

**SEVENTEENTH SEMI-ANNUAL**

**PROGRESS REPORT**

*(January 1 – June 30, 2003)*

July 31, 2003

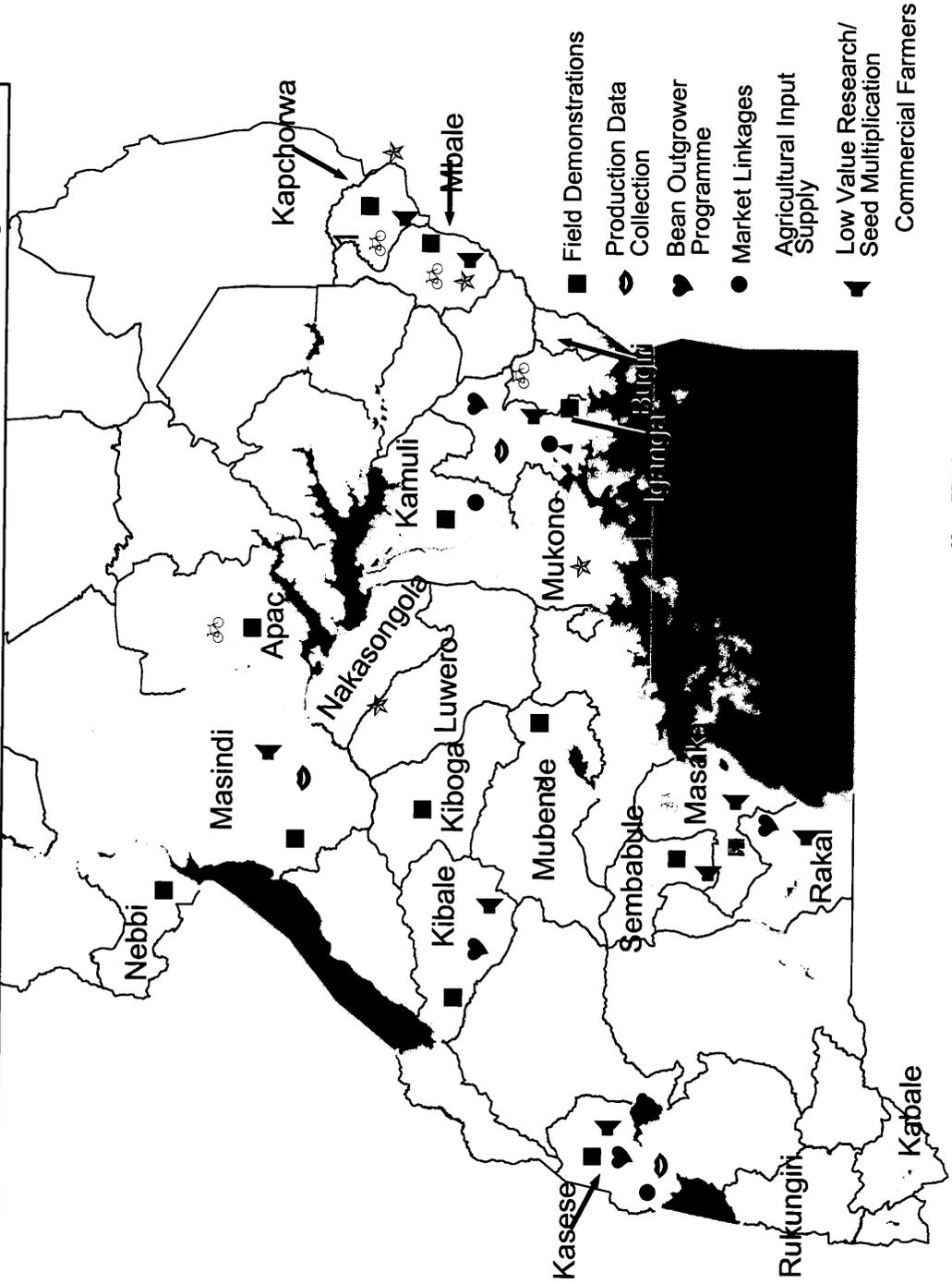
Prepared by the  
**Agribusiness Development Centre (ADC)**  
Uganda's Investment in Developing Export Agriculture (IDEA) Project

