

**FOURTEENTH SEMI-ANNUAL &
SEVENTH ANNUAL PROGRESS
REPORT**

(January 1 – December 31, 2001)

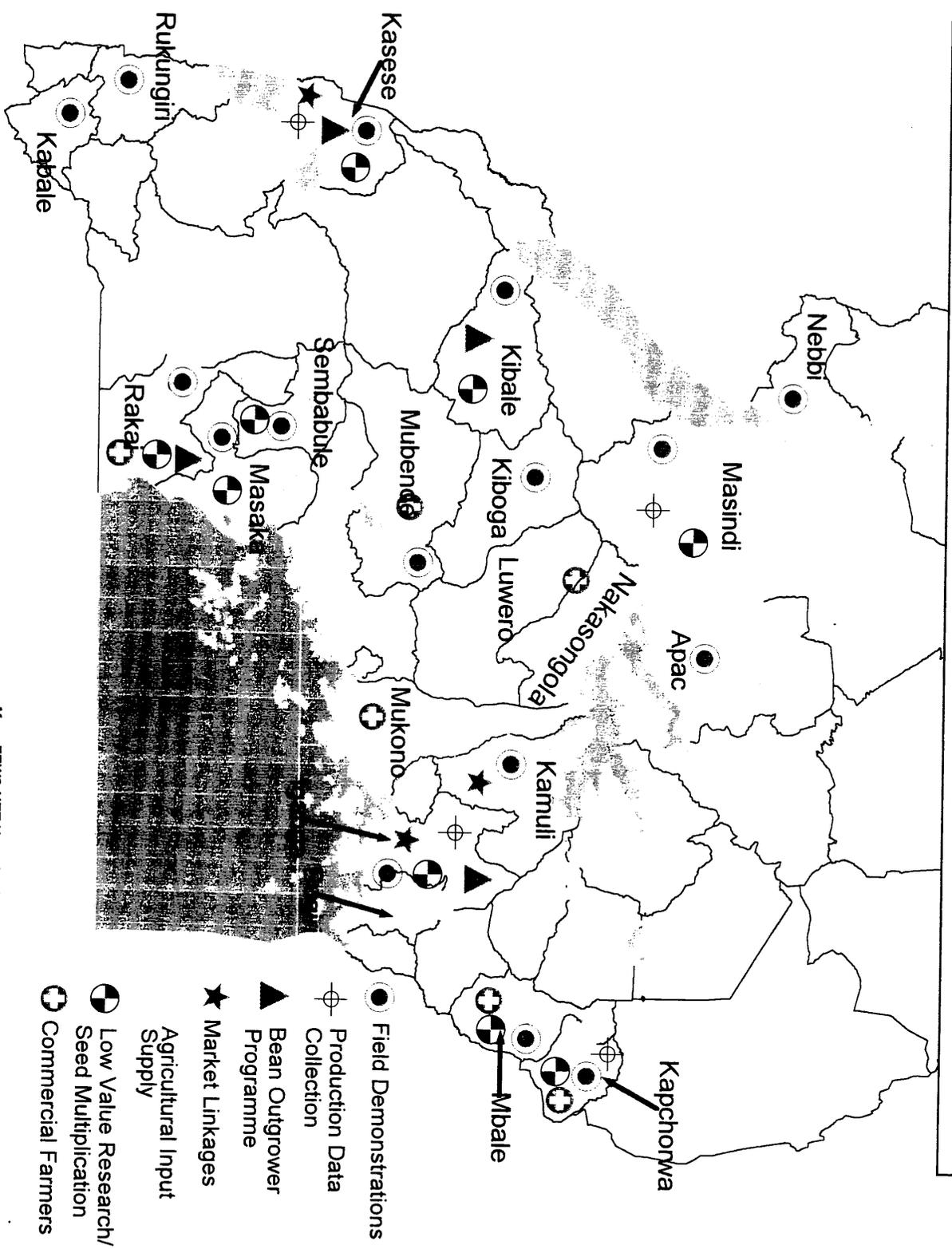
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Prepared by the
Agribusiness Development Centre (ADC)
Uganda's Investment in Developing Export Agriculture (IDEA) Project

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ADC/IDEA PROJECT

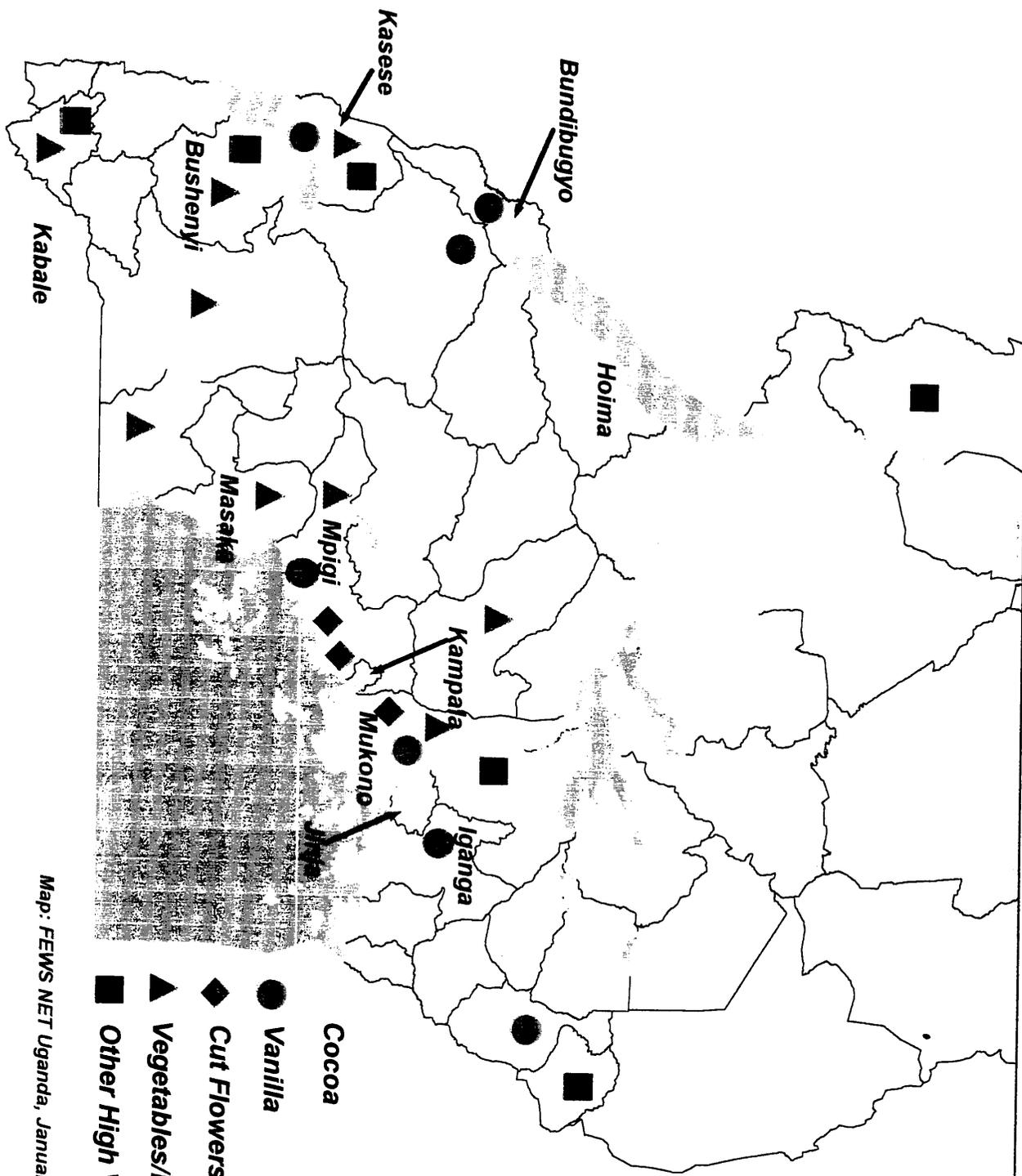
Major Areas of Activity for Low Value Crops



Map: FEWS NET Uganda, January 2001

ADC/IDEA PROJECT

Major Areas of Activity for High Value Crops



Map: FEWS NET Uganda, January 2001

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LIST OF ACRONYMS

ACE	Audit Control Expertise
ADB	Africa Development Bank
ADC	Agribusiness Development Centre
AIMS	Agribusiness Impact Monitoring Systems
ANEPP	Agricultural Non-Traditional Export Promotion Program
APDF	The Africa Project Development Facility
APS	Annual Program Statement
ASPPG	Agricultural Sector Pesticide Procedures Guide
AT(U)	Appropriate Technology, Uganda
ATAIN	Agribusiness Training and Input Network
ATF	Applied Tropical Floriculture
BAF	Business and Finance
BOU	Bank of Uganda
BUCADEF	Buganda Kingdom Development Fund
BUFA	Bugangaizi Farmers' Association
CAA	Civil Aviation Authority
CAEC	Continuing Agriculture Education Centre
CAF	Consultant Access Fund
CCF	Commercial Contact Farmer
CDP	Cocoa Development Programme
CDO	Cotton Development Organisation
CEI	Commodity Exports International Limited
CERUDEB	Centenary Rural Development Bank
CIAT	Central Internacional de Agricultura Tropical
CLS	Contractor Logistical Support
CO	Contracts Officer
COLEACP	Organization for Promotion of European Imports of Fresh Fruits and Vegetables
COMFARNET	Community Farmers Network
COMPETE	Competitive Private Enterprise and Trade Expansion
COP	Chief of Party
CORI	Coffee Research Institute
CTI	Commodity Trading International
CTO	Cognizant Technical Officer
DAO	District Agricultural Officer
DCA	Department of Credit Assistance
DFCU	Development Finance Company of Uganda

DRC	Democratic Republic of Congo
EADB	East Africa Development Bank
ECABREN	East and Central African Bean Research Network
ECGS	Export Credit Guarantee Scheme
EIR	Environmental Impact Review
EOPS	End of Project Status
ERS	Export Refinance Scheme
EU	European Union
FAO	Food and Agriculture Organisation, United Nations
FARA	Fixed Amount Reimbursement Agreement
FEWS NET	Famine Early Warning Systems Network
FHL	Fresh Handling Limited
FICA	Farm Inputs Care Centre
FOB	Free on Board
FY	Financial Year
GDP	Gross Domestic Product
GM	Grants Management
GOM	Grants and Operations Manager
GoU	Government of Uganda
HO	Home Office
HORTEXA	Uganda Horticultural Exporters Association
HV	High Value
IARCs	International Agricultural Research Centres
ICIPE	International Centre for Insect Physiology and Ecology
IDEA	Investment in Developing Export Agriculture
IEE	Initial Environmental Examination
IFCD	Irish Foundation for Cooperative Development
IITA	International Institute for Tropical Agriculture
IPM	Integrated Pest Management
IR	Intermediate Result
ISC	IDEA Steering Committee
ISP	Integrated Strategic Plan
KADIFA	Kabale District Farmers' Association
KARI	Kawanda Agricultural Research Institute
KCFA	Kapchorwa Commercial Farmers Association
Kg	Kilogram
LAWODA	Lira Apac Women's and Orphans Development Association
LOE	Level of Effort
LOP	Life of Project
LTTA	Long Term Technical Assistance

LV	Low Value
M&E	Monitoring and Evaluation
MAAIF	Ministry of Agriculture, Animal Industry and Fisheries
MABS	Masters in Agribusiness Studies
MACOFA	Masindi Commercial Farmers' Association
MKIS	Market Knowledge & Information Services
Mt	Metric ton
MTTI	Ministry of Tourism, Trade and Industry
MU	Makerere University
MUFA	MU Faculty of Agriculture
NAARI	Namulonge Agricultural and Animal Research Institute
NARO	National Agricultural Research Organization
NASECO	Nalweyo Seed Company
NCRP	National Cereals Research Program
NEIC	National Environment Information Centre
NEMA	National Environment Management Authority
NGO	Non Governmental Organization
NSCS	National Seed Certification Service
NTAE	Non-Traditional Agricultural Export
NVRC	National Variety Release Committee
PBEYAA	Presidential Best Exporters of the Year Achievement Awards
PHH	Post Harvest Handling
PM	Project Management
PMB	Produce Marketing Board
PSF	Private Sector Foundation
PTA	Preferential Trade Area
PVO	Private Voluntary Organization
PY	Project Year
R4	Results Review and Resources Request
RAMS	Rural Agricultural Marketing Systems
REDSO/ESA	Regional Economic Development Support Office/E & S Africa
REE	Research, Education and Extension
RSA	Republic of South Africa
SAARI	Serere Agricultural and Animal Research Institute
SAFAD	Silsoe Aid for Appropriate Development
SCB	Standard Chartered Bank
SG 2000	Sasakawa-Global 2000
SO 1	Strategic Objective Number One
SOW	Scope of Work
SPEED	Support for Private Enterprise Expansion and Development

STTA	Short Term Technical Assistance
TA	Technical Assistance
TOR	Terms of Reference
UBOS	Uganda Bureau of Statistics
UCA	Uganda Cocoa Association
UCFA	Uganda Commercial Farmers Association
UCoP	Uganda Code of Practice
UDB	Uganda Development Bank
UEPB	Uganda Export Promotion Board
UFA	Uganda Floricultural Association
UFEA	Uganda Flowers Exporters Association
UGCEA	Uganda Ginners and Cotton Exporters Association
UGT	Uganda Grain Traders Limited
UIA	Uganda Investment Authority
UIB	Uganda Institute of Bankers
UMA	Uganda Manufacturers Association
UMI	Uganda Management Institute
UNBS	Uganda National Bureau of Standards
UNCA	Uganda National Cocoa Association
UNDP	United Nations Development Programme
UNFA	Uganda National Farmers Association
UNIDO	United Nations Industrial Development Organisation
UNVA	Uganda National Vanilla Association
URA	Uganda Revenue Authority
USAID	United States Agency for International Development
USDA	United States Department of Agriculture
USh	Uganda Shilling
USP	Uganda Seed Project
VCF	Venture Capital Fund
VOCA	Volunteers in Overseas Cooperative Assistance
WARDA	West African Rice Development Association
WB	World Bank
WFP	World Food Program
WTO	World Trade Organization

EXECUTIVE SUMMARY

1.0 INTRODUCTION

1.1 Overview

This is the fourteenth semi-annual progress report of the Uganda's Investment in Developing Export Agriculture (IDEA) Project. It is also the seventh annual progress report and covers the period January 1 through December 31, 2001. Like other previous progress reports, it brings out progress by component and compares the planned and actual implementation of various tasks.

The report consists of two parts- **the main report (Part I) and statistical annexes (Part II)**. The main report comprises three chapters with the first chapter giving an overview of the IDEA Project and the macro environment prevailing during the reporting period. Chapter 2 presents a detailed narrative of progress (by objective) made by the Low Value (LV) and High Value (HV) components. Overall operation of the Project is presented under Management, Monitoring and Evaluation. The Project's strategies, highlighting challenges and opportunities and an outlook for the 8th work plan year are presented in Chapter 3. Statistical annexes (Part II) include achievement indicators, time lines, active client portfolio, LV and HV training events, and IDEA Small Grants.

1.2 IDEA Project: Institutional Environment

IDEA Project goal is to increase rural incomes of men and women. The main intermediate result (IR) under IDEA is increased value of selected non-traditional agricultural exports (NTAEs) as the source of increased incomes. Other intermediate results contributing to USAID's SO1 include increased production of selected food products and increased use of financial services by rural households. The USAID Uganda Mission now has a new Integrated Strategic Plan (ISP) 2002-2007. With 2.5 years remaining, IDEA is a transition project. It is incorporated under SO7, and is expected to have results reportable under all 4 Intermediate Results.

In terms of implementation strategy, IDEA provides direct assistance to producers, traders, and exporters of selected NTAEs using a vertically integrated, "commodity systems" approach. IDEA works to expand LV food crop exports (primarily maize and beans); and increase production and exports of HV crops (such as flowers, fresh produce, cocoa, papain and vanilla).

Although the basic project agreement is between USAID and the GoU's Ministry of Tourism, Trade and Industry (MTTI), IDEA operates principally for and in concert with the NTAE private sector. Thus, the IDEA Steering Committee (ISC) is made up largely of private sector representatives and a few representatives of ministries and parastatal entities involved in promoting the NTAE sector in Uganda.

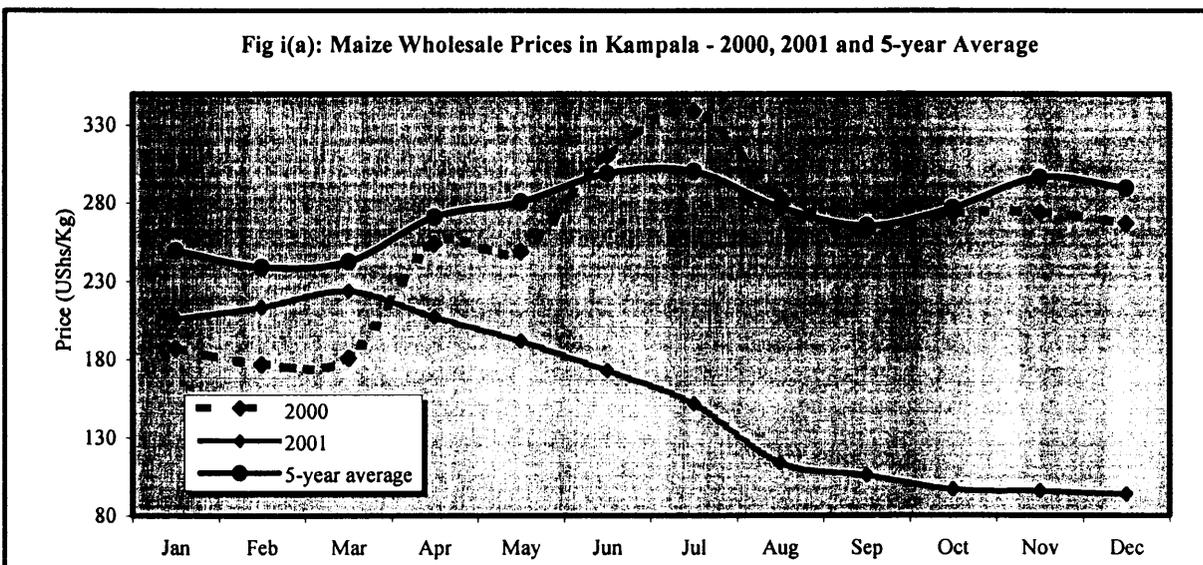
During the reporting period, the IDEA Project, through the Agribusiness Development Centre (ADC) continued to offer a wide range of professional expertise including crop production, market information, training, financial linkages, project management and evaluation. Currently, IDEA is at full staffing, including 6 long-term expatriate advisors and 8 counterpart local professionals plus short-term technical assistance, for a total of 1,381.25 person months of technical assistance over Life of Project (LOP).

1.3 Overview of the Climatic Conditions and Prices

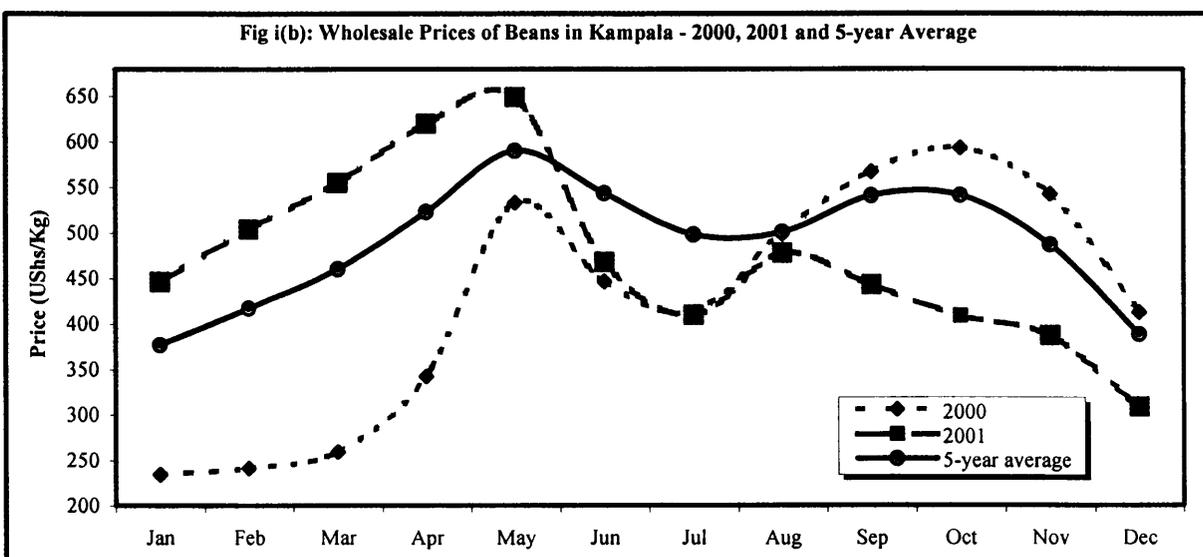
The period under review (January– December 2001) was characterized by timely onset of first season rainfall, with normal to above normal rainfall recorded in most districts in the country. The favourable crop conditions resulted in good harvests and above normal production for most agricultural commodities. In the case of maize and beans (which are the principal LV commodities), crop outputs, particularly for 2001A season exceeded those of similar seasons in the recent past. Yields for maize

and beans in IDEA project districts were estimated at 3.0-3.8 mt/ha and 0.7-1.0 mt/ha respectively. Some farmers who planted in time and adopted high input technology attained maize yields as high as 5.25 mt/ha. Following the good harvests and the similar trend in neighbouring countries, maize prices in most parts of the country fell to very depressed levels and marketing certainly became an issue as farmers had trouble securing attractive prices for their produce.

Figure i(a) shows that between January and March, the price of maize was higher in 2001 than in 2000. From April to December, however, the price of maize in 2001 fell drastically and was significantly below that of 2000 and the 5-year average (1996-2000).



In the case of beans, the price level in 2001 was higher than in 2000 between January and July. From July up to December, the 2001 prices were lower than the 2000 levels as well as the 5-year average {Figure i(b)}, signifying the good harvest in 2001.



Compared to 2000, the rainfall situation in 2001 was generally above normal in most parts of the country. A normal to above normal harvest was realised in most parts of the country during the year, with an estimated national output of 650,000 mt and 260,000 mt of maize and beans respectively. Of these, at least 400,000 mt of maize and 140,000 mt of beans, were commercially available in the market. The real challenge has, however, been the poor quality of produce attributed mainly to poor storage infrastructures both at the farm and district levels.

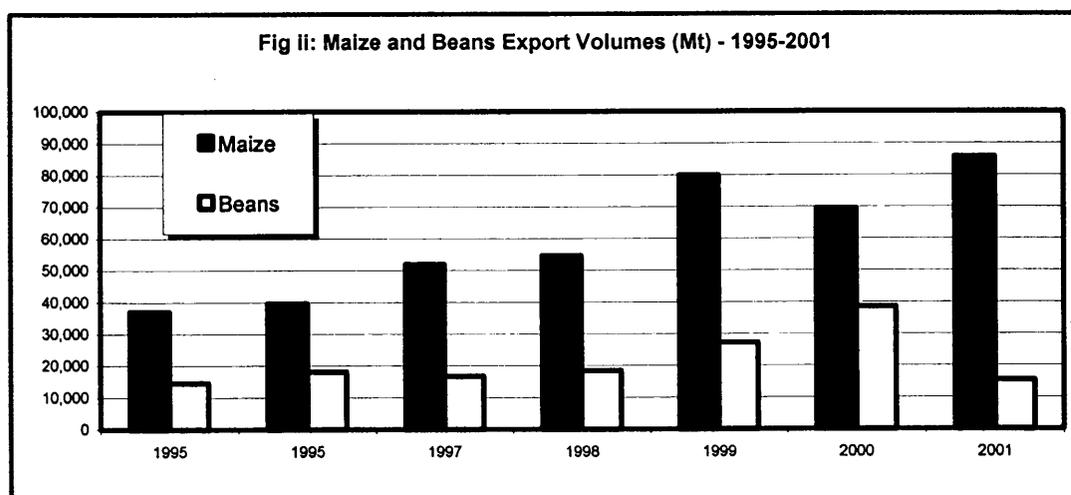
The production and supply of other staples such as millet, cassava, sweet potatoes, banana/matoke were also reported to be normal to above normal, thereby augmenting household food supplies. This resulted in a decline in prices in the districts as well as in urban markets such as Kampala and other locations.

1.4 The NTAE Sector Performance

Low Value Commodities: During the year, over 85,800mt of maize and 15,200 mt of beans were exported. Exports of maize and beans would have been higher, but for the stable supply in Kenya as a result of good rains received there. Attempts at making commercial contracts into Kenya failed as a result of the significant surplus production in the region. Efforts at marketing Ugandan grain in Southern Africa were finally successful with the signing of a contract that brought about the first ever commercial export of maize from Uganda. A total of 40,000 mt of maize grain valued at US\$4.4 million FOB was contracted to the newly formed consortium of traders- Uganda Grain Traders (UGT) Limited. Of this, 9,680 mt (valued at US\$1.06 million) was delivered during the reporting period.

Generally, exports suffered during the year from a decline in relief demand traditionally responsible for the bulk of bean exports as well as the maize crisis of the second season. In terms of volume, maize exports increased over 2000 with over 85,800 mt being exported (compared to about 69,500 mt in 2000). The value, however, was lower by about US\$1.5 million. Bean sales suffered significantly with export volumes more than 60% lower than the previous year. Total sales value of bean exports in 2001 of US\$4.4 million, was lower than the 2000 export value by nearly US\$4.4 million.

Generally, the export volumes of maize (save for 2000) and beans (save for 2001) have shown steady growth over the past seven years. As can be seen from Figure ii, the export volumes of maize in particular, increased from about 37,000 mt in 1995 to over 85,000 mt in 2001 (an increase of 130% within a period of 7 years).



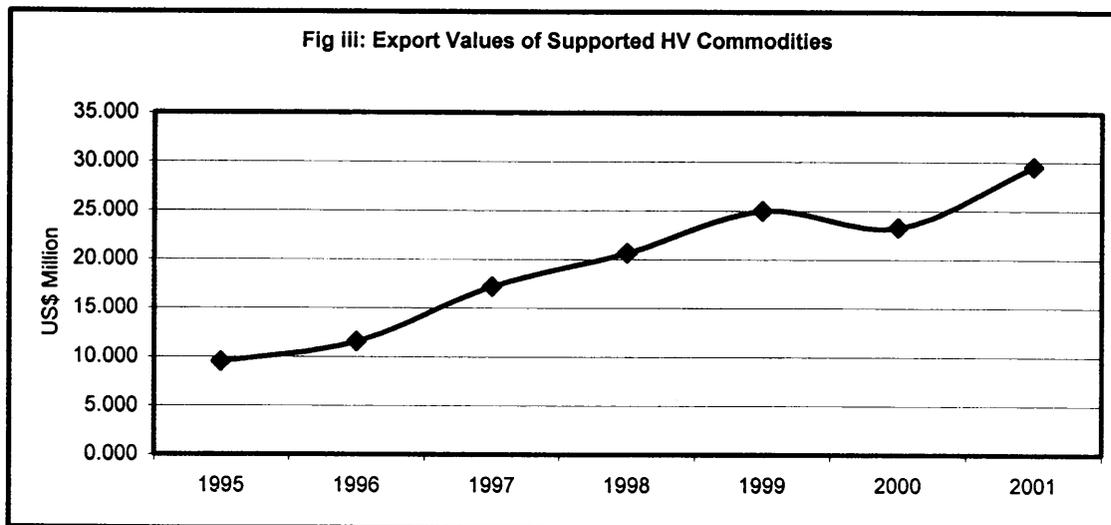
High Value Products: The export value of crops covered by the High Value portfolio was about US\$ 29.5 million FOB in 2001, a 32% increase over 2000 exports. This much-improved performance was due to new investment in floriculture; high world market prices for vanilla; and small but significant improvements in the export production of fresh produce, cocoa and other minor products.

New investment, improved quality and favourable exchange rates all contributed to increased rose exports of about US\$10.93 million (up 26%) and increased cuttings exports of about US\$4.97 million (up 22%). Fresh produce exports were about US\$3.07 million FOB. Cross-bordersales of banana, pineapple and other HV produce were valued at US\$1.29 million. The value of vanilla exports increased in 2001 to a record figure of US\$6.59 million. Processors reported a total export of 66 tonnes of good quality vanilla, sold at prices ranging from US\$90 to US\$140 per kilogram.

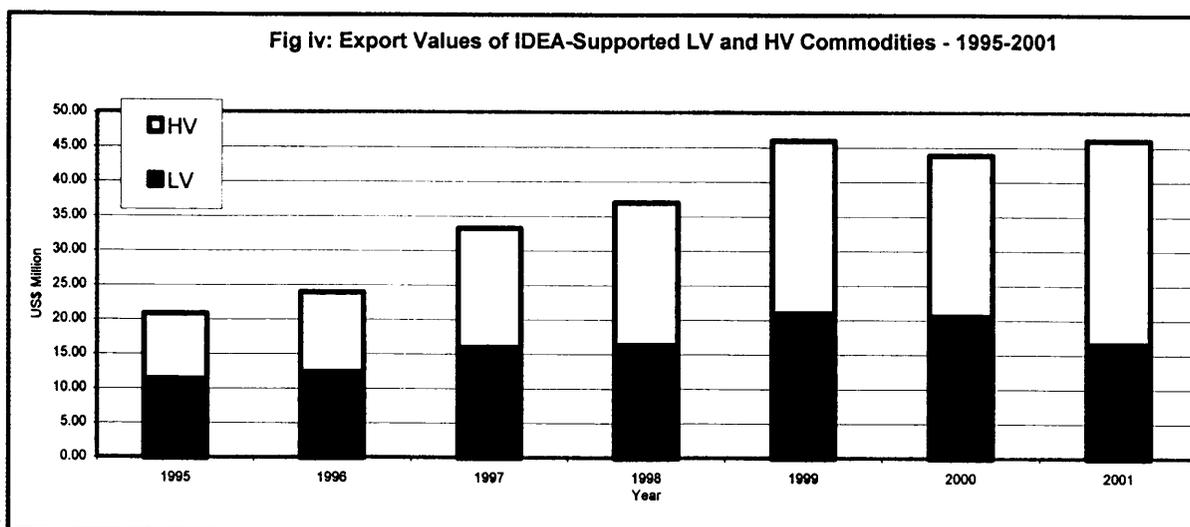
Export of papain was still low at 26 tonnes, valued US\$0.55 million, compared with the pre-ADF period, but is expected to increase gradually over the next few years. Cocoa exports were valued at US\$2.87 million by the Uganda Cocoa Association. This increase over 2000 exports was due to relatively strong market demand, and the necessity of some growers affected by coffee wilt to rehabilitate their cocoa trees as an alternative cash crop. World demand for cocoa is expected to remain strong in 2002.

The value of other HV crops including dried pineapple and banana, birds eye chilli and other spice products was estimated at US\$0.49 million for 2001.

Over the past seven years, the export value of supported HV commodities increased from just under US\$10 million in 1995 to nearly US\$30 million in 2001 (Figure iii). This is a three-fold increase and represents an annual increase of about 42%.



Considering both the low and high value portfolios, there has been a tremendous growth in NTAE products supported by the IDEA project. As may be observed from Figure iv, the export values of both LV and HV products supported by IDEA increased from about US\$21 million in 1995 to US\$46 million in 2001.



The growth in the NTAEs has come at a time when Uganda's foreign exchange earnings for 2001 were greatly affected by depressed coffee, cotton and tea prices on the world market. However, 2001 proved that NTAE commodities are also subject to dramatic market swings. This was definitely the case with maize (depressed prices) and vanilla (booming market), which again reinforces the need for a

diversified portfolio of exports. Low product prices also kept domestic inflation at low levels. Despite decreased export earnings, the US\$ was relatively stable due to less demand for hard currency by importers, BoU interventions in the forex market, and the large inflow of hard currency from remittances and donors.

During 2001, the Small Grants Program continued its support to the four Fixed Amount Reimbursement Agreement (FARA) activities, which began in 2000 and entered into three new FARAs and 10 new grant agreements. Of the four activities continued from 2000, three, NARO Maize 2000, NARO Beans 2000 and NARO Sesame, were successfully closed out. Eleven new activities were approved and began implementation during the reporting period, while one new FARA with the NARO National Banana Program and one new grant agreement with Melissa Flowers Limited were entered into but have not yet received any funding. Of the US\$1,600,000 set aside for the program, US\$1,474,051 (including the two most recent recipients) has been committed to these activities. A small amount of funding scheduled for disbursement to the three closed-out activities has been rolled back into the grant pool, leaving an uncommitted balance of US\$140,563.

2.0 HIGHLIGHTS OF PROGRESS DURING 2001

2.1 Low Value Crop Development

2.1.1 Summary of Achievements: During the year under review, continued work with introduction of improved maize varieties resulted in the first production of hybrids from international seed companies. SC627, (Seedco material), was produced in two locations with seed yields of over 4mt/ha. This has given the company sufficient confidence and it intends to increase local production to 100 ha during 2002. There are 3 new hybrid maize varieties on the variety release list for early 2002.

Seed sales during the first season, particularly hybrid maize sales, were excellent (with annual growth rates exceeding 50%), and partner companies demonstrated good logistical and financial performance. The increase in hybrid maize sales alone resulted in an additional 10,000 ha under improved maize production. Seed sales declined by up to 70% in the second season compared to the same period in 2000, and fertilizer sales declined by 80% over the same period.

Rapid adoption of improved technologies has been observed, resulting in a significant growth in fertilizer sales to the emerging commercial LV farming sector. Whereas fertilizer sales were virtually zero in 1996, sales during 2001A season were almost 2,000 mt. It is estimated that fertilizer was applied to 8,000-12,000 ha, which in the final analysis can be equated to higher yields and higher farm gate incomes. Sales during 2001B season were, however, very small due to low producer confidence. Of significance in terms of new technologies is the introduction of conservation tillage techniques in conjunction with Monsanto. As a result, farm level efficiencies are improving and unit costs of production for maize are moving below US\$60 per mt.

During 2001A season, over 18,000 mt of maize was procured by WFP, compared to about 12,600 mt procured during the 2000B season. Commodity surpluses worldwide meant that donor countries made contributions to relief in-kind rather than in-cash. This resulted in a fall in local procurement by WFP.

Efforts at marketing into Southern Africa were successful with the first commercial export of maize ever from Uganda being contracted. A total of 40,000 mt of maize grain valued at US\$ 4.4 million FOB was contracted to the newly formed consortium of traders- Uganda Grain Traders Limited. Of this, 9,680 mt (valued at US\$1.06 million) was delivered during the reporting period.

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sales value of bean exports in 2001 of US\$4.4 million, was about half of the 2000 export value. Sesame, seed grains and processed foods resulted in 4,000 mt of exports valued at US\$1.8 million.

Highlights of achievements for the Low Value component during 2001 are presented in Table A.

