stories will be prepared and disseminated. One field data verification/impact study will be conducted towards the end of the work plan year. The M&E Specialist, with support from APEP TA, will establish a working relationship with data providers within the various sectors with a view to regularly updating industry-wide data.
- **Resources.** APEP TA, Chemonics home-office M&E STTA, MEMS and SO7 M&E appointee.

Benchmark 14.1:	PMP revised and approved by CTO by 12/31/2005
Benchmark 14.2:	M&E system updated and made consistent with SO7 requirements by 09/30/2006
Benchmark 14.3:	Secondary data collected and updated by 9/30/2006
Benchmark 14.4:	At least one verification/impact study conducted by 09/30/2006
Benchmark 14.5:	At least 9 APEP impact stories produced by 9/30/2006

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 15. Provide Effective Contract Administration

- **Strategy:** The PMU will continue to work closely with the project office 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 maintain effective systems for contract management. 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 15.1:	Financial reports and pipeline analyses provided to USAID quarterly, by 12/15/2005, 03/15/2006, 06/15/2006 and 09/15/2006
Benchmark 15.2:	VAT payment and reimbursement report provided to USAID by 11/17/2005 and 04/16/2006
Benchmark 15.3:	2 nd annual project progress report submitted to USAID by 10/31/2005
Benchmark 15.4:	Semi-annual project progress report submitted to USAID by 4/30/2006
Benchmark 15.5:	Annual property report submitted to USAID by 10/31/2005
Benchmark 15.6:	4 th annual work plan for FY07 submitted to USAID by 9/30/2006