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# ADC/IDEA PROJECT

## Major Areas of Activity for Low Value Crops

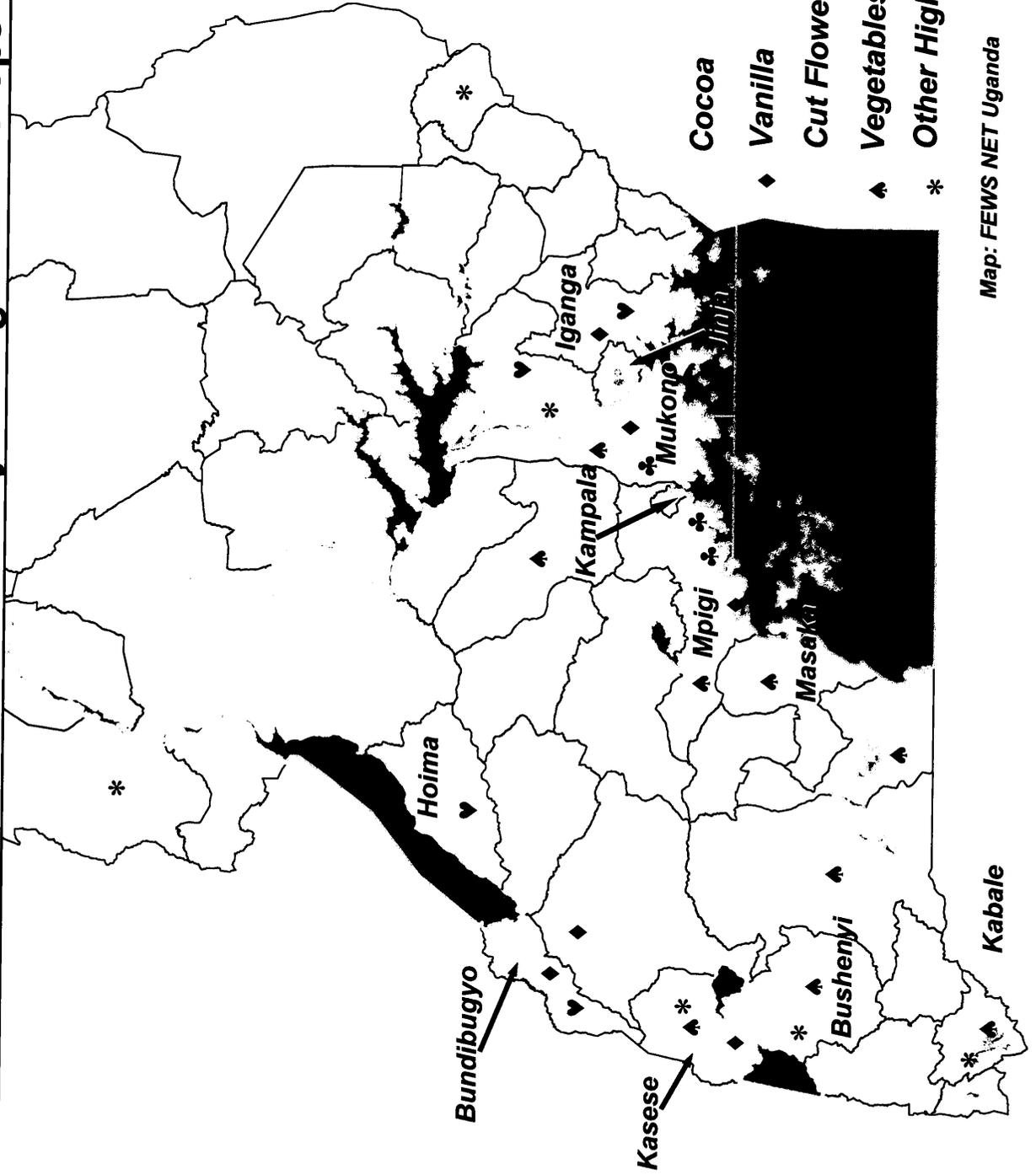


Map: FEWS NET Uganda,



# ADC/IDEA PROJECT

Major Areas of Activity for High Value Crops



Map: FEWS NET Uganda



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## LIST OF ACRONYMS

<b>ACE</b>	Audit Control Expertise
<b>ADB</b>	Africa Development Bank
<b>ADC</b>	Agribusiness Development Centre
<b>AIMS</b>	Agribusiness Impact Monitoring Systems
<b>APDF</b>	The Africa Project Development Facility
<b>ASPPG</b>	Agricultural Sector Pesticide Procedures Guide
<b>AT(U)</b>	Appropriate Technology, Uganda
<b>ATAIN</b>	Agribusiness Training and Input Network
<b>ATF</b>	Applied Tropical Floriculture
<b>BAF</b>	Business and Finance
<b>BoU</b>	Bank of Uganda
<b>BUCADEF</b>	Buganda Kingdom Development Fund
<b>BUFA</b>	Bugangaizi Farmers' Association
<b>CAA</b>	Civil Aviation Authority
<b>CAEC</b>	Continuing Agriculture Education Centre
<b>CCF</b>	Commercial Contact Farmer
<b>CDP</b>	Cocoa Development Programme
<b>CDO</b>	Cotton Development Organisation
<b>CEDO</b>	Community Enterprise Development Organisation
<b>CEI</b>	Commodity Exports International Limited
<b>CERUDEB</b>	Centenary Rural Development Bank
<b>CIAT</b>	Central Internacional de Agricultura Tropical
<b>CO</b>	Contracts Officer
<b>COLEACP</b>	Organization for Promotion of European Imports of Fresh Fruits and Vegetables
<b>COMFARNET</b>	Community Farmers Network
<b>COP</b>	Chief of Party
<b>CORI</b>	Coffee Research Institute
<b>CTI</b>	Commodity Trading International
<b>CTO</b>	Cognizant Technical Officer
<b>DAO</b>	District Agricultural Officer
<b>DCA</b>	Department of Credit Assistance
<b>DFCU</b>	Development Finance Company of Uganda
<b>DRC</b>	Democratic Republic of Congo
<b>EADB</b>	East Africa Development Bank
<b>ECABREN</b>	East and Central African Bean Research Network
<b>ECGS</b>	Export Credit Guarantee Scheme

<b>EIR</b>	Environmental Impact Review
<b>EOPS</b>	End of Project Status
<b>ERS</b>	Export Refinance Scheme
<b>EU</b>	European Union
<b>FAO</b>	Food and Agriculture Organisation, United Nations
<b>FARA</b>	Fixed Amount Reimbursement Agreement
<b>FEWS NET</b>	Famine Early Warning Systems Network
<b>FHL</b>	Fresh Handling Limited
<b>FICA</b>	Farm Inputs Care Centre
<b>FOB</b>	Free on Board
<b>FY</b>	Financial Year
<b>GDP</b>	Gross Domestic Product
<b>GM</b>	Grants Management
<b>GOM</b>	Grants and Operations Manager
<b>GoU</b>	Government of Uganda
<b>HO</b>	Home Office
<b>HORTEXA</b>	Uganda Horticultural Exporters Association
<b>HV</b>	High Value
<b>IARCs</b>	International Agricultural Research Centres
<b>ICIPE</b>	International Centre for Insect Physiology and Ecology
<b>IDEA</b>	Investment in Developing Export Agriculture
<b>IEE</b>	Initial Environmental Examination
<b>IITA</b>	International Institute for Tropical Agriculture
<b>IPM</b>	Integrated Pest Management
<b>IR</b>	Intermediate Result
<b>ISC</b>	IDEA Steering Committee
<b>ISP</b>	Integrated Strategic Plan
<b>KARI</b>	Kawanda Agricultural Research Institute
<b>KCFA</b>	Kapchorwa Commercial Farmers Association
<b>Kg</b>	Kilogram
<b>LAWODA</b>	Lira Apac Women's and Orphans Development Association
<b>LOE</b>	Level of Effort
<b>LOP</b>	Life of Project
<b>LTTA</b>	Long Term Technical Assistance
<b>LV</b>	Low Value
<b>M&amp;E</b>	Monitoring and Evaluation
<b>MAAIF</b>	Ministry of Agriculture, Animal Industry and Fisheries
<b>MABS</b>	Masters in Agribusiness Studies
<b>MACOFA</b>	Masindi Commercial Farmers' Association
<b>MKIS</b>	Market Knowledge & Information Services

<b>Mt</b>	Metric ton (tonne)
<b>MTTI</b>	Ministry of Tourism, Trade and Industry
<b>MU</b>	Makerere University
<b>MUFA</b>	MU Faculty of Agriculture
<b>NAARI</b>	Namulonge Agricultural and Animal Research Institute
<b>NARO</b>	National Agricultural Research Organization
<b>NASECO</b>	Nalweyo Seed Company
<b>NCRP</b>	National Cereals Research Program
<b>NEIC</b>	National Environment Information Centre
<b>NEMA</b>	National Environment Management Authority
<b>NGO</b>	Non Governmental Organization
<b>NSCS</b>	National Seed Certification Service
<b>NTAE</b>	Non-Traditional Agricultural Export
<b>NVRC</b>	National Variety Release Committee
<b>OPV</b>	Open Pollinated Variety
<b>PHH</b>	Post Harvest Handling
<b>PM</b>	Project Management
<b>PSFU</b>	Private Sector Foundation Uganda
<b>PTA</b>	Preferential Trade Area
<b>PY</b>	Project Year
<b>RAMS</b>	Rural Agricultural Marketing Systems
<b>REDSO/ESA</b>	Regional Economic Development Support Office/E & S Africa
<b>REE</b>	Research, Education and Extension
<b>RSA</b>	Republic of South Africa
<b>SAARI</b>	Serere Agricultural and Animal Research Institute
<b>SCB</b>	Standard Chartered Bank
<b>SG 2000</b>	Sasakawa-Global 2000
<b>SO 7</b>	Strategic Objective Number Seven
<b>SOW</b>	Scope of Work
<b>SPEED</b>	Support for Private Enterprise Expansion and Development
<b>STTA</b>	Short Term Technical Assistance
<b>TA</b>	Technical Assistance
<b>TOR</b>	Terms of Reference
<b>UBOS</b>	Uganda Bureau of Statistics
<b>UCA</b>	Uganda Cocoa Association
<b>UCFA</b>	Uganda Commercial Farmers Association
<b>UCoP</b>	Uganda Code of Practice
<b>UDB</b>	Uganda Development Bank
<b>UEPB</b>	Uganda Export Promotion Board
<b>UFA</b>	Uganda Floricultural Association

<b>UFEA</b>	Uganda Flowers Exporters Association
<b>UGCEA</b>	Uganda Ginners and Cotton Exporters Association
<b>UGT</b>	Uganda Grain Traders Limited
<b>UIA</b>	Uganda Investment Authority
<b>UIB</b>	Uganda Institute of Bankers
<b>UMA</b>	Uganda Manufacturers Association
<b>UNBS</b>	Uganda National Bureau of Standards
<b>UCA</b>	Uganda Cocoa Association
<b>UNDP</b>	United Nations Development Programme
<b>UNFFE</b>	Uganda National Farmers Federation
<b>UNIDO</b>	United Nations Industrial Development Organisation
<b>UNVA</b>	Uganda National Vanilla Association
<b>URA</b>	Uganda Revenue Authority
<b>USAID</b>	United States Agency for International Development
<b>USDA</b>	United States Department of Agriculture
<b>USh</b>	Uganda Shilling
<b>USP</b>	Uganda Seed Project
<b>USTA</b>	Uganda Seed Traders Association
<b>WARDA</b>	West African Rice Development Association
<b>WB</b>	World Bank
<b>WFP</b>	World Food Program
<b>WTO</b>	World Trade Organization

## 1.0 INTRODUCTION

### 1.1 Overview

This seventeenth semi-annual progress report of the Uganda's Investment in Developing Export Agriculture (IDEA) Project covers the period January 1 through June 30, 2003. Like other previous progress reports, it brings out progress by component and compares 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 second half of the 9<sup>th</sup> 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

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 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 less than 9 months remaining, IDEA is essentially 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 has continued to provide 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).

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. IDEA remains at full staffing, with 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 the Life of Project (LOP).