Table A: Summary of LV Progress for Selected Indicators by Season

Indicator	Unit	2001A	2001B	2001Total
A: Maize and Bean Exports:				
- Value of maize exports	US\$ Mil.	7.308	3.063	10.371
- Volume of maize exports	Tons	47,011	38,799	85,810
- Value of bean exports	US\$ Mil.	3.381	2.021	4.402
- Volume of bean exports	Tons	7,262	8,026	15,288
B: Input Sales (National):				
- Value of maize seed	US\$	895,000	182,192	1,077,192
- Volume of maize seed	Tons	1,127	276	1,403
- Value of bean seed	US\$	234,023	129,234	363,257
- Volume of bean seed	Tons	440	213	653
- Value of fertilizers	US\$	3,386,250	1,260,000	4,646,250
- Volume of fertilizers	Tons	10,750	4,000	14,750
C: ATAIN Sales:				
- Value of maize seed	US\$	366,654	41,346	408,000
- Volume of maize seed	Tons	294	41	335
- Value of bean seed	US\$	26,288	11,680	37,968
- Volume of bean seed	Tons	36	16	52
- Value of fertilizers	US\$	210,750	69,375	280,125
- Volume of fertilizers	Tons	562	185	747
- Number of input stockists	Number	206	218	218
- Number of farmers served	Number	38,750	41,000	41,000
D: Commercial Farming Operations:				
- Number of commercial farmer clients	Number	407	571	978
- Area under maize by commercial farmer clients	Ha	3,106	3,283	6,389
- Area under beans by commercial farmer clients	Ha	125	191	316
- Estimated maize output by commercial farmer clients	Tons	11,391	12,196	23,587
- Estimated bean output by commercial farmer clients	Tons	105	168	273
- Maize yield by commercial farmer clients	Mt/Ha	3.67	3.71	3.69
- Bean yield by commercial farmer clients	Mt/Ha	0.84	0.88	0.86
- Number of commercial farmer clients receiving credit	Number	223	242	465
- Total credit received by commercial farmer clients	US\$	531,149	398,283	929,432
E: Technology Transfer:				
- Number of field demonstration sites	Number	2,160	2,500	4,660
- Number of farmers attending training	Number	88,300	119,700	208,000
- Percent of farmers trained (females)	%	36	42	39
- Estimated percent adopting low input technology	%	61	48	55
- Estimated percent adopting high input technology	%	10	10	10

2.1.2 Generation of Efficient Production Technologies: As in previous years, research activities continued to receive support from the IDEA project during the 7th work plan year. Close collaboration was maintained with CIMMYT, the National Maize Program, the National Bean Program, Seed-Co, PANNAR and SAARI. This resulted in the release of the following new technologies:

- Conservation tillage in maize and cotton using Roundup dry formulation
- Seed dressing for termite control using Regent (awaiting IEE approvals)
- SC 407 short duration maize hybrid received pre-release approvals
- WAB 165, 450 and 189 upland rice varieties entered multiplication and limited on-farm demonstration prior to 2002 full-scale promotion through Tilda (U) Ltd.
- Sesame agronomic package.
- Groundnut recommendation guide.

2.1.3 Technology Transfer: During 2001 a total of 4,660 demonstration sites were established for maize and beans, reaching 208,000 farmers. In the 2001A season 250 sites for conservation tillage were established in conjunction with Monsanto, while all 2,500 demonstration sites for the 2000B season had a component of conservation tillage. Attendance at traditional demonstration sites for maize and beans is gradually declining, further emphasizing the strategy of a complete withdrawal from set demonstrations by the end of 2003. On the other hand, farmer-to-farmer information exchange in conjunction with input suppliers as informants continues to take center stage. Private sector support to the demonstration program continued to gain momentum with stockists and distributors contributing some of the materials placed at demonstration sites.

Commercial farmer training continued to receive strategic changes during the year. For the first time, training of commercial farmers was conducted in Kasese, Kiboga, Mubende and Kapchorwa districts. It is of significance that these districts now have the highest level of bank supported farmer clients in the country, with Kasese and Kapchorwa having a total of 178 and 101 farmer loan clients respectively during the year. Kinoni Training School at Katugo in Nakasongola district, will continue to be a training focus for other districts until such a time as they too graduate to district-based training programs. The Kinoni center will, however, continue to provide training for such service groups as bank field managers.

Commercial farming operations were stimulated on 4 of the Uganda Prisons farms to improve prisoner feeding and reduce cost of production. Crops during the year were significantly improved, with over 750 acres of maize hybrid grown, yielding an average of 4.5 mt/ha.

The experience of the ADC in promoting improved technologies resulted in the Uganda Ginners and Cotton Exporters Association (UGCEA) approaching IDEA Project for advice on establishing a demonstration program for cotton. Where the Project and cotton growing areas overlap, the ADC provided technical guidance to the Cotton Development Organisation (CDO) and UGCEA to establish 1,200 demonstrations.

2.1.4 Input Supply: During the year, the input inventory credit guarantee was maintained for 5 distributors and 218 stockists registered under ATAIN. Both distributors and stockists reported an increase in volumes moved during 2001A season. However, the poor produce prices substantially affected the sales of inputs during the second season, resulting in many dealers having large inventories of unsold inputs. The non-guaranteed portion of supplier inputs credit to distributors increased and 3 ATAIN distributors accessed ADC-mediated bank credit worth US\$65,000. In addition to the US\$135,600 in revolving bank guarantees for imports for Nsanja, two separate guarantees of US\$15,000 each for El Shaddai and Sukura for seed and fertilizer purchases from Kenya were approved.

Through the ATAIN program, an estimated 71,000 farmers were reached through a network of 218 stockists, with sales of nearly US\$445,950 worth of maize and bean seeds and about US\$285,500 worth of fertilizers by the ATAIN distributors. The effective collaboration between the ADC, PL-480, banks, suppliers, distributors and stockists is ensuring a strong and stable input supply network. Tables B and C show outreach and sales value by distributor respectively. The distributors shown in Table C include those not directly under the ATAIN program.

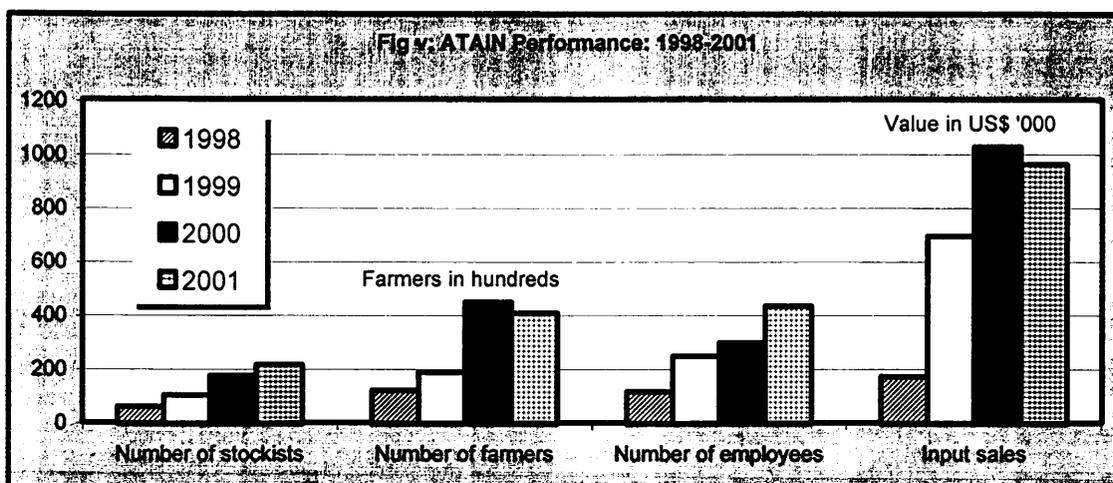
Table B: 2001 Outreach by ATAIN Distributor

Company	Number of stockists	Additional stockists (2001A&B seasons)	Farmers reached
Sukura	83	5	24,500
El Shaddai	16	16	2,220
Tweyambe	19	12	2,350
Rakai Farm Supply	50	7	21,750
Nsanja	50	0	20,250
Totals	218	40	71,070

Table C: 2001 Sales of Principal Inputs by Distributor

Employer	Fertilizer sales value (US\$)	Seed sales value US\$ (Maize & Beans)
Sukura	90,750	155,603
El Shaddai	112,250	185,149
Rakai farm supply	13,875	22,218
Tweyambe	22,125	35,079
Nsanja	46,485	47,898
General & Allied	141,975	0
East African Seeds	233,750	72,800
Total	661,210	518,747

Figure v shows the steady progress of the ATAIN program since its inception four years ago.



2.1.5 Seed Multiplication and Distribution: The period under review has been extremely hard for the seed companies following a market crisis for most commodities. This resulted in very low seed sales and serious cash flow constraints. During the review period 1,403 mt of maize seed worth US\$1,077,192 were sold. The corresponding sale of bean seed was 653 mt worth about US\$363,257.

2.1.6 Market Knowledge and Information Services: During the year 2001, 19 market reports were produced and disseminated to all the clients. IDEA clients included 12 from the region and 3 from outside Africa. Internal clients included: government ministries, donors, parastatals, farmers' associations, individual farmers and researchers. The reports were disseminated using e-mail, distribution during commercial farmer trainings and field trips as well as individuals collecting them from the ADC. The MKIS office coordinated the regular trade forecast meetings in conjunction with the FEWSNET Project. The trade forecast meetings resulted in the formation of a grain trading company; the Uganda Grain Traders Limited (UGT) comprising 13 principal grain traders. The company won a tender to supply 40,000 tons of maize to Zambia. By the end of this reporting period, 9,680 tons had been dispatched to Zambia.

2.1.7 Rural Agricultural Marketing Systems (RAMS): During the period under review attention was paid to both forms of RAMS activity (namely, centres operated by groups of commercial farmers and a system to support small-scale and commercial producers). Areas of commercial farmer groupings were developed in Masindi, Kiboga, Hoima and Kapchorwa. Only one serious smallholder RAMS unit is active in Iganga.

As can be seen from Table D below, 575 farmers were able to sell their produce at 21 RAMS centres. About 3,660 mt of maize grain (estimated at US\$183,000) and 350 mt of bean seed (worth about US\$70,000) were sold through these RAMS centres.

Table D: Performance at RAMS Centres for 2001

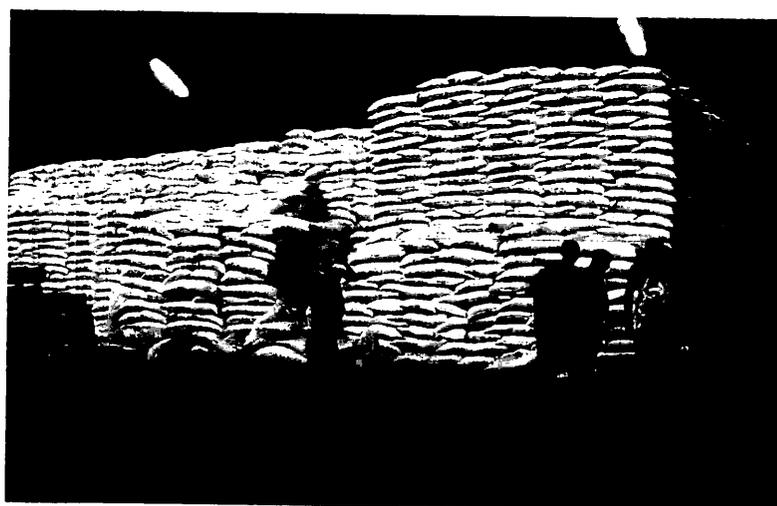
RAMS Centre	No. of centres used	Maize procured Season A mt	Maize procured Season B mt	Farmers Served
NALG (Iganga- small scale)	16	450	900	360
Kapchorwa (Commercial)	1	No sales	400 (to-date)	100
Kiboga/Hoima (Commercial)	2	270	500	15
Masindi (Commercial)	1	340	No sales	50
Kasese (Individually)	1	400	400	50
Totals	21	1,460	2,200	575

2.1.8 Outgrower Initiatives: Support to the outgrowers continued in the form of direct technical assistance to market related activities and in financial mediation and contract implementation with growers. The local demand for improved seeds has been expanding very rapidly, requiring a corresponding increase in both the number of outgrowers and the areas under outgrower production, but by mid-season the effects of the market crash started to have a direct impact on the private-sector seed companies.

2.1.9 Support to Exporter Clients: The ADC initiated a request to the Department of Credit Assistance (DCA) in Washington to support the grain trade sector. This proposal was finalized and submitted through the USAID Uganda mission. The program should result in up to US\$15 million of trade credit for speculative grain inventories and other developmental loan opportunities.

In line with its policy of product diversification, the ADC extended support for export of organic sesame, which has resulted in the export of 432 mt of organic sesame, worth US\$262,500. Outspan Enterprises received a grant from IDEA, which has helped with the development of its export capacity. An additional 957 mt was exported by Roka Ali as non-organic sesame with an FOB value of US\$469,000

A significant development during the year has been the formation of Uganda Grain Traders (UGT) Limited. Thirteen companies formed the new company. With the direct support of His Excellency the President of Uganda as well as the Minister of Tourism, Trade and Industry, negotiations were entered into with both Malawi and Zambia to purchase surplus grain from Uganda. A deal was closed with Zambia to supply 40,000 mt of maize grain. By the end of the reporting period, 9,680 mt of grain had been shipped and 3,520 mt had been received in Zambia with no quality problems.



Maize grain at PMB store Bugolobi, awaiting transportation to Zambia

Table E shows maize and bean exports for both 2001A and 2001B seasons. The exports are broken down into formal, informal and internal relief sales

Table E: 2001 Export Volumes and Values of LV Commodities

Commodity	2001A Season	2001B Season	Annual Volume (mt)	Annual Value (US\$ Million)
Maize (formal)	9,985	16,891	26,876	2.759
Maize (informal)	18,787	9,262	28,049	3.245
Maize (relief)	18,239	12,646	30,885	4.367
Total Maize	47,011	38,799	85,810	10.371
Beans (formal)	2,276	2,245	4,521	1.160
Bean (informal)	1,255	2,570	3,825	0.882
Beans (relief)	3,731	3,211	6,942	2.293
Total Beans	7,262	8,026	15,288	4.335
Sesame	288	1,101	1,389	0.732
Seed Grains	220	237	457	0.160
Processed grains (uni-mix)	971	1,458	2,429	1.033
Total Other	1,479	2,796	4,275	1.925
Grand Total	55,752	49,621	105,373	16.631

2.2 High Value Crop Development

2.2.1 Summary of Achievements: The export value of crops covered by the High Value portfolio was estimated at US\$29.47 million FOB in 2001, equivalent to a 32% increase over 2000 exports. This much-improved performance was due to new investment in floriculture; high world market prices for vanilla; and small but significant improvements in the export production of fresh produce, cocoa and other minor products. A summary of exports by major category is given in Table F.

Table F: High Value Crop Exports: 1995-2001

Product	LOP Target (US\$ Mill FOB)	1995 Value (US\$ Mill FOB)	1998	1999	2000	2001
Roses	20.00	2.30	11.68	9.95	9.12	10.93
Plant cuttings	5.00	0.00	2.34	3.51	4.50	4.97
Fresh produce	10.00	0.63	2.30	3.13	3.16	3.07
Vanilla	2.00	0.24	0.75	1.50	2.02	6.59
Cocoa	3.00	0.64	2.12	2.80	2.02	2.87
Papain	4.00	4.46	4.94	4.20	0.98	0.55
Other HV products	1.00	2.40	0.59	0.70	0.50	0.49
Total (US\$ Million)	45.00	10.67	24.72	25.79	22.30	29.47

New investment, improved quality and favourable exchange rates all contributed to the improved figures for roses (up 26%) and cuttings (up 22%). Fresh produce exports were US\$3.07 million FOB. Sales of IDEA-targeted crops such as green beans, courgettes, okra, fresh chilli and hot pepper increased. Cross-border sales of HV products were valued at US\$1.29 million.

The value of vanilla exports increased in 2001 to a record figure of US\$6.59 million. Processors reported a total export of 66 tonnes of good quality vanilla, sold at prices ranging from US\$90 to US\$140 per kilogram! Growers received farm gate prices of up to US\$12,000 per kilogram for the second crop of 2001. Production in 2002 should be 10-20% higher, but prices may weaken when a large crop from Madagascar is expected to come on to the market.

Market demand for papain grew throughout the year, providing a stimulus for new outgrowers. Output was still low at 26 tonnes, valued US\$0.55 million, compared with the pre-ADF period, but is expected to increase gradually over the next few years.

Cocoa exports were valued at US\$2.87 million by the Uganda Cocoa Association. This increase of 42% over 2000 exports was due to relatively strong market demand, and the necessity of some growers affected by coffee wilt to rehabilitate their cocoa trees as an alternative cash crop. World demand for cocoa is expected to remain strong in 2002.

The value of other HV crops including dried pineapple and banana, birds eye chilli and other spice products was estimated at US\$0.49 million for 2001. This should increase in 2002 following direct marketing and technical support to growers by the ADC, in conjunction with TechnoServe and several dried fruit and spice processors.

2.2.2 Efficient Production Technologies: During 2001 UFEA rose trials were expanded from 4,000m² to 12,000m² and a full complement of staff was recruited and trained. The research farm produced and distributed 8 monthly newsletters to breeders and growers, evaluating varietal performance and various technical issues. Six test varieties were selected for expansion to commercial level trials of 1-2,000m² per variety. In September, 11 of the original 45 test varieties were replaced with new varieties, after detailed discussions with breeders. This process will continue on a six-month basis, ensuring a constant stream of new candidate varieties for evaluation. Growers are utilising UFEA results in the selection of new varieties for re-planting. Trials are also being initiated at Melissa Flowers with a grant from IDEA to research *Gerbera* as a new cut flower crop for Uganda. The UFEA research team will provide technical back up.



Testing vase life/longevity of Ugandan varieties by Floraholland Auction. Increased area under new rose varieties will boost flower exports.

Trials on French beans and runner beans were completed at Mairye Estates and Zed Horticulture in Kabale. Results indicated that some varieties of fine beans could be grown commercially at Mairye, but that runner bean yields and quality were far superior in Kabale.

Passion fruit, banana and vegetable IPM contracts with NARO and NARO/ICPIE were completed, with one demonstration plot receiving organic certification for the EU market. Second phase contracts were initiated on passion fruit and banana. Community Farmers Network (COMFARNET) received technical and financial assistance to increase banana, passion fruit, okra and vanilla production in Mpigi, Wakiso and Kamuli districts. Through a grant from IDEA, vegetable research was reorganised in a joint venture between Mairye Estates and NARO, which includes trials with selected outgrowers. Twenty varietal trials on chilli, okra, aubergines and other tropical vegetables were planted by December 2001.

Cocoa research activities were completed by NARO. Training events were held with major contributions from an international cocoa expert seconded from CIRAD. More than 3,000 cocoa seedlings were raised at the NARO research centre in Kizuza and distributed to small-scale growers in Mukono and Luwero. An additional 14,000 seedlings are being produced for distribution in 2002. Demonstration plots of vanilla (30) and cocoa (6) were maintained and work started on new grants to

cover training and technology transfer for UNVA and UCA. Both associations are recipients of grants from IDEA. Intensive technical support was provided to the UNVA in June and December 2001 to ensure that vanilla was not harvested prematurely, despite pressure from buyers anxious to cash in on very high market prices.

Work under a cost-sharing agreement with RECO Industries targeting outgrower training and further research on papain production continued. RECO is one of the two main papain exporters. TechnoServe was provided with selected seed to develop papain production in West Nile.

2.2.3 Market Opportunities: In 2001 the ADC organised the ATF marketing visit to Holland for 15 students from flower farms; assisted JACO Commercial Agencies to observe a trial shipment of pineapple to Saudia Arabia; and provided echnical support to a HORTEXA group attending the AGF-Totaal fresh produce fair in Rotterdam.

One of the most obvious indicators of ADC's contribution to the success of the horticulture sector is that international buyers of flowers, fresh produce and vanilla now make inward visits to Uganda on a routine basis, and that the ADC is invariably their first contact point. While some of the visits are still coordinated by the ADC, they are increasingly handled by trade associations with assistance from IDEA. During 2001 buyers visited from the three leading US vanilla importers, all the Dutch flower auctions and the some of the largest fresh produce companies in Europe. In conjunction with UFEA and the EU, a one-week visit was organised for a group of 15 Spanish flower growers and traders, with interests in investing in floriculture in Uganda. Buyers are extremely positive regarding future potential for roses, cuttings, fresh produce and vanilla.



Pre-cooling of First Red at Ugarose Flower Farm. Uganda stands to gain from the increased interest by foreign buyers.

2.2.4 Quality Control and Post-harvest Handling: Intensive technical assistance to FHL and UFEA has resulted in better temperature management and general improvement in the market arrival quality of roses. There are now far fewer temperature-related losses. Exporters now understand the importance of proper cold chain maintenance, and monitoring at all stages is taking place. The FHL cold store at Entebbe is operating at full capacity, and the new Roka Bonds/Anova cold store next door, with 200 tonne capacity, allows ample room for expansion in the industry. Together with the ENHAS cold store, there are now 3 cold stores at Entebbe airport, and the increased competition has meant that levels of service have improved, and costs are kept down.

Existing post-harvest handling facilities have been improved at the larger exporters such as Mairye Estates, Mubuku, Amfri Farms, and a reefer container was installed for use by Zed horticulture in Kabale. Temperature and quality management are still practically non-existent for most of the smaller vegetable exporters.

Assistance to flower farms to meet the standards of the Uganda Code of Practice (UCoP) has continued. Training in Code of Practice has been continued with fresh produce growers through HORTEXA. Work has started on extending UCoP to include vanilla, cocoa and papain and implementation is planned for the first quarter of 2002. Improvement of cocoa quality, particularly at the fermenting and drying stages, is one of the main objectives of the IDEA grant to UCA.

2.2.5 Technical Assistance: During 2001, direct technical assistance continued to 20 firms, 4 national associations, 7 regional private sector associations, 2 NGOs and 4 government agencies. Assistance was given to floriculture, fresh produce, vanilla and other products. It covered the complete spectrum of research, technology transfer, training, market information and management support. Six vanilla processors improved their existing facilities or constructed new processing plants in 2001, in anticipation of rapid growth in the industry. The IDEA grant to UNVA provides for some cost sharing on equipment in an effort to bring processing facilities to remote production areas.

There is niche market interest in dried pineapple, apple banana and chilli from Uganda. This is not big business but potential sales could reach US\$1 million over the next three years. Technical assistance has been provided to three companies and outgrowers to increase their production and processing facilities. As always, the main problem is low and unreliable supply of raw materials. Technical and cost-share assistance to House of Quality Spices has resulted in increased production of various spices for the local and regional market. Technical support is also being provided to TechnoServe to introduce birds-eye chilli, papain and dried fruits as cash crops to more than 5,000 growers in West Nile and Northern Uganda.

2.2.6 Improved Airport Handling System: Fresh Handling Ltd (FHL) has grown rapidly into the main handling company for flowers and fresh produce at Entebbe Airport. The original facility was funded by USAID. FHL received a grant from IDEA for certain retrofits, rolling stock and office equipment. The company has made good profits after the first 18 months of operation.

Direct negotiations between FHL and airlines have resulted in an average freight rate reduction of around 10% (for example they offer US\$1.80/kg door-to-door on flowers for the 2001/2002 season, as opposed to US\$2.00/kg in 2000). This represents a saving to the industry of \$800,000 on the export of roses and cuttings during 2001, of 4,000 tonnes. A working capital loan facility of US\$500,000 for Fresh Handling Air Cargo Ltd was agreed in September 2001, with Barclays Bank, using the USAID-funded ECGS administered by BOU. This financing has enabled FHL to contract directly with airlines, at a better price than the previous year, and providing more frequent direct services mainly to Amsterdam and Ostend. At times there are now 8 flights per week that growers can choose from.



FHL facility at Entebbe International airport. Volumes of HV products though FHL have drastically increased.

3.0 CONCLUSION

There is a stable complement of long-term personnel at the ADC providing TA to NTAE clients.

The 2001A season experienced above average rainfall over most of the country. This resulted in bumper crops for many of the food commodities, and Uganda is relatively food secure at the moment. Marketing of cash crops such as maize became problematic due to good crops within the region and carryover stocks in neighbouring countries, and abundance of other foodstuffs such as matooke and root and tuber crops.

Prices will be lower on all food crops, which enhances accessibility to food and keeps inflation low. Despite the large harvests, farmers experienced lower farm incomes because prices declined dramatically. Some farmers will default on their loans.

Agribusinesses in general and input suppliers in particular suffered during the reporting period as a result of the very weak market conditions experienced during the 2001B season. The ADC did provide direct assistance to UGT in accessing a contract for maize in Zambia, which is now being supplied.

The Uganda Shilling stabilized and strengthened during the period. The Euro, Dutch guilder and the British pound all remained relatively weak to the US\$, which deflates our HV NTAE export values. The terrorist events of September 11 caused economic shocks throughout the world.

Presidential and parliamentary elections were held during the reporting period, with the return of the incumbent, President Museveni and many of the parliamentarians, with some unseated. It is anticipated that the GoU and its partners will be able to forge ahead with implementation of the PEAP and the PMA.

We still maintain that there are some very good investment opportunities in NTAE. Diversification of Uganda's export base is still very important. Our main limitation is identifying qualified investors.

PART I: MAIN REPORT

1.0 INTRODUCTION

1.1 Overview

This is the fourteenth semi-annual progress report of the Uganda's Investment in Developing Export Agriculture (IDEA) Project. It is also the seventh annual progress report and covers the period January 1 through December 31, 2001. Like other previous progress reports, it brings out progress by component and compares the planned and actual implementation of various tasks.

The report consists of two parts - **the main report (Part I) and statistical annexes (Part II)**. The main report comprises three chapters with the first chapter giving an overview of the IDEA Project and the macro environment prevailing during the reporting period. Chapter 2 presents a detailed narrative of progress (by objective) made by the Low Value (LV) and High Value (HV) components. Overall operation of the Project is presented under Management, Monitoring and Evaluation. The Project's strategies, highlighting challenges and opportunities and an outlook for the 8th work plan year are presented in Chapter 3. Statistical annexes (Part II) include achievement indicators, time lines, active client portfolio, LV and HV training events, and IDEA Small Grants.

1.2 IDEA Project: Institutional Environment

1.2.1 Role and Institutional Framework: IDEA Project goal is to increase rural incomes of men and women. The main intermediate result (IR) under IDEA is increased value of selected non-traditional agricultural exports (NTAEs) as the source of increased incomes. Other intermediate results contributing to USAID's SO1 include increased production of selected food products and increased use of financial services by rural households. The USAID Uganda Mission now has a new Integrated Strategic Plan (ISP) 2002-2007. With 2.5 years remaining, IDEA is a transition project. It is incorporated under SO7, and is expected to have results reportable under all 4 Intermediate Results.

In terms of implementation strategy, IDEA provides direct assistance to producers, traders, and exporters of selected NTAEs using a vertically integrated, "commodity systems" approach. IDEA works to expand LV food crop exports (primarily maize and beans); and increase production and exports of HV crops (such as flowers, fresh produce, cocoa, papain and vanilla).

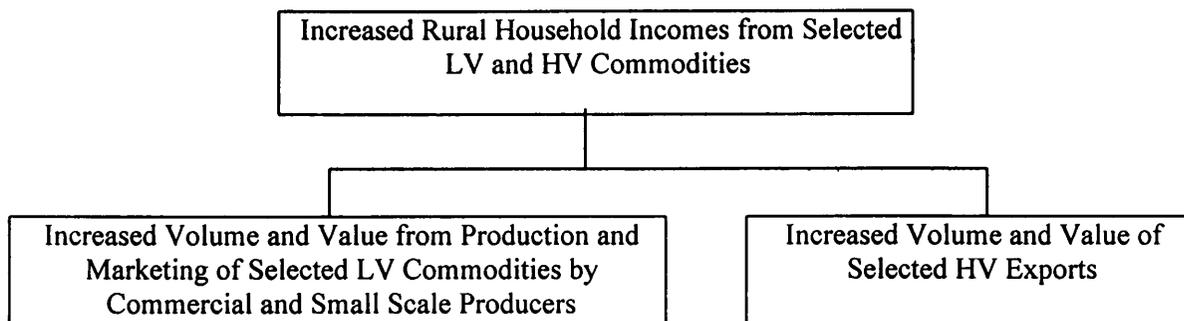
Although the basic project agreement is between USAID and the GoU's Ministry of Tourism, Trade and Industry (MTTI), IDEA operates principally for and in concert with the NTAE private sector. Thus, the IDEA Steering Committee (ISC) is made up largely of private sector representatives and a few representatives of ministries and parastatal entities involved in promoting the NTAE sector in Uganda.

The overall IDEA results framework and institutional environment are shown in Figures 1 and 2 respectively. Results frameworks for LV and HV components are provided in Annex 1. As can be seen from the figures, IDEA has 2 operational components directed at accomplishing project results. These two, namely the Low Value and High Value Production and Marketing components form the cornerstones of IDEA. The two components are actively supported by the business and finance, research, education and training, market information service, grants management, monitoring and evaluation, and project management units.

During the reporting period, the IDEA Project, through the Agribusiness Development Centre (ADC) continued to offer a wide range of professional expertise including crop production, market information, training, financial linkages, project management and evaluation. Currently,

IDEA is at full staffing, including 6 long-term expatriate advisors and 8 counterpart local professionals plus short-term technical assistance, for a total of 1,381.25 person months of technical assistance over Life of Project (LOP).

Figure 1: Results Framework for IDEA Project



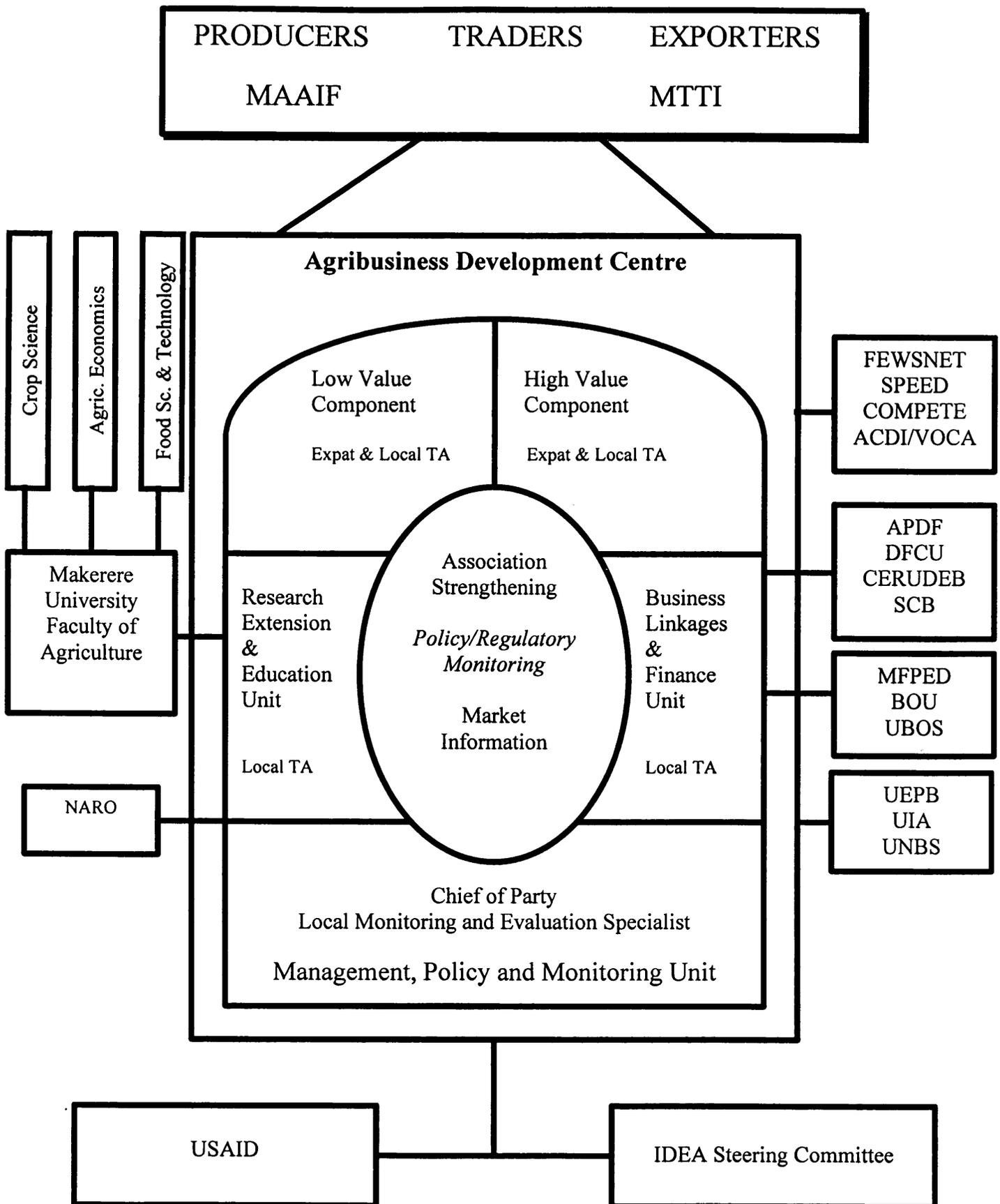
Current positions and contractors providing the TA are shown in Table 1. A full list of the ADC long-term professional staff is indicated in Annex 2. Short-term expatriate and local technical assistance is also available over the life of the contract. The contract also provides for specialized training and commodities (vehicles, computers, etc) for the ADC. To enhance support to ADC clients, IDEA maintains a cost-sharing agreement and small grants facility administered directly by the TA contractor, Chemonics International Inc.

Table 1: IDEA Expatriate and Local TA Positions

Expatriate LTTA
Chief of Party (COP)
Low Value Crop Production and Marketing Advisor (LV)
Low Value Crop Production and Marketing Advisor (LV)
High Value Crop Production and Marketing Advisor (HV) ¹
High Value Crop Production and Marketing Advisor (HV)
Grants and Operations Manager (GOM)
Local LTTA
Monitoring and Evaluation Specialist (M&E)
Low Value Commodity Specialist (LV)
Low Value Commodity Specialist (LV)
High Value Horticulture Specialist (HV)
High Value Horticulture Specialist (HV)
Research, Extension & Education Specialist (REE)
Business Advisory Specialist (BAF)
Market Information Manager (MKIS) ²

- 1 Fintrac employee
- 2 Funded by GoU counterpart contribution

Fig 2: Institutional Environment of ADC/IDEA Project



1.2.2 **IDEA Project STTA:** During the 7th work plan year, there were 16 STTA assignments and 8 purchase orders as shown in Tables 2(a) and 2(b) respectively.

Table 2(a): ADC/IDEA PROJECT STTA: January - December, 2001

Name	Assignment	LOE (DAYS)
Karen Menczer	Initial Environment Examination	11
Greg Cullen	Strengthen the Private Sector Seed Industry	29
Howard Gridley	Multiple Constraint Resistance in Bean Breeding	7
Jaqueline Boardman	Technical Assistance to comply with European Import requirements and insure reliable quality of Fruits and Vegetables	21
Garry Tomlins	Technical trials in Vegetable Agronomy	43.5
Karrie McLaughlin	Administrative Audit	3
John Lichte	Review and Synthesize empirical data related to future agricultural development issues relevant to Strategic Objective 7 and IDEA Project	35
Lawrence Eтуру	Review and Synthesize empirical data related to future agricultural development issues relevant to Strategic Objective 7 and IDEA Project	12
Jay Kaufman	Website design and market data management	22
Jim Middleton	Monitoring the progress of the civil works, overseeing equipment installation and commissioning and ensuring the integrity of engineering work during the process of Seed Equipment Installation.	10
Livingston Ochwada	Provide essential management in Vegetable Agronomy	30
Micheal Wallington	Run Storage and Marketing of Maize for Uganda Grain Traders Ltd.	65
Edward Mwesigwa	Study on Determining Best Practices for Rural Agricultural Marketing Systems	54
Dorian Rocco	Analyze Kenyan Maize Market to seed how Uganda could undertake Advantage of Kenyan Maize Shortfall.	12
Anne Milligan	Assist in preparation of the Eighth Annual Work Plan	5
Steve Walls	Assist in preparation of the Eighth Annual Work Plan	13

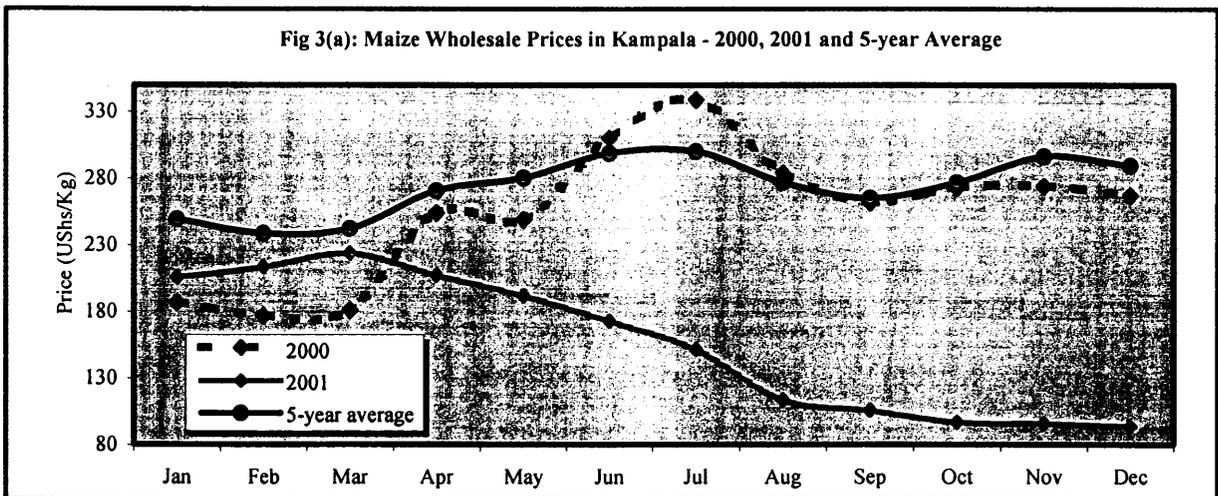
Table 2(b): ADC/IDEA Project Purchase Orders: January – December, 2001

Vendor	Deliverable
Okello Louis	Develop farm cash flows and budgets
Independent Consulting Group	Business Plan for Producing & Marketing Upland Rice
Institute International D'Agriculture Tropicale	Metharrhizum Plant Assessment on Termite Control
Bisereko Kyomuhendo	Draft Contracts between NARO and Generic Seed Cos.
CIRAD	Post-harvest and Quality Control for Cocoa
Uganda Commercial Farmers Association	Develop services designed to simplify loan application packaging and monitor loan performance
SAARI	Groundnut Seed Multiplication
CORI	Cocoa Research and Training

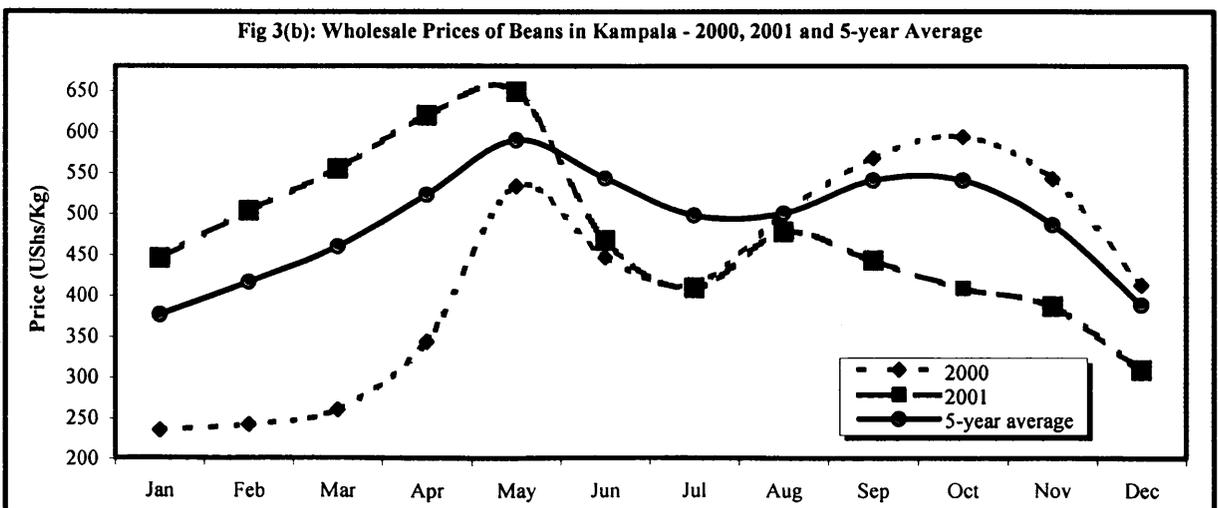
1.3 Overview of the Climatic Conditions and Prices

The period under review (January – December 2001) was characterized by timely onset of first season rainfall, with normal to above normal rainfall recorded in most districts in the country. The favourable crop conditions resulted in good harvests and above normal production for most agricultural commodities. In the case of maize and beans (which are the principal LV commodities), crop outputs particularly for 2001A season exceeded those of similar seasons in the recent past. Yields for maize and beans in IDEA project districts were estimated at 3.0-3.8 mt/ha and 0.7-1.0 mt/ha respectively. Some farmers who planted in time and adopted high input technology attained maize yields as high as 5.25 mt/ha. Following the good harvests and similar trend in the neighbouring countries, maize prices in most parts of the country fell to very depressed levels and marketing certainly became an issue as farmers had trouble securing attractive prices for their produce.

Figure 3(a) shows that between January and March, price of maize was higher in 2001 than in 2000. From April to December, however, the price of maize in 2001 fell drastically and was significantly below that of 2000 and the 5-year average (1996-2000).



In the case of beans, the price level in 2001 was higher than in 2000 between January and July. From July up to December, the 2001 prices were lower than the 2000 levels as well as the 5-year average {Figure 3(b)}, signifying the good harvest in 2001.



The overall rainfall situations for 2000 and 2001 are presented in Annex 3. Compared to 2000, the rainfall situation in 2001 was generally above normal in most parts of the country. A normal to above normal harvest was realised in most parts of the country during the year, with an estimated national output of 650,000 mt and 260,000 mt of maize and beans respectively. Of these, at least 400,000 mt and 140,000 mt of maize and beans respectively, were commercially available in the market. The real challenge has, however, been the poor quality of produce attributed mainly to poor storage infrastructures both at the farm and district levels.

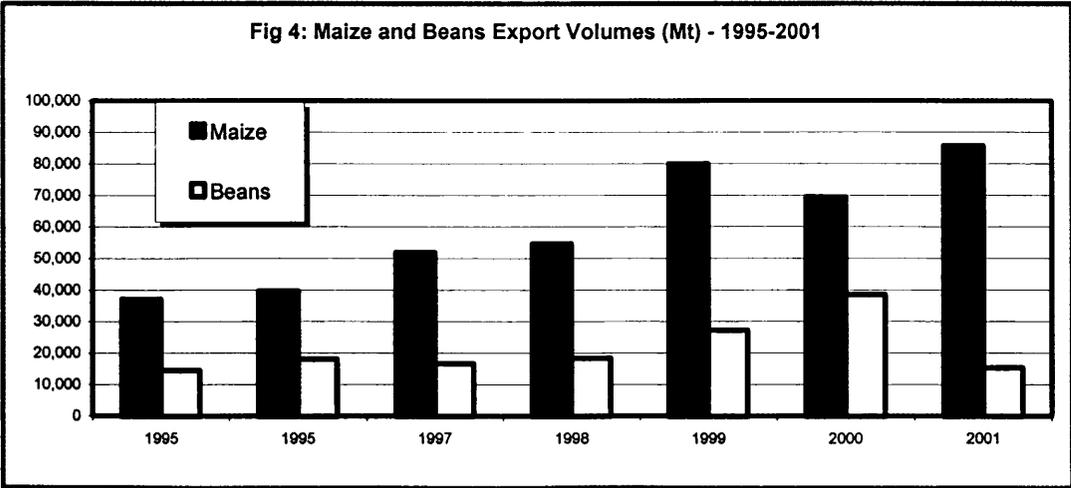
The production and supply of other staples such as millet, cassava, sweet potatoes, banana/matoke were also reported to be normal to above normal, thereby augmenting household food supplies. This resulted in a decline in prices locally in the districts as well as in urban markets such as Kampala and other locations.

1.4 The NTAE Sector Performance

Low Value Commodities: During the year, over 85,800 mt of maize and 15,200 mt of beans were exported. Exports of maize and beans would have been higher, but for the stable supply in Kenya as a result of good rains received there. Attempts at making commercial contracts into Kenya failed as a result of the significant surplus production in the region. Efforts at marketing Ugandan grain in Southern Africa were finally successful with the signing of a contract that brought about the first ever commercial export of maize from Uganda. A total of 40,000 mt of maize grain valued at US\$4.4 million FOB was contracted to the newly formed consortium of traders – Uganda Grain Traders (UGT) Limited. Of this, 9,680 mt (valued at US\$1.06 million) was delivered during the reporting period.

Generally, exports suffered during the year from a decline in relief demand traditionally responsible for the bulk of bean exports as well as the maize crisis of the second season. In terms of volume, maize exports increased over 2000 with over 85,800 mt being exported (compared to about 69,500 mt in 2000). The value, however, was lower by about US\$1.5 million. Bean sales suffered significantly with export volumes more than 60% lower than the previous year. Total sales value of bean exports in 2001 of US\$4.4 million, was lower than the 2000 export value by nearly US\$4.4 million.

Generally, the export volumes of maize (save for 2000) and beans (save for 2001) have shown steady growth over the past seven years. As can be seen from Figure 4, the export volumes of maize in particular, increased from about 37,000 mt in 1995 to over 85,000 mt in 2001 (an increase of 130% within a period of 7 years).



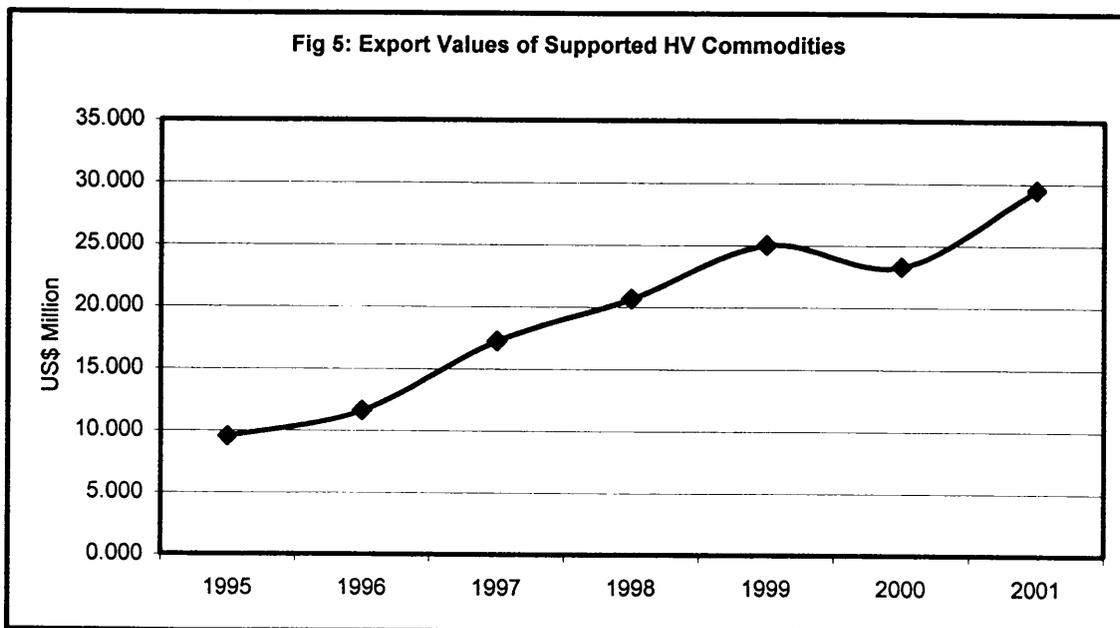
High Value Products: The export value of crops covered by the High Value portfolio was about US\$ 29.5 million FOB in 2001, a 32% increase over 2000 exports. This much-improved performance was due to new investment in floriculture; high world market prices for vanilla; and small but significant improvements in the export production of fresh produce, cocoa and other minor products.

New investment, improved quality and favourable exchange rates all contributed to increased rose exports of about US\$10.93 million (up 26%) and increased cuttings exports of about US\$4.97 million (up 22%). Fresh produce exports were about US\$3.07 million FOB. Cross-border sales of banana, pineapple and other HV produce were valued at US\$1.29 million. The value of vanilla exports increased in 2001 to a record figure of US\$6.59 million. Processors reported a total export of 66 tonnes of good quality vanilla, sold at prices ranging from US\$90 to US\$140 per kilogram.

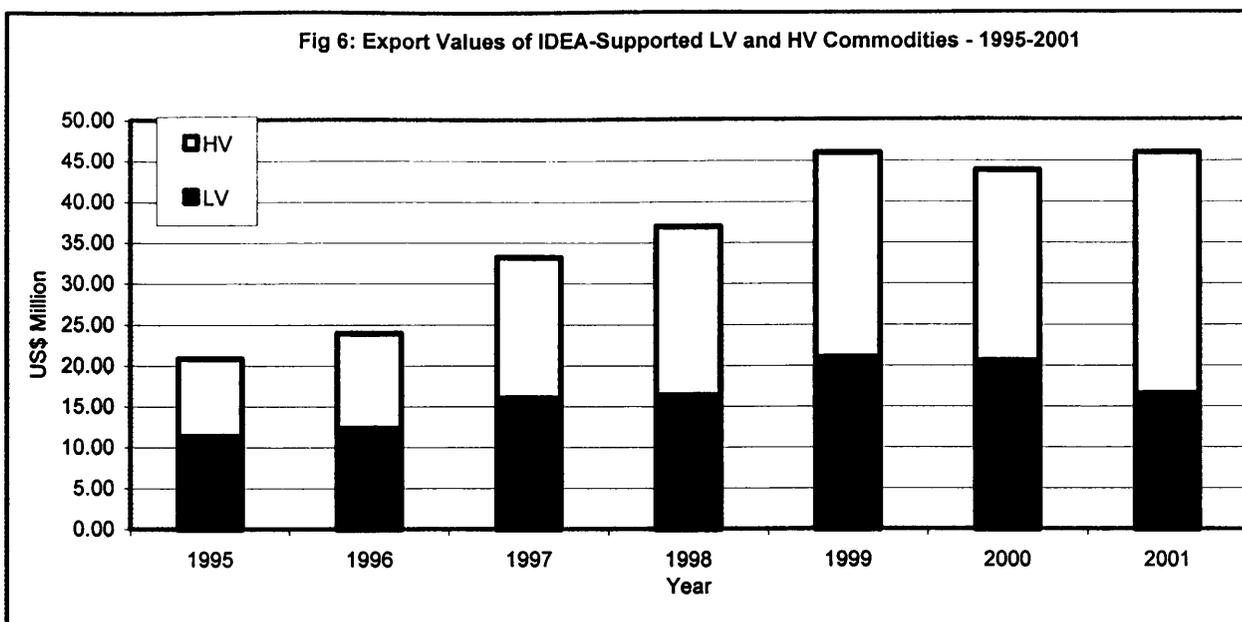
Export of papain was still low at 26 tonnes, valued US\$0.55 million, compared with the pre-ADF period, but is expected to increase gradually over the next few years. Cocoa exports were valued at US\$2.87 million by the Uganda Cocoa Association. This increase over 2000 exports was due to relatively strong market demand, and the necessity of some growers affected by coffee wilt to rehabilitate their cocoa trees as an alternative cash crop. World demand for cocoa is expected to remain strong in 2002.

The value of other HV crops including dried pineapple and banana, birds eye chilli and other spice products was estimated at US\$0.49 million for 2001.

Over the past seven years, the export value of supported HV commodities increased from just under US\$10 million in 1995 to nearly US\$30 million in 2001 (Figure 5). This is a three-fold increase and represents an annual increase of about 42%.



Considering both the low and high value portfolios, there has been a tremendous growth in NTAE products supported by the IDEA project. As may be observed from Figure 6, the export values of both LV and HV products supported by IDEA increased from about US\$21 million in 1995 to US\$46 million in 2001.



The growth in the NTAEs has come at a time when Uganda's foreign exchange earnings for 2001 were greatly affected by depressed coffee, cotton and tea prices on the world market. However, 2001 also proved that NTAE commodities are also subject to dramatic market swings. This was definitely the case with maize (depressed prices) and vanilla (booming market). This reinforces the need for a diversified portfolio of exports. Low product prices also kept domestic inflation at low levels. Despite decreased export earnings, the USh was relatively stable due to less demand for hard currency by importers, BoU interventions in the forex market, and the large inflow of hard currency from remittances and donors.

During 2001, the Small Grants Program continued its support to the four Fixed Amount Reimbursement Agreement (FARA) activities, which began in 2000 and entered into three new FARAs and 10 new grant agreements. Of the four activities continued from 2000, three, NARO Maize 2000, NARO Beans 2000 and NARO Sesame, were successfully closed out. Eleven new activities were approved and began implementation during the reporting period, while one new FARA with the NARO National Banana Program and one new grant agreement with Melissa Flowers Limited were entered into but have not yet received any funding. Of the US\$1,600,000 set aside for the program, US\$1,474,051 (including the two most recent recipients) has been committed to these activities. A small amount of funding scheduled for disbursement to the three closed-out activities has been rolled back into the grant pool, leaving an uncommitted balance of US\$140,563. Annex 8 provides a detailed breakdown of grant fund progress. IDEA anticipates that the remaining funds will be committed by the end of the 2002 work plan year.

2.0 PROGRESS BY COMPONENT

This chapter summarizes progress made during the period January 1 through December 31, 2001. Details of progress by activity, objective and output are presented in Annex 4 (Performance Indicators) and Annex 5 (Time Lines). Technical assistance provided and NTAE training supported by ADC/IDEA are given in Annexes 6 and 7 respectively. Annex 8 highlights IDEA small grants progress by grantee.

2.1 Low Value Crop Development

Overview

The year under review had as its objective, the firm establishment of commercial farming operations, in conjunction with associated input supply and production credit. Concurrently, the program was to focus on the diversification of the commercial crop portfolio to include groundnuts, upland rice and sesame.

The year was characterized by an excellent first season with widespread rainfall and good season duration. Unfortunately, this good production pattern was also experienced in the whole region, including areas that normally experience dry seasonal distribution. Large carry over stocks in Kenya coupled with the high seasonal production led to an enormous surplus of maize throughout the region. Prices fell to the lowest in a decade, which contributed to erosion in producer confidence. Input sales were very low during the 2001B season and recovery of bank loans extended for 2001A season has also been slow. The full extent of loan recovery is not known at this time, but defaults are to be expected.

Continued work with introduction of improved maize varieties has resulted in the first production of hybrids from international seed companies. SC627, (Seedco material), was produced in two locations with seed yields of over 4mt/ha. This has given the company sufficient confidence and it intends to increase local production to 100 ha during 2002. There are 3 new hybrid maize varieties on the variety release list for early 2002.

Seed sales during the first season, particularly hybrid maize sales, were excellent (with annual growth rates exceeding 50%), and partner companies demonstrated good logistical and financial performance. The increase in hybrid maize sales alone resulted in an additional 10,000 ha under improved maize production. This achievement has mainly been made possible with the continued work of the program in input supply systems development. Such systems have improved dramatically with the continued support of the private sector. Seed sales declined by up to 70% in the second season compared to the same period in 2000, and fertilizer sales declined by 80% over the same period. As such, the total area planted under maize is estimated to have declined by as much as 60% during 2000B season. Despite significant sales reductions, input suppliers are still confident of improvements in 2002.

Rapid adoption of improved technologies has been observed, resulting in a significant growth in fertilizer sales to the emerging commercial LV farming sector. Whereas fertilizer sales were virtually zero in 1996, sales during 2001A season were almost 2,000 mt. It is estimated that fertilizer was applied to 8,000-12,000 ha, which in the final analysis can be equated to higher yields and higher farm gate incomes. Sales during 2001B season were, however, very small due to low producer confidence. Of significance in terms of new technologies is the introduction of conservation tillage techniques in conjunction with Monsanto. As a result, farm level efficiencies are improving and unit costs of production for maize are moving below US\$60 per mt.

During 2001A season, over 18,000 mt of maize was procured by WFP, compared to about 12,600 mt procured during the 2000B season. Commodity surpluses worldwide meant that donor countries made contributions to relief in-kind rather than in-cash. This resulted in a fall in local procurement by WFP.

Attempts at making commercial contracts into Kenya failed as a result of the significant surplus production in the region. Efforts at marketing into Southern Africa were successful with the first commercial export of maize ever from Uganda being contracted. A total of 40,000 mt of maize grain valued at US\$ 4.4 million FOB was contracted to the newly formed consortium of traders—Uganda Grain Traders Limited. Of this, 9,680 mt (valued at US\$1.06 million) was delivered during the reporting period.

Generally, exports suffered during the year from a decline in relief demand traditionally responsible for the bulk of bean exports as well as the maize crisis of the second season. In terms of volume, however, maize exports increased over 2000 with more than 85,000 mt being exported (compared to about 69,500 mt in 2000). However, the value of these exports was lower by about US\$1.5 million. Bean sales suffered significantly with export volumes more than 60% lower than the previous year. Total sales value of bean exports in 2001 of US\$4.4 million, was lower than the 2000 export value by nearly US\$4.4 million. Sesame, seed grains and processed foods resulted in 4,000 mt of exports valued at US\$1.8 million.

Highlights of achievements during 2001 are presented in Table 3. Achievement indicators are shown in Annex 4, while Annex 5 depicts progress by objective. Technical assistance rendered and training events conducted are presented in Annexes 6(a) and 7(b) respectively.

Table 3: Summary of LV Progress for Selected Indicators by Season

Indicator	Unit	2001A	2001B	2001 Total
A: Maize and Bean Exports:				
- Value of maize exports	US\$ Mil.	7.308	3.063	10.371
- Volume of maize exports	Tons	47,011	38,799	85,810
- Value of bean exports	US\$ Mil.	3.381	2.021	4.402
- Volume of bean exports	Tons	7,262	8,026	15,288
B: Input Sales (National):				
- Value of maize seed	US\$	895,000	182,192	1,077,192
- Volume of maize seed	Tons	1,127	276	1,403
- Value of bean seed	US\$	234,023	129,234	363,257
- Volume of bean seed	Tons	440	213	653
- Value of fertilizers	US\$	3,386,250	1,260,000	4,646,250
- Volume of fertilizers	Tons	10,750	4,000	14,750
C: ATAIN Sales:				
- Value of maize seed	US\$	366,654	41,346	408,000
- Volume of maize seed	Tons	294	41	335
- Value of bean seed	US\$	26,288	11,680	37,968
- Volume of bean seed	Tons	36	16	52
- Value of fertilizers	US\$	210,750	69,375	280,125
- Volume of fertilizers	Tons	562	185	747
- Number of input stockists	Number	206	218	218
- Number of farmers served	Number	38,750	41,000	41,000
D: Commercial Farming Operations:				
- Number of commercial farmer clients	Number	407	571	978
- Area under maize by commercial farmer clients	Ha	3,106	3,283	6,389
- Area under beans by commercial farmer clients	Ha	125	191	316

- Estimated maize output by commercial farmer clients	Tons	11,391	12,196	23,587
- Estimated bean output by commercial farmer clients	Tons	105	168	273
- Maize yield by commercial farmer clients	Mt/Ha	3.67	3.71	3.69
- Bean yield by commercial farmer clients	Mt/Ha	0.84	0.88	0.86
- Number of commercial farmer clients receiving credit	Number	223	242	465
- Total credit received by commercial farmer clients	US\$	531,149	398,283	929,432
E: Technology Transfer:				
- Number of field demonstration sites	Number	2,160	2,500	4,660
- Number of farmers attending training	Number	88,300	119,700	208,000
- Percent of farmers trained (females)	%	36	42	39
- Estimated percent adopting low input technology	%	61	48	55
- Estimated percent adopting high input technology	%	10	10	10

The sections that follow summarize LV achievements by objective for the period January-December 2001. In conformity with the LV results framework (Annex 1); objectives 1 and 2 are presented under Output 1. These two objectives discuss progress towards increased use of efficient production technologies. Objectives 3 and 4 (under Output 2) discuss progress regarding input supply and utilization. Objectives 5 to 9 (under Output 3) present achievements related to market efficiency.

Progress by Objective

Increased use of efficient production technologies promoted, reaching 860,000 farmers and extension agents over LOP (Output 1)

Objective 1: Assist in generating efficient production technologies

As in previous years, research activities continued to receive support from the IDEA project during the 7th work plan year. Progress on cereals, beans, sesame, groundnuts, upland rice and sunflower during the reporting period is highlighted below.

(i) Maize:

Since IDEA FARA funding to the NARO National Maize Research Programme expires in March 2002, emphasis was placed on trials that would be completed during the year and a few which were long term for which NARO would source funding from other donors. No new trials were initiated that will run for more than two seasons. Collaboration between CIMMYT, the National Maize Program and the ADC resulted in a new approach of rapid multi-locational screening and farmer response. It is hoped that this "mother and baby" approach, as it is known, will open the way for more cost-effective approaches to primary introductions of improved varieties. The highlight of work with the National Maize Program has been the selection of 2 highly rated local 3 way crosses being selected for multiplication pending release and final on-farm work during 2002A season. Release is proposed for mid 2002.

Striga management trials addressing different control options were tested during the reporting period. Field observations showed that sunflower suppressed striga emergence and that use of fertiliser and herbicide minimized the effect of the parasite. This trial will be repeated in 2002A season to verify these observations. A collaborative effort with the CIMMYT regional office in Nairobi has been sought.

Both Seed-Co and PANNAR have materials that are ready for release at the next Varietal Release Committee (VRC) meeting. Approval has been granted for the import of 5 mt of SC407 for pre-release demonstration work by the IDEA project in the 2002A season. This is a shorter season high yielding hybrid, which is ideally suited to the more marginal areas/seasons. In addition to SC407, two other hybrids suitable for high altitude areas from Pannar and Kenya Seed companies are due for release during 2002.

Work continued with the termiticide fungus, metarrhizium. To further the commercialization of the product, the ADC approached Kakira Sugar Works to promote its production in their under-utilized Rhizobium facility. Initial response has been favourable. Discussions were held with ICIPE in Nairobi as to their involvement in any commercial venture. It had been anticipated that the outstanding toxicology trials would be conducted during 2001 in conjunction with ICIPE, and approval for formal release would be made by the end of the year. A purchase order with IITA in Benin was concluded in May 2001. Lack of a suitable funding source however prevented further activity. The final toxicology work required for registration was not completed and is still held pending funding. It was hoped that the USAID biotechnology fund would assist but this type of work does not fit with the program's objectives.

In addition to the work with metarrhizium, a new seed-dressing venture is under investigation in conjunction with Aventis. The material (Regent) will be assessed for its potential as a candidate product under the IDEA IEE, which has been recently completed. Many farmers with termite problems have expressed willingness to pay an extra shilling for the treated maize so as to control the termites. Permission has been obtained from the Agricultural Chemicals Board to allow Harvest Farm Seeds to import sufficient Regent to treat 20 mt of seed.

Close liaison with Monsanto has resulted in some important conservation tillage introductions, which have been introduced in each district as adopter demonstrations. The benefits of this cost-saving introduction were highlighted during the year with increased efficiencies bringing the unit cost of production of maize down to less than US\$60 per mt in some cases. Monsanto conducted 9 variety trials with 2 promising materials progressing to the final stages of on-farm testing.

(ii) Beans:

As with support to maize, only on-going bean research trials from the previous year were approved under the FARA to the NARO National Beans Research Program. This was mainly on crop improvement and on-farm testing. Research on multiple-constraint breeding, which began in 2000, has been advanced to multi-location testing and has targeted specific constraints dominant in the low land and high altitude regions. The major constraints are common bacterial blight (CBB), angular leaf spot (ALS) and anthracnose disease. Regional collaboration with CIAT during the reporting period resulted in a program to strengthen the breeding activities within East Africa. Nurseries with over 100 lines were planted at NAARI and Kachwekano in Kabale district.

Six research trials were planted in 2001. Funds were also allocated to the National Bean Program for publication, mainly of leaflets in technology promotion and transfer of new bean varieties. Three draft leaflets on the production of new bush and climbing varieties are being prepared. Four seed varieties of climbing and bush types are up for submission for official release at the next VRC meeting. Planting climbing beans using maize stalks of the previous season's crop as staking materials has been received with a lot of interest by farmers in Sironko district because of scarcity of normal staking materials.

(iii) Sesame:

Field trials on the agronomy of sesame under different fertilizer combinations and rates were completed early in 2001. The final report was submitted and a production leaflet for farmers and extensionists is ready for printing. However, on-farm testing of Sesame II is on going and is expected for re-submission for a full release at the next VRC meeting. Yield results have been disappointing however, with no varieties yielding over 1 mt per ha even with the use of fertilizers. The current depressed price for sesame does not permit the adoption of the technology.

(iv) Groundnuts:

A research proposal on groundnut on-farm testing of new promising genotypes with shorter maturity period and resistance to rosette disease has been approved. During the reporting period, on-farm testing of these materials was planted in over 90 farmer fields in eastern and northern Uganda. Seed multiplication of groundnut varieties ready for release is on-going. Though most of this multiplication is being done informally by SAARI in the Teso region, some breeder seed was obtained and bulking is taking place at Mubuku in Kasese and NASECO in Kibaale. There was no VRC meeting during the reporting period as earlier planned.

(iv) Upland Rice:

To-date a total of 30 NERICA (new rice for Africa) varieties have been screened in Uganda. Of these, 5 were superior in terms of drought tolerance, disease resistance and yield. Their performance is shown in Table 4 below.

Table 4: NERICA Upland Rice Performance
(Based on average for 2 seasons of trials in Eastern Uganda)

Variety	Yield (Mt/Ha)
WAB 450-11-1-P40-1-HB	3.835
WAB 165	3.850
ITA 257	3.000
WAB 450-1-B-1-HB	3.485
WAB 189-B-B-B-8-HB	3.100

In April 2001, LV TA visited the West African Rice Development Association (WARDA) in Cote d'Ivoire. Arrangements were made to obtain some seed of these varieties from WARDA for extensive on-farm trials with a view to releasing them in Uganda. So far some seed of WAB450-P40, WAB165, and WAB189 was obtained from WARDA during the reporting period and an arrangement has been reached with Tilda (U) Ltd to bulk the same. Tilda (U) Ltd has also agreed to work with ADC on extensive demonstration of these varieties and associated technology packages in an area around Kibimba, with a view to entering into production contracts with adopting farmers to supply paddy to Tilda (U) Ltd. Details of these arrangements will be become clearer in 2002.

(v) Sunflower:

In order to bring sunflower yields to an economic level, 7 hybrid varieties were accessed by IDEA from PANNAR in South Africa and delivered to Serere (SAARI) for testing. The varieties have been evaluated and the best performers will be further tested on a larger scale in 2002. Two new varieties are expected for submission for official release at the next VRC meeting. Consultation with other South African suppliers have been held and it is anticipated that additional material will be presented for evaluation during 2002A season.

New Products/Technology released: During the reporting period, the following new technologies/products were released:

- Conservation tillage in maize and cotton using Roundup dry formulation
- Seed dressing for termite control using Regent (awaiting IEE approvals)
- SC 407 short duration maize hybrid received pre-release approvals
- WAB 165, 450 and 189 upland rice varieties entered multiplication and limited on-farm demonstration prior to 2002 full-scale promotion through Tilda (U) Ltd.
- Sesame agronomic package.
- Groundnut recommendation guide.

Benchmark 1.1: *At least 10 research trials completed by 12/31/01 (12 completed, 120% accomplished).*

Benchmark 1.2: *At least 4 technology packages developed and disseminated (100% completed).*

Benchmark 1.3: *At least 5 new products introduced (100% completed).*

Objective 2: Promote efficient production and post-harvest technologies

During 2001A and 2001B seasons, a total of 4,660 demonstration sites were established for maize and beans, reaching 208,000 farmers. In the 2001A season 250 sites for conservation tillage were established in conjunction with Monsanto, while all 2,500-demonstration sites for the 2000B season had a component of conservation tillage. This aspect has been well received with adopters providing encouraging training sites.

Attendance at traditional demonstration sites for maize and beans is gradually declining, further emphasizing the strategy of a complete withdrawal from set demonstrations by the end of 2003. On the other hand, farmer-to-farmer information exchange in conjunction with input suppliers as informants continues to take center stage. Private sector support to the demonstration program continued to gain momentum with stockists and distributors contributing some of the materials placed at demonstration sites. The depressed commodity prices during the year brought into sharp focus the message of maximising yield and minimising production costs, through conservation tillage and other technologies being promoted at the demonstration sites.

The impact of the technology transfer program is highlighted by the adoption of Seed-Co and PANNAR hybrids. In areas where no demonstrations have been made, adoption has been much less than that of exposed areas. In some cases sales have been zero with no prior demonstration exposure – highlighting the continued efforts in field promotion.

Commercial farmer training continued to receive strategic changes during the year. For the first time, training of commercial farmers was conducted in Kasese, Kiboga, Mubende and Kapchorwa districts. It is of significance that these districts now have the highest level of bank supported farmer clients in the country, with Kasese and Kapchorwa having a total of 178 and 101 farmer loan clients respectively during the year (Table 5).

Kinoni Training School at Katugo in Nakasongola district, will continue to be a training focus for other districts until such a time that they too graduate to district-based training programs. The Kinoni center will, however, continue to provide training for such service groups as bank field managers.

Commercial farming operations were stimulated on 4 of the Uganda Prisons farms to improve prisoner feeding and reduce cost of production. Crops during the year were significantly improved, with over 750 acres of maize hybrid grown, yielding an average of 4.5 mt/ha.

Production credit was restructured for the second season to ensure that inputs were received in kind from the client's loan rather than as cash in advance. This greatly minimised the risk of diversion from the essential input supply package and maximized the yield advantage to be gained. The system was effectively introduced in Kasese, Mityana and Kiboga districts.

The ADC conducted training in conjunction with CERUDEB for all branch loan officers to give them some agricultural background necessary for effective loan appraisal and monitoring. This was well received and has yielded substantial impact as far as changing the attitude of some bank officials in the districts was concerned.

During the 2001B season, the ADC conducted pre-audits for environmental compliance by commercial farmer clients, after the IDEA IEE was finalized. The pre-audit survey covered a sample of 27 commercial farmers. The purpose of the pre-audit visits was to assess the extent, type and methods of application, storage and disposal of pesticides by assisted commercial farmer clients. The outcomes of the visits will be used to emphasize both pesticide and environmental compliance by commercial farmer clients.

Table 5: Commercial Farming Production Credit: 2001A&B Seasons

District	Number of Farmers 2001A	Number of Farmers 2001B	Area 2001 (Ha)	Loan Value (US\$)
Masindi	20	10	533	97,647
Hoima	9	11	181	39,882
Kasese	37	141	1,350	314,720
Kamuli/Iganga/Bugiri	15	11	489	110,177
Mbale/Kapchorwa ¹	117	0	762	141,573
Kiboga/Mubende	15	58	733	152,530
Other Districts	10	11	426	81,960
Total	223	242	4,494	938,489

1. Single season cropping zone

This represents a significant development in commercial agricultural lending as highlighted in the summary of commercial loans during the life of this program (Table 6).

Table 6: Seasonal Loan Advances

Season	Advances (US\$)	Acreage (Ha)	Number of Farmers	Repayment
2000 A	270,800,000	2,636	64	100%
2000 B	346,800,000	2,213	53	100%
2001 A	937,450,000	6,410	218	In process
2001 B	677,080,000	4,740	246	Not due
Input supply advances over 3 seasons	200,000,000	Not applicable		
Totals	2,432,150,000	16,035	581	

The experience of the ADC in promoting improved technologies resulted in the Uganda Ginners and Cotton Exporters Association (UGCEA) approaching IDEA Project for advice on establishing a demonstration program for cotton. Where the Project and cotton growing areas overlap, the ADC provided technical guidance to the Cotton Development Organisation (CDO) and UGCEA to establish 1,200 demonstrations. Technologies demonstrated included: The use of basal fertilizer (MAP), top dressing using NPK 25:5:5, the use of Roundup dry as a conservation tillage aid, proper timing and spacing as well as a new variety BPA 95, which seed was brush de-linted (a new process to Ugandan farmers). Yield response to the new technologies have been excellent with low input blocks yielding 800 kg per acre (more than double traditional yields) and high input blocks yielding up to 1,500 kg per acre (more than quadruple traditional yields).