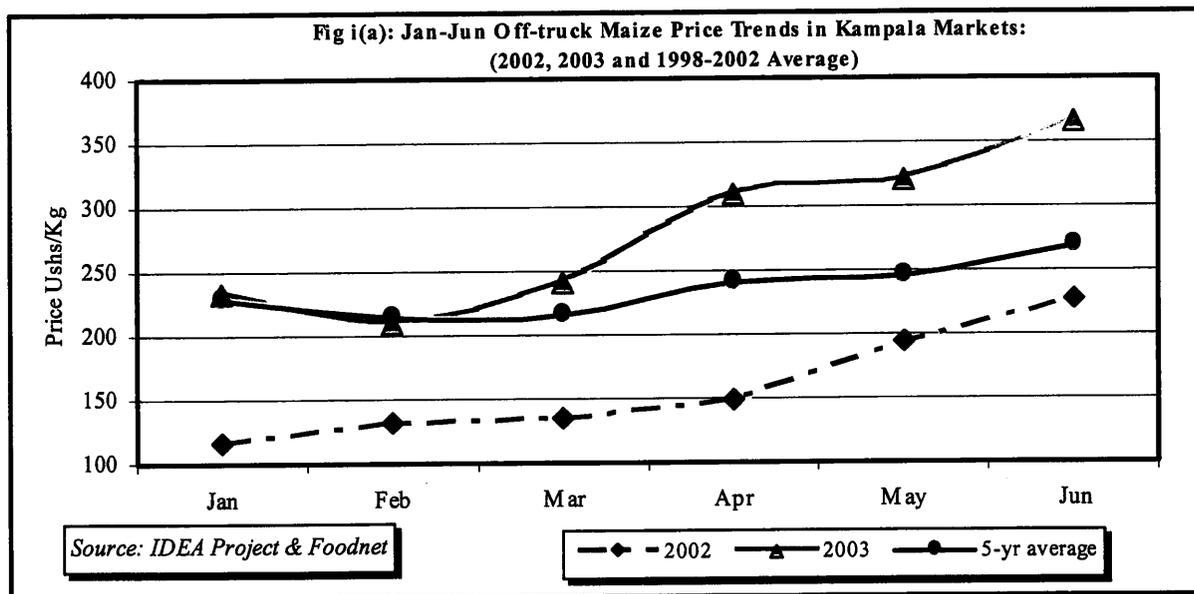
### 1.3 Overview of the Climatic Conditions and Prices

Following well distributed rainfall that signaled the full establishment of 2003A season in April, normal to above normal rainfall was received in western and southwestern Uganda. Districts in central and eastern Uganda received predominantly normal rainfall, albeit sporadic periods of dryness, leading to normal crop growth. Generally, 2003A season rains began late, and in most parts of the country as many as 30 days late.

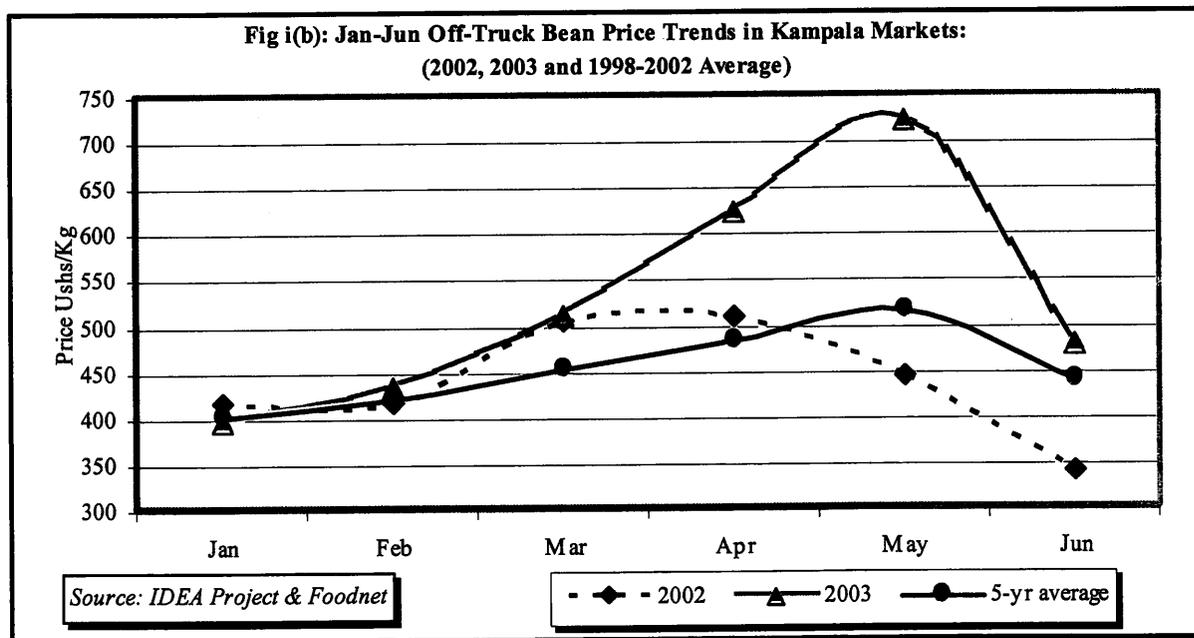
Field observations and reports by district officials and NGOs generally indicate normal crop conditions in most parts of the country where annual and perennial crops have recovered from the delayed start to the season. In central, eastern and Lake Victoria Basin, early bean harvest began in late May, with the peak harvest recorded at the end of June. The national 2003A season maize and bean output levels are estimated at about 200,000 mt and 140,000 mt respectively.

Despite the rather unfamiliar rainfall pattern, the supply of staple foods such as matooke, cassava and millet was generally good in most parts of the country. This enabled households to have adequate access to food for normal consumption. The Karamoja sub-region continued to experience chronic food shortages.

At USh 220-370 per kg, the price of maize grain remained high, well above the 2002 and 1998-2002 average. The 2003A season prices were nearly twice the 2002A season prices and between April and June, 2003 prices were at least 25% above the 5-year average (Figure i(a)).



2003A season bean prices, particularly between April and June, were also significantly higher than the 2002A season and 5-year average prices. Off-truck bean prices in Kampala markets for 2003, 2002 and 1998-2002 (5-year average) are illustrated in Figure i(b) below.



#### 1.4 The NTAE Sector Performance

**A: Low Value Commodities:** During the review period, over 36,500 mt of maize, worth US\$7.85 million and 5,170 mt of beans worth US\$1.3 million were procured by WFP. Exports to Kenya – the traditional market for Ugandan maize - were quite low (about 3,200 mt of maize and 4,900-mt of beans valued at US\$0.65 million and US\$1.66 million respectively).

Uganda Grain Traders (UGT) Limited has continued to play a high profile role in end user procurement of maize and beans. The company has been granted € 500,000 by the EU to continue developing the IDEA-initiated processing hub activity with the emerging commercial farmer groups.

This will allow the company to actively take on the role of developmental private sector partner, further emphasizing the importance of strong public-private partnerships. Although financing un-contracted stocks remains an issue, UGT is determined to play its role as a terminal market for Ugandan products. Extensive effort has been made to improve its profile in the region with participation in the now regular regional trade forecast meetings. UGT staff is being trained by IDEA to maintain and continue developing *Ugandagrains.com* – the grain web site established under IDEA. This will support UGT's role as the industry mentor in the future. Grain sales to WFP hit a recent record 6 month high, with 35,000 mt being procured internally. WFP has seen a great improvement in supply capacity – a direct result of a commercial mindset amongst producers and improved quality and quantity.

**B: High Value Products:** The export value of crops covered by the High Value portfolio continued to increase during the first half of 2003. Good performances by both the floriculture and vanilla sub-sectors should take the total past the US\$45 million EOP target by the end of the year (estimated to reach US\$60 million).

New investments in rose production continued to increase the production area to over 140 ha. This trend which started in 2002 is fuelled by the strong Euro and positive demand for Ugandan roses in Europe, particularly from the large German supermarket chains. Prices have fluctuated, but overall were slightly better than 2002. If these trends continue, overall floriculture exports will increase by US\$9 million in 2003. Overall, quantities of fresh produce exports through Entebbe increased by 5% despite the relatively low levels of investment in this sub-sector.

Twenty seven tones of vanilla, valued at over US\$5 million were exported in the first half of 2003. A record crop of about 500 tonnes of green vanilla in June will ensure that exports of cured vanilla will reach 95 tonnes, with a value conservatively estimated at US\$17.5 million for the year. Global prices for good quality vanilla reached US\$250 per kg in June 2003, much higher than historical average prices since the large crop from Madagascar which was expected to come on to the market has not appeared.

World demand for cocoa remains strong although prices have dropped slightly in 2003. Prices of up to US\$ 2,000 per kg (US\$1.05 per kilo) were paid to growers. The annual export value is expected to increase to about US\$7 million in 2003, since many farmers are continuing to rehabilitate and re-plant cocoa, as an alternative to coffee. Average monthly exports of papain through Entebbe were 25-30 tonnes for the first half of the year but most of this originated in the DRC where coffee wilt and low prices have forced many growers to transfer their efforts to papain. The value of other HV crops including dried pineapple and banana, birds eye chilli and other spice products is estimated to reach US\$200,000 for 2003.

Overall, we are now experiencing relatively good prices for practically all of the NTAE commodities, and there is also an increase in Uganda's supply, so total export earnings for NTAEs will be much higher in 2003.

## **2.0 HIGHLIGHTS OF PROGRESS DURING FIRST HALF OF 2003**

### **2.1 Low Value Crop Development**

**2.1.1 Summary of achievements:** Following well distributed rainfall that signaled the establishment of 2003A season in April, normal to above normal rainfall was received in western and southwestern Uganda. Districts in central and eastern Uganda received predominantly normal rainfall, albeit sporadic periods of dryness, leading to normal crop growth. Generally, 2003A season rains began late, and in most parts of the country as many as 30 days late. In parts of the country that received early rains, seed sales were encouraging, an indication that producer confidence had returned. It has been gratifying to see farmers consciously choosing short season varieties in preference to the

longer season hybrids. This demonstrates that knowledge about variety choice and time of planting has been firmly set in the minds of commercially-oriented farmers. An encouraging percent of farmers purchased seed, and finances permitting, basal and top dressing fertilizers as well as herbicides. Private sector involvement has been encouraging. Distributors and stockists have engaged in demonstration activity without IDEA support.

Highlights of achievements during the first six months of 2003 are presented in Table A below.

**Table A: Summary of LV Progress for Selected Indicators: January – June 2003**

<b>Indicator</b>	<b>Unit</b>	<b>Quantity/Value</b>
<b>A: Maize and Bean Exports:</b>		
- Value of maize exports	US\$ Mill	8,497
- Volume of maize exports	Tons	39,778
- Value of bean exports	US\$ Mill	2,953
- Volume of bean exports	Tons	10,068
<b>B: Input Sales (National):</b>		
- Value of maize seed	US\$	631,300
- Volume of maize seed	Tons	905
- Value of bean seed	US\$	215,124
- Volume of bean seed	Tons	548
- Value of fertilizers	US\$	4,640,000
- Volume of fertilizers	Tons	14,500
<b>C: ATAIN Sales:</b>		
- Value of maize seed	US\$	413,930
- Volume of maize seed	Tons	583
- Value of bean seed	US\$	114,654
- Volume of bean seed	Tons	219
- Value of fertilizers	US\$	117,120
- Volume of fertilizers	Tons	366
- Number of input stockists	Number	395
- Number of farmers served	Number	58,175
<b>D: Commercial Farming Operations:</b>		
- Number of commercial farmer clients	Number	1,172
- Area under maize by commercial farmer clients	Ha	5,200
- Area under beans by commercial farmer clients	Ha	513
- Estimated maize output by commercial farmer clients	Tons	21,000
- Estimated bean output by commercial farmer clients	Tons	398
- Maize yield by commercial farmer clients	Mt/Ha	4.04
- Bean yield by commercial farmer clients	Mt/Ha	0.78
- Number of commercial farmer clients receiving credit	Number	588
- Total credit received by commercial farmer clients	US\$	413,700
<b>E: Technology Transfer:</b>		
- Number of field demonstration sites	Number	1,261
- Number of farmers attending training	Number	50,169
- Percent of farmers trained (females)	%	36
- Estimated percent adopting low input technology	%	66
- Estimated percent adopting high input technology	%	10

**2.1.2 Efficient Production Technologies:** The ADC/IDEA project this year has leveraged resources and support by working with private sector companies on trials of new materials and technologies. Working with NARO has been on limited scale and mainly focused towards the successful completion of the 2002-funded research activities with cereals and beans programs. The Cereals Research Program successfully completed constituting of 3-way cross maize hybrids which were released last year (2002). Additional promising 3+way genotypes were advanced to on-farm testing during 2003A season. The National Beans Program last season finalized on-farm testing of two sugar bean genotypes and one red type awaiting submission to the VRC during the second half of the year. The final reports by the two programs are expected to be submitted by August 2003.

During the reporting period, emphasis was placed on having close collaboration and provision of TA to private companies engaged in research and technology transfer. One such company is NASECO, which is evaluating some maize OPV genotypes with high levels of resistance to weevils and diseases common in Uganda. New high yielding sunflower hybrids from Pannar Seed Company are being promoted and others are currently under evaluation, in collaboration with Mukwano Industries, FICA and SAARI. The two sunflower hybrid genotypes Pannar 7351 and 7371 have high oil content and can yield up to 3,000kg/ha. This is being encouraged as a rotation crop especially among maize seed growers. Large acreage and small observational plots of sunflower hybrid materials are expected to be planted in the next season by many maize seed growers. A draft sunflower production package has been produced and publication is expected in the second half of the work plan year. Preparation of a maize handbook, detailing all aspects of production, maize genotypes available and agro-inputs and marketing, has begun and the handbook is expected to come out by March 2004.

Two new Monsanto hybrid maize varieties, namely DK 8051 and DK 8071, were released at the variety release meeting in February 2003 for commercial distribution. It is anticipated that these varieties will be on sale during the 2003B season.

**2.1.3 Technology Transfer:** A total of 1,261 demonstration centres were established during the 2003A season. Of these 600 maize and 400 rice centres were undertaken directly by the ADC, while the 261 maize demonstration centres were established by ADC clients namely FICA, Balton, Rakai Farm Supply and East African Seeds. Most demonstration centres were 0.25 acres in size, spread out in 12 major maize and upland rice producing districts. A total of 50,169 farmers were exposed to various aspects of improved production technology during this period.

It is notable that demonstration centres set up by ADC clients continued to increase in number and improve in quality. 261 demonstrations were put up by FICA, Balton, East African Seeds and Rakai Farm Supply to promote products which, they trade in such as fertilizers, seed and herbicides. Table B outlines the field demonstration outreach for the 2003A season.

**Table B: 2003A Maize and Upland Rice Field Demonstration Outreach**

Category	Size (acres)	Number	Number of farmers exposed
Upland rice	0.25	400	18,800
Maize: high input technology with zero tillage	0.25	600	22,234
Maize: high input technology with both minimum and zero tillage under distributors/stockists	0.25	261	9,135
<b>Total</b>		<b>1,261</b>	<b>50,169</b>

Technical support was also rendered to SPEED project in the design, training of field staff and establishment of 3,000 maize and cotton demonstration centres set up in collaboration with 4 cotton companies, namely North Bukedi Cotton Company in Pallisa, Mbale and Sironko districts; Nyakatonzi Cooperative Union in Kasese district (maize in first season); Dunavant in Lira and Apac districts; and Bon Holdings in Iganga, Kamuli, Bugiri and Mayuge districts.

5,200 ha of maize were planted by commercial farmers in the 2003A season, representing an increase of almost 30% over the same period in 2002. An estimated output of at least 21,000 tons of maize grain is expected. Although the 2003A season started late, steady and sufficient amounts of rainfall were received in most parts of the country. There was a rapid increase in land area put under the upland rice crop by commercial farmers directly trained and those exposed to improved upland rice production technology through the demonstration program. Over 840 hectares were devoted to the crop, with concentration in the districts of Iganga and Bugiri. Table C summarises the number of commercial farmers trained and the crop area under both maize and upland rice.

**Table C: Commercial Farmers Trained and Crop Area Under Maize and Upland Rice**

<b>Indicator</b>	<b>Amount</b>
No of commercial farmers clients trained	1,172
Area under maize production (ha)	5,200
Estimated maize production (mt)	21,000
Area under upland rice (ha)	840
Estimated upland rice production (mt)	2,940

Loan repayments were such that both CERUDEB and SCB renewed their lending windows to commercial farmers, with most of the transactions undertaken directly between commercial farmers and/or farmer groups and their respective banks. Table D summarises the loan outlay to commercial farmers for 2003A season.