Benchmark 2.1a: *Efficient production and post-harvest technologies promoted through 4,000 demonstration sites by 12/31/01 (4,660 demo sites, 117% accomplished).*

Benchmark 2.1b: *240,000 farmers trained in efficient production and post-harvest technologies by 12/31/01 (208,000 trained, 87% completed).*

Benchmark 2.2a: *4,000 ha cultivated by commercial farmers by 12/31/01 (6,705 ha cultivated 168% accomplished).*

Benchmark 2.2b: *At least 15,000 mt of maize produced by commercial farmers by 12/31/01 (23,587 mt produced, 157% accomplished).*

Benchmark 2.3: *Production credit obtained for 150 commercial farmer clients by 12/31/01 (465 received credit, 310% accomplished).*

Benchmark 2.4: *At least 20 commercial farmer clients pre-audited for environmental compliance (27 pre-audited, 135% accomplished).*

Input supply promoted and seed multiplication activity supported by EOP as shown by a) supporting 400 stockists and b) over 2,800 mt of maize and 1,150 mt of bean seeds multiplied and distributed (Output 2)

Objective 3: Promote and support input supply network

The final year of the PL-480 funded ATAIN program, whose core focus is making inputs available and accessible to farmers at affordable prices, coincided with the reporting period. During the year, the input inventory credit guarantee was maintained for 5 distributors and 218 stockists registered under ATAIN. Both distributors and stockists reported an increase in the inputs volumes moved during 2001A season. However, the poor produce prices substantially affected the sales of inputs during the second season, resulting in many dealers having large inventories of unsold inputs.

As in the previous periods, the ATAIN program maintained its 100% credit recovery rate, a reflection of an effective monitoring system and enhanced business confidence amongst guarantees, and a signal of future sustainability of a private sector-led input supply initiative with minimal support. As a result, the ATAIN guarantee component funds will be used by ADC to provide similar support during the post-ATAIN period after 2001. During the year, many ATAIN stockists were able to procure inputs from outside the guarantee sources. The non-guaranteed portion of supplier inputs credit to distributors increased and 3 ATAIN distributors accessed

ADC-mediated bank credit worth US\$65,000. In addition to a total of US\$135,600 in revolving bank guarantees for imports for Nsanja, and two separate guarantees of US\$15,000 each for El Shaddai and Sukura for seed and fertilizer purchases from Kenya were approved.

In addition to the five ATAIN distributors, many other inputs distributors/wholesalers have been linked to the ADC-supported stockists and have acknowledged the effectiveness of the system in reaching their markets. Notable among the non-ATAIN distributors who have directly benefited from the support are East Africa Seeds, General and Allied, Harvest Farm Seeds and FICA.

ADC continued to emphasise the training of stockists as the most effective avenue to ensure appropriate application of inputs through farmer sensitisation at the point of input sale, safe use of chemicals and proper product handling and storage. During the year, 40 new stockists were trained and directly enlisted on the ATAIN program. As previously reported, ADC trained another 50 stockists of Technoserve as a way of enhancing collaboration for synergy and broader impact. Further synergy was realised from the keen participation of suppliers in the ATAIN training sessions where they demonstrated their products and provided promotion materials. AT(U) also started a process of devolving itself from direct input supply business, thereby creating a level playing field for Uganda's private-sector stockists.

During the second half of the year, ADC carried out pre-audits for pesticide usage compliance by stockists covering a sample of 30 stockists with a satisfactory level of awareness by stockists and outreach to farmers. The pre-audit revealed that most stockists had attended training in safe use and handling of pesticides and were putting into practice what they had learnt. Overall pesticide compliance usage was excellent, save for a few cases related to inadequate storage and use of protective wear. During 2002, greater emphasis will be placed on creating awareness amongst the stockists with a view to ensuring pesticide usage compliance.

Through the ATAIN program, an estimated 71,000 farmers were reached through a network of 218 stockists, with sales of nearly US\$445,950 worth of maize and bean seeds and about US\$285,500 worth of fertilizers by the ATAIN distributors. The effective collaboration between the ADC, PL-480, Banks, suppliers, distributors and stockists is ensuring a strong and stable input supply network. Tables 7(a) and 7(b) show outreach and sales value by distributor respectively. The distributors shown in Table 5(b) include those not directly under the ATAIN program.

Table 7(a): 2001 Outreach by ATAIN Distributor

Company	Number of stockists	Additional stockists (2001A&B seasons)	Farmers reached
Sukura	83	5	24,500
El Shaddai	16	16	2,220
Tweyambe	19	12	2,350
Rakai Farm Supply	50	7	21,750
Nsanja	50	0	20,250
Totals	218	40	71,070

Table 7(b): 2001 Sales of Principal Inputs by Distributor

Employer	Fertilizer sales value (US\$)	Seed sales value US\$ (Maize & Beans)
Sukura	90,750	155,603
El Shaddai	112,250	185,149
Rakai farm supply	13,875	22,218

Tweyambe	22,125	35,079
Nsanja	46,485	47,898
General & Allied	141,975	0
East African Seeds	233,750	72,800
Total	661,210	518,747

LV clients provided internships for 13 MUFA students during the reporting period. Locations included maize research (NAARI), seed firms, input supply firms, farms, a grain processor and UOSPA.

Benchmark 3.1: *Functioning input supply system, reaching 75,000 farmers by 12/31/01 (71,070 farmers reached, 95% achieved).*

Benchmark 3.2: *At least 30 new stockists trained and integrated into the ATAIN program by 12/31/01 (40 additional stockists trained, 133% achieved).*

Benchmark 3.3a: *At least 30 stockists pre-audited for pesticide compliance (30 pre-audited, 100% achieved).*

Benchmark 3.4a: *US\$480,000 worth of seeds sold under ATAIN by 12/31/01 (\$445,950 sold, 93% achieved).*

Benchmark 3.4b: *US\$400,000 worth of fertilizers sold under ATAIN by 12/31/01 (\$285,500 sold, 71% achieved).*

Benchmark 3.5: *12 interns placed with Agribusiness firms by 12/31/01 (13 interns placed, 108% achieved).*

Objective 4: Support seed multiplication and distribution

The period under review has been extremely hard for the seed companies following a market crisis for most commodities. This resulted in very low seed sales and serious cash flow constraints. During the review period 1,403 mt of maize seed worth US\$1,077,192 were sold. The corresponding sale of bean seed was 653 mt worth about US\$363,257.

The issue regarding private seed company access to national research materials was addressed. A legal study was undertaken for NARO to enable contracts to be made between NARO and private seed companies. At least one contract was concluded as a result. Close contact was maintained with the seed companies as highlighted below:

Harvest Farm Seeds (HFS): Through an ADC grant, a new seed processing plant has been installed and is near completion. About 160 mt of SC627 was imported from Seedco International, 25% of which was sold during 2001B season. Another 5 mt of SC407 was brought in for market testing pending official release of the variety. HFS had to scale down their contract seed production for the period due to slumped demand. Local multiplication of SC627 hybrid seed is proceeding smoothly, with 12 acres at Mubuku and 50 acres at NASECO in 2001B season. The crop at Mubuku is being harvested and about 15 mt of seed is expected. At the same time Mubuku has started preparing about 25 acres for planting in 2002A. Seedco expects to plant up to 250 acres during 2002. The subgrant activity with APDF was closed out during this reporting period. HFS is now paying the technical manager's salary directly.

FICA: The company is also in the final stages of installing a modern seed processing plant obtained with the help of an ADC grant. However, the company has also been negatively affected by the general market situation and was forced to dispose of their seed stocks as produce. Because of the state of the market, FICA agreed with APDF to delay the starting date of the Technical Manager to 2002A season. The company has planted 100 acres of Longe2H (Uganda Hybrid B) at its farm in Masindi and another 15 acres at its farm in Fort Portal, where it also has some 63 acres of the newly released open pollinated (OP) maize variety Longe4.

Thus FICA will have approximately 100 mt of hybrid seed for sale in the coming season. FICA had also committed itself to many contract farmers for bean and OP maize seeds but was forced to cut down on procurements due to cash flow constraints. Procurement has started for bean seeds while maize will start in January-February 2002. FICA has done all it can to honour its commitments to its contract growers and still maintains its full supplier list, despite purchasing less than the anticipated tonnage

NASECO: The company continued to be the only source of registered seed for supply to certified seed producers. It has the largest portion of hybrid multiplication for Seedco. It is still receiving APDF support for its technical manager, a breeder from West Africa. It is likely that the company will take over his salary at the completion of the support period. The company is aggressively looking to its own breeding unit and multiplication of open and selfing crops. In this regard, the company has been included in the CIMMYT regional trials and planted the following maize trials during the reporting period:

- Three-Way intermediate hybrids: 27 entries,
- Three-Way early hybrids: 32 entries,
- Top Cross hybrids: 52 entries,
- Open Pollinated Varieties: 20 entries, and
- Quality Protein Maize (QPM): 21 entries, which include hybrids, OPVs and checks.

With these trials the company is on its way to developing its own maize varieties and hybrids. NASECO has also negotiated a contract with a European company to produce certain types of seed beans for them. Trials have been planted at the farm to check on the possibility of this venture, which if successful would provide export opportunities and an additional source of revenue. The company has received a number of farm implements and seed processing equipment through an ADC grant.

East African Seeds: This is a new entrant, which is the agent for PANNAR seed and is currently selling PAN 67. Though the variety has proved to be fairly popular, sales were depressed during the period because of the general market situation, leaving them with carry-over of about 72 mt of PAN 67 hybrid.

Table 8 shows seed sales by the supported firms. As can be seen from the table, seed sales during 2001A season were significantly higher than those of 2001B season, reflecting the low producer confidence and farmer cash flow constraints during the latter period.

Table 8: 2001 Maize and Bean Seed Sales by Company

Company	1 st and 2 nd Quarter 2001		2 nd and 3 rd Quarter 2001	
	Maize Seed	Bean Seed	Maize Seed	Bean Seed
Harvest Farm Seeds	277	59	75	56
FICA	183	133	83	91
USP	254	209	68	50

Naseco	96	39	18	16
East African Seed	18	0	32	0
Kenya Seeds	299	0	0	0
Total Sales (Mt)	1,127	440	276	213
Total Sales Value	859,000	234,023	182,192	129,234

Benchmark 4.1: *At least 2,000 mt of improved maize seed multiplied and distributed (120% achieved). Total multiplied was 2,400 mt, of which 50% had to be sold as grain.*

Benchmark 4.2: *At least 700 mt of imported improved seeds distributed (83% achieved). 583 mt seed maize imported.*

Benchmark 4.3 *At least 1,000 mt of improved bean seed multiplied and distributed (1,500 mt multiplied, 150% achieved).*

Benchmark 4.4: *At least 3 seed firms supported (4 assisted, 133% achieved).*

Benchmark 4.5: *At least 1.5 mt of newly released groundnuts and 3 mt of sesame seed multiplied (55% achieved).*

Benchmark 4.6: *Bulletins produced and distributed on best practices for pest management (75 % achieved – best practices in draft).*

Market efficiency increased over LOP as measured by a) functional MKIS, b) the establishment of 25 RAMS centers, c) 8 outgrower schemes assisted, d) maize and bean export value of US\$ 34 million, and e) at least 2 firms assisted with agricultural processing activity (Output 3)

Objective 5: Provide Market Knowledge and Information Services

Bi-monthly market reports have continued as the central strategy of this component, with reports stimulating interest from new clients and feedback from old clients. The client base for the LV reports has grown to 163. The FEWSNET monthly rainfall/vegetation satellite imagery continues to be very useful to the program.

During the year 2001, 19 market reports were produced and disseminated to all the clients. IDEA clients included 12 from the region and 3 from outside Africa. Internal clients included: government ministries, donors, parastatals, farmers' associations, individual farmers and researchers. The reports were disseminated using e-mail, distribution during commercial farmer trainings and field trips as well as individuals collecting them from the ADC.

The MKIS manager attended a 2-week training on web site design at Fintrac, Inc in the USA during May 2001. This training has given the unit the ability to develop and maintain a high-class site with useful information. The LV web page is now hosted at the IDEA web site www.ugandaidea.org as www.ugandagrains.com. Weekly price information in the region, the bi-monthly market report and minutes from the trade forecast meetings are accessed on-line.

The MKIS office coordinated the regular trade forecast meetings in conjunction with the FEWSNET Project. Three meetings were held during the first half of the year. Those who attended the meetings included, traders, relief agencies like WFP and World Vision, Uganda

Commercial Farmers, Government officials, as well as staff from FEWSNET, IITA (MIS) and IDEA Project. 20 meetings were held during 2001 including one held in conjunction with World Food Program.

The trade forecast meetings resulted in the formation of a grain trading company; the Uganda Grain Traders Limited (UGT) comprising 13 principal grain traders. The company won a tender to supply 40,000 tons of maize to Zambia. By the end of this reporting period, 9,680 tons had been dispatched to Zambia.

In addition to the organizing the trade forecast sessions, LV TA visited the principal maize millers in Kenya during June 2001 to assess the potential for commercial high-volume trade links. While tentative offers had been made in June, the maize glut in Kenya from the first season thwarted hopes of exporting to Kenya. Additionally, reports were generated with the intention of stimulating local procurement by WFP. During the year, WFP procured a total of 44,064 tons of maize, beans and processed grain meals from the local market.

Benchmark 5.1: *At least 20 MKIS bulletins/crop forecast data produced and disseminated to cover all districts by 12/31/01 (19 disseminated, 95% accomplished).*

Benchmark 5.2: *At least 150 clients served with MKIS publications by 12/31/01 (163 clients served, 109% accomplished).*

Benchmark 5.3: *At least 8 forecast meetings held at the ADC by 12/31/01 (20 meetings held, 250% accomplished).*

Objective 6: Establish and promote Rural Agricultural Marketing Systems (RAMS) centres

During the period under review, attention was paid to both forms of RAMS activity (namely, centres operated by groups of commercial farmers and a system to support small-scale and commercial producers). Areas of commercial farmer groupings were developed in Masindi, Kiboga, Hoima and Kapchorwa. Only one serious smallholder RAMS unit is active in Iganga.

As can be seen from Table 9 below, 575 farmers were able to sell their produce at 21 RAMS centres. About 3,660 mt of maize grain (estimated at US\$183,000) and 350 mt of bean seed (worth about US\$70,000) were sold through these RAMS centres.

Table 9: Performance at RAMS Centres for 2001

RAMS Centre	No. of centres used	Maize procured Season A mt	Maize procured Season B mt	Farmers Served
NALG (Iganga- small scale)	16	450	900	360
Kapchorwa (Commercial)	1	No sales	400 (to-date)	100
Kiboga/Hoima (Commercial)	2	270	500	15
Masindi (Commercial)	1	340	No sales	50
Kasese (Individually)	1	400	400	50
Totals	21	1,460	2,200	575

The ADC TA continued to provide in-field procurement and storage advice as well as market linkages for the RAMS activities. This activity is perceived as the only way for rural producers to have more direct access to the market and to receive a higher price for product of acceptable quality. At least two large traders have established direct links with RAMS centres, and communication is now directly between the traders and the RAMS coordinators.

Work has been conducted with WFP in establishing a direct purchasing arrangement. This program is designed to enable the better-established RAMS centres to sell directly to WFP. Various farmer groups have been successful in obtaining contracts with WFP directly but achieving the desired quality of product continues to be a difficult obstacle to overcome. To assist these groups with this, considerable emphasis is now being placed on post-harvest and handling at the farmer level.

A cost-share agreement has enabled NALG to establish itself as the principal focus in Busoga of grain procurement by exporters. NALG has exceeded its benchmark targets by more than 20% in both seasons of 2001 and, despite the difficult marketing conditions, continues to offer farmers price premiums of 15-20% over market price for quality product.

Benchmark 6.1: At least 20 rural buying centres established by 12/31/01 (21 established, 105% achieved).

Benchmark 6.2a: At least 700 mt of beans marketed through RAMS by 12/31/01 (350 mt marketed, 50% achieved)

Benchmark 6.2b: At least 3,000 mt of maize marketed through RAMS by 12/31/01 (3,660 mt marketed, 122% achieved).

Objective 7: Promote outgrower initiatives

Support to the outgrowers (Table 10) continued in the form of direct technical assistance to market related activities and in financial mediation and contract implementation with growers. The local demand for improved seeds has been expanding very rapidly, requiring a corresponding increase in both the number of outgrowers and the areas under outgrower production, but by mid-season the effects of the market crash started to have a direct impact on the private-sector seed companies. Now most of them are trying to find a way to cut down on the contracted crops to procure.

The need to maintain quality production standards is imperative and ADC and the seed companies continue to work together to ensure that the required production standards are in place. This necessitates close cooperation with the National Seed Certification Service (NSCS), which authorizes the sale of certified seed. It is important to note that although this season saw considerable increases in the volumes of maize and bean seed produced under outgrower contracts, a sizeable proportion of these volumes will not be purchased as seed due to the sharp decline in demand for seed. This decline in demand is a direct result of the collapse in price paid for commodities.

Table 10: ADC Outgrower Support for 2001
(excludes companies own farms)

Company	Contracted Crop	Actual output[A] (MT)	Farm gate value (US\$)	Projected output[B] (MT)	Farm gate value (US\$)
Harvest	Maize (open pollinated)	360	64,719	150	25,862.1
	Beans (large)	20	5,056	43.5	12,485.0
	Beans (small)	49	9,595	0	0
	Finger millet	106	41,685	0	0
FICA	Maize (open pollinated)	1,125	202,373	77	13,275.9
	Maize (hybrid)	40	30,412	0	0
	Beans (large)	707	178,761	1,072	277,326.7
	Beans (small)	426	83,823	0	0
	Groundnuts	55	30,898	39.5	22,672.4
Naseco	Maize (open pollinated)	150	26,966	77	8,408.0
	Maize (hybrid)	15	11,376	0	0
	Beans (large)	27	6,825	52.9	13,681.0
	Beans (small)	27	6,825	0	0
	Upland rice			1	143.8
	Groundnuts			6.6	2,655.2
Seedco	Maize (hybrid)	65	22,100	100	34,000
Total maize		1,755	357,946	404	81,546
Total beans		1,256	290,885	1,168.4	303,492

Benchmark 7.1a: At least 5 outgrower schemes continue to receive assistance by 12/31/01 (4 in place, 80% achieved).

Benchmark 7.2a: At least 1,100 mt of seed maize produced by 12/31/01 (2,159 mt produced, 196% achieved).

Benchmark 7.2b: At least 1,100 mt of seed beans produced by 12/31/01 (2,424.4 mt produced, 220% achieved).

Objective 8: Provide support to exporter clients

Support to exporter clients during the reporting period focused on market information, with dissemination of monthly price bulletins and holding market forecast meetings. Monthly forecast meetings highlighted a bumper crop and potential for market weakness during the latter half of 2001. A market visit to Nairobi generated interest in the crop for the sales period July through October 2001. This followed from an indication in May 2001 by the Kenya Ministry of Agriculture that a shortfall of approximately 400,000 mt was expected prior to the main harvest in October 2001. This indication was, however, erroneous as prices collapsed, making it impossible to sign a contract.

During the previous review period, the ADC initiated a request to the Department of Credit Assistance (DCA) in Washington to support the grain trade sector. This proposal was finalized and submitted through the USAID Uganda mission. SPEED project took the lead in the final steps leading to initial approval. An inward visit by DCA Washington staff took place in July and we await the final approval of the DCA facility. Both banks and the trade are anxiously awaiting the facility. The program should result in up to US\$15 million of trade credit for speculative grain inventories and other developmental loan opportunities. The program supports a 50% loan guarantee. Current bank selection and proposed support values are as shown in Table 11 below.

Table 11: Proposed Credit Limits by Bank

Bank	Support Limit (US\$)	Support Limit (Shs)
Allied		1,700,000,000
Barclays	2,000,000	
Centenary		3,400,000,000
Citibank	2,000,000	
Nile		1,700,000,000
Stanbic	1,000,000	
Standard Chartered	2,000,000	3,400,000,000
Total	7,000,000	10,200,000,000

Additionally, implementation discussions have been held with Audit Control and Expertise (ACE) and SGS. The intent is to provide a working warehouse receipt model, which will function to enable the trade to stock grain outside contract.

In line with its policy of product diversification, the ADC has extended support for export of organic sesame, which has resulted in the export of 432 mt of organic sesame, worth US\$262,500. Outspan Enterprises has received a grant from IDEA, which has helped with the development of its export capacity. Despite the flat prices for organic sesame on the world market, Outspan, as a result of the assistance provided under the IDEA grant, was able to continue buying product from its certified outgrowers. An additional 957 mt was exported by Roka Ali as non-organic sesame with an FOB value of US\$469,000

A significant development during the year has been the formation of Uganda Grain Traders (UGT) Limited. In response to the market surplus generated by first season production and a developing market surplus throughout East Africa, the ADC played a lead role in bringing together all the experienced grain traders to enter into regional market agreements. Thirteen (13) companies formed the new company. With the direct support of His Excellency the President of Uganda as well as the Minister of Tourism, Trade and Industry, negotiations were entered into with both Malawi and Zambia to purchase surplus grain from Uganda.

A deal was closed with Zambia to supply 40,000 mt of maize grain. Logistics were coordinated using the newly formed Trans Africa Railways Corporation overseeing Uganda, Tanzania, Tazara and Zambian railways actions in the shipment of the contract. By the end of the reporting period, 9,680 mt of grain had been shipped and 3,520 mt had been received in Zambia with no quality problems.

Financial mediation resulted in trade finance from Barclays Bank of US\$2.5 million, utilizing the USAID-funded BOU Export Credit Guarantee Scheme (ECGS). Assistance from IDEA helped rehabilitate the physical infrastructure at the Coffee Marketing Board (CMB) warehouse facility and is supporting the warehouse manager's salary. These contributions significantly reduced initial capital and operational outflows as the new company started activity.

Table 12 shows maize and bean exports for both 2001A and 2001B seasons. The exports are broken down into formal, informal and internal relief sales

Table 12: 2001 Export Volumes and Values of LV Commodities

Commodity	2001A Season	2001B Season	Annual Volume (mt)	Annual Value (US\$ Million)
Maize (formal)	9,985	16,891	26,876	2.759
Maize (informal)	18,787	9,262	28,049	3.245
Maize (relief)	18,239	12,646	30,885	4.367
Total Maize	47,011	38,799	85,810	10.371
Beans (formal)	2,276	2,245	4,521	1.160
Bean (informal)	1,255	2,570	3,825	0.882
Beans (relief)	3,731	3,211	6,942	2.293
Total Beans	7,262	8,026	15,288	4.335
Sesame	288	1,101	1,389	0.732
Seed Grains	220	237	457	0.160
Processed grains (uni-mix)	971	1,458	2,429	1.033
Total Other	1,479	2,796	4,275	1.925
Grand Total	55,752	49,621	105,373	16.631

Benchmark 8.1: *At least 5 exporter clients assisted by 12/31/01 (13 assisted, 260% achieved).*

Benchmark 8.2a: *At least 32,000 mt of maize exported through exporter clients by 12/31/01 (121% achieved).*

Benchmark 8.2b: *At least 15,000 mt of beans exported through exporter clients by 12/31/01 (51% achieved).*

Objective 9: Promote agricultural processing

During the review period, seed processing facilities for Harvest Farm Seeds, FICA and NASECO were procured with funding from the IDEA small grants program. Installation commenced during December 2001 and commissioning is to be completed during January 2002. As these companies continue to grow, it is imperative that their respective processing facilities are able to produce seed to international standards. It is now the strategy of these companies to export seed to the region by the end of 2002.

As the ADC continues to promote small scale processing at the village level, it has proven difficult to source equipment, which is cost effective both in terms of actual and operational costs. However, some possibilities are being explored in conjunction with the more organized farmer groups. ADC has also continued to carry on activity that was formerly the responsibility of the PHHS project. Mubuku Irrigation Scheme in Kasese have self-funded the purchase of cleaning and shelling equipment with the aim of improving the quality of their end product.

Benchmark: *At least 5 agricultural processing clients assisted in establishing processing facilities by 12/31/01 (4 assisted, 80% achieved).*

Benchmark: *3 commercial farmer groups establish primary processing centres by 12/31/02 (0% achieved. Possibilities will be explored in 2002).*

2.2 High Value Crop Development

Overview

The export value of crops covered by the High Value portfolio was estimated at US\$29.47million FOB in 2001, equivalent to a 32% increase over 2000 exports. This much-improved performance was due to new investment in floriculture; high world market prices for vanilla; and small but significant improvements in the export production of fresh produce, cocoa and other minor products. A summary of exports by major category is given in Table 13. The volume estimates are based on production and export statistics collected from CAA, MAAIF, Fresh Handling Ltd, national associations, individual clients and traders. Values are derived from prices provided directly by exporters and importers, official statistics, trade journals and on-line price databases. Since no single source gives a complete or accurate picture of volume and value, the figures have been cross checked and adjusted to give conservative average estimates. Final export values for 2001 may change if actual figures for the final part of the year differ much from estimates.

Table 13: High Value Crop Exports: 1995-2001

Product	LOP Target (US\$ Mill FOB)	1995 Value (US\$ Mill FOB)	1998	1999	2000	2001
Roses	20.00	2.30	11.68	9.95	9.12	10.93
Plant cuttings	5.00	0.00	2.34	3.51	4.50	4.97
Fresh produce	10.00	0.63	2.30	3.13	3.16	3.07
Vanilla	2.00	0.24	0.75	1.50	2.02	6.59
Cocoa	3.00	0.64	2.12	2.80	2.02	2.87
Papain	4.00	4.46	4.94	4.20	0.98	0.55
Other HV products	1.00	2.40	0.59	0.70	0.50	0.49
Total (US\$ Million)	45.00	10.67	24.72	25.79	22.30	29.47

New investment, improved quality and favourable exchange rates all contributed to the improved figures for roses (up 26%) and cuttings (up 22%). Fresh produce exports were US\$3.07 million FOB. Sales of IDEA-targeted crops such as green beans, courgettes, okra, fresh chilli and hot pepper actually increased. However, freight rates became more competitive for vegetables in the last quarter, and fresh produce exports are expected to increase in 2002 as a result. Cross-border sales of banana, pineapple and other HV produce were valued at US\$1.29 million.

The value of vanilla exports increased in 2001 to a record figure of US\$6.59 million. Processors reported a total export of 66 tonnes of good quality vanilla, sold at prices ranging from US\$90 to US\$140 per kilogram! Growers received farm gate prices of up to US\$12,000 per kilogram for the second crop of 2001. Production in 2002 should be 10-20% higher, but prices may weaken when a large crop from Madagascar is expected to come on to the market.

Market demand for papain grew throughout the year, providing a stimulus for new outgrowers. Output was still low at 26 tonnes, valued US\$0.55 million, compared with the pre-ADF period, but is expected to increase gradually over the next few years.

Cocoa exports were valued at US\$2.87 million by the Uganda Cocoa Association. This increase of 42% over 2000 exports was due to relatively strong market demand, and the necessity of some growers affected by coffee wilt to rehabilitate their cocoa trees as an alternative cash crop. World demand for cocoa is expected to remain strong in 2002.

The value of other HV crops including dried pineapple and banana, birds eye chilli and other spice products was estimated at US\$0.49 million for 2001. This should increase in 2002 following direct marketing and technical support to growers by the ADC, in conjunction with TechnoServe and several dried fruit and spice processors.

Our sustained technical support to the floriculture and vanilla industries, based upon analysis of their competitive advantages, has contributed significantly to new investments during the past two years, and resulted in significant increases in export earnings. Both sectors should continue to move forward over the next year due to a combination of relevant technical assistance, new investment and high market demand. Fresh produce exports are still low but the market demand remains strong and this sector will benefit most from lower airfreight rates in future, made possible by the rapid growth and development of Fresh Handling Limited (FHL). Small but sustainable increases can also be expected in exports of cocoa, papain and other minor products in 2002.

Progress by Objective

Increased capacity of firms to respond to global market requirements as measured by a) 20% increased p.a in value of selected HV commodities and b) number of exporters assisted increasing by 5% p.a over LOP (Output 4)

Objective 1: Promote efficient production technologies

Progress on this objective requires a continuous programme of research, training and provision of technical information in various formats. Training in codes of practice, safe use of chemicals, first aid and other quality-related issues has been a major component of the institutional strengthening activities provided to UFEA and HORTEXA (see objective 8). Some of the key activities are outlined below and a summary of all training activities is given in Annex 7.

During 2001 UFEA rose trials were expanded from 4,000m² to 12,000m² and a full complement of staff was recruited and trained. The research farm produced and distributed 8 monthly newsletters to breeders and growers, evaluating varietal performance and various technical issues. Six test varieties were selected for expansion to commercial level trials of 1-2,000m² per variety. UFEA transferred its executive office to the Nsimbe Estates farm in March, and monthly open days were held for dissemination of information to growers. In September, 11 of the original 45 test varieties were replaced with new varieties, after detailed discussions with breeders. This process will continue on a six-month basis, ensuring a constant stream of new candidate varieties for evaluation. Growers are utilising UFEA results in the selection of new varieties for re-planting. Trials are also being initiated at Melissa Flowers with a grant from IDEA to research *Gerbera* as a new cut flower crop for Uganda. The UFEA research team will provide technical back up.

Trials on French beans and runner beans were completed at Mairye Estates and Zed Horticulture in Kabale. Results indicated that some varieties of fine beans could be grown commercially at Mairye, but that runner bean yields and quality were far superior in Kabale. These trial results have been incorporated into the 2001/02 commercial program between Mairye and its UK buyers. Commercial trials on runner beans are continuing in Kabale, and will be completed in January 2002. Trials on 12 varieties of different types of fresh chilli were completed at Mubuku and Mairye. The best performing varieties are already incorporated into the 2001/02 commercial program.

Passion fruit, banana and vegetable IPM contracts with NARO and NARO/ICPIE were completed, with one demonstration plot receiving organic certification for the EU market. Second phase contracts were initiated on passion fruit and banana. Community Farmers Network (COMFARNET) received technical and financial assistance to increase banana, passion fruit, okra and vanilla production in Mpigi, Wakiso and Kamuli districts. Through a grant from IDEA, vegetable research was reorganised in a joint venture between Mairye Estates and NARO, which includes trials with selected outgrowers. Twenty varietal trials on chilli, okra, aubergines and other tropical vegetables were planted by December 2001.

Cocoa research activities were completed by NARO. Training events were held with major contributions from an international cocoa expert seconded from CIRAD. More than three thousand cocoa seedlings were raised at the NARO research centre in Kituza and distributed to small-scale growers in Mukono and Luwero. An additional 14,000 seedlings are being produced for distribution in 2002. Demonstration plots of vanilla (30) and cocoa (6) were maintained and work started on new grants to cover training and technology transfer for the Uganda National Vanilla Association (UNVA) and the Uganda Cocoa Association (UCA). Both associations are recipients of grants from IDEA. Intensive technical support was provided to the UNVA in June and December 2001 to ensure that vanilla was not harvested prematurely, despite pressure from buyers anxious to cash in on very high market prices.

Work under a cost-sharing agreement with RECO Industries targeting outgrower training and further research on papain production continued. RECO is one of the two main papain exporters. TechnoServe was provided with selected seed to develop papain production in West Nile.

The banana extension manual was completed and distributed. The cocoa manual is in final draft and will be distributed in March 2002. All commercialisation bulletins have been reviewed and are being revised to provide cost/return analyses and market information in a standard format, which potential investors can incorporate into funding proposals and business plans.

Cold chain research and training activities were completed with Writtle College UK, and UFEA. The cold chain was studied in detail for 3 flower exporters to identify the weak links, and the results presented to UFEA in two seminars. Monitoring by FHL indicated that farms are improving their temperature management systems as a result of the research and training activities.

Benchmark 1.1: Total 7 research contracts identified and 3 completed by 12/31/01 (4 completed, 57% accomplished).

Benchmark 1.2: At least 2,000 farmers trained at over 50 demo sites by 12/31/01 (3,120 farmers trained, 156% accomplished).

Benchmark 1.3: 6 bulletins/manuals written or updated by 12/31/01 (4 updated, 75% completed. Draft reports prepared, distribution expected in March 2002).

Objective 2: Increase market opportunities for selected HV products

Past work in establishing market contacts and new business means that most exporters have stable marketing arrangements and buyers, who they visit on a regular basis without financial assistance from the ADC. However, ADC has continued to provide regular technical and market information to clients to assist them in planning these marketing trips, and make specific interventions to facilitate overseas visits where necessary. In 2001 these included organisation of the ATF marketing visit to Holland for 15 students from flower farms; assistance to JACO Commercial

Agencies to observe a trial shipment of pineapple to Saudia Arabia; and technical support to a HORTEXA group attending the AGF-Totaal fresh produce fair in Rotterdam.

One of the most obvious indicators of ADC's contribution to the success of the horticulture sector is that international buyers of flowers, fresh produce and vanilla now make inward visits to Uganda on a routine basis, and that the ADC is invariably their first contact point. While some of the visits are still coordinated by the ADC, they are increasingly handled by trade associations with assistance from IDEA. During 2001 buyers visited from the three leading US vanilla importers, all the Dutch flower auctions and the some of the largest fresh produce companies in Europe. In conjunction with UFEA and the EU, a one-week visit was organised for a group of 15 Spanish flower growers and traders, with interests in investing in floriculture in Uganda.

Buyers are extremely positive regarding future potential for roses, cuttings, fresh produce and vanilla, and overall would buy at least ten times the quantity we have available to sell. Current orders are limited by relatively low production for all products and, for fresh produce, the shortage of well-financed farms and packing facilities.

Price bulletins and market reports on roses, fresh produce and spices were sent out every 2-4 weeks. These include comments by importers and specific information on the quality and quantity of Ugandan products in the market. The demand for these bulletins is growing with a current mailing list of more than 100 clients, plus many call-in requests.

An analysis of the UK fresh chilli market has been completed and will be distributed in 2002. A detailed market search for appropriate buyers of Ugandan birds eye chilli and product promotion was also carried out for TechnoServe. A survey of the European demand for dried tropical fruit is in progress. This is a minor export product but NGOs and donors frequently ask the ADC for market information. A detailed review of floriculture in Uganda was completed and distributed in November 2001, including an analysis of Uganda's competitiveness in production of small/medium roses.

Benchmark 2.1: At least 3 outward trade mission supported by 12/31/01 (4 missions supported, 133% completed).

Benchmark 2.2: At least 5 inward buyer visits supported by 12/31/01 (8 main buyer events supported, 160% completed).

Benchmark 2.3a: At least 20 market bulletins produced by 12/31/01 (100% completed).

Benchmark 2.3b: At least 100 clients served with MKIS publications by 12/31/01 (154% completed).

Benchmark 2.4: At least 3 market analyses completed by 12/31/01 (4 analyses conducted, 133% completed).

Benchmark 2.5: Competitiveness analysis completed on sweetheart roses by 12/31/01 (100% completed).

Objective 3: Promote product quality and improved post-harvest handling of fresh produce

Intensive technical assistance to FHL and UFEA has resulted in better temperature management and general improvement in the market arrival quality of roses. There are now far fewer

temperature-related losses. Exporters now understand the importance of proper cold chain maintenance, and monitoring at all stages is taking place. The FHL cold store at Entebbe is operating at full capacity, and the new Roka Bonds/Anova cold store next door, with 200 tonne capacity, allows ample room for expansion in the industry. Together with the ENHAS cold store, there are now 3 cold stores at Entebbe airport, and the increased competition has meant that levels of service have improved, and costs are kept down.