**Table D: 2003A Season Commercial Farming Production Credit**

<b>Location</b>	<b>Bank/Branch</b>	<b>As at 30/6/03</b>			
		<b>No. of loans</b>	<b>Female</b>	<b>Male</b>	<b>Total Amount</b>
Kapchorwa	CERUDEB/Mbale	366	30	336	480,000,000
Sironko/Mbale	CERUDEB/Mbale	15	4	11	13,000,000
Bugiri	CERUDEB/Tororo	40	2	38	40,650,000
Rakai/Masaka	CERUDEB/Kyotera	34	3	31	36,000,000
Mubende	CERUDEB/Mityana	28	3	25	25,000,000
Kiboga	CERUDEB/Mityana	18	3	15	21,500,000
Hoima/Masindi	CERUDEB/Hoima	78	15	63	110,500,000
Kasese	CERUDEB/Kasese	6	0	6	8,750,000
<b>Sub Total (CERUDEB)</b>		<b>585</b>	<b>60</b>	<b>525</b>	<b>735,400,000</b>
Hoima	Standard/Kampala	1	0	1	20,000,000
Nakasongola	Standard/Kampala	1	0	1	55,000,000
Luwero	Standard/Kampala	1	0	1	17,000,000
<b>Sub Total (SCB)</b>		<b>3</b>	<b>0</b>	<b>3</b>	<b>92,000,000</b>
<b>Grand Total</b>		<b>588</b>	<b>60</b>	<b>528</b>	<b>827,400,000</b>

**2.1.4 Input Supply:** Increased availability, accessibility and affordability of selected improved inputs at farmer level through an efficiently functioning and well linked private sector-led input supply chain continue to be the focus of this objective. During the reporting period, ADC maintained its emphasis on a reduction in the unit costs of production at farmer level. Support was maintained for 7 ATAIN distributors and 169 new ATAIN stockists. The ATAIN input inventory credit guarantee was maintained for the distributors for all locally sourced and imported inputs. It was also expanded to cover the 169 new stockists enlisted on ATAIN during 2002 and 2003. The 218 ATAIN graduate stockists continued to access larger amounts of non-guaranteed credit from the distributors, a clear demonstration of the potential for sustainability of ATAIN. The majority of the graduate stockists have expanded their businesses and are sourcing stocks from both ATAIN and non-ATAIN distributors, thus reducing the dependence and strain on the latter. As in the previous periods, the ATAIN program maintained its 100% stockists credit recovery rate as a result of a well coordinated monitoring effort by both the distributor ATAIN managers and ADC staff.

The favourable market during 2002B and the early part of 2003A rejuvenated demand for the inputs after the market plunged in the three previous seasons. Also the ADC's involvement in other crops such as upland rice and cotton has helped to stabilise the demand for inputs. During the reporting period, farmers were able to realize positive net returns as compared to the previous periods and this has contributed to improved input sales. Unlike 2002 when distributors and stockists experienced slow-moving and huge volumes of stocks, there has not been such a scenario during this period. ADC

maintained the regular supplier/distributor dialogue which helps to facilitate the smooth flow of inputs and to minimize complaints regarding the quality of the inputs.

Overall, improved maize and bean seed, and fertilizer sales for 2003A season were high compared to the previous period. The value of seeds and fertilizers sold by ADC-linked input providers was about US\$ 528,000 and US\$303,000 respectively. 58,175 farmers directly purchased their inputs (many of them repeatedly), from ADC-facilitated stockists network and ADC-linked distributors. A total of 261 demonstration sites were established by various distributors and stockists, as a way to improve their input sales and to impart knowledge to their farmer clients. The stockist's demonstration plot activities continue to be an effective catalyst for input sales and a direct private-sector led conduit for technology transfer.

**2.1.5 Seed Multiplication and Distribution:** Demand for seed has continued to improve with sales peaking in the months of March and April. Although the onset of rains was initially delayed, good rainfall from early May continued through to the end of the reporting season. NASECO had its best season to-date with sales of maize and beans at 242 mt and 21 mt respectively. In addition, production of upland rice has been stepped up in preparation for the second season with a total of 80 acres planted in the first season. NASECO estimates a total of 200 mt of the new rice seed varieties will be available for sale in the second season, which is the principal rice planting season. As NASECO is the only regional producer of these varieties, the company has plans to develop regional market outlets.

FICA exported 311 mt of the Monsanto maize variety to Tanzania. This was the first consignment exported and was from the crop planted in 2002B season. This was all processed through the seed plant which FICA received under the IDEA grant program. Seed multiplication of the Monsanto varieties was expanded during 2003A season, with total acreage planted at 254 ha, although the irregular weather pattern may affect yields.

With IDEA grant support, Roka Ale distributed 10 mt of Sesim 2 seed in Nebbi district. Two locations have been identified as sources of seed production from which Roka Ale will buy back 45 mt of seed. Interest in this project in West Nile has been considerable and the target for seed distribution in the second season is 70 mt. Demonstration activities are also planned for the new variety in the upcoming season.

**2.1.6 Market Knowledge and Information Services:** During the period, 6 market reports were produced and disseminated to all LV clients. There were 126 recipients of the LV reports during the first half of the year. The market information recipients included government ministries, donors, parastatals, farmers' associations, university students, extension workers, individual farmers and researchers. The reports were disseminated using e-mail, and collected by individuals from the ADC. In addition, 16 recipients were from East and Southern Africa and 12 from outside Africa.

The MKIS office coordinated the regular trade forecast meetings in conjunction with Foodnet and FEWSNET Projects as well as World Food Program (WFP). Four meetings were held during the first half of the year and were attended by UGT (Uganda Grain Traders), WFP, various WFP suppliers, NAADS, as well as staff from Foodnet, FEWSNET and IDEA Project.

**2.1.7 Rural Agricultural Marketing Systems (RAMS):** During the reporting period, maize prices have been very buoyant starting the year at US\$90 per mt and rising to US\$200 per mt at the end of June 2003. The Kampala maize grain price over the six month period averaged out at about US\$150 per mt. It was interesting to observe that the higher the price the less likely the group members were willing to market their produce as a group. Although all the group members maintained their associations, the marketing function was dispersed to become an individual activity. The greater the ability of an individual to hold on to his/her crop the higher the unit price ultimately obtained. As these rural marketing activities are still in their early stages of development such a response is not surprising. The message delivered by the LV team was, however, that a successful group marketing activity is one

where the farmers sell together irrespective of the marketing situation. The challenge will be to convey the benefits of maintaining a consistent approach to the marketing activity.

The upland rice activity continued to be successful. Nyati Millers processed 1,187 metric tons. With IDEA support, Nyati Millers set up 50 quarter acre demonstration centres in Hoima district. Tilda purchased 70 mt of rice in the first part of the year from the outgrower program. Volume of sesame purchased by Outspan Enterprises in the reporting period was 378 mt, of which 270 mt was organic and 108 mt conventional.

**2.1.8 Support to Outgrower Initiatives:** FICA and NASECO in particular have expanded their outgrower network to meet growing demand for the new varieties they are now promoting. The ADC has, in conjunction with these companies, been visiting their respective outgrowers, and offering production and post-harvest advice.

The ADC has continued to work closely with other companies such as Tilda (U) Ltd and to a lesser extent Nyati Millers on their rice outgrower programs, as well as Outspan and Roka Ale on sesame. The proposed Mukwano Industries Ltd intervention on sunflower did not get started as expected but may get underway in the second half of this year. Nevertheless, the ADC has started promoting sunflower amongst maize seed growers as a rotation crop with commercial prospects and seed growers in Mubuku have shown a lot of interest. The ADC will continue to encourage Mukwano Industries Ltd to accelerate its involvement.

Table E below shows expected maize and bean seed outgrower outputs and value during 2003A season. The figures are provided by company and crop.

**Table E: Maize and Bean Seed Contracted: January – June 2003**

<b>Company/Crop type</b>	<b>Area Planted (acres)</b>	<b>Expected Output (kg)</b>	<b>Farm Gate Value (US\$)</b>
<b>FICA:</b>			
Beans (K132)	415	250,000	100,000,000
Maize (OPV)	320	384,000	115,200,000
Monsanto Hybrid	620	866,000	500,700,000
FICA Hybrid	70	88,000	40,950,000
<b>NASECO:</b>			
Beans	169.5	59,900	23,960,000
Maize (OPV)	400	380,000	114,000,000
Upland Rice	80	128,000	64,000,000
<b>HFS:</b>			
Beans	217.5	87,000	34,800,000
Maize Hybrid	260	230,000	69,000,000
Maize OPV	5	8,000	2,400,000
Upland Rice	27.5	44,000	22,000,000

**2.1.9 Support to exporter Clients:** The emphasis has been on providing support to exporter clients with focus on supporting UGT in its role as the principal commercial conduit from the farmer to the market and strengthening linkages between shareholders of the company and RAMS centers. Afro-Kai, Roka Ale and Outspan are three targeted UGT shareholders that have received direct support to link with rural producer groups. Afro-Kai still maintains a presence in the west and central (Masindi with Gukwatamanzi Producers Association, Mubende with the newly formalized Mubende Commercial Farmers Association and with Kiboga's Commercial Farmers Association). During the past 6 months, each of these associations benefited from the SAFGRAD sheller grant. In addition 3 other groups have received similar support from the US\$25,000 grant. This has enabled the producer groups to shell their maize and achieve export quality standard. The groups have charged a fair price to their members for

the shelling activity, and maintained a margin for maintenance and depreciation. The activities over the past 2 seasons for this grant have shown that the processing hub concept is workable and could receive commercial finance in the future.

As a result of the performance of the sheller grants in promoting the concept of processing hubs, UGT has been able to secure a €500,000 from the European Union. This grant has been designed to support processing hubs in the LV maize surplus districts not only with shellers but also with cleaners and secondary processing facilities such as dryers. These facilities are intended as financed options rather than outright grants to qualified producer groups. The establishment of up to 15 primary and 7 secondary processing hubs will give UGT unparalleled field presence and allow established producer groups direct terminal market access with the resultant improved efficiencies of processing and marketing. It is likely that these processing hubs will be established during the second half of this work plan year.

Barclays Bank has maintained the level of exposure that has allowed UGT to purchase over 9,500 mt of produce valued at more than US\$1.5 million (Table F).

**Table F: Volumes Procured by UGT: 2003A Season**

<b>Product</b>	<b>Volume Procured (mt)</b>
Lira Beans	818
K132 Beans	858
Large Seeded Mixed Beans (LSMB)	2,399
Maize Grain	5,457
<b>Total</b>	<b>9,532</b>

The Lira beans were procured for an Angola contract, which performed very badly, and stock remained unsold. K132 has been performing well and the LSMB is likely to move into regional institutional contracts. Work with IITA FOODNET and FEWSNET local and regional offices has furthered regional cooperation resulting in two regional forecast meetings being held to which all the great lakes countries were represented. Additionally, UGT has been playing a more proactive role in the Ugandan crop forecast meetings held at IITA offices as part of the phasing down of IDEA.

Maize and bean exports from Uganda over the reporting period are as presented in Table G below.

**Table G: 2003A Export Volumes and Values of LV Commodities**

<b>Commodity</b>	<b>Volume (mt)</b>	<b>Value (US\$ Million)</b>
Maize (formal)	1,024	0.161
Maize (informal)	2,202	0.490
Maize (relief)	36,552	7.846
<b>Total Maize</b>	<b>39,778</b>	<b>8.497</b>
Beans (formal)	3,460	1.150
Bean (informal)	2,271	0.809
Beans (relief)	5,177	1.296
<b>Total Beans</b>	<b>10,068</b>	<b>3.255</b>
Sesame	2,286	1.121
<b>Grand Total</b>	<b>53,132</b>	<b>12.873</b>

## 2.2 High Value Crop Development

**2.2.1 Summary of Achievements:** The export value of crops covered by the High Value portfolio continued to increase during the first half of 2003. Good performances by the floriculture and vanilla sub-sectors should take the total past the US\$45 million EOP target by the end of the year. A summary of estimated export values for 2003 by major category is given in Table H.

**Table H: High Value Crop Exports: 1995-2003**

Product	LOP Target (\$ Mill FOB)	1995 Value (\$ Mill FOB)	2000	2001	2002	2003 (est)
Roses	20.00	2.30	9.12	11.52	14.10	22.62
Plant cuttings	5.00	0.00	4.50	5.60	7.03	7.62
Fresh produce	10.00	0.63	3.16	3.20	4.44	4.85
Vanilla	2.00	0.24	2.02	5.72	9.43	17.46
Cocoa	3.00	0.64	2.02	2.70	4.97	7.68
Other HV products	1.00	2.40	0.50	0.60	0.20	0.40
<b>Total</b>	<b>45.00</b>	<b>10.67</b>	<b>22.30</b>	<b>30.06</b>	<b>40.88</b>	<b>60.63</b>

New investments in rose production continued to increase the production area to over 140 ha. This trend, which started in 2002, is fuelled by the strong Euro and positive demand for Ugandan roses in Europe, particularly from the large German supermarket chains. The good quality and vase life of Ugandan flowers has been an important factor in enabling growers to fill the gap caused by reduced production of sweetheart roses in the Netherlands, Israel and Zimbabwe. Overall, quantities of fresh produce exports through Entebbe increased by 5% despite the relatively low levels of investment in this sub-sector. This is partly because the strength of the British Pound has caused the average unit value of products to increase.

Twenty seven tonnes of vanilla, valued at over US\$5 million were exported in the first half of 2003. A record crop of about 500 tonnes of green vanilla harvested in June will ensure that exports of cured vanilla will reach 95 tonnes, with a value conservatively estimated at US\$17.5 million for the year. Growers received average farm gate prices of US\$30,000 per kg for green beans (US\$15/kg). Global prices for good quality vanilla reached US\$250 per kg in June 2003, much higher than historical average prices since the large crop from Madagascar which was expected to come on to the market has not appeared.

World demand for cocoa remains strong although prices have dropped slightly in 2003. An IDEA cross-border study showed that cocoa exports were up more than three-fold (2002 estimates may have been too low). Prices of up to US\$2,000 per kg (US\$1.05 per kilo) were paid to growers. The annual export value is expected to increase to about US\$7 million in 2003.

Average monthly exports of papain through Entebbe were 25-30 tonnes for the first half of the year but most of this originated in the DRC where coffee wilt and low prices have forced many growers to transfer their efforts to papain.

The value of other HV crops including dried pineapple and banana, birds eye chilli and other spice products is estimated to reach \$200,000 for 2003. These are minor products which do not have a major impact on export earnings, but receive some technical assistance from IDEA, since they provide valuable income for families in some fragile areas of the country.

**2.2.2 Promoting Efficient Production Technologies:** Efforts to improve production technology continued through a combination of research, training, demonstrations, technical publications and other technology transfer activities. Throughout the life of the project, research trials have been carried out at demonstration sites located either on private farms or at NARO research stations. In general, trials have

been managed better on private farms, but this required intensive inputs from NARO and IDEA staff to ensure that data is properly collected and analysed. The data collected was not always reliable and often incomplete. In some cases the plots were neglected or valuable planting material was lost. Nevertheless some useful results have been obtained and documented. The success of the UFEA Research and Training Centre has been acknowledged by growers, who have opted to relocate the centre to a permanent site on the Entebbe Road, which will be owned by UFEA. This will reduce operating costs, give more long-term security and be more accessible to growers.

Rose varietal trials were completed by UFEA in May and a final report distributed. From January 2003 all primary testing of new rose varieties was transferred to three farms under contract with breeders and propagators. Results from these trials will be consolidated, analysed and distributed by UFEA staff, with decreasing levels of technical assistance from IDEA. The growers have started monthly study groups and open days for discussion of technical and marketing issues. A research grant to Melissa Flowers to investigate Gerbera as a new cut flower crop for Uganda was also completed. Yield and quality results were good for some varieties, but work still needs to be done to gain acceptability on the market.

All three chrysanthemum cutting producers have ordered steaming equipment which should be installed in the next six months. The UFEA Executive Director was recently invited to make a presentation in Montreal, Canada and the presentation was well received.