Existing post-harvest handling facilities have been improved at the larger exporters such as Mairye Estates, Mubuku, Amfri Farms, and a reefer container was installed for use by Zed horticulture in Kabale. Temperature and quality management are still practically non-existent for most of the smaller vegetable exporters. However, the HORTEXA members have responded positively to training in safe use of pesticides, since illegal residues pose a real threat to the future of their businesses. In general, packing facilities for the smaller fresh produce exporters are still poor, but their importers in the European wholesale markets are not discerning enough to insist on them being in place. While the situation persists, it will be difficult to encourage exporters to invest in building packing facilities and cold chains, although, with assistance from the ADC, Makonzi Estates started to refurbish an existing building to create a new packhouse suitable for export to the European market.

Assistance to flower farms to meet the standards of the Uganda Code of Practice (UCoP) has continued. A total of 31 pre-audit visits were conducted on 17 of the 20 flower farms during 2001. The remaining 3 have now signed up and will receive visits in 2002. This means the whole flower industry has agreed to work towards full compliance.

Training in Code of Practice has been continued with fresh produce growers through HORTEXA. Work has started on extending UCoP to include vanilla, cocoa and papain and implementation is planned for the first quarter of 2002. Local quality analysis of vanilla using Chemiphar Laboratories, an EU accredited laboratory, enables exporters to obtain certificates of analysis prior to export. Improvement of cocoa quality, particularly at the fermenting and drying stages, is one of the main objectives of the IDEA grant to the Uganda Cocoa Association.

Benchmark 3.1: *At least one additional improved packing facility established by 12/31/01 (0% completed).*

Benchmark 3.2: *Code of Practice implemented by at least 6 firms by 12/31/01 (17 firms participating, 283% completed).*

Benchmark 3.3: *Pre-audits of at least 3 firms conducted by 12/31/01 (17 firms pre-audited, 567% completed).*

Objective 4: Promote production and export of HV commodities

During 2001, direct technical assistance continued to 20 firms, 4 national associations, 7 regional private sector associations, 2 NGOs and 4 government agencies. Assistance was given to floriculture, fresh produce, vanilla and other products. It covered the complete spectrum of research, technology transfer, training, market information and management support. Details of technical assistance provided by HV to each client are shown in Annex 6(b).

Estimated export values for 2001 of flowers, cuttings, fresh produce, vanilla, cocoa, papain and other minor high value products are shown in Table 13. The data indicate that the FOB value of export products assisted by the HV team increased this year by 32%.

New investment in floriculture is expected to push export values up at least 15% per annum over the next three years. Technical assistance from IDEA has been a significant factor in this success. Support for floriculture research, training and technical consultancy will continue at current levels, with an emphasis on diversification into new flowers, foliage and cuttings/mini-plants.

In conjunction with UNVA and the main processor/exporters, a major promotion has been initiated on vanilla as an alternative crop for growers hit by coffee wilt. Ugandan vanilla has been introduced successfully to all major world buyers, and they have confirmed that Uganda has the potential to compete successfully with Madagascar, Indonesia and other world suppliers, in the future. Enhanced levels of technical assistance will be necessary to achieve this.

Fresh produce exports remained constant in 2001 but this sub-sector is still under-achieving. Some improvement is expected in 2002 since freight rates could drop by 10-20% and the market interest in Uganda is still strong. Emphasis during the 8th work plan year will be on promoting chilli, passion fruit and okra, for which Uganda has proven production advantages, and strong market potential.

With much work having been done, and continuing, on market development and product quality, Uganda is in the unusual situation of having more market demand for its floriculture products, vegetables and vanilla than it can supply. World cocoa prices have improved in 2001, and since Uganda is such a small supplier, there is no problem in selling all of its production. The papain market is strong and future prospects look good. Work has therefore been initiated to increase the production of papain in areas of Uganda with a long-term future for this crop, which is one of the few for which smallholders have a comparative advantage in production.

Banks have continued to support the flower industry in 2001. This is due to a combination of new ownership and financial restructuring in which the HV team has been closely involved. The USAID-funded ECGS was successfully utilised to obtain a working capital loan of US\$500,000 for FHL. The ADC has also worked closely with the Royal Netherlands Embassy and Dutch aid programs to source grant funds for clients. Grants up to US\$2.5 million have been approved for diversification initiatives in roses (plant propagation and substrate production) and vegetable production under the PSOM program, and a US\$200,000 grant has been approved to fund an Executive Director for UFEA.

The EU-funded CDE has accepted proposals prepared with technical assistance from the ADC and approved about US\$120,000 in small grants for flower and vegetable farms. UNIDO has approved US\$230,000 for the development of steam sterilisation equipment for export floriculture in Uganda, as an alternative to methyl bromide. UNIDO also funded over \$100,000 in support of the honey sector. Other grants are in the pipeline.

Benchmark 4.1: *At least 3 outgrower arrangements in place by 12/31/01 (93% accomplished).*

Benchmark 4.2a: *Over 4,000 mt of flowers exported by 12/31/01 (3,710 mt exported, 93% accomplished).*

Benchmark 4.2b: *Over 3,000 mt of fresh produce exported by 12/31/01 (4,528 mt exported, 151% accomplished).*

Benchmark 4.2c: *Over 50 mt of vanilla exported by 12/31/01 (66 mt exported, 132% accomplished).*

Benchmark 4.2d: *Over 20 mt of papain exported by 12/31/01 (26 mt exported, 130% accomplished).*

Benchmark 4.2e: *Over 2,500 mt of cocoa exported by 12/31/01(3,170 mt exported, 127% accomplished).*

Benchmark 4.3: *Production credit obtained for at least 2 producer/exporter clients by 12/31/01 (100% accomplished).*

Objective 5: Promote agricultural processing of HV products

Six vanilla processors improved their existing facilities or constructed new processing plants in 2001, in anticipation of rapid growth in the industry. The IDEA grant to UNVA provides for some cost sharing on equipment in an effort to bring processing facilities to remote production areas.

There is niche market interest in dried pineapple, apple banana and chilli from Uganda. This is not big business but potential sales could reach US\$1 million over the next three years. Technical assistance has been provided to three companies and outgrowers to increase their production and processing facilities. As always, the main problem is low and unreliable supply of raw materials.

Technical and cost-share assistance to House of Quality Spices has resulted in increased production of various spices for the local and regional market. Technical support is also being provided to TechnoServe to introduce birds-eye chilli, papain and dried fruits as cash crops to more than 5,000 growers in West Nile and Northern Uganda.

Benchmark: *At least 2 new processing facilities established by 12/31/01 (100% completed).*

Increased capacity of sector to provide efficient support services to exporters by EOP as measured by a) an annual increase of 20% in throughput volumes, b) a reduction in freight costs and c) at least 3 policy, regulatory and bureaucratic interventions (Output 5)

Objective 6: Improve airport handling system

Fresh Handling Ltd (FHL) has grown rapidly into the main handling company for flowers and fresh produce at Entebbe Airport. The original facility was funded by USAID. FHL received a grant from IDEA for certain retrofits, rolling stock and office equipment. The company has made good profits after the first 18 months of operation. It has demonstrated clearly that dedicated handling of perishable products can result in quality improvements and better prices for growers. The growers themselves have come to realise the benefits of economies of scale, by working together, and sharing information.

Direct negotiations between FHL and airlines have resulted in an average freight rate reduction of around 10% (for example they offer US\$1.80/kg door-to-door on flowers for the 2001/2002 season, as opposed to US\$2.00/kg in 2000). This represents a saving to the industry of \$800,000 on the export of roses and cuttings during 2001, of 4,000 tonnes.

Two workshops on cold chain management were held for managers and employees of FHL and flower exporters during the year. Research work from Writtle College, showing problem areas to be corrected was presented, as well as temperature data collected by FHL from individual farms throughout the year. Although there is still room for improvement, the number of farms consistently delivering flowers to FHL at near optimal temperatures, has increased over the last 12 months.

Benchmark 6.1: *At least 20 exporter clients utilize FHL cold store facilities by 12/31/01 (39 exporters utilize facility, 195% accomplished).*

Benchmark 6.2: *At least 350 mt/month of HV products exported through FHL by 12/31/01 (336 mt/month of HV products, 96% accomplished).*

Benchmark 6.3: *At least 10 managers and 30 support staff trained in cold chain management by 12/31/01 (100% completed).*

Objective 7: Consolidate freight at Entebbe International Airport

FHL now receives weekly forecasts from all the exporters shipping through FHL, and consolidates nearly all the perishable freight. Growers sending to the same consignee share the same pallet. This consolidation has allowed favourable contracts to be negotiated for the whole season with airlines and clearing agents in Europe. Rates have come down, capacity has gone up, and competition has increased.

Dead freight has been minimised through a high level of exporter commitment, better communications, and warnings given 48 hours in advance if they are going to be short/over. A strategic alliance has been formed between FHL and Anova, one of the largest fish exporters, where both companies share a freight booking office. If there is a shortage of one commodity, the shortfall can be replaced by the other, and this keeps the airline happy, and contractual obligations are met.

A working capital loan facility of US\$500,000 for Fresh Handling Air Cargo Ltd was agreed in September 2001, with Barclays Bank, using the USAID-funded ECGS administered by BOU. This financing has enabled FHL to contract directly with airlines, at a better price than the previous year, and providing more frequent direct services mainly to Amsterdam and Ostend. At times there are now 8 flights per week that growers can choose from.

Fresh produce exporters have finally realised the consolidation and quality advantages of FHL, and this should relieve some of the constraints and bottlenecks of the past.

Benchmark 7.1: *Weekly forecasts on tonnage prepared by 12/31/01 (100% completed).*

Benchmark 7.2: *Adequate freight capacity made available to at least 20 exporters by 12/31/01 (39 exporters utilize facility, 195% accomplished).*

Benchmark 7.3: *Pre-shipment finance available to at least 20 exporters using FHL by 12/31/01 (100% completed).*

Objective 8: Strengthen institutional systems

Technical support to UFEA continued at a high level during 2001 and is having a major impact. The research and training centre is operating successfully and is being fully utilised by the growers. It also receives many visitors (buyers, breeders, growers from other countries) and has proven to be a great promotional activity for Ugandan floriculture. Trial roses are being sold successfully on the local and export markets, and the centre should be financially self-sufficient by September 2002. UFEA members paid a fee of US\$4,000 per farm to fund development of the facility during 2001, collected as a US\$0.05/kg levy by FHL.

Following research on joint procurement of inputs directly from overseas suppliers, local suppliers were given copies of quotations. As a result of this, they have reduced prices of fertilizer and chemicals by 10-20%. The fourth course in Applied Tropical Floriculture (ATF) was completed. Various training courses in safe use of chemicals, first aid and methyl bromide substitution were held at the UFEA training centre.

Assistance to HORTEXA is restricted due to the lack of investment capital of its members who are generally opportunistic traders rather than integrated production and marketing companies. This means they have limited opportunities on the European market, which is demanding higher levels of product management and traceability than they can provide. The two immediate threats to the businesses of HORTEXA members are high freight rates and illegal residue levels. Progress on reducing freight rates was made through FHL (see above) and the issue of residue levels is being addressed through regular training of export growers on safe use of chemicals.

Training on banana production continued and demonstration plots (6) will be maintained under a new FARA activity with NARO. In a series of training days organised with HORTEXA, export growers in Kasese, Mubende, Mukono and Luweero received training in the safe use of chemicals.

Technical assistance from the HV team contributed to more than US\$3 million in other donor grants being sourced for UFEA and for new direct investments in floriculture and horticulture (see objective 4 above).

UNVA was awarded an IDEA grant following its successful completion of a previous USAID grant. The association became significantly stronger during 2001 due to high world market prices, which have provided high returns to growers and processors. The processor/exporter members contributed an average of US\$1,000 per company to help the association to control premature harvesting and liaise with local councils to reduce theft of vanilla. Technical assistance continued to focus on production training and quality assurance.

A grant for training and technology transfer was awarded to the Uganda Cocoa Association (UCA), following a model used successfully with the UNVA. The needs of cocoa and vanilla growers are very similar and, in some areas (Bundibugyo, Mukono), farmers grow both crops. Cocoa is also becoming important as a substitute for coffee in some areas devastated by coffee wilt disease. Over the long term, cocoa has the potential to become a relatively large export crop, if quality can be improved and niche markets developed.

A total of 14 third-year students of Makerere University from the faculty of Agriculture completed their internships successfully attached to eight HV clients. Three post-graduate students pursuing Masters Degrees in Agri-business Studies (MABS) at Makerere successfully completed their course and research work and expect to graduate in March or October 2002. A second group of three MABS post-graduate students are progressing through their first and second years.

Mr. Daniel Nsubuga-Kikoyo of the MAAIF Agribusiness unit was sponsored for a short course in agribusiness at Santa Clara University, California.

It is difficult to know the effect of our activities on government policies, although since we are the main source of information on HV exports, we must have some influence. At a national level, there are still tax disincentives for NTAEs and an increase in electricity tariffs caused great concern to the floriculture industry in 2001. The HV team, together with trade associations and the UIA are active in articulating these problems to government, and significant concessions have been made during 2001.

The liberalisation of cargo handling at Entebbe Airport was a direct result of ADC intervention, and continues to have major positive effects. Mukono district passed temporary by-laws in 2001 to prohibit picking of immature vanilla before the official date set by the UNVA, which resulted in several arrests! ADC is working closely with UNVA to introduce permanent legislation at a national level, which should contribute to Uganda becoming a major producer of vanilla for the world market.

The HV team has also worked with MAAIF and NEMA to review and adjust policies on registration of agricultural chemicals and methyl bromide importation, to ensure that government is fully aware of the commercial consequences related to restriction of chemical usage in the country.

Benchmark 8.1: *At least 1 policy and regulatory intervention undertaken by 12/31/01 (more than 200% completed).*

Benchmark 8.2: *At least 4 HV associations assisted by 12/31/01 (100% completed).*

Benchmark 8.3: *At least 2 scholarships awarded in Masters in Agri-business Studies (MABS) by 12/31/01 (3 scholarships funded, 133% completed).*

Benchmark 8.4: *At least 12 interns placed by 12/31/01 (14 interns placed, 117% completed).*

2.3 Project Management, Monitoring and Evaluation

Overview

The Project Management, Monitoring and Evaluation unit is an integral part of the project. It is meant to ensure that the project is making progress towards meeting its overall economic development goal. To monitor progress towards reaching this goal, the ADC has maintained close collaboration with the USAID Mission, which has the overall project monitoring and evaluation responsibility. During the seventh work plan year, greater emphasis was placed on contract administration, collaboration and reporting.

At the beginning of the seventh work plan year, eight objectives were identified under Project Management, Monitoring and Evaluation. The sections that follow highlight progress by objective during the seventh work plan year.

Progress by Objective

Project on time, on budget and on target over LOP as measured by a) at least 20% increase p.a. in exports of supported NTAEs, b) a 10% increase in rural incomes and c) reports being submitted on time

Objective 1: Facilitate team building/8th annual work plan

This was conducted mid December 2001. The first session involved the ISC, USAID, and the ADC team. The second session involved the ISC reconvening and approving the 8th annual work plan and training plan.

Benchmark 1.1: *Eighth annual work plan approved by the ISC by 12/15/01 (Eighth plan approved on 12/07/01, 100% accomplished).*

Benchmark 1.2: *Training plan approved by 12/15/01 (Training plan approved on 12/07/01, 100% accomplished).*

Objective 2: Effect contract administration and reporting

The IDEA project has efficient systems of contract administration and reporting. This is reinforced by Chemonics experience in implementing USAID contracts and the HO support provided to the field. The Project Management unit has good working relationships with USAID, the ISC, ADC clients, the GoU and other collaborators.

Renewal of work permits is now a drawn out process. As of 12/31/01 three of the long term expatriate TAs and dependents were in-country on temporary passes.

During 2001, the Small Grants Program continued its support to the four FARA activities, which began in 2000 and entered into three new FARAs and 10 new grant agreements. Of the four activities continued from 2000, three, NARO Maize 2000, NARO Beans 2000 and NARO Sesame, were successfully closed out. Eleven new activities were approved and began implementation during the reporting period, while one new FARA with the NARO National Banana Program and one new grant agreement with Melissa Flowers Limited were entered into but have not yet received any funding. Of the US\$1,600,000 set aside for the program,

US\$1,474,051 (including the two most recent recipients) has been committed to these activities. A small amount of funding scheduled for disbursement to the three closed-out activities has been rolled back into the grant pool, leaving an uncommitted balance of US\$140,563. Annex 8 provides a detailed breakdown of grant fund progress. IDEA anticipates that the remaining funds will be committed by the end of the 2002 work plan year. Existing grants have been closely monitored by project TAs and the Grants Manager.

There was no change in staffing at the ADC during the reporting period.

- Benchmark 2.1:** *All expatriate staff's personal vehicles registered and copies of liability insurance documents filed by 12/31/01 (100% accomplished).*
- Benchmark 2.2:** *Documentation of expatriate status and all work permits and visas completed by 12/31/01 (50% accomplished).*
- Benchmark 2.3:** *ISC meetings held on at least a quarterly basis by 12/31/01 (100% accomplished).*
- Benchmark 2.4:** *Updated local office procedures manual developed by 12/31/01 (100% accomplished).*
- Benchmark 2.5:** *Updated local employee handbook developed by 12/31/01 (100% accomplished).*
- Benchmark 2.6:** *Monthly vouchers submitted by 12/31/01 (92% accomplished).*
- Benchmark 2.7:** *Two semi-annual progress reports submitted by 12/31/01 (100% accomplished. Twelfth semi-annual progress report submitted on 1/15/01 and Thirteenth semi-annual progress report submitted on 7/31/01).*
- Benchmark 2.8:** *Audits of project-financed activities completed by 12/31/01 (0% accomplished, no audits required).*
- Benchmark 2.9:** *Procurement/receiving/inventory/marketing completed by 12/31/01 (100% accomplished).*
- Benchmark 2.10:** *STTA reports completed by 12/31/01 (100% accomplished).*

Objective 3: Collaborate with other economic growth initiatives

The reporting period was busy with respect to this objective. The USAID Mission was preparing its new 6 year Integrated Strategic Plan (ISP) and implementing partners such as IDEA were frequently engaged in dialogue with the Mission, and with consulting teams brought in by the Mission to prepare analytical narratives. John Lichte carried out an analysis of ADC/IDEA NTAE activities and showed a net benefit:cost ratio of approximately 11:1 for the project.

ADC has had frequent meetings with team members and consultants from SPEED and COMPETE. Other donors and NGOs also make daily contact with the ADC. We have been active with the planned DCA credit risk insurance program (especially for the grain exporters) in conjunction with SPEED. We also collaborated with COMPETE on the cotton demonstration program.

The ADC has provided input on the ECGS (particularly in relation to a revolving loan facility for Fresh Handling Ltd. and for UGT Ltd.).

The COP continues to chair the ACDI/VOCA/PL-480 Technical Review Committee and serves as a peer reviewer for Foodnet grants.

Benchmark 3.1: *At least 1 competitiveness study undertaken for COMPETE on an IDEA NTAE (100% accomplished. Analysis on sweetheart roses was undertaken).*

Benchmark 3.2: *At least 1 engagement completed with SPEED for access to credit by NTAE clients (10% accomplished, DCA facility not in place yet).*

Benchmark 3.3: *ADC LTTA serve on PL-480 TRC and attends at least 4 meetings (100% accomplished).*

Monitoring system functioning over LOP as shown by a) M&E system in place, b) systematic monitoring of project outputs and c) secondary data updated and disseminated

Objective 4: Review and maintain monitoring system

The IDEA M&E system is in place and functioning. The system stresses simplicity and allows USAID and the project team to incorporate monitoring efforts in the daily management and technical requirements of the project and at the same time capture gender-disaggregated data in the NTAE chain from rural producers through to exporters. The system revolves around a database, which allows for monthly tracking of project inputs. The Agribusiness Impact Monitoring System (AIMS) tracks project inputs such as firms assisted, training and outputs such as completed research activities, number of people trained and technology adoption.

During the period under review, data was periodically up-dated in order to track project inputs and outputs. Semi-annual reporting format was reviewed and the twelfth and thirteenth semi-annual progress reports produced and disseminated on time.

Benchmark 4.1: *AIMS reviewed and maintained consistent with SOI requirements by 12/31/01 (100% accomplished).*

Benchmark 4.2: *Semi-annual reporting format reviewed by 6/4/01 (100% accomplished).*

Benchmark 4.3: *Twelfth semi-annual progress report produced and disseminated by 1/15/01 (100% accomplished).*

Benchmark 4.4: *Thirteenth semi-annual progress report produced and disseminated by 8/1/01 (100% accomplished).*

Objective 5: Update M&E data from secondary sources

The ADC maintained contacts, which had already been established with secondary data providers during the past 6 years. Information was sought on production, yields, marketing, exports, incomes, prices and other relevant macro-economic data. Close liaison continued to be maintained

with the Bank of Uganda (BOU), Uganda Export Promotion Board (UEPB), Uganda Bureau of Statistics (UBOS) and the Uganda Revenue Authority (URA). The focus of collaboration with these institutions has been on export data for those NTAEs being promoted by IDEA.

Benchmark: *Secondary data collected and updated by 12/31/01 (100% accomplished).*

Objective 6: Conduct commodity studies for impact evaluation

During the reporting period, no commodity study was conducted. Even the intended census of paw paw production and papain processing was not carried out. The ADC instead focused on areas of successes and lessons learned, with a view to determining best practices. Accordingly a study was commissioned to determine best practices for Rural Agricultural Marketing Systems (RAMS). The outcome of the study is expected to assist both the ADC and its collaborators in improving the marketing of low value commodities.

The cross border data collection mechanism established in 2000 was maintained throughout 2001. However, the number of border points was reduced since only 4 were found to be major exit points for NTAEs. These were Suam, Lwakhakha, Malaba and Busia (all along the Kenyan border). The NTAEs covered included maize, beans, matooke, apple banana and bogoya, pineapple, passion fruit and dried cassava.

Benchmark 6.1: *At least two commodity studies conducted by 12/31/01 (50% accomplished. Study on Best RAMS practices being undertaken).*

Benchmark 6.2: *Data on cross border trade collected and disseminated by 12/31/00 (100% accomplished).*

Objective 7: Assess project interventions and prepare Agribusiness Highlights

In-house assessment of project interventions continued during the period under review. The assessment of the effectiveness of commercial farmer training was undertaken. The outcomes of the assessment will form a key input in the re-design of the training program for commercial maize producers during the eighth work plan year. Other areas assessed during the period under review included IDEA's support to the Uganda Grain Traders (UGT) Limited and the impact of ADC's support to Fresh Handling Limited (FHL). Issues influencing the success of rose production in Uganda were also reviewed and analysed.

Arising from these in-house assessments, 3 Agribusiness Highlights have been drafted and will soon be finalized and disseminated.

Benchmark: *At least 3 project intervention areas assessed and Agribusiness Highlights prepared by 12/31/01 (0% accomplished. The 3 Highlights are expected to be disseminated by March 2002).*

Environmental assessments and surveys conducted over LOP

Objective 8: Conduct environmental impact assessments of NTAE growers and firms

Like the case during the previous period, no formal impact assessment was conducted during the period under review. However, following the release of the USAID-funded pesticide IEE, IDEA conducted pesticide usage compliance amongst 30 stockists and 27 commercial farmers, all directly supported by the ADC. The main objective was to assess the extent of pesticide usage, their handling, storage and disposal as well as compliance with what had been brought out in the pesticide IEE.

On a routine basis, IDEA continued to provide on-spot technical assistance and advice and either sponsored or collaborated with other institutions on matters related to Integrated Pest Management (IPM). The key areas of focus were on use of improved/resistant varieties, improved crop husbandry practices, product knowledge, proper handling, transportation, handling and storage of chemicals, safety measures, use of organic principles, correct dosage of recommended chemicals and disposal, and post-harvest handling and storage.

Benchmark 8.1: *At least two annual NTAE grower environmental surveys conducted and updated by 12/31/01 (0% accomplished, no formal NTAE grower environmental surveys conducted).*

Benchmark 8.2: *Environmental assessments conducted for 10 assisted firms by 12/31/01 (a total of 57 clients pre-audited, 570% accomplished).*

Benchmark 8.3: *Updated pesticide IEE submitted to USAID by 12/31/01 (100% accomplished).*

3.0 CONCLUSION

There is a stable complement of long-term personnel at the ADC providing TA to NTAE clients.

The 2001A season experienced above average rainfall over most of the country. This resulted in bumper crops for many of the food commodities, and Uganda is relatively food secure at the moment. Marketing of cash crops such as maize became problematic due to good crops within the region and carryover stocks in neighbouring countries, and abundance of other foodstuffs such as matooke and root and tuber crops.

Prices will be lower on all food crops, which enhances accessibility to food and keeps inflation low. Despite the large harvests, farmers experienced lower farm incomes because prices declined dramatically. Some farmers will default on their loans.

Agribusinesses in general and input suppliers in particular suffered during the reporting period as a result of the very weak market conditions experienced during the 2001B season. The ADC did provide direct assistance to UGT in accessing a contract for maize in Zambia, which is now being supplied.

The Uganda Shilling stabilized and strengthened during the period. The Euro, Dutch guilder and the British pound all remained relatively weak to the US\$, which deflates our HV NTAE export values. The terrorist events of September 11 caused economic shocks throughout the world.

Presidential and parliamentary elections were held during the reporting period, with the return of the incumbent, President Museveni and many of the parliamentarians, with some unseated. It is anticipated that the GoU and its partners will be able to forge ahead with implementation of the PEAP and the PMA.

We still maintain that there are some very good investment opportunities in NTAE. Diversification of Uganda's export base is still very important. Our main limitation is identifying qualified investors.

PART II: STATISTICAL ANNEXES

ANNEX 1

RESULTS FRAMEWORK FOR LOW AND HIGH
VALUE COMPONENTS

RESULTS FRAMEWORK FOR LOW VALUE COMPONENT

INCREASED RURAL HOUSEHOLD INCOMES FROM SELECTED LV COMMODITIES

INCREASED VOLUME & VALUE FROM PRODUCTION AND MARKETING OF SELECTED LV COMMODITIES BY COMMERCIAL AND SMALL SCALE PRODUCERS

INCREASED USE OF EFFICIENT PRODUCTION TECHNOLOGIES

- Increase in output and yields
- Reduction in unit costs for commercial enterprises
- Increased no of small scale adopters
- Increased no of commercial farmer clients
- Increased no of commercial farmer clients accessing production credit
- Increased no of commodity interventions

INCREASED SUSTAINABILITY OF INPUT SUPPLY

- Increased sales of inputs (seed, fertilizer, crop chemicals)
- Increased number of suppliers, distributors and stockists
- Increased number of farmers using off-farm inputs
- Increased number of policy and regulatory interventions
- Increased no of associations assisted

INCREASED MARKET EFFICIENCY

- Increased volumes marketed
- Price premium through RAMS
- Increased sales from commercial farmer clients
- Increased number of policy regulation interventions

Generation of Efficient Production Technologies

- No of research contracts
- No of variety & agronomic trials
- No of technology packages developed
- No of new products
- No of new commodity interventions

Promotion of Efficient Production & Post Harvest Technologies

- No of commercial farmer clients adopting improved post harvest handling systems
- No of field demos
- No of commercial farms
- Area, output & yields under commercial farms
- No of farmers trained by gender
- No of technology adopters by gender
- No of commercial farmers accessing credit

Functioning Input Supply System

- No of suppliers, distributors and stockists
- Sales volume & value of seed, fertilizers & other inputs
- No of farmers using off-farm inputs
- Cumulative ATAIN credit guarantee amount provided
- No of firms accessing credit
- Recovery rate on credit guarantees
- No of associations assisted

Seed Multiplied & Distributed

- No of participants
- Volume and value of seed multiplied and distributed
- No of policy, regulatory and bureaucratic interventions
- No of associations assisted

Market Information System in Operation

- No of MKIS reports disseminated
- No of crop forecast data disseminated
- No of market analyses
- No of clients subscribers

Rural Agricultural Marketing Systems (RAMS)

- No of private sector participants
- No of rural buying centres
- No of producers selling through RAMS
- Price premium received
- Volume & value of commodities marketed

Outgrower Initiative

- No of schemes
- No of producers by gender
- Volume & value of commodities produced
- No of schemes accessing credit

Increased Exports

- No of exporters assisted
- Volume/value of commodities exported
- No of firms accessing exporter finance
- No of policy, regulatory and bureaucratic interventions

Agricultural Processing Promoted

- No of firms assisted
- Quantity processed
- Value of processed products/value added
- No of policy, regulatory and bureaucratic interventions

RESULTS FRAMEWORK FOR HIGH VALUE COMPONENT

INCREASED RURAL HOUSEHOLD INCOMES FROM SELECTED HV COMMODITIES

INCREASED VOLUME AND VALUE OF SELECTED HV EXPORTS

INCREASED CAPACITY OF FIRMS TO RESPOND TO GLOBAL MARKET REQUIREMENTS THROUGH INCREASED EFFICIENCY AND COMPETITIVENESS

- Increased output of selected HV commodities
- Increased export volumes and values of select HV commodities
- Increased number of exporters

INCREASED CAPACITY OF SECTOR TO PROVIDE EFFICIENT SUPPORT SERVICES TO EXPORTERS

- Reduced handling and shipping costs
- Increased use of facilities
- Increased volume of operation
- Increased number of active trade associations

Efficient Production Technologies Promoted

- No of field demos
- No of varieties released
- No of technology adopters
- No of commercialization bulletins

Increase in Market Opportunities

- No of MKIS reports disseminated
- No of new products and markets
- No of market analyses
- No of exporter clients accessing finance through ADC interventions

Improved Quality and Post-harvest Handling

- No of pack houses/processing facilities in place
- Market share at farm gate
- No of firms adopting code of conduct

Increased Volumes of Production

- Volume of select HV commodities
- No of producers & farms
- No of employees
- No of outgrower schemes
- No of producer clients accessing production credit through ADC interventions

Agricultural Processing Promoted

- No of firms
- Quantity of product processed
- Value of processed products
- Value added

Improved Airport Handling System

- Capacity of handling facilities
- No of exporter clients using facilities
- Throughput volumes

Consolidation of Freight

- Total capacity available
- Frequency of flights
- Average freight/handling costs
- Destinations of products

Institutional Systems in Place

- No of legal policy and regulatory interventions
- No of HV NTAE associations assisted
- Paid up association membership

Research Activities

- No of research contracts
- No of variety and agronomic trials
- No of technology packages developed
- No of new products

Promotion of Products

- No of trade missions supported
- No of inward buyer visits supported
- No of importers buying Ugandan produce
- No of products exported
- No of exporters

ANNEX 2

ADC/IDEA PROJECT LONG TERM PROFESSIONALS

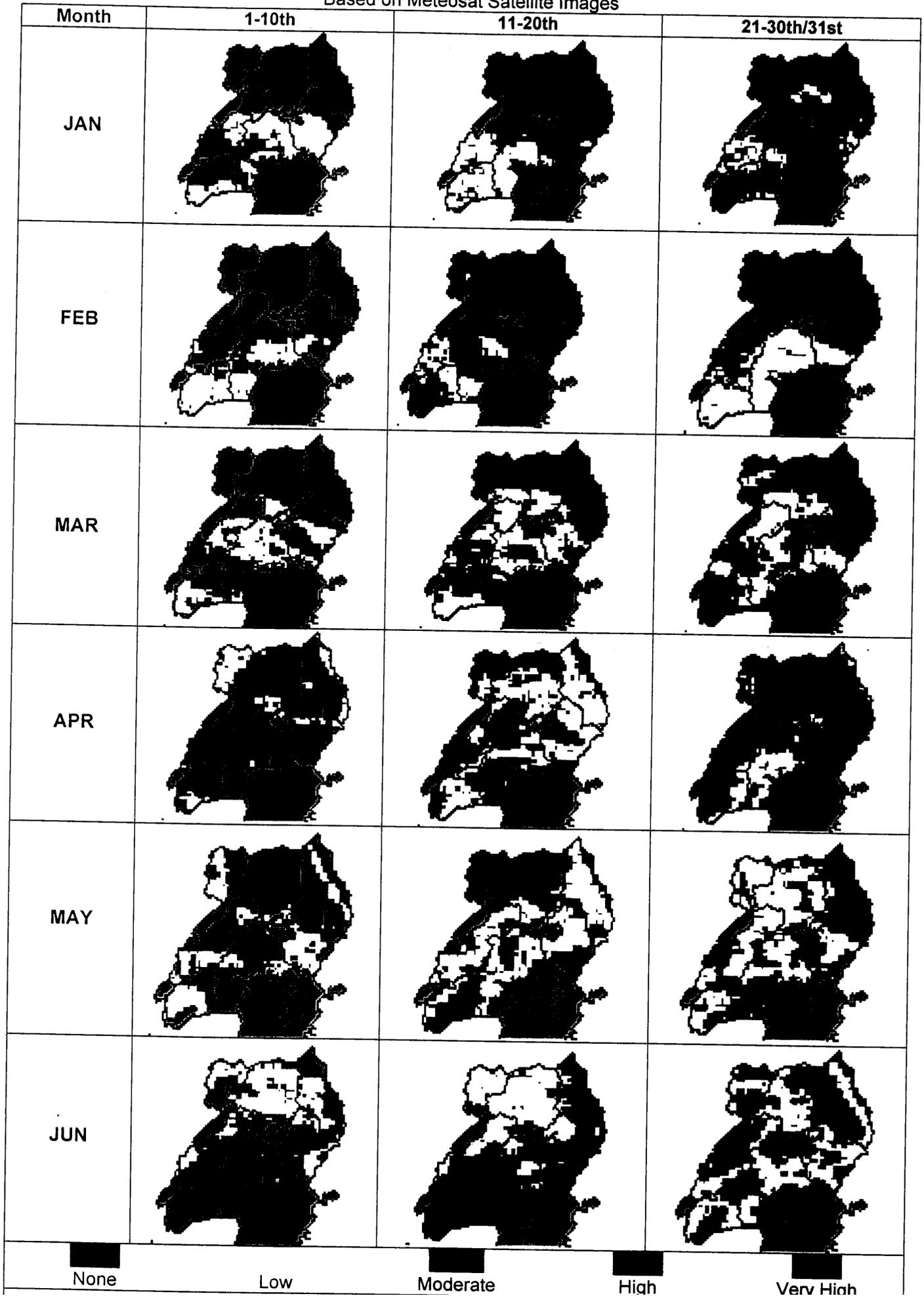
LOE for Long Term ADC/IDEA Professionals

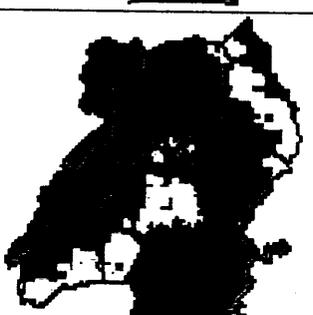
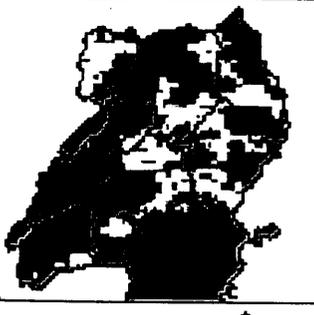
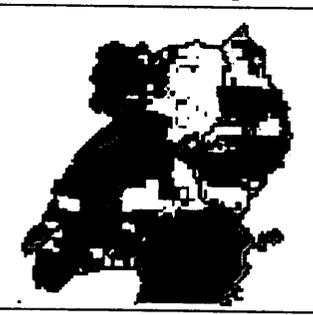
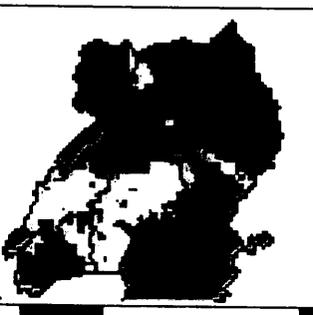
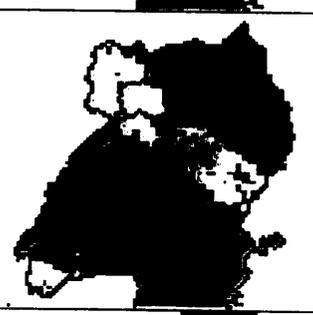
Name	Position	Months		
		Programmed under IDEA Extension	Utilized up-to 31-Dec-01	Balance
Expat:				
Clive Drew	Chief of Party	52	22	30
Chris Donohue	Grants and Operations Manager	51	21	30
Steve New	High Value Crop Production and Marketing Advisor	48	22	26
Steve Humphreys	High Value Crop Production and Marketing Advisor	32	22	10
Mark Wood	Low Value Crop Production and Marketing Advisor	48	22	26
Frank O'Brien	Low Value Crop Production and Marketing Advisor	32	20	12
Local:				
Peter Wathum	Monitoring and Evaluation Specialist	51	22	29
Umran Kaggwa	High Value Horticultural Specialist	50	22	28
Christine Kiwanuka	High Value Horticultural Specialist	40	17	23
Martin Wamaniala	Low Value Commodity Specialist	50	22	28
Fred Muhhuku	Low Value Commodity Specialist	41	19	22
Asaph Besigye	Business Advisory Specialist	40	22	18
Fred Ssango	Research, Extension and Education Specialist	40	22	18
Totals		575	275	300

ANNEX 3

RAINFALL PATTERNS FOR 2000 AND 2001

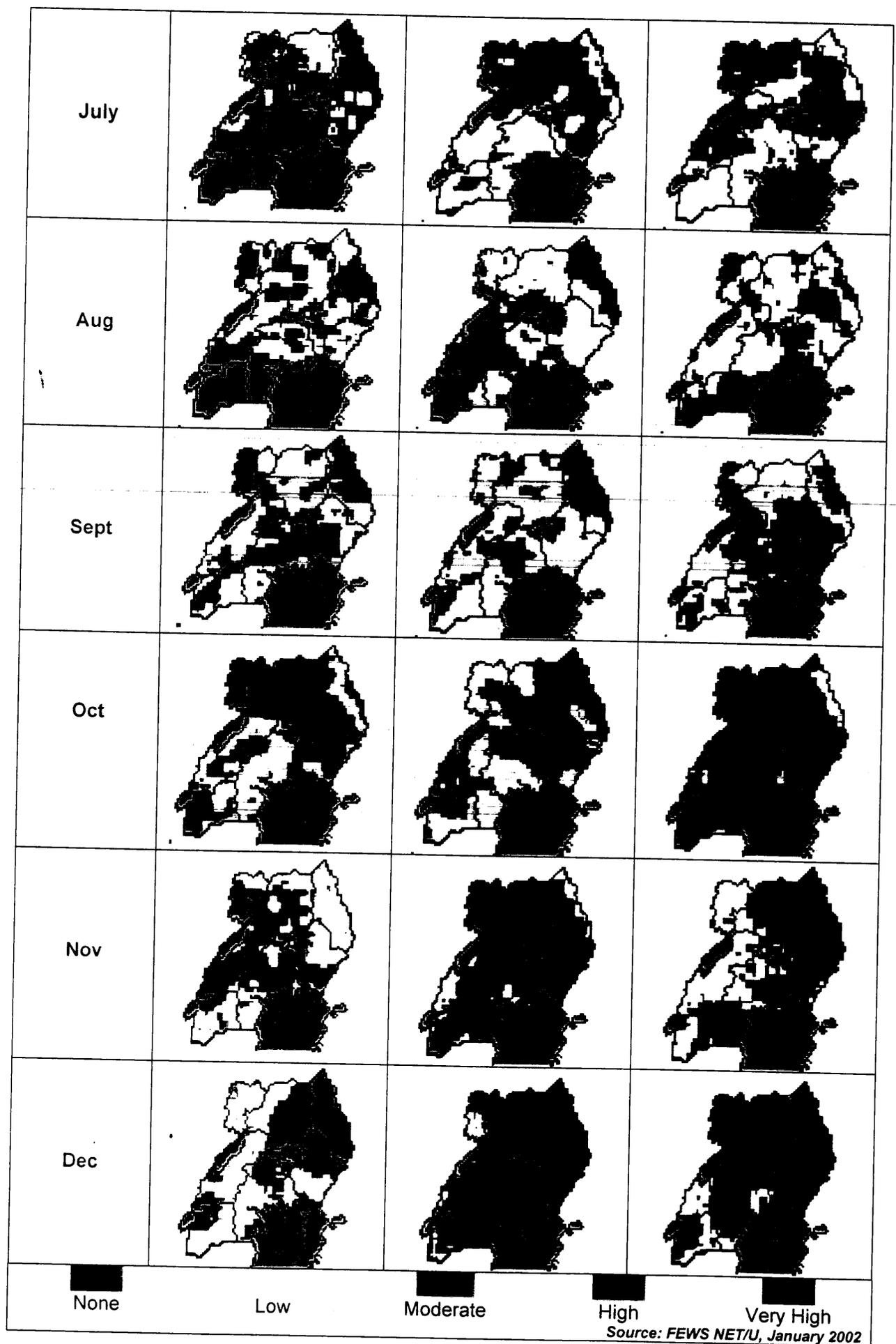
Rainfall Estimates Season A and B 2000
Based on Meteosat Satellite Images



Month	1-10th	11-20th	21-30th/31st
JUL			
AUG			
SEPT			
OCT			
NOV			
DEC			

Rainfall Estimates Season A and B 2001
Based on Meteosat Satellite Images

Month	1-10th	11-20th	21-30th (31st)
JAN			
FEB			
MAR			
APR			
May			
Jun			



Source: FEWS NET/U, January 2002



ANNEX 4

SUMMARY OF LV AND HV ACHIEVEMENTS:
JANUARY – DECEMBER 2001

EXPORTS OF NTAE COMMODITIES SUPPORTED BY IDEA PROJECT: 1995-2001

(Value in US\$ Million and Volume in Metric Tons)

Commodity	Year							Total
	1995	1996	1997	1998	1999	2000	2001	
A: LOW VALUE (LV)								
Maize								
Value	7.250	7.530	11.024	10.660	14.800	11.835	10.371	73.470
Volume	37,179	39,632	52,000	54,667	80,000	69,548	85,810	418,836
Beans								
Value	4.150	4.880	5.025	5.740	6.240	8.787	4.402	39.224
Volume	14,561	18,074	16,639	18,397	27,249	38,526	15,288	148,734
Total LV Value	11.400	12.410	16.049	16.400	21.040	20.621	14.773	97.920
B: HIGH VALUE (HV)								
Roses								
Value	3.610	6.110	8.650	7.705	9.950	11.070	10.932	58.027
Volume	721	1,222	1,792	1,541	2,000	2,594	3,069	12,939
Cuttings								
Value	0.000	0.120	1.120	2.340	3.510	3.540	4.974	15.604
Volume	0	14	133	224	352	430	641	1,794
Fresh produce								
Value	0.630	1.420	2.050	2.300	3.280	3.650	3.561	16.891
Volume	792	1,518	2,153	2,874	3,280	3,500	4,528	18,645
Vanilla								
Value	0.008	0.475	0.637	0.750	1.860	2.020	6.594	12.344
Volume	0.2	15	25	30	60	42	66	238
Papain								
Value	4.460	2.230	2.800	4.940	4.200	0.960	0.545	20.135
Volume	223	114	140	247	211	96	26	1,057
Cocoa								
Value	0.800	1.230	1.950	2.600	2.170	2.020	2.865	13.635
Volume	950	1,656	1,898	2,480	2,728	2,800	3,170	15,682
Total HV Value	9.508	11.585	17.207	20.635	24.970	23.260	29.471	136.636
Total LV + HV Value	20.908	23.995	33.256	37.035	46.010	43.881	44.244	249.329

Annex 4(a)

Low Value Achievement Indicators: January – December 2001

A: MAIZE AND BEAN EXPORTS FOR 2001

Commodity	2001												2001 TOTAL				
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec					
Maize Volume (Mt):																	
mal exports	5,313	4,203	354	58	55	2	58	724	733	698	2,185	12,493	26,876				
formal exports	7,700	5,570	2,480	1,715	612	710	740	1,365	1,000	1,200	2,737	2,220	28,049				
humanitarian relief exports	6,135	2,888	1,000	1,470	2,483	4,263	200	1,196	3,500	4,700	2,350	700	30,885				
total maize volume	19,148	12,661	3,834	3,243	3,150	4,975	998	3,285	5,233	6,598	7,272	15,413	85,810				
Maize Values (US\$ Million):																	
mal exports	0.701	0.547	0.049	0.007	0.006	0.000	0.007	0.036	0.029	0.035	0.126	1.216	2.759				
formal exports	1.163	0.836	0.346	0.209	0.090	0.094	0.046	0.069	0.040	0.061	0.169	0.122	3.245				
humanitarian relief exports	1.166	0.537	0.182	0.257	0.410	0.708	0.017	0.109	0.315	0.414	0.193	0.060	4.367				
total maize value	3,030	1,920	0,577	0,473	0,506	0,802	0,070	0,214	0,354	0,510	0,488	1,398	10,371				
Beans in Volumes (Mt):																	
mal exports	1,394	642	56	25	38	121	343	266	337	229	618	452	4,521				
formal exports	80	50	150	280	270	425	666	580	200	260	454	410	3,825				
humanitarian relief exports	1,207	574	0	1,134	626	190	0	0	1,500	1,200	511	0	6,942				
total bean volume	2,681	1,266	206	1,439	934	736	1,009	846	2,037	1,689	1,583	862	15,288				
Beans in Values (US\$ Million):																	
mal exports	0.450	0.200	0.017	0.008	0.010	0.028	0.081	0.076	0.057	0.045	0.126	0.098	1.196				
formal exports	0.027	0.015	0.043	0.087	0.079	0.116	0.157	0.132	0.034	0.051	0.088	0.084	0.913				
humanitarian relief exports	0.398	0.198	0.000	0.403	0.229	0.073	0.000	0.000	0.458	0.372	0.163	0.000	2.293				
total bean value (US\$ Million)	0,875	0,413	0,060	0,498	0,318	0,217	0,238	0,208	0,549	0,468	0,377	0,182	4,402				
Maize & Beans (US\$ Million)	3,905	2,333	0,637	0,971	0,824	1,018	0,308	0,422	0,933	0,978	0,865	1,580	14,773				

Note: Formal export of maize includes 9,680 mt of maize grain (valued at US\$ 1.06 million) exported to Zambia by the Uganda grain Traders (UGT) Limited.

B: RURAL AGRICULTURAL MARKETING SYSTEMS (RAMS): 2001

RTICULARS	2001												2001 TOTAL		
	Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec			
Number of producers selling through RAMS	253	253	253	253	253	253	322	322	322	322	322	322	322	322	322
Volume of maize marketed through RAMS (mt)	0	50	400	600	275	225	0	0	0	250	1,250	700	3,750	3,750	3,750
Volume of maize marketed through RAMS (\$)	0	5,885	47,080	70,620	32,367	26,482	0	0	0	12,500	62,500	35,000	292,434	292,434	292,434
Volume of beans marketed through RAMS (mt)	0	60	0	0	0	0	0	0	0	0	0	290	350	350	350
Volume of beans marketed through RAMS (\$)	0	15,160	0	0	0	0	0	0	0	0	0	58,670	73,830	73,830	73,830
Number of rural buying centres	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21

C: SEED SALES: 2001

RTICULARS	2001												2001 TOTAL		
	Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec			
Volume of maize seed (mt)	67	297	426	260	76	1	122	121	23	5	3	2	1,403	1,403	1,403
Value of maize seed (\$)	53,207	235,860	338,305	206,489	60,345	794	72,586	82,288	20,658	3,750	1,734	1,176	1,077,192	1,077,192	1,077,192
Volume of bean seed (mt)	17	110	245	50	18	0	84	71	20	23	15	0	653	653	653
Value of bean seed (\$)	9,027	58,510	130,317	26,595	9,574	0	52,180	44,063	11,266	13,330	8,395	0	363,257	363,257	363,257
Volume of maize seed multiplied (mt)	83	372	530	325	90	0	400	300	200	100	0	0	2,400	2,400	2,400
Volume of bean seed multiplied (mt)	20	120	300	60	0	0	500	300	100	100	0	0	1,500	1,500	1,500
Number of seed firms assisted	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5

D: AGRIBUSINESS TRAINING AND INPUT NETWORK (ATAIN): 2001

ARTICULARS	2001												TOTAL
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
ational Sales													
alue of maize seed (\$)	53,207	235,860	338,305	206,489	60,345	794	72,586	82,288	20,658	3,750	1,734	1,176	1,077,192
olume of maize seed (mt)	67	297	426	260	76	1	122	121	23	5	3	2	1,403
alue of bean seed (\$)	9,027	58,510	130,317	26,595	9,574	0	52,180	44,063	11,266	13,330	8,395	0	363,257
olume of bean seed (mt)	17	110	245	50	18	0	84	71	20	23	15	0	653
alue of fertilizers sold (\$)	157,500	236,250	945,000	945,000	551,250	551,250	315,000	315,000	315,000	157,500	157,500	0	4,646,250
olume of fertilizers sold (mt)	500	750	3,000	3,000	1,750	1,750	1,000	1,000	1,000	500	500	0	14,750
ales under ATAIN													
alue of maize seed (\$)	16,814	57,149	160,051	102,076	30,564	0	11,706	14,189	11,005	1,902	2,544	0	408,000
olume of maize seed (mt)	16	49	131	74	24	0	12	13	12	2	2	0	335
alue of bean seed (\$)	7,300	2,190	11,688	4,380	730	0	2,920	5,110	2,920	730	0	0	37,968
olume of bean seed (mt)	10	3	16	6	1	0	4	7	4	1	0	0	52
alue of fertilizers sold (\$)	15,750	39,375	49,500	51,000	36,375	18,750	22,500	23,250	13,875	5,625	2,250	1,875	280,125
olume of fertilizers sold (mt)	42	105	132	136	97	50	60	62	37	15	6	5	747
umber of distributors	5	5	5	5	5	5	5	5	5	5	5	5	5
umber of input stockists	178	194	199	199	206	206	218	218	218	218	218	218	218
umber of input stockists (females)	27	29	35	35	35	35	37	37	37	37	37	37	37
ecovery rate on credit guarantee (%)	100	100	100	100	100	100	100	100	100	100	100	100	100
umber of employees in input supply system	356	388	388	398	412	412	436	436	436	436	436	436	436
ercent of employees females (%)	50	50	50	50	50	50	55	55	55	55	55	55	55
umber of farmers served	38,750	38,750	38,750	38,750	38,750	38,750	41,000	41,000	41,000	41,000	41,000	41,000	41,000

E: COMMERCIAL FARMING OPERATIONS: 2001

PARTICULARS	Unit	Season A 2001	Season B Year 2001	Total Year 2001
Small Scale Commercial Farmers:				
Number of small-scale commercial farmer clients	no	154	257	411
Number of small-scale commercial farmer clients (females)	no	24	49	73
Area under maize by small-scale commercial farmer clients	ha	506	771	1,277
Area under beans by small-scale commercial farmer clients	ha	110	170	280
Maize yield from small-scale commercial farmer clients	mt/ha	3.50	3.60	3.55
Bean yield from small-scale commercial farmer clients	mt/ha	0.75	0.80	0.78
Maize output from small-scale commercial farmer clients	mt	1,771	2,776	4,547
Bean output from small-scale commercial farmer clients	mt	83	136	219
Number of small-scale commercial farmer clients receiving credit	no	30	72	102
% of small-scale commercial farmer clients receiving credit who are females	%	7	9	8
Total credit received by small-scale commercial farmer clients	\$	10,500	49,700	60,200
Loan repayment rate	%	100	n.a	n.a
Medium Scale Commercial Farmers:				
Number of medium-scale commercial farmer clients	no	253	314	567
Number of medium-scale commercial farmer clients (females)	no	21	26	47
Area under maize by medium-scale commercial farmer clients	ha	2,600	2,512	5,112
Area under beans by medium-scale commercial farmer clients	ha	15	21	36
Maize yield from medium-scale commercial farmer clients	mt/ha	3.70	3.75	3.73
Bean yield from medium-scale commercial farmer clients	mt/ha	1.50	1.50	1.50
Maize output from medium-scale commercial farmer clients	mt	9,620	9,420	19,040
Bean output from medium-scale commercial farmer clients	mt	23	31.5	54
Number of medium-scale commercial farmer clients receiving credit	no	193	170	363
% of medium-scale commercial farmer clients receiving credit who are females	%	6	8	7
Total credit received by medium-scale commercial farmer clients	\$	520,649	348,583	869,232
Loan repayment rate	%	88	n.a	n.a
Total/Overall Commercial Farming Operations:				
Number of commercial farmer clients	no	407	571	978
Number of commercial farmer clients (females)	no	45	75	120
Area under maize by commercial farmer clients	ha	3,106	3,283	6,389
Area under beans by commercial farmer clients	ha	125	191	316
Maize yield from commercial farmer clients	mt/ha	3.67	3.71	3.69
Bean yield from commercial farmer clients	mt/ha	0.84	0.88	0.86
Maize output from commercial farmer clients	mt	11,391	12,196	23,587
Bean output from commercial farmer clients	mt	105	168	273
Number of commercial farmer clients receiving credit	no	223	242	465
Percent of commercial farmer clients receiving credit who are females	%	6	6	6
Total credit received by commercial farmer clients	\$	531,149	398,283	929,432
Loan repayment rate	%	94	n.a	n.a

Low Value Indicators at I.R 1 and Input Levels : 2001

Indicator	Unit	Jan-Jun	Jul-Dec	Total 2001
I.R LEVEL:				
Export value of maize	\$	7.308	3.063	10.371
Export value of beans	\$	2.381	2.021	4.402
Export volume of maize	mt	47,011	38,799	85,810
Export volume of beans	mt	7,262	8,026	15,288
Estimated farm gate value of maize exports	\$	4.750	1.991	6.741
Estimated farm gate value of bean exports	\$	1.714	1.455	3.169
Total volume of maize produced (estimate - Kapchorwa in Jul-Dec)	mt	380,000	270,000	650,000
Total volume of beans produced (estimate)	mt	140,000	120,000	260,000
Total area under maize (estimate - Kapchorwa area in Jul-Dec)	ha	220,000	140,000	360,000
Total area under beans (estimate)	ha	190,000	160,000	350,000
Maize yield (estimate)	mt/ha	1.727	1.929	1.806
Bean yield (estimate)	mt/ha	0.737	0.750	0.743
INPUT LEVEL:				
Obj 1: Generation of Efficient Production Technologies				
Number of agronomic/research contracts completed	no	0	12	12
Number of technology packages developed	no	2	2	4
Number of new products released	no	0	5	5
Obj 2: Promotion of Efficient Production & Post Harvest Technologies				
Number of field demonstration sites	no	2,160	2,500	4,660
Number of farmers attending training	no	88,300	119,700	208,000
Percent of farmers trained (female)	%	36	42	39
Percent of farmers trained adopting LI technology	%	61	48	55
Maize production from commercial farmer clients	mt	11,391	12,196	23,587
Maize yield obtained by commercial farmer clients	mt/ha	3.67	3.71	3.69
Bean production from commercial farmer clients	mt	105	168	273
Bean yield obtained by commercial farmer clients	mt/ha	0.84	0.88	0.86
Number of commercial farmer clients receiving credit	no	223	246	469
Percent of commercial farmer client receiving credit female	%	6	8	7
Total credit received by commercial farmer clients	\$	531,149	398,283	929,432
Loan repayment rate by commercial farmer clients	%	94	n.a	n.a
Number of commercial farmer clients (medium scale)	no	253	314	567
Number of commercial farmer clients (small scale)	no	154	257	411
Number of commercial farmer client female	no	45	75	120
Percent of commercial farmer client female	%	11	13	12
Area under commercial client farms medium scale	ha	2,615	2,533	5,148
Area under commercial client farms small scale	ha	616	941	1,557
Number of commercial farmers with cribs	no	104	114	218
Number of commercial farmers with shellers	no	12	14	26
Number of commercial farmers with dryers	no	8	8	16
Number of commercial farmers with storage	no	202	261	463
Number of commercial farmer clients participating in seed multiplication	no	10	15	25

Indicator	Unit	Jan-Jun	Jul-Dec	Total 2001
Obj 3: Functioning Input Supply System				
Sales value of maize seeds	\$	895,000	182,192	1,077,192
Sales volume of maize seeds	mt	1,127	276	1,403
Sales value of bean seeds	\$	234,023	129,234	363,257
Sales volume of bean seeds	mt	440	213	653
Sales value of fertilizers	\$	3,386,250	1,260,000	4,646,250
Sales volume of fertilizers	mt	10,750	4,000	14,750
ATAIN maize sales value as percentage of National sales	%	40.97	22.69	37.88
ATAIN maize sales volume as percentage of National sales	%	26.09	14.86	23.88
ATAIN bean sales value as percentage of National sales	%	11.23	9.04	10.45
ATAIN bean sales volume as percentage of National sales	%	8.18	7.51	7.96
ATAIN fertilizers sales value as percentage of National sales	%	6.22	5.51	6.03
ATAIN fertilizers sales volume as percentage of National sales	%	5.23	4.63	5.06
Number of farmers through the input supply system	no	38,750	41,000	79,750
Recovery rate on credit guarantees (All support mechanisms)	%	100	100	100
Number of input supplier clients	no	10	10	10
Number of input distributor clients	no	5	5	5
Number of input stockists (ADC direct linked)	no	206	218	218
Number of input stockists female	no	35	37	37
Number of employees in the input system	no	412	436	436
Percent of employees female	%	50	50	50
Obj 4: Seed Multiplied and Distributed				
Sales value of maize seeds	\$	895,000	182,192	1,077,192
Sales volume of maize seeds	mt	1,127	276	1,403
Sales value of bean seeds	\$	234,023	129,234	363,257
Sales volume of bean seeds	mt	440	213	653
Volume of maize seed multiplied	mt	1,400	1,000	2,400
Volume of bean seed multiplied	mt	500	1,000	1,500
Number of LV policy, beauracracic and regulatory interventions	no	0	0	0
Number of seed firms	no	6	6	6
Obj 5: Market Information System in Operation				
Number of crop forecast data bulletins disseminated	no	7	12	19
Number of market analyses	no	1	0	1
Number of clients subscribers with market information from MKIS	no	78	163	163
Obj 6: Rural Agricultural Marketing Systems (RAMS)				
Number of producers selling through RAMS	no	253	322	575
Volume of maize marketed through RAMS	mt	1,550	2,200	3,750
Value of maize marketed through RAMS	\$	182,434	110,000	292,434
Volume of beans marketed through RAMS	mt	60	290	350
Value of beans marketed through RAMS	\$	15,160	58,670	73,830
Number of rural buying centres	no	21	21	21
Obj 7: Outgrower Initiative				
Volume of maize produced through outgrower arrangement	mt	1,755	404	2,159
Value of maize produced through outgrower arrangement	\$	357,946	81,546	439,492
Volume of beans produced through outgrower arrangement	mt	1,256	1,168	2,424
Value of beans produced through outgrower arrangement	\$	290,885	303,492	594,377
Number of new outgrower schemes assisted	no	2	0	2
Number of schemes accessing credit	no	4	0	4
Number of producers under outgrower schemes	no	1,760	0	1,760
Percent of outgrower producers female	%	30	30	30
Number of outgrower groups participating in seed multiplication	no	5	5	5

Indicator	Unit	Jan-Jun	Jul-Dec	Total 2001
Obj 8: Increased Exports				
Volume of maize exported by the assisted firms	mt	18,239	20,561	38,800
Value of maize exported by the assisted firms	\$	3,259,421	1,521,514	4,780,935
Volume of beans exported by the assisted firms	mt	3,732	3,888	7,620
Value of beans exported by the assisted firms	\$	1,300,606	956,448	2,257,054
Number of firms accessing exporter finance	no	0	13	13
Number of policy and regulatory interventions regarding exports	no	0	1	1
Number of exporters assisted	no	5	13	13
Obj 9: Agricultural Processing Promoted				
Quantity of maize processed (estimate)	mt	670	249	919
Value of processed product (estimate)	\$	440,000	136,686	576,686
Number of policy/regulatory interventions regarding processing	no	0	1	1
Number of firms supported in agricultural processing	no	2	4	6

Annex 4(b)

High Value Achievement Indicators: January – December 2001

Product/Commodity	Month												2001 TOTAL				
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec					
Vanilla																	
Export value of vanilla (\$)	0	352,000	365,999	1,836,000	63,000	27,740	0	0	280,800	3,560,700	107,800	0	0	6,594,039			
Export volume of vanilla (mt)	0.0	4.0	3.9	20.4	0.7	0.2	0.0	0.0	2.6	33.0	1.0	0.0	0.0	65.8			
Papain																	
Export value of papain (\$)	20,000	22,500	65,000	39,100	11,000	47,500	30,000	35,200	55,000	70,000	70,000	80,000	80,000	545,300			
Export volume of papain (mt)	2.0	1.5	2.6	2.3	1.1	1.9	1.5	1.6	2.5	2.8	2.8	3.2	3.2	26			
Cocoa																	
Export value of cocoa (\$)	164,260	179,740	215,250	424,340	267,149	222,855	177,921	330,637	49,404	176,722	303,601	352,836	352,836	2,864,715			
Export volume of cocoa (mt)	191.0	209.0	250.0	490.0	311.0	249.0	223.8	397.4	55.2	194.2	307.6	291.6	291.6	3,170			
Export value of HV products (\$)	1,576,551	2,046,294	2,273,559	4,033,801	2,038,679	1,806,642	1,690,072	1,941,074	2,053,353	5,388,369	2,351,822	2,271,474	2,271,474	29,471,690			

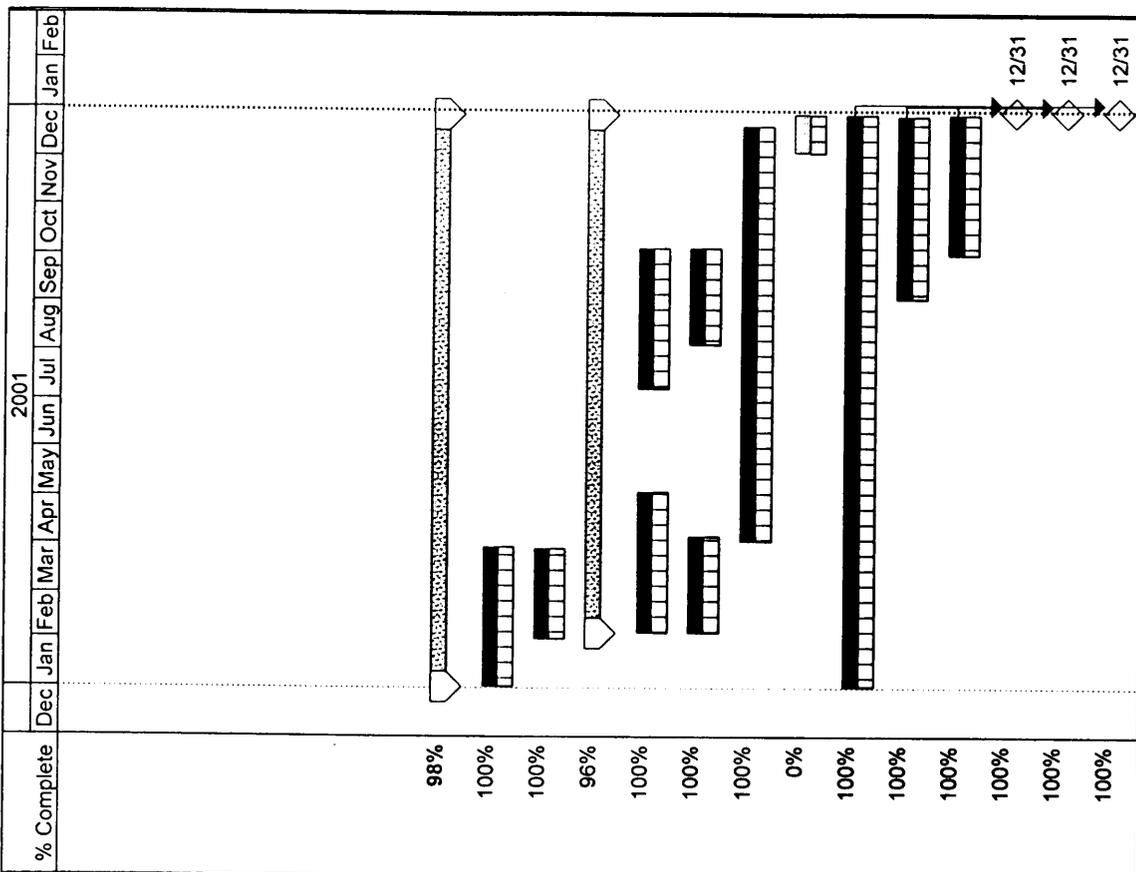
Indicator	Unit	Jan-Jun	Jul-Dec	2001 TOTAL
Obj 4: Increased Volumes of Production				
Volume of flowers exported	mt	1,653	2,057	3,710
Volume of fresh produce exported	mt	2,363	2,165	4,528
Volume of vanilla exported	mt	29	37	66
Volume of papain exported	mt	11	14	26
Volume of cocoa exported	mt	1,700	1,470	3,170
Number of flower farms	no	20	20	40
Number of fresh produce growers supplying exporters	no	2,600	2,800	2,800
Percent of fresh produce growers female	%	25	25	25
Number of vanilla growers	no	5,700	5,850	5,850
Percent of vanilla growers female	%	40	45	43
Number of papain growers	no	3,000	3,100	3,100
Percent of papain growers female	%	10	10	10
Number of cocoa growers	no	6,000	6,000	6,000
Percent of cocoa growers female	%	10	10	10
Number of employees at flower farms	no	3,700	4,000	4,000
Percent of employees at flower farms female	%	65	65	65
Number of new outgrower schemes assisted	no	0	1	1
Number of client producers/farms accessing production credit	no	1	1	2
Obj 5: Agricultural Processing Promoted				
Number of firms assisted in agricultural processing	no	2	2	2
Quantity of HV products processed	mt	4	5	9
Value of HV products processed	\$	360,000	550,000	910,000
Value added through HV processing	\$	184,000	284,104	468,104
Obj 6: Improved Airport Handling System				
Total capacity of handling facilities	mt/day	40	40	40
Capacity of cold store facilities	mt/day	40	40	40
Number of exporter clients using FHL	no	27	39	39
Throughput volumes	mt/week	89	84	84
Obj 7: Consolidation of Freight				
Total freight capacity	mt/week	75	75	75
Frequency of flights	no/week	5	8	7
Destinations of products (countries)	no/week	2	2	2
Average freight/handling cost of flowers	\$/kg	1.75	1.75	1.75
Average freight/handling cost of fresh produce	\$/kg	1.55	1.55	1.55
Average freight/handling cost of vanilla	\$/kg	4.00	4.00	4.00
Average freight/handling cost of papain	\$/kg	3.00	3.00	3.00
Average freight/handling cost of cocoa	\$/kg	0.40	0.40	0.40
Obj 8: Institutional Systems in Place				
Number of policy/regulatory interventions	no	1	1	2
Number of NTAE associations	no	4	4	4
Paid up association membership	no	65	110	110

HIGH VALUE INDICATORS AT I.R 1 AND INPUT LEVELS: 2001

Indicator	Unit	Jan-Jun	Jul-Dec	2001 TOTAL
I.R 1: INCREASED VOLUME AND VALUE OF SELECT HV NTAEs				
Export value of flowers	\$	7,680,293	8,226,089	15,906,382
Export volume of flowers	mt	1,653	2,057	3,710
Export value of fresh produce	\$	1,771,800	1,789,454	3,561,254
Export volume of fresh produce	mt	2,363	2,165	4,528
Export value of vanilla	\$	2,644,739	3,949,300	6,594,039
Export volume of vanilla	mt	29	37	66
Export value of papain	\$	205,100	340,200	545,300
Export volume of papain	mt	11	14	26
Export value of cocoa	\$	1,473,594	1,391,121	2,864,715
Export volume of cocoa	mt	1,700	1,470	3,170
INPUT LEVEL:				
Obj 1: Efficient Production Technologies Promoted				
Number of research contracts completed	no	3	1	4
Number of technology packages developed	no	3	0	3
Number of new products/varieties released	no	3	3	6
Number of field demonstration sites	no	58	58	58
Number of farmers trained	no	1,019	2,109	3,128
Percent of farmers trained female	%	23	29	26
Number of technology adopters	no	762	940	940
Percent of technology adopters female	%	23	25	24
Number of commercialization bulletins	no	3	0	3
Obj 2: Increase in Market Opportunities				
Number of trade missions supported	no	2	1	3
Number of inward buyer visits supported	no	5	3	8
Number of importers buying Ugandan produce	no	54	56	56
Number of products exported	no	15	20	20
Number of new exporters	no	2	3	5
Number of MKIS reports disseminated	no	12	12	24
Number of clients served with MKIS publications	no	70	154	154
Number of new products	no	0	5	5
Number of new markets	no	2	4	6
Number of market analyses	no	1	3	4
Number of exporter clients assessing finance through ADC	no	1	1	2
Obj 3: Improved Quality and Post-Harvest Handling				
Number of pack house/processing facilities in place	no	0	0	0
Number of firms implementing code of practice	no	3	6	6

ANNEX 5

TIMELINES FOR LV, HV AND PROJECT MANAGEMENT
& MONITORING: JANUARY – DECEMBER 2001



Task Name
Component One: Low Value Crop Export Development

Annual export value of maize & beans increased over LOP, reaching US\$34 million by 2004

Increased use of efficient production technologies promoted, reaching 860,000 farmers and extension agents over LOP (Output 1)

Objective 1: Assist in generating efficient production technologies

- Evaluate progress reports of 2000 maize and bean research activities
- Assist in developing and finalizing 2001 research programs
- Research new varieties
- Identify new varieties for agronomic trials
- Facilitate funding for trials
- Initiate and support implementation and completion of research trials
- Review results and recommendations of trials
- Continue to promote new variety introductions
- Assist in developing technology packages
- Incorporate findings into field technical bulletins