Research trials on vegetables have been more difficult to carry out, since HORTEXA does not have the capacity and NARO has been unable to provide the level of field supervision required. Trials on different types of fresh chilli and other vegetable crops were completed at Mubuku and Mairye. The best performing varieties are already incorporated into their 2003/4 commercial programs. Continued grant and technical support to Mairye for research trials on passion fruit and papaya will be completed in October 2003.

Research grants with NARO on passion fruit and banana are coming to an end. Production of improved passion fruit plants for distribution has been transferred to private nurseries and this is resulting in more rapid distribution of planting material. Other aspects of the NARO programme were behind schedule and have been discontinued. Banana demonstrations have been well attended by more than 500 growers and the program of technology transfer and yield enhancement will be completed in July 2003.

Technical assistance and funding for demonstration plots of vanilla (30) and cocoa (6) was continued through grants to the Uganda National Vanilla Association (UNVA) and the Uganda Cocoa Association (UCA).

Training and research on papain production continued with RECO Industries and outgrowers in Bushenyi and Kasese. Technical back-up continued to Technoserve on birdseye chilli, papain and dried fruit demonstrations in Arua and Nebbi. Growers produced their first commercial crop of 4.5 tonnes of birds-eye chilli and 400 kg of dried pineapple and papaya. Production is expected to increase significantly over the next 12 months.

In addition to technical assistance provided directly by the HV team, the ADC has also been active in helping clients source funds from other donors. During the reporting period, the EU Delegation committed €1million from EDF funds for trade associations including UNVA, HORTEXA and UFEA, and a further contribution of €300,000 from the Netherlands Government for training and market promotion through CBI.

**2.2.3 Increased Market Opportunities:** 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, HV still continues 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. These have included the following:

- The final IDEA-sponsored ATF marketing visit to Holland for 22 students from flower farms which took place in June 2003
- Customized assistance for three fresh produce exporters to negotiate new and higher contracts for 2003
- A small but high profile contract for Mubuku to supply solar-dried chilli to Marks and Spencers, a high quality UK food retailer
- Organisation of field visits for two major US vanilla buyers
- Consolidation of roses from several farms to supply major German supermarkets on contract at fixed prices through Sierex and the VBA auction.
- Increased sales of Ugandan roses in UK supermarkets,

One of the most obvious indicators of our contribution to the success of the horticulture sector is that international buyers of flowers, fresh produce and vanilla now visit Uganda on a routine basis, and that the ADC is invariably their first contact point. Many of the visits are still coordinated by the ADC, but increasingly they are handled by trade associations with assistance from IDEA. So far, during the first six months of 2003 inward buyer visits were made by three major vanilla importers, the two Dutch flower auctions (several times), three large independent flower importers and four major European fresh produce importers. Many other buyers from smaller companies looking for new business have also visited the ADC or made contacts by telephone and e-mail on an almost daily basis. In May 2003 the ADC arranged the participation and presentations of the main delegates for the World Bank/EU-funded Presidential Conference on Horticulture.

Price bulletins and market reports on roses, fresh produce and spices were sent out every month. 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 90 clients, plus many call-in requests. Training was provided to trade associations in market analysis and web site management in preparation for handing over the preparation of bulletins and market reports.

**2.2.4 Quality Control and Improved Post-harvest Handling:** Technical assistance on post-harvest management has continued in 2003. A follow-up advisory visit to 15 flower farms by Roger White, an IDEA post-harvest specialist, showed that significant improvements have been made since his previous visit in 2001. The FHL coldstore at Entebbe is operating at full capacity, and the Roka Bonds/Anova coldstore next door, with 200 tonne capacity, allows ample room for expansion. Together with the ENHAS coldstore, there are now 3 coldstores at Entebbe airport, and the increased competition has meant levels of service have improved. Ugandan roses now have a good reputation for quality and vase life. In June 2003, low season freight rates for flowers (US\$1.52/kg) and vegetables (US\$1.40/kg) were competitive with rates being offered in Kenya, Zambia and Zimbabwe.

Assistance to flower farms to reach the standards of the Uganda National Code of Practice (UCoP) continued in 2003. Training in EUREPGAP and MSPGAP was provided in conjunction with IDEA STTA consultants Roger White and Gary Tomlins, and a CBI consultancy team. Training in UCoP was continued with fresh produce growers through HORTEXA, focusing mainly on "safe use of pesticides". HORTEXA's 3 regional coordinators continue to work as trainers of trainers in six districts in the central region, providing services to their 500 members. A code of practice for the cocoa industry was finalized and launched. The 3 cocoa extension coordinators, growers and processors received training in the new cocoa code of practice in Bundibugyo, Hoima, Iganga, and Mayuge districts.

Code of practice training will be extended to vanilla through the UNVA in the second half of 2003. Adherence to these guidelines will improve post-harvest handling in particular, although there will be many overall benefits to the industry in relation to quality and market acceptability.

Courses on health issues were held in conjunction with technical training at UFEA, three flower farms and the Mubuku irrigation scheme in Kasese. These included topics such as “HIV AIDS awareness and counselling”, as well as “malaria control and prevention” and “family planning and STD prevention”, delivered by other USAID-funded service providers such as TASO and CMS.

**2.2.5 Technical Assistance to HV Clients:** Since 2001 direct technical assistance has been provided to 27 firms, 4 national private sector associations, 7 regional private sector associations, 3 NGOs and 5 government agencies. Three new private sector clients and one new NGO were assisted during this reporting period. 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.

Estimated export volumes for January – June 2003 of flowers, cuttings, fresh produce, vanilla, cocoa and other minor high value products are shown in Table I. Overall, export quantities increased by over 85%, but figures were influenced mainly by increases in fresh produce and cocoa. If this continues through the second half of 2003, the total value of HV exports will reach US\$60 million, which is 30% over the EOP target.

**Table I: Export Quantities (in tones): January-June 2003**

Product	2002	2003	Difference (%)
Roses	1,961	2,246	+ 14.53
Cuttings	405	424	+ 4.69
Fresh Produce	1,925	4,611	+ 139.53
Vanilla	18	27	+ 50.00
Cocoa	854	2,432	+ 174.24
<b>Total</b>	<b>5,163</b>	<b>9,650</b>	<b>+ 86.91</b>

Private sector investment in new vanilla processing facilities continued in 2003 with two new processors receiving technical assistance from IDEA. As a result, processing of the record harvest of 500 tones of green beans in June proceeded smoothly. Processors have also improved their techniques so that overall quality seems to be good despite a relatively high proportion of immature beans and overcast weather. The number of small-scale solar driers in operation in rural areas continues to increase and, as a result, the niche markets for dried pineapple, apple banana and chilli are growing and potential sales could reach US\$1-2 million over the next three years.

**2.2.6 Improved Airport Handling System:** Fresh Handling Ltd remains profitable and continues to grow rapidly. It offers a range of services to growers including consolidation, chartering, handling, documentation, storage, market clearance and delivery into London, Brussels and Amsterdam. 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 realize the benefits of economies of scale, by working together and sharing information. A new Board was appointed in May 2003. This is now a sustainable company which does not depend upon IDEA technical support, although we still attend Board meetings and offer advice as appropriate.

Direct negotiations between FHL and airlines has resulted in further freight rate reductions in 2003 which will deliver savings to the floriculture industry of more than US\$400,000 compared to 2002. Low season rates have come down 10% (see above) and high season rates for 2003/2004 are expected to be US\$1.45-1.50/kg for vegetables and US\$1.60-1.65 for flowers, which is competitive with other East and Southern African countries.

**2.2.7 Strengthening HV Institutions:** Technical support to UFEA continued at a reduced level during 2003. Most effort has been focused on handing relevant ADC activities over to UFEA; assisting the new Executive Director to get established; and sourcing other donor funds to finance re-location and expansion of the Research and Training Centre. The fifth course in Applied Tropical Floriculture was successfully completed for 20 participants including two from MAAIF and MU. Various other training courses and seminars were held at the UFEA training centre, including cross-cutting training on AIDS awareness.

Assistance to HORTEXA in 2003 has focused on training in EUREPGAP and other SPS issues. IDEA funded, and was behind HORTEXA renewing its membership in COLEACP, which has already resulted in several training and consultancy visits from the newly formed PIP unit in Brussels. The Chairman and two board members recently attended a further meeting at PIP in Brussels, which will result in Uganda replacing Zimbabwe as a key recipient of EU assistance for training small scale exporters on the safe use of pesticides.