Benchmark 1.1: At least 10 research trials completed

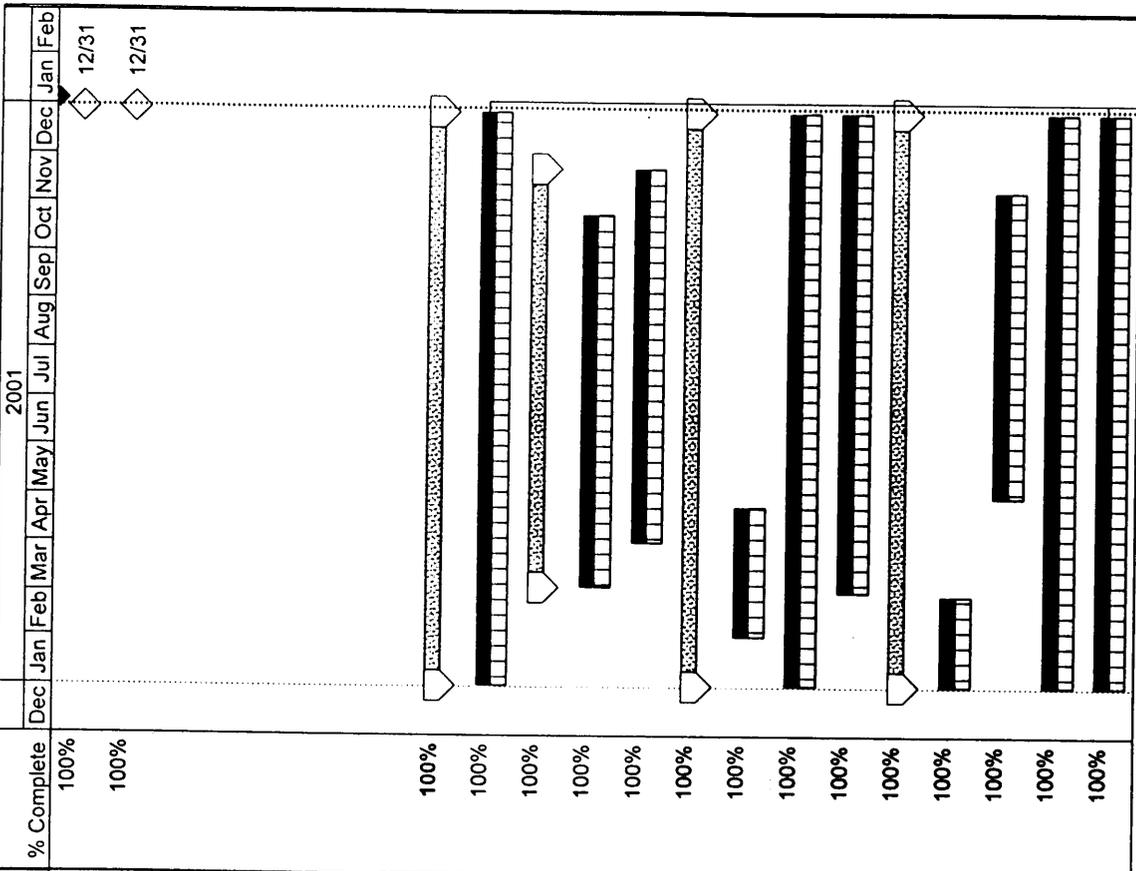
Benchmark 1.2: At least 4 technology packages developed and disseminated

Benchmark 1.3: At least 5 new products introduced

Task		Baseline		Rolled Up Baseline	Summary
Rolled Up Task		Task Progress		Milestone	Baseline Summary
Rolled Up Progress		Rolled Up Progress		Baseline Milestone	

Task Name	2001														
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Objective 2: Promote efficient production and post-harvest technologies	100%														
Facilitate 2001 A season demonstration work	100%														
Conduct review workshop for district coordinators	100%														
Conduct technical visits	100%														
Evaluate 2001 A demonstration activity and implement 2001 B demonstration work	100%														
Evaluate season A demonstration activity	100%														
Conduct 2001 B workshop for district coordinators	100%														
Conduct technical visits during season 2001 B	100%														
Develop alternative demonstration linkages through the private sector and adopters	100%														
Continue to expand and support commercial farmer clients	100%														
Actively support graduates of commercial farmer training school with customized TA	100%														
Continue to seek funding for commercial farmer working capital fund	100%														
Expand commercial farmer training program	100%														
Conduct training for tractor operators	100%														
Monitor production and levels of technology adoption	100%														
Encourage and monitor adoption of low input (LI) and high input (HI) technologies	100%														
Benchmark 2.1 a: Efficient production and post-harvest technologies promoted through 4,000	100%														
Benchmark 2.1 b: 240,000 farmers trained in efficient production and post-harvest technologies	87%														
Benchmark 2.2 a: 4,000 ha cultivated by commercial farmers	100%														
Benchmark 2.2 b: At least 15,000 mt of maize produced by commercial farmers	100%														

Task
 Rolled Up Task
 Task Progress
 Rolled Up Progress
 Baseline
 Rolled Up Baseline
 Milestone
 Baseline Milestone
 Summary
 Baseline Summary



Task	Baseline	Rolled Up Task	Task Progress	Rolled Up Progress	Summary	Baseline Summary
Task	█	█	█	█	█	█
Rolled Up Task	█	█	█	█	█	█
Task Progress	█	█	█	█	█	█
Rolled Up Progress	█	█	█	█	█	█

Task Name

% Complete

2001
 Dec Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb

Facilitate dialogue

Hold review workshops for existing stockists

Hold ATAIN supplier/distributor review and planning workshop

Monitor sales volumes and values of inputs and credit recovery under ATAIN

Benchmark 3.1: *Functioning input supply system, reaching 75,000 farmers*

Benchmark 3.2: *At least 30 new stockists trained and integrated into the ATAIN program*

Benchmark 3.3: *At least 30 stockists pre-audited for pesticide compliance*

Benchmark 3.4 a: *US\$ 480,000 worth of seeds sold under ATAIN*

Benchmark 3.4 b: *US\$ 400,000 worth of fertilizers sold under ATAIN*

Benchmark 3.5: *12 interns placed with Agribusiness firms*

Objective 4: Support seed multiplication and distribution

Continue to liaise with USP and Seed Certification Authority (SCA)

Support new private sector entrants in production and marketing

Encourage commercial farmer involvement in seed production of newly released & imported hybrids

Identify commercial farmers and outgrowers with capacity to participate

Liaise with seed firms

Initiate multiplication of new groundnuts and sesame varieties with private seed firms

Provide guidance on seed production

Coordinate seed certification visits and monitor production

Establish multiplication of Zimbabwe and South African hybrids in country

Task



Baseline



Summary



Rolled Up Task



Rolled Up Baseline



Task Progress



Milestone



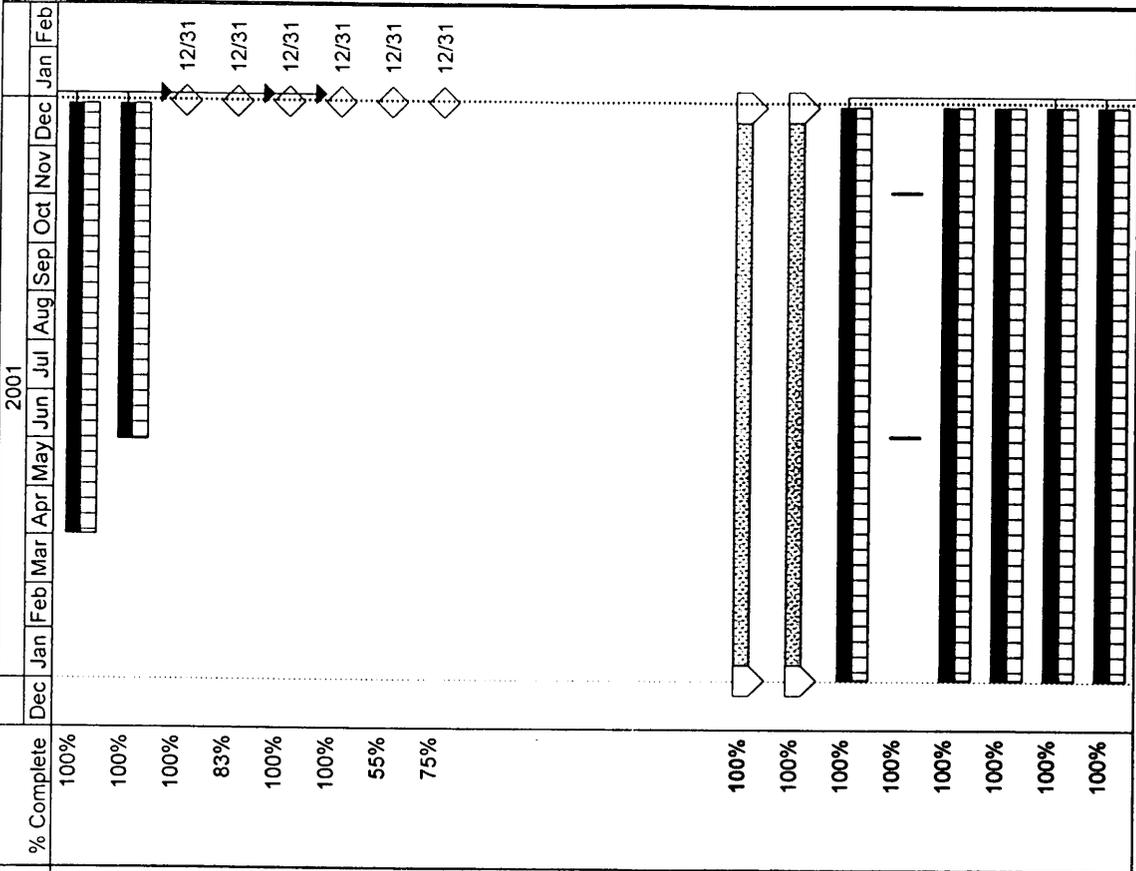
Rolled Up Progress



Baseline Milestone



2001



Task Name

Bring selected bean outgrower programs officially into the seed supply system through seed certification

Monitor volumes and values of seed multiplied and distributed

Benchmark 4.1: At least 2,000 mt of improved maize seed multiplied and distributed

Benchmark 4.2: At least 700 mt of imported improved maize seed multiplied and distributed

Benchmark 4.3: At least 1,000 mt of improved bean seed multiplied and distributed

Benchmark 4.4: At least 3 private sector seed firms supported

Benchmark 4.5: At least 1.5 mt of newly released improved groundnuts & 3 mt of sesame seed multiplied

Benchmark 4.6: Bulletins produced and distributed on best practices for pest treatment

Market efficiency increased over LOP as measured by a) functional MKIS, b) the establishment of 25 RAMS centres, c) 8 outgrower schemes assisted, d) maize and bean export value of JS\$ 34 million and e) at least 2 firms assisted with agricultural processing activity (Output 3)

Objective 5: Provide Market Knowledge and Information Services

Update MKIS and disseminate information to subscriber clients

Continue to provide bi-monthly bulletins

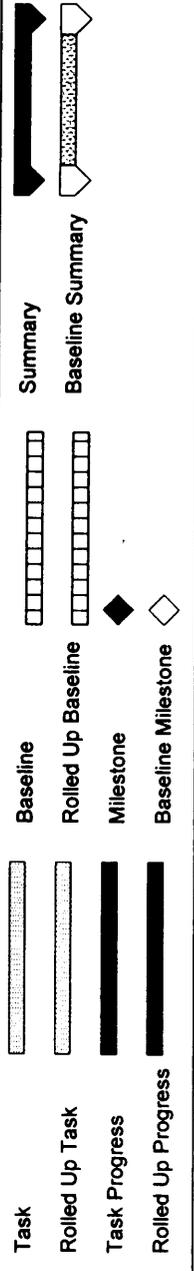
Seek client feedback on usefulness of bulletins and update subscription lists

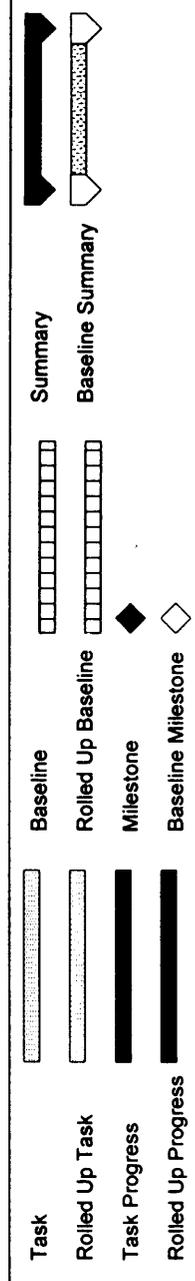
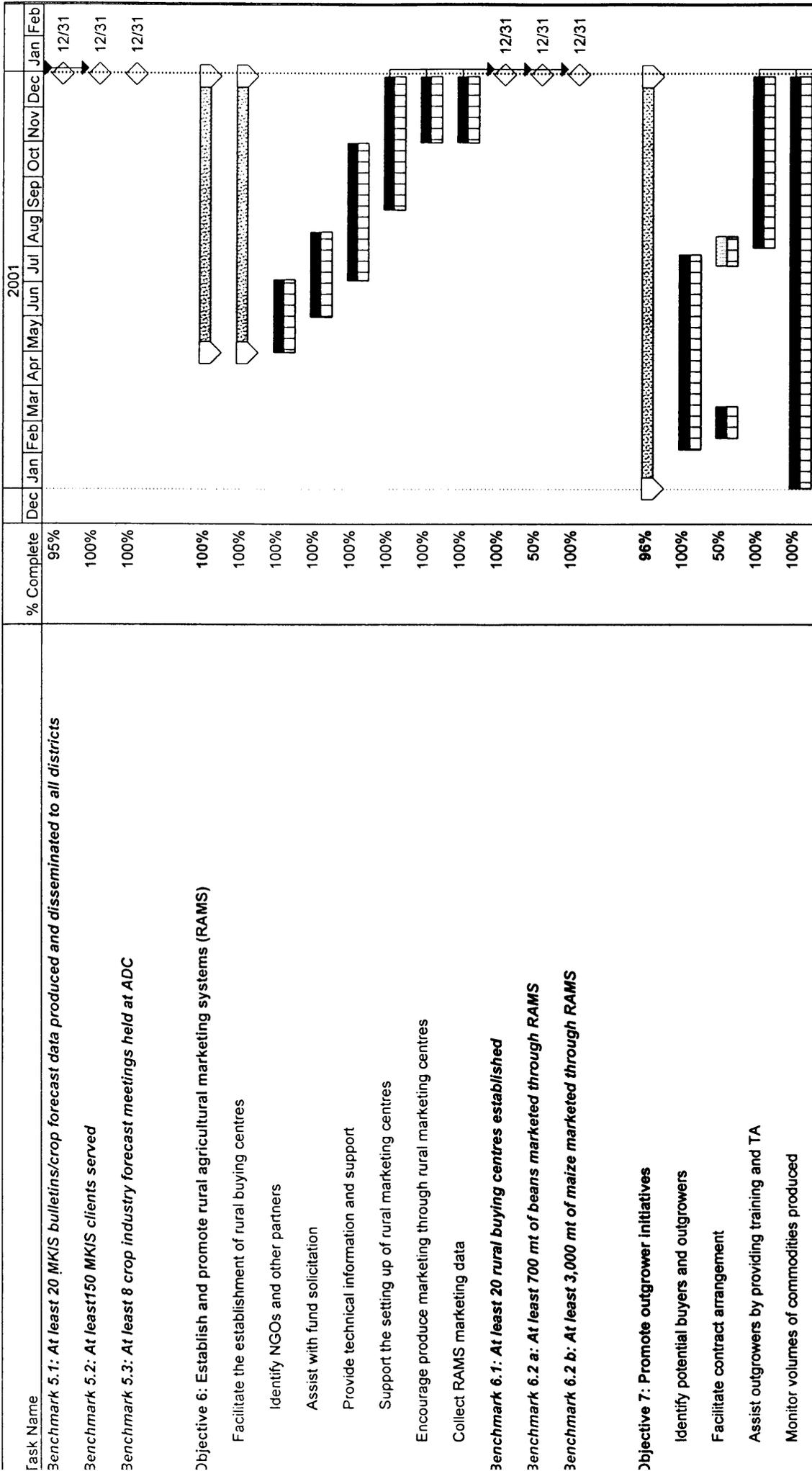
Upgrade website

Design and implement upgrades on bulletins and website

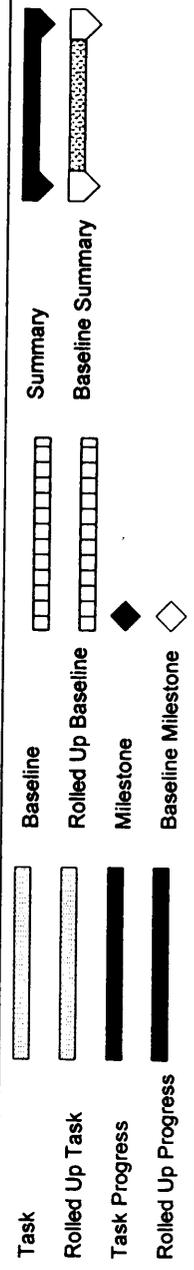
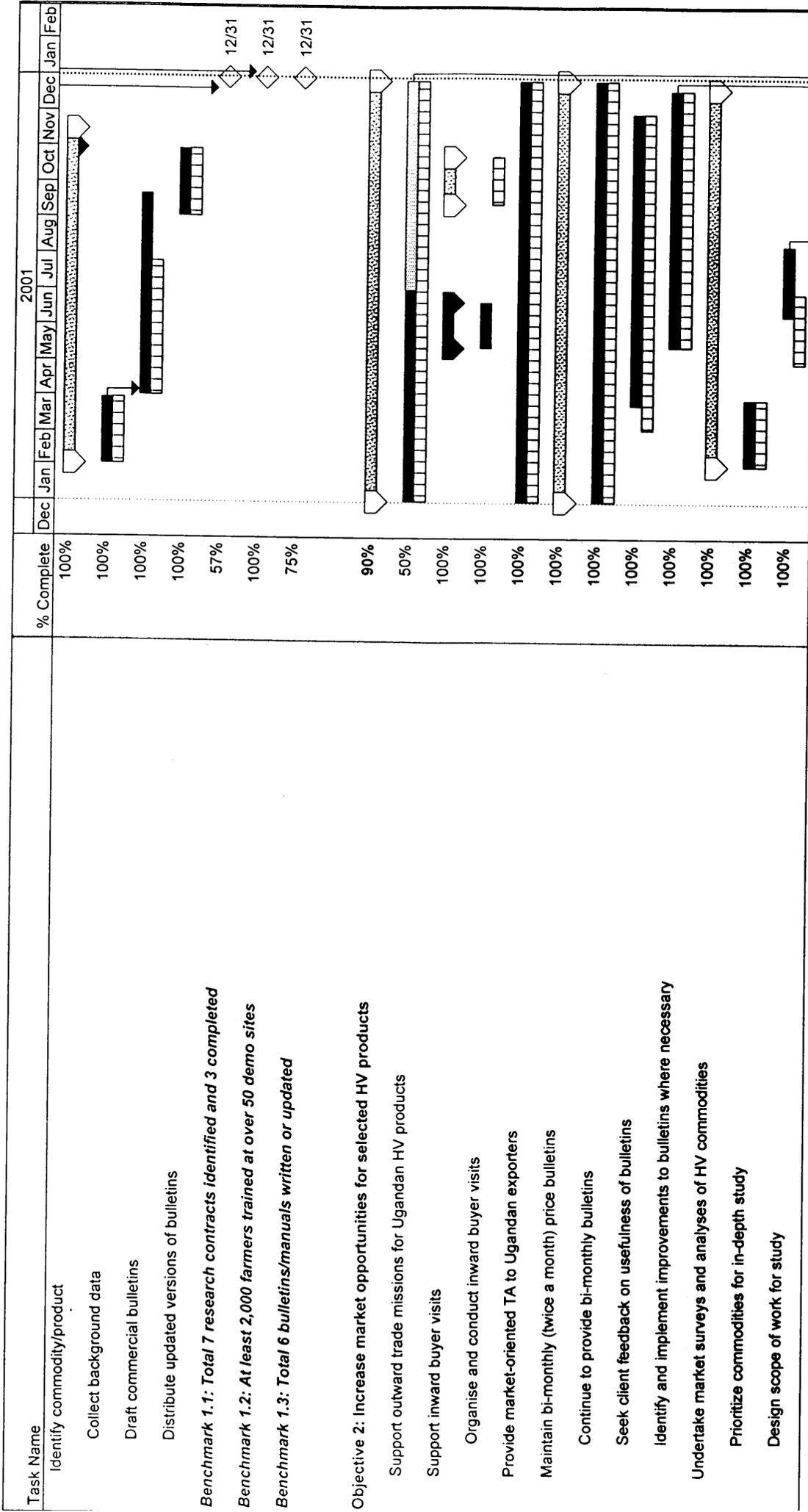
Coordinate crop industry forecast meetings

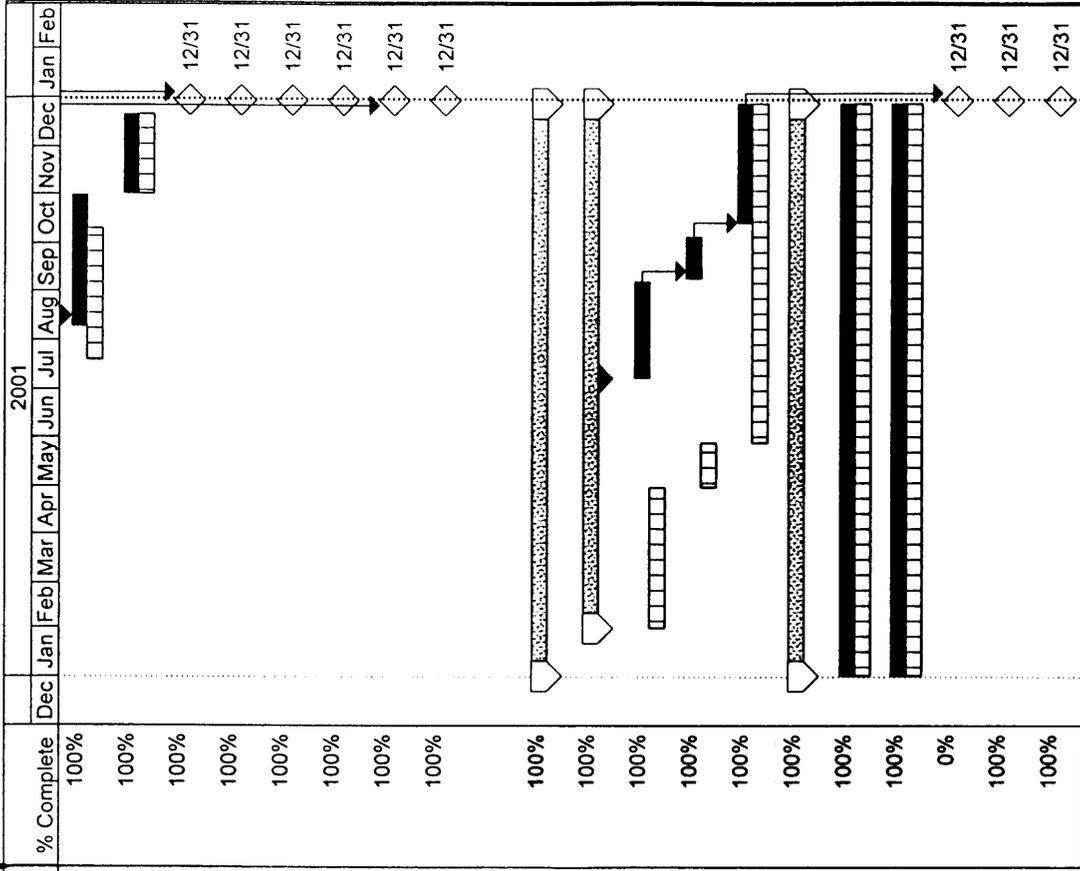
Synthesize and disseminate crop forecast and price data



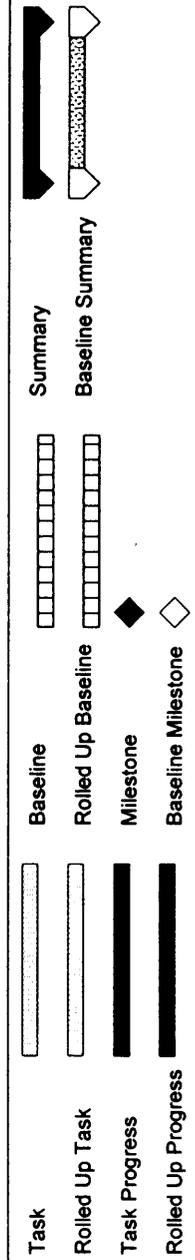


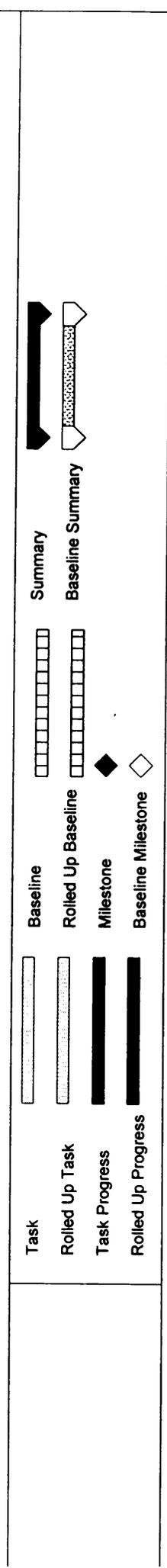
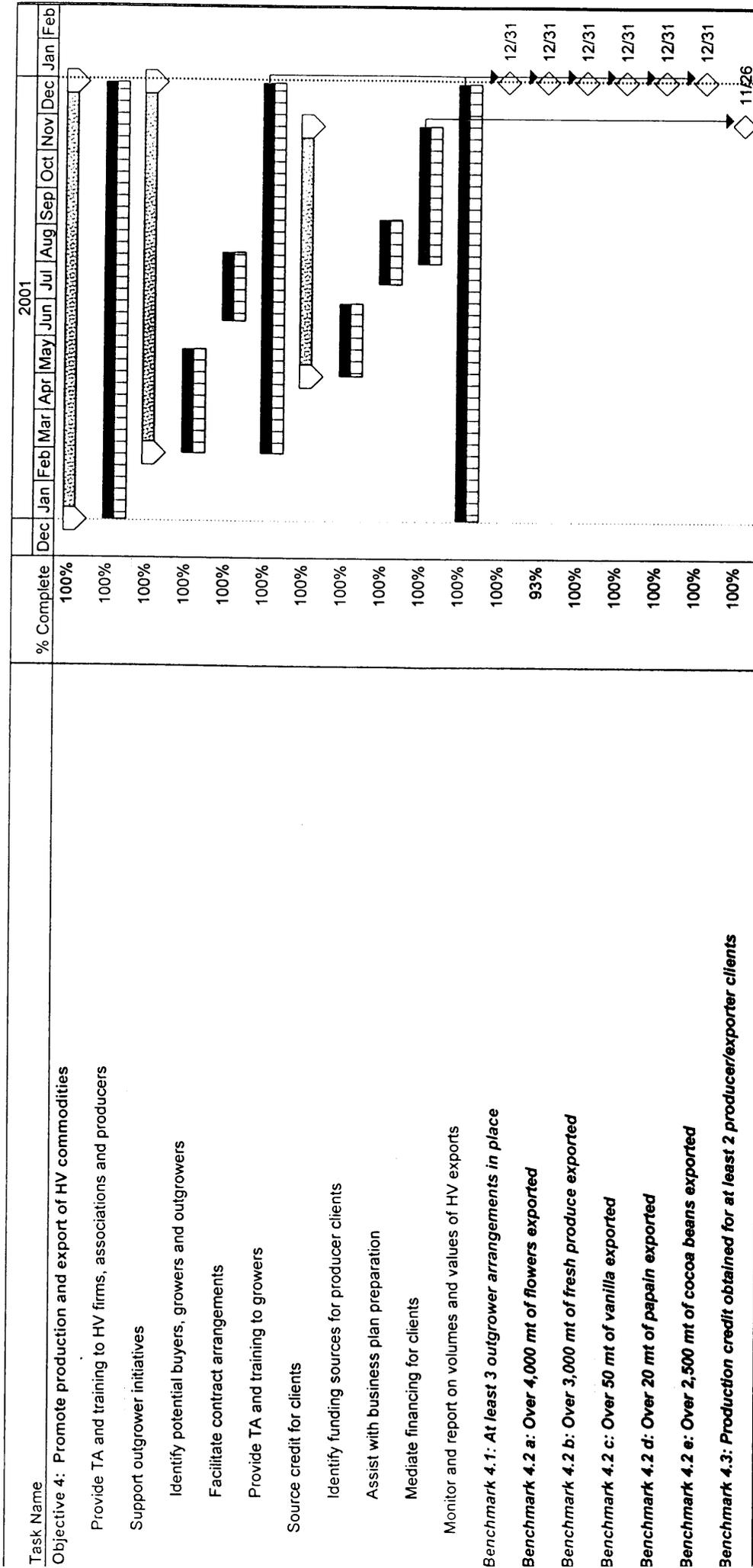
Task Name	2001												% Complete
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	
Component Two: High Value Export Crop Development													
Annual export value of selected HV commodities increased over LOP, reaching US\$ 45 million by 2004													
increased capacity of firms to respond to global market requirements as measured by													
a) 20% increase p.a in value of selected HV commodities and b) number of exporters assisted increasing by 5% p.a over LOP (Output 4)													
Objective 1: Promote efficient production technologies													
Support research and technology transfer activity													93%
Identify new trials													92%
Facilitate funding for trials													100%
Initiate and support implementation and completion of research trials													100%
Review results and recommendations of trials													0%
Maintain demonstration centres													100%
Conduct review workshops of demo centre staff													88%
Provide logistical support to demonstration centres													100%
Conduct technical visits													100%
Promote the use of improved technology													100%
Update commercialization bulletins and extension manuals													75%

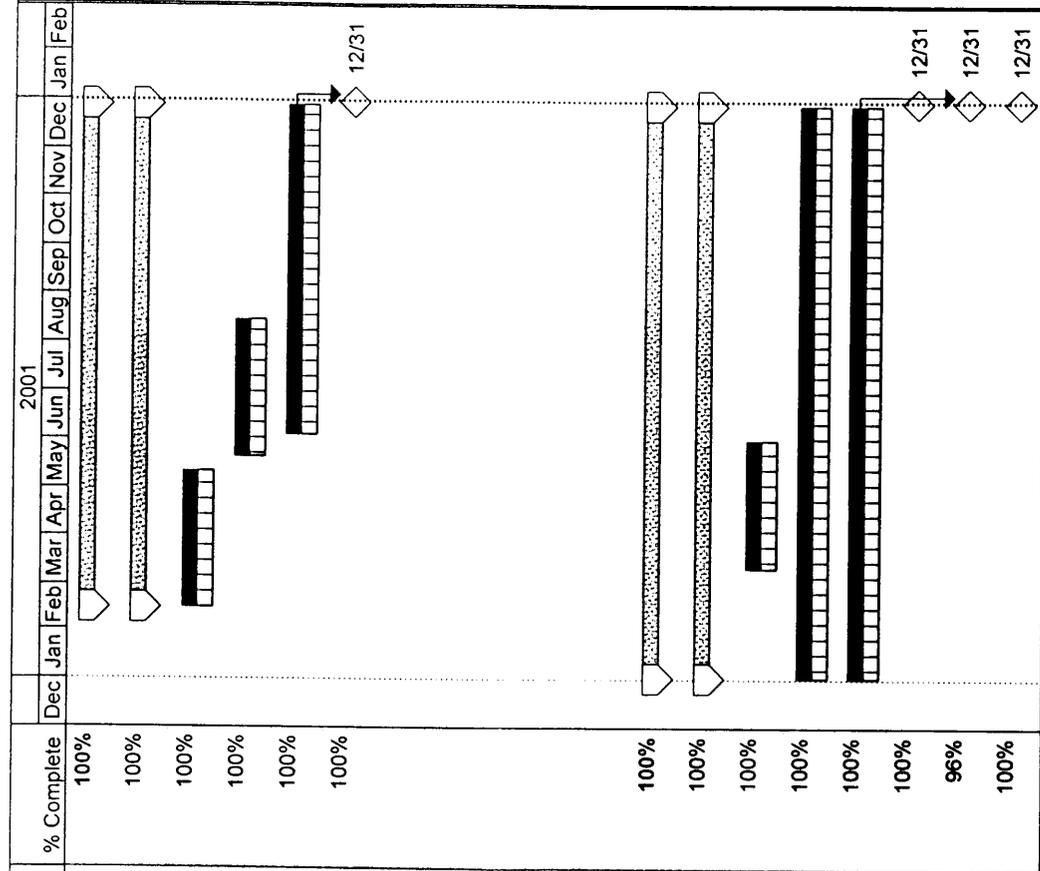




Task Name	% Complete	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Implement studies	100%	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Finalize market studies	100%	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Benchmark 2.1: At least 3 outward trade missions supported	100%	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Benchmark 2.2: At least 5 inward buyer visits supported	100%	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Benchmark 2.3a: At least 20 MKIS bulletins produced and disseminated	100%	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Benchmark 2.3b: At least 100 clients served with MKIS publications	100%	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Benchmark 2.4: At least 3 market analyses completed	100%	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Benchmark 2.5: Competitiveness analysis completed on sweetheart roses	100%	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Objective 3: Promote product quality and improved post-harvest handling of fresh produce	100%	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Assist firms in establishing grading and packing facilities	100%	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Identify clients for grading and packing facilities	100%	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Facilitate funding process/requests	100%	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Provide TA	100%	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Encourage firms to adopt code of practice	100%	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Provide training on quality and post harvest handling	100%	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Conduct pre-audit visits	100%	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Benchmark 3.1: At least 1 additional improved packing facility established	100%	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Benchmark 3.2: Code of practice implemented by at least 6 firms	0%															
Benchmark 3.3: Pre-audits of at least 3 firms conducted	100%	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█







Task Name

Objective 5: Promote agricultural processing of HV products

Initiate framework for agro processing

Identify clients for processing

Provide TA to improve and increase processing facilities

Prepare technical information on agricultural processing

Benchmark: At least 2 new processing facilities established

Increased capacity of sector to provide efficient support services to exporters by EOP as measured by a) an annual increase of 20% in throughput volumes, b) a 5% reduction in freight costs and c) at least 3 policy, regulatory and bureaucratic interventions (Output 5)

Objective 6: Improve airport handling system

Upgrade cold chain system

Procure additional handling equipment

Provide TA and training to key personnel at FHL and to growers

Monitor volumes of HV products passing through handling facilities

Benchmark 6.1: At least 20 exporter clients utilize FHL cold store facilities

Benchmark 6.2: At least 350 mt/month of HV products exported through FHL

Benchmark 6.3: At least 10 managers and 30 support staff trained in cold chain management

Task

Rolled Up Task

Task Progress

Rolled Up Progress

Baseline

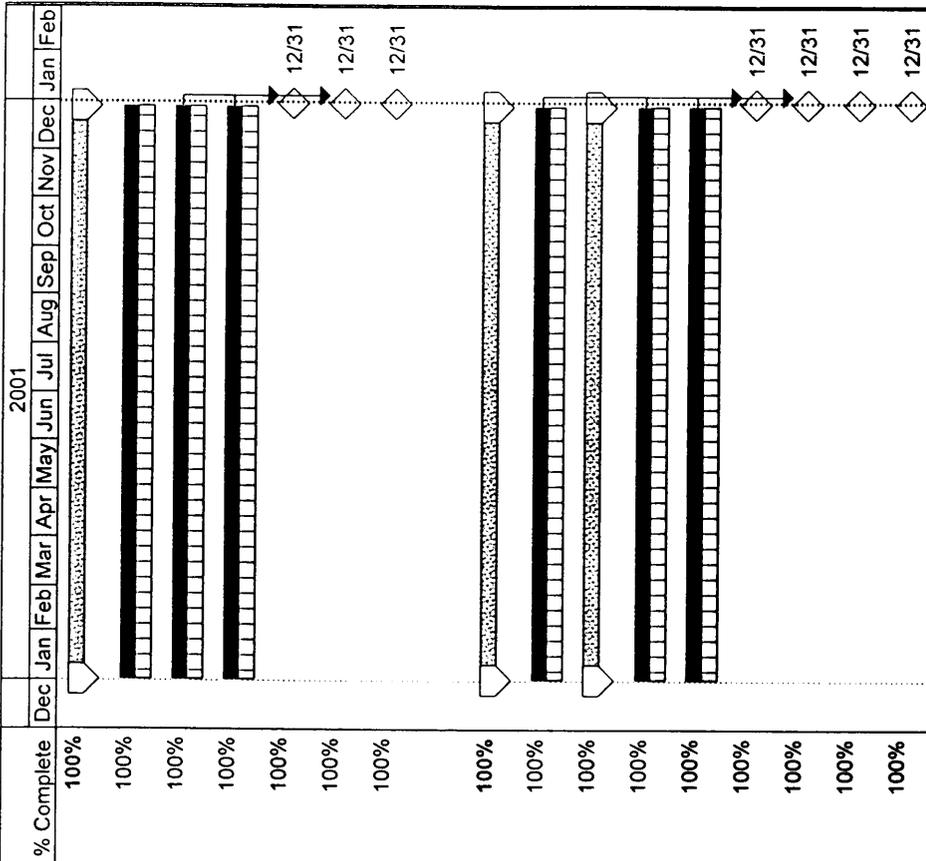
Rolled Up Baseline

Milestone

Baseline Milestone

Summary

Baseline Summary



Task Name

Objective 7: Consolidate freight at Entebbe International Airport

Assess freight needs

Monitor volumes and destinations of freight handled by FHL

Provide technical support to FHL in the procurement of additional freight capacity

Benchmark 7.1: Weekly forecasts on tonnage prepared

Benchmark 7.2: Adequate freight capacity made available to at least 20 exporters

Benchmark 7.3: Pre-shipment finance available to at least 20 exporter clients

Objective 8: Strengthen institutional systems

Provide policy and regulatory advice through high-value associations

Provide TA and training to HV associations

Promote formal training in HV products and in-service training, specialist courses and curriculum development

Facilitate membership recruitment

Benchmark 8.1: At least 1 policy and regulatory intervention undertaken

Benchmark 8.2: At least 4 HV associations assisted

Benchmark 8.3: At least 2 scholarships awarded in Masters in Agribusiness Studies (MABS)

Benchmark 8.4: At least 12 interns placed

Task		Baseline		Summary	
Rolled Up Task		Rolled Up Baseline		Baseline Summary	
Task Progress		Milestone			
Rolled Up Progress		Baseline Milestone			

Task Name	2001												
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
% Complete													

Project Management, Monitoring and Evaluation

Project functioning and providing feedback to facilitate management for results over LOP

Project on time, on budget and on target over LOP as measured by a) at least 20% increase p.a in exports of supported NTAEs, b) a 10% increase in rural incomes & c) reports being submitted on time

Objective 1: Facilitate team building/8th annual work plan

- Coordinate the design of training and commodity procurement plans
- Conduct work planning workshop at ADC offices
- Seek ISC input to and approval of work plan and budget

Benchmark 1.1: Eighth annual work plan approved by ISC

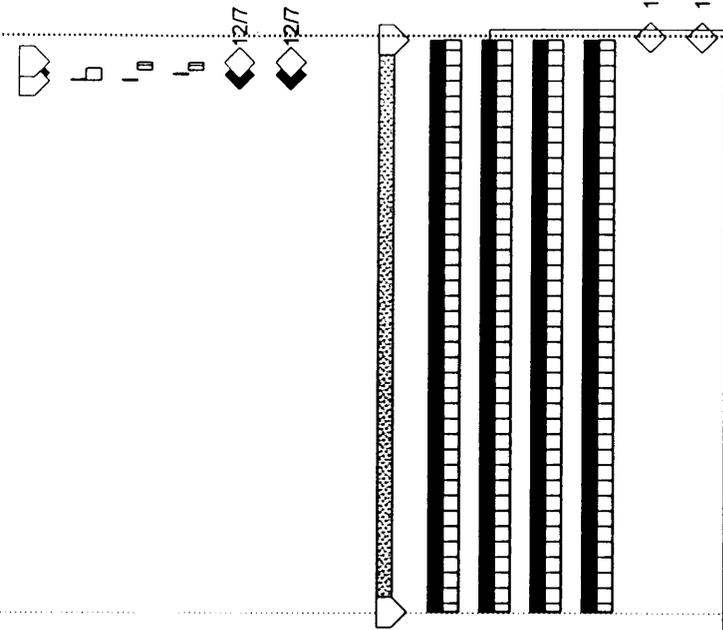
Benchmark 1.2: Training plan approved

Objective 2: Effect contract administration and reporting

- Liaise with USAID, HO, ISC, Subs, APDF, GoU, etc
- Update procedures and personnel policies
- Seek approvals of STTA
- Submit contract compliance reports

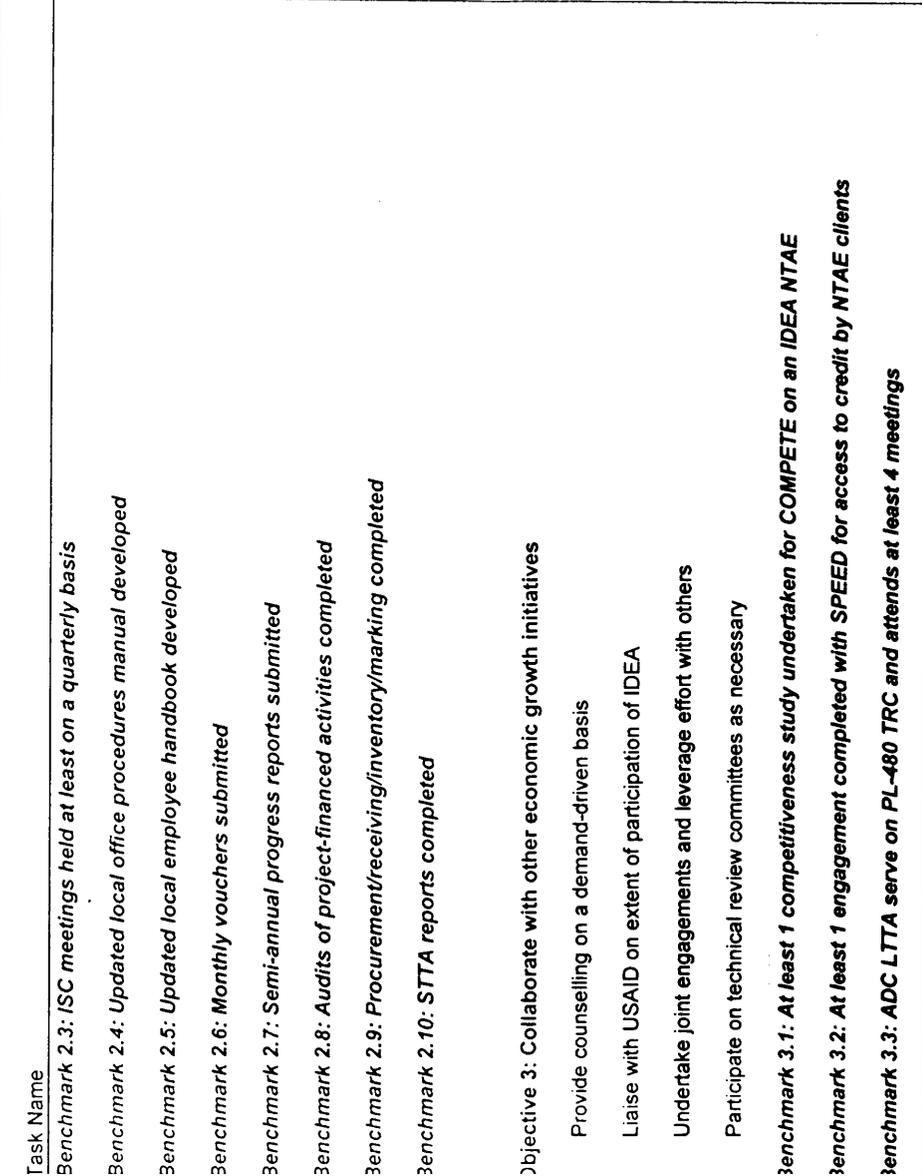
Benchmark 2.1: Expat. staff's personal vehicles registered & copies of liability insurance documents filed

Benchmark 2.2: Documentation of expat. status and work permits/visas completed



Task		Baseline		Summary	
Rolled Up Task		Rolled Up Baseline		Baseline Summary	
Task Progress		Milestone			
Rolled Up Progress		Baseline Milestone			

Task Name	2001												
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Benchmark 2.3: ISC meetings held at least on a quarterly basis													
Benchmark 2.4: Updated local office procedures manual developed													◆
Benchmark 2.5: Updated local employee handbook developed													◆
Benchmark 2.6: Monthly vouchers submitted													
Benchmark 2.7: Semi-annual progress reports submitted													
Benchmark 2.8: Audits of project-financed activities completed													◆
Benchmark 2.9: Procurement/receiving/inventory/marketing completed													◆
Benchmark 2.10: STTA reports completed													◆
Objective 3: Collaborate with other economic growth initiatives													
Provide counselling on a demand-driven basis													
Liaise with USAID on extent of participation of IDEA													
Undertake joint engagements and leverage effort with others													
Participate on technical review committees as necessary													
Benchmark 3.1: At least 1 competitiveness study undertaken for COMPETE on an IDEA NTAE													◆
Benchmark 3.2: At least 1 engagement completed with SPEED for access to credit by NTAE clients													◆
Benchmark 3.3: ADC LTTA serve on PL-480 TRC and attends at least 4 meetings													◆



Task

Rolled Up Task

Task Progress

Rolled Up Progress

Baseline

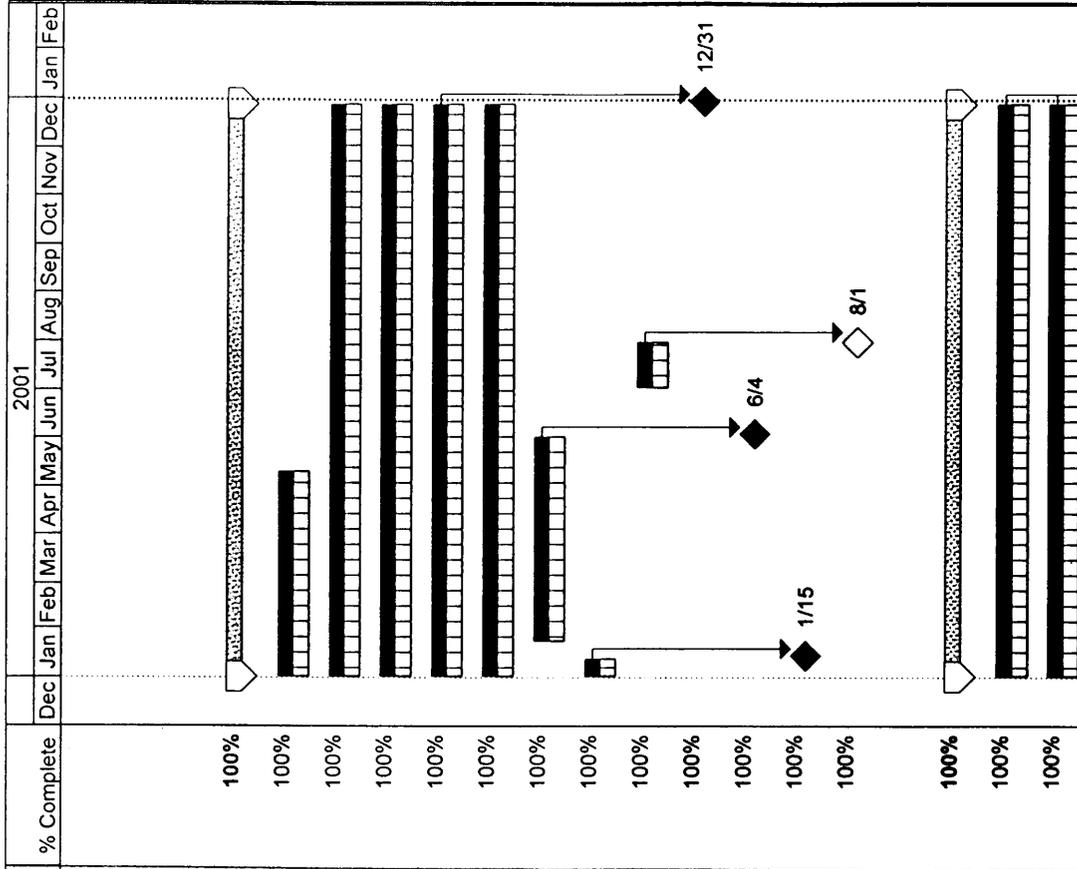
Rolled Up Baseline

Milestone

Baseline Milestone

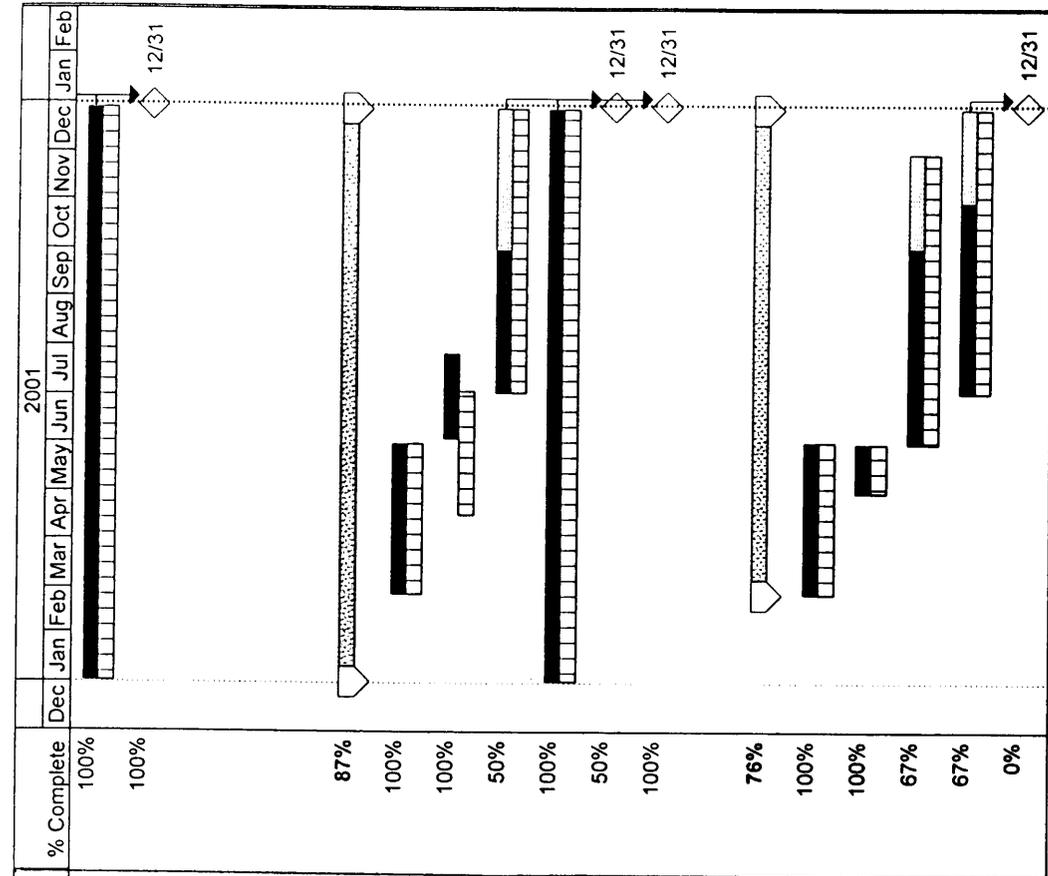
Summary

Baseline Summary

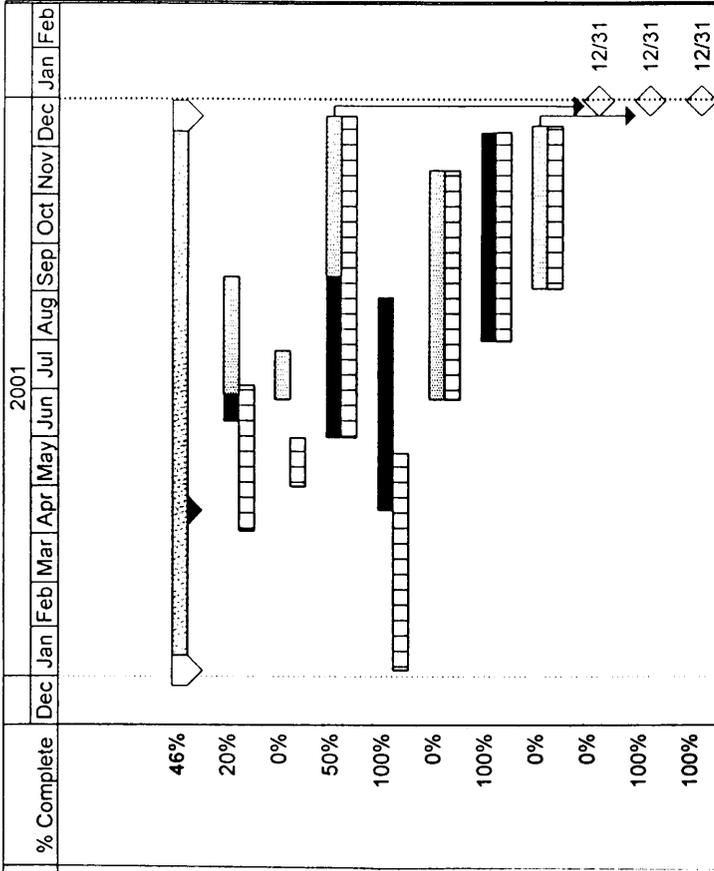


Task Name	Monitoring system functioning over LOP as shown by a) M&E system in place, b) systematic monitoring of project outputs and c) secondary data updated and disseminated
Objective 4: Review and maintain monitoring system	Review and update M&E system Liaise with USAID on SO 1 reporting needs Review reporting needs for monitoring and impact assessment Review impact indicator framework and revise procedures to integrate M&E efforts Review outputs against targets for each component Review and modify semi-annual reporting format Prepare twelfth semi-annual progress report Prepare thirteenth semi-annual progress report
Benchmark 4.1: AIMS reviewed and maintained consistent with SO1 requirements	Benchmark 4.2: Semi-annual reporting format reviewed
Benchmark 4.3: Twelfth semi-annual progress report produced and disseminated	Benchmark 4.4: Thirteenth semi-annual progress report produced and disseminated
Objective 5: Update M&E data from secondary sources	Maintain contacts and identify new areas of collaboration Review data collection formats and establish frequency of collection

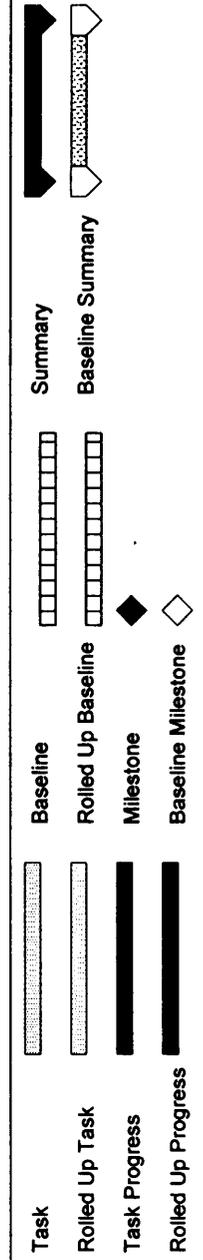
Task	Task Progress	Task Progress	Rollover Progress	Summary
Rollover Task	Rollover Task	Rollover Task	Rollover Task	Baseline Summary
Task Progress	Task Progress	Task Progress	Task Progress	Milestone
Rollover Progress	Rollover Progress	Rollover Progress	Rollover Progress	Baseline Milestone



Task	Baseline	Rolled Up Baseline	Milestone	Baseline Milestone	Summary	Baseline Summary
Task						
Rolled Up Task						
Task Progress						
Rolled Up Progress						



Task Name	% Complete
Objective 8: Conduct environmental impact assessment of NTAE growers and assisted firms	46%
Review procedures for collecting data	20%
Collect data for set of indicators identified in the EIR	0%
Prepare environmental updates of NTAE growers	50%
Identify clients and associated potential environmental impacts	100%
Conduct environmental assessment of identified firms	0%
Identify measures to mitigate impacts	100%
Prepare an environmental impact assessment report for assisted firms	0%
Benchmark 8.1: At least 2 annual NTAE grower environmental surveys conducted and updated	0%
Benchmark 8.2: Environmental assessments conducted for 10 assisted firms	100%
Benchmark 8.3: Updated pesticide IEE submitted to USAID	100%



ANNEX 6

TECHNICAL ASSISTANCE OFFERED TO NTAE
CLIENTS: JANUARY – DECEMBER 2001

Annex 6(a)

**Low Value Clients Served With Technical Assistance:
January – December 2001**

Technical Assistance Provided to LV Clients: Jan – Dec 2001

#	Name	Description	Activity category
1	Magric Uganda Limited	Linkage with Nakisenhe and Kamuli marketing programs	Marketing of grain
2	Commodity Exports International	Linkage with Nakisenhe, Kamuli and Kasese marketing programs	Marketing
3	Kiboga Commercial farmers	Commercial maize farming	Training & finance
4	Sukura Agro Inputs	Wholesaler linkages locally and regionally.	Input supply
5	Bugangaizi Farmers Association	Bean seed multiplication activity for production of various beans for export. SEEDCO-Zimbabwe Linkage	Production, Export Marketing
6	Uganda Seed Project	Continuation of weekly promotional radio programs highlighting seed as part of technology packages.	Marketing
7	Mbale Commercial Farmers	Commercial maize farming	Training & finance
8	Balton Uganda	Outlet links.	Input supply
9	Nsanja Family Stores - Masaka	Training and market links - input supply	Input Supply
10	IFCD - Rakai	Seed production and marketing activity. Commercial bean production for export. Training in leadership and planning for managers	Production, Marketing
11	Busoga Forest	Technical assistance in maize grain production	Production
12	LAWODA	Technical assistance in bean and maize production on group basis	Production
13	Agrico International	Technical assistance in maize grain production	Production
14	Rakai Farm Supply	Training and market links in input supply	Input supply
15	Roka Ali	Procurement and export of grains	Marketing
16	Afro Kai	Procurement and export of grains	Marketing
17	Kinoni Farm Produce	Technical assistance in maize production and marketing. Farmers field school venue	Production Marketing
18	NASECO Seed Co	Seed production and marketing	Production
19	Kasese Commercial Farmers	Commercial maize farming	Training & finance

20	Hoima Commercial Farmers	Commercial maize farming	Training & finance
21	Mubuku Growers Association	Technical assistance in maize seed production	Production
22	Harvest Farm Seeds	Seed trading activity	Production & marketing
23	Kisombwa Ranching Scheme Ltd	Commercial farming activity	Production and marketing
24	Kaddu Enterprises	Commercial farming activity	Production and marketing
25	Rhone Poulenc	Crop chemical wholesaling	Small farmer promotions
26	Kapchorwa Commercial Farmers	Commercial maize farming	Training and finance
27	Masindi Commercial Farmers	Commercial maize farming	Training and finance
28	El Shaddai	Technical assistance in input supply	Input supply
29	Farm Engineering Industries Ltd	Machinery inputs supply. Participation in tractor operators course	Market advice and technical assistance
30	Nakisenhe Adult Literacy Group	Maize marketing through RAMS	Technical assistance
31	Mubende Commercial Farmers	Commercial maize farming	Training and finance
32	Iganga Commercial Farmers	Commercial maize farming	Training and finance
33	Kamuli Commercial Farmers	Commercial maize farming	Training and finance
34	Commodity Trading International	Exploring contacts for organic sesame production and marketing	Market study and initiation of activity towards organic farming
35	Afro Kai Farm Inputs Care Centre	Seed enterprise – Maize and beans	Production and market linkages
36	Outspan Enterprises	Support for certification and export logistics	Export marketing and market study
37	Monsanto	Crop chemical wholesaling, production demonstration and marketing linkages	Market advice and producer linkages

38	AVENTIS	Crop chemical wholesaling, production demonstration and marketing linkages	Market advice and producer linkages
39	SEEDCO	Crop chemical wholesaling, production demonstration and marketing linkages	Market advice and producer linkages
40	East African Seeds	Crop chemical wholesaling, production demonstration and marketing linkages	Market advice and producer linkages
41	Kinyara Sugar Works	Bean intercropping	Demonstration
42	Commodity Trading International	Procurement and export of grains	Marketing
43	Uganda Grain Trading Limited	Grain trading by a consortium of companies	Technical, Marketing and financial support
44	Centenary Rural Development Bank Ltd.	Banking Services/Seasonal finance	Product and Client Development
45	Standard Chartered Bank (U) Ltd.	Banking Services/Seasonal finance	Product and client Development
46	Development Finance Co. of Uganda Ltd.	Development finance (Long term finance)	Product and client development
47	Namalere Agricultural Training Institute	Training institution	Tractor training
48	Uganda Seed Trade Association	Association representing Uganda seed traders	Association formation and management
49	Uganda Prison Farms	4 Uganda Prison farms	Management training for farm managers. Linkage with input and machinery suppliers

Annex 6(b)

High Value Clients Served With Technical Assistance:
January – December 2001

Technical Assistance Provided to HV Firms and Associations: Jan-Dec 2001

Name of firm	Products	Type of assistance
National associations:		
HORTEXA	All fruits and veg.	Market information, training, consultancy
UCA	Cocoa	Training, consultancy, grant
UFEA	Flowers	Marketing, TA, training, research, grant
UNVA	Vanilla	Training, extension, market development, grant
Local associations:		
Mubuku Growers	Hot pepper	Training, consultancy
Namulonge Growers	Vegetables	Training, trials
Comfarnet	Banana, vanilla, vegetables	Technical assistance
Buhweju Growers	Passion fruits	Training
Makonzi-Kasanda	Hot pepper, okra, passion fruit	Training, technical support
TEFU	Dried fruits	Training
Kasese Growers	Passion Fruits	Training
Floriculture firms:		
Melissa Flowers	Roses, gerbera	Management support, research trials, grant
MK Flora	Roses	Management support, EU funding
Rosebud	Roses	Management support, marketing, bank finance
Ugarose	Roses	Management support, marketing
Fiduga	Cuttings	Technical support - MeBr
Van Zanten	Cuttings	Technical support - MeBr
WFS/Wagagai	Roses, cuttings	Management support, PSOM funding
Fruit and veg firms:		
African Organic	Organic produce	Technical support, marketing, certification costs
Zed Hort.	Runner beans	Research, consultancy, marketing
Mairye Estates	Vegetables	Consultancy, TA, research, EU funding, grant
Uganda Heritage	Vegetables	Management, technical and marketing support
Jaco Comm. Agencies	Pineapple	Marketing, TA
Makonzi	Vegetables	Technical assistance,
Other products:		
House of Spice	Spices	Technical support
Lake Products Ltd	Medicinal plants	Research
Reco Industries	Papain	Research
Esco	Chilli, papain, vanilla	Marketing, technical support
Fresh Handling	Air freight Services	Management, technical support
Ndali Estate	Vanilla	Technical assistance
Uganda Crop Industries	Vanilla	Technical support
NGOs:		
Technoserve	Chilli, Papain	Technical support
VEDCO	Vegetables, Passion fruits	Marketing, technical support
Government:		
Makerere University	Agribusiness	Training, interns, P/G degree sponsorship
CDP	Cocoa	TA, training, consultancy,
NARO	Various	Research funding, TA, grants
NEMA/UNIDO	MeBr	Technical support

ANNEX 7

NTAE TRAINING EVENTS CONDUCTED/SPONSORED
BY ADC: JANUARY – DECEMBER 2001

Annex 7(a)

Low Value Training Events: January – December 2001

NTAE Training Events Conducted by the ADC: January 1st – December 31st 2001

A: Low Value Training Events

Sr No	Type	Title/Purpose	No of participants		Participant days	Clients
			Male	Female		
1.	Workshop	Stockist training workshop	21	5	52	Stockists for Technoserve
2.	Workshop	Training of loan officers on how to handle loans for commercial farming	22	4	52	Bank loan officers
3.	Workshop	ATAIN stockists training	7	3	20	Training of new stockists
4.	Workshop	Stockists workshop	12	5	34	Technoserve stockists
5.	Workshop	ATAIN review workshop	15	10	25	Input stockists
6.	Workshop	ATAIN stockists training	25	5	60	Input stockists for El-Shaddai
7.	Workshop	Commercial farm management (Records & planning)	32	6	76	Maize commercial farmers in Kasese
8.	Workshop	Commercial farm management (Records & Planning)	88	12	200	Commercial maize farmers in Kapchorwa
9.	Workshop	Tractor operators and maintenance course	26	0	130	Tractor operators and commercial farmers from different districts and government prison farms
10.	Workshop	Review of commercial farming activities with commercial contact farmers	16	0	16	Commercial contact farmers
11.	Workshop	Review of demonstration work of 2001A and plan for 2001B season	20	2	22	District demonstration coordinators
12.	Field day	Discuss modern farming techniques and show performance of PAN 67	130	20	150	Maize commercial farmers from Kasese district
13.	Workshop	End of 2001A season review workshop	14	1	30	IDEA District coordinators
14.	Workshop	End of 2001B season review workshop	14	1	30	IDEA District coordinators
15.	Seminar	Fertilizer utilization in Uganda	23	1	24	Researchers, input dealers, policy makers and extension workers

16.	Seminar	The role of financial institutions in commercial farming	47	3	50	Commercial contact farmers and bankers
17.	Workshop	Commercial farm management (Records & Planning) in Kasese	100	50	600	Commercial farmers in the district
18.	Workshop	Commercial farm management (Records & Planning) in Kiboga	56	24	160	Commercial farmers and intending commercial farmers
19.	Workshop	Commercial farm management (Records & Planning) in Kamuli	37	8	90	Commercial farmers in Kamuli
20.	Workshop	Commercial farm management (Records & Planning) in Iganga	25	10	70	Commercial farmers in Iganga
21.	Workshop	Commercial farm management (Records & Planning) in Nakasongola (Kinoni farm)	29	7	180	Commercial farmers
22.	Workshop	Principles of commercial farming	2	30	64	Spouses of commercial farmers from Kapchorwa
23.	Workshop	Commercial farm management (Records & Planning)	47	23	140	Commercial farmers in Mubende
24.	Workshop	ATAIN stockist training	10	2	24	Input stockists for Tweyambe
25.	Workshop	ATAIN review workshop	5	2	7	Input stockists for Tweyambe
LV Total			823	234	2,306	

Annex 7(b)

High Value Training Events: January – December 2001

B: High Value Training Events

Sr No	Type	Title/Purpose	No. of Participants		Participant days	Clients
			Male	Female		
1.	Field days	Introduce and emphasize the need to use IPM in vegetable production	256	60	316	Farmer groups from the three districts of Buwama, Busaku and Busunju
2.	Field days	Post harvest handling, a means to quality improvement	63	8	71	Cocoa growers, extension workers from Mukono and Mayuge districts
3.	Field days	Post harvest handling of cocoa a means to quality improvement	215	33	248	Cocoa growers, extension workers from Hoima and Bundibugyo districts
4.	Workshop	Applied Tropical Floriculture in Uganda for middle class farm managers and supervisors	12	8	400	Flower farm managers, supervisors, NARO, and MUK scientists
5.	Seminar	Safe use and effective handling of agro-chemicals	217	70	287	Fresh vegetable producers, extension workers and exporters
6.	Seminar	Passion fruit grafting	28	9	37	Passion fruit mother garden attendants, field supervisors and extension workers
7.	Seminar	Passion fruit production and marketing	211	84	295	Passion fruit growers and extension staff in districts of Bushenyi and Kasese
8.	Seminar	Alternatives to use of methyl bromide in floriculture industry in Uganda	15	3	18	Flower farm owners, managers and supervisors
9.	Workshop	Agro-enterprise development	18	8	260	Flower farm owners, managers and supervisors
10.	Seminar	Cold chain monitoring in export fresh produce	33	11	22	FHL staff, flower farm post harvest supervisors and truck drivers
11.	Workshop	Introduction to the basics of first aid on the flower farm	28	24	260	Flower farm managers and supervisors
12.	Seminar	Production of improved varieties of papayas for latex production	90	11	101	Farmers from Bushenyi and Kasese districts

13.	Seminar	Organizational development for UFEA board members	5	2	7	UFEA board members
14.	Field days	Production aspects of vanilla	413	212	625	Vanilla growers in several districts of Uganda
15.	Workshop	Quality improvement of flowers for senior managers	18	7	75	Flower farm managers and owners
16.	Field days	Banana production and management practices	45	51	96	Banana farmers and extension staff
17.	Field days	Cocoa production and post-harvest issues	459	120	579	Cocoa growers from Mukono, Hoima and Bundibugyo organized by Uganda Cocoa Association
18.	Field days	TEFU outgrowers training	84	80	164	Outgrowers of apple banana and pine apple for drying in Masaka and Mubende districts
19.	Seminar	Modern methods of irrigation and fertigation, greenhouse construction and nutrient monitoring in green house flower production	62	17	79	Flower farm owners, managers, supervisors and employees of chemical companies
20.	Seminar	Safe use of chemicals, code of practice and post harvest of fruits and vegetables for export (HORTEXA)	12	2	28	Training of trainers of fruits and fresh vegetables
21.	Seminar	Cold chain management in flower production industry	14	7	21	Managers, senior flower farm supervisors and Fresh Handling Ltd.
22.	Field day	Passion fruit, vanilla and banana production and marketing	346	362	1,206	Comfarinet and farmer groups in the district of Wakiso
HV Total			2,644	1,189	5,195	

ANNEX 8

IDEA SMALL GRANTS PROGRAM

**IDEA SMALL GRANTS PROGRAM TRACKER
PROGRESS THROUGH DECEMBER 2001**

No.	GRANTEE/FARA Recipient	IDEA Small Grant/FARA Budget	Period of Grant/FARA	Agreement Amount (\$ and US\$)	Agreement Amount (US\$)*	Expended through December 2001 (\$)	Agreement Amount Remaining/Unexpended (US\$)	Notes/Grant Funds Remaining
1	African Project Development Facility-FARA No. 1		3/1/00-12/31/02	\$400,000	400,000	314,782	85,218	
2	NARO Maize Program 2000-FARA No. 2		3/1/00-2/28/01	112,331,000	66,077	55,843	10,234	Returned to Grant Pool
3	NARO Beans Program 2000-FARA No. 3		3/1/00-2/28/01	69,195,948	40,703	39,563	1,141	Returned to Grant Pool
4	NARO Sesame Program-FARA No. 4		5/1/00-4/30/01	9,748,550	5,734	2,495	3,239	Returned to Grant Pool
5	Fresh Handling Limited-CII-IDEA-001		3/16/01-3/15/02	\$80,000	80,000	62,354	17,646	
6	Uganda Flowers Exporters Association-CII-IDEA-002		3/28/01-3/27/02	161,500,000	95,000	91,527	3,473	
7	Uganda Cocoa Association-CII-IDEA-003		3/29/01-3/28/03	47,600,000	28,000	13,810	14,190	
8	Farm Inputs Care Centre-CII-IDEA-004		3/16/01-8/30/03	\$99,000	99,000	73,522	25,478	
9	Harvest Farm Seeds-CII-IDEA-005		3/16/01-8/30/03	\$99,000	99,000	73,318	25,682	
10	NASECO-CII-IDEA-006		3/16/01-8/30/03	\$60,000	60,000	58,714	1,286	
11	Outspan Enterprises Ltd -CII-IDEA-007		3/16/01-8/30/03	\$98,272	98,272	48,903	51,369	
12	NARO Maize Program 2001-FARA No. 5		3/1/01-2/28/02	111,573,950	65,632	46,225	19,406	
13	NARO Beans Program 2001-FARA No. 6		3/1/01-2/28/02	104,754,200	61,620	55,555	6,066	
14	Mairye Estates Limited-CII-IDEA-008		6/1/01-5/31/03	\$97,000	97,000	61,283	35,737	
15	Uganda National Vanilla Association-CII-IDEA-009		6/1/01-5/31/03	140,250,000	82,500	17,252	65,248	
16	NARO Banana Program-FARA No. 7**		12/1/01-11/30/02	72,441,000	42,612	0	42,612	
17	Melissa Flowers Limited-CII-IDEA-010**		1/1/02-8/30/03	52,900	52,900	0	52,900	
TOTAL		1,800,000		1,474,051	1,474,051	1,013,124	480,927	140,563

*Grant Agreements denominated in Uganda Shillings have been converted to US\$ at an exchange rate of 1700:1 for the purposes of this progress report

**Agreements have been entered into but no disbursements have been made to date