The Uganda National Vanilla Association (UNVA) has continued to develop during 2003 due to high world market prices, which have provided good returns to growers and processors. A local consultant has been provided for three months to work with the new committee on establishing good management systems and introducing the code of practice for vanilla growers and processors.

The Uganda Cocoa Association (UCA) received an extension to its grant to cover the period to December 2003. This will fund training activities in UCoP, nursery management, plantation establishment/rehabilitation and post-harvest issues. Following training, some growers are now receiving premiums for properly fermented and graded beans.

A total of 14 third year students of Makerere University from the faculty of Agriculture started their internship program with HV clients in 2003. One post-graduate student pursuing Masters Degree in Agri-business Studies (MABS) at the same institution completed his course and the final three students are on target to complete in 2003/4.

The HV team has continued to assist 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. We have provided essential support in the negotiations with UNIDO. We also provided intensive technical input to the GoU's strategic export initiative, and the Presidential Conference on horticulture. We are on the committee responsible for evaluating and distributing GoU grant funds for export diversification. We have attended meetings with the Ministry of Finance and UFEA on the taxation of agricultural inputs, which have resulted in positive changes to GoU policy on VAT and withholding tax.

### **3.0 CONCLUSION**

The 2003A season rainfall was intermittent at the beginning, and only became established in the latter part of April. But rains have been relatively good since then, and above normal over much of the country. Longer season crops such as maize will require good soil moisture conditions through mid-July in order to realize good yields.

Commodity prices have improved for practically all the NTAE commodities. Prices for vanilla are at record highs. The strength of the Euro is also assisting exporters supplying the European markets. The high prices combined with what appears to be good production (supply) prospects translates into NTAE export values expected to increase significantly in 2003, possibly by 20% or more. Focusing on the NTAEs has been a wise investment by the clients, the GOU and USAID.

**PART I: MAIN REPORT**



## 1.0 INTRODUCTION

### 1.1 Overview

This seventeenth semi-annual progress report of the Uganda's Investment in Developing Export Agriculture (IDEA) Project covers the period January 1 through June 30, 2003. Like other previous progress reports, it brings out progress by component and compares 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 second half of the 9<sup>th</sup> 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:** 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 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 less than 9 months remaining, IDEA is essentially 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 has continued to provide 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).

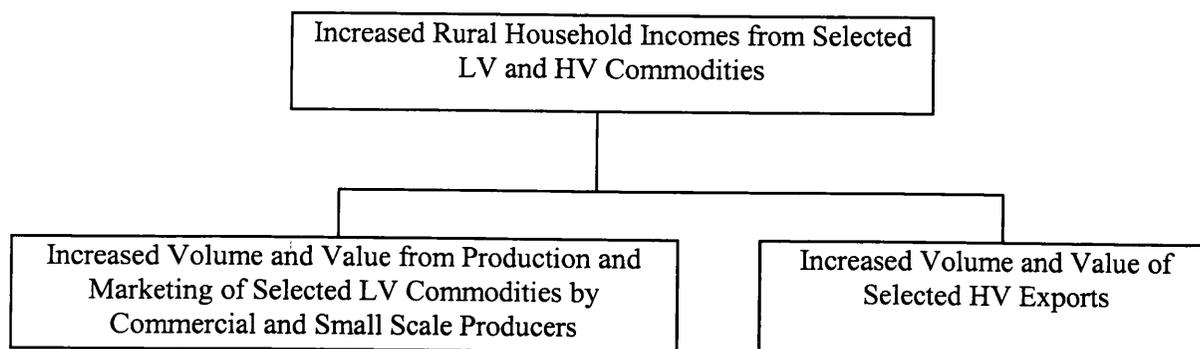
Although the basic project agreement is between USAID and the GoU's Ministry of Tourism, Trade and Industry (MTTI), IDEA operates principally for and in concert with the NTAE private sector. Thus, the IDEA Steering Committee (ISC) is made up largely of private sector representatives and a few representatives 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 two operational components directed at accomplishing project results. These two, namely the Low Value (LV) and High Value (HV) 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.

IDEA remains at full staffing, with 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 the Life of Project (LOP).

**Figure 1: Results Framework for IDEA Project**



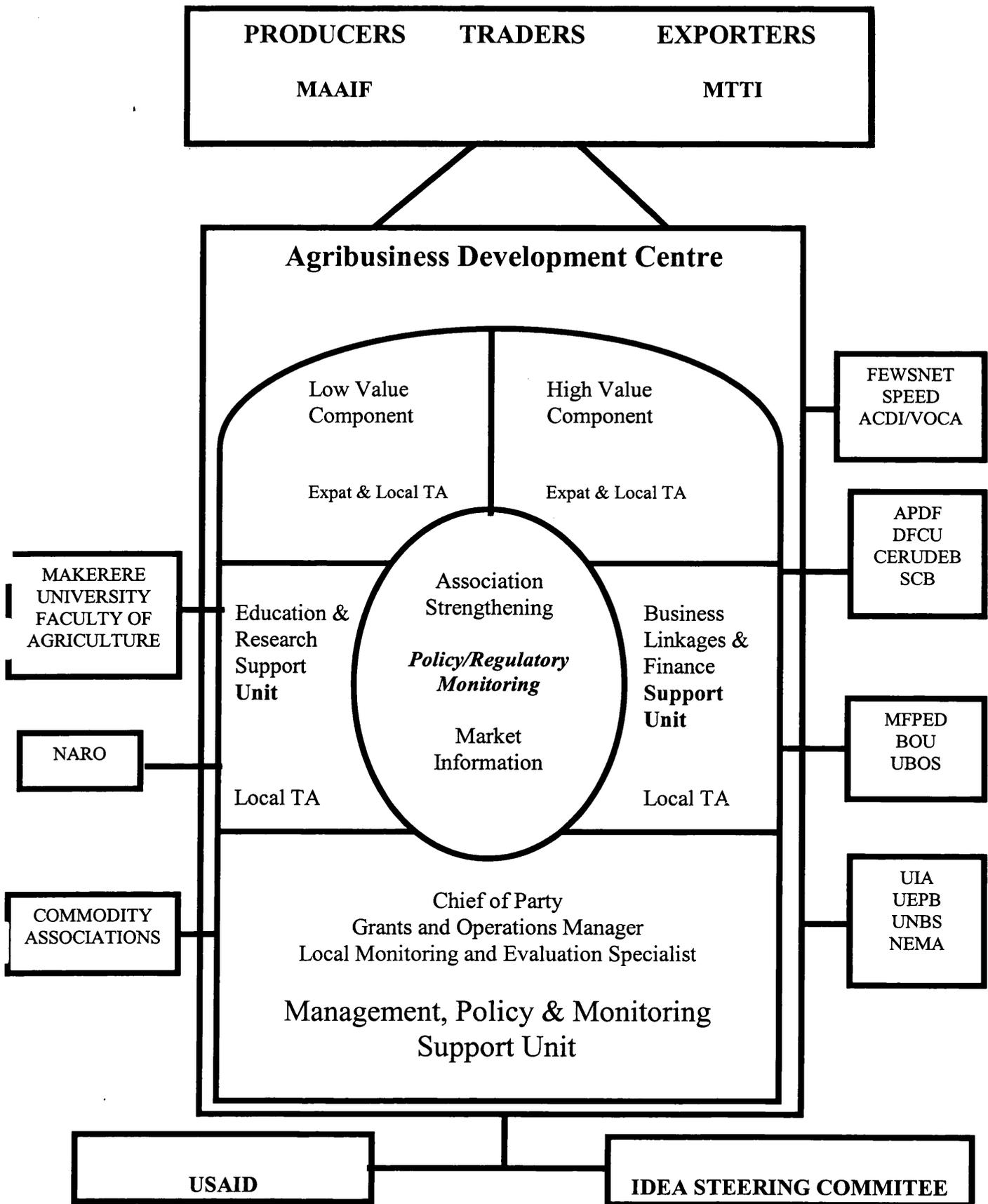
Current positions and contractors providing the TA under IDEA are shown in Table 1. A full list of the ADC long-term professional staff is indicated in Annex 2. Short-term expatriate and local technical assistance is also available over the life of the contract. The contract also provides for specialized 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.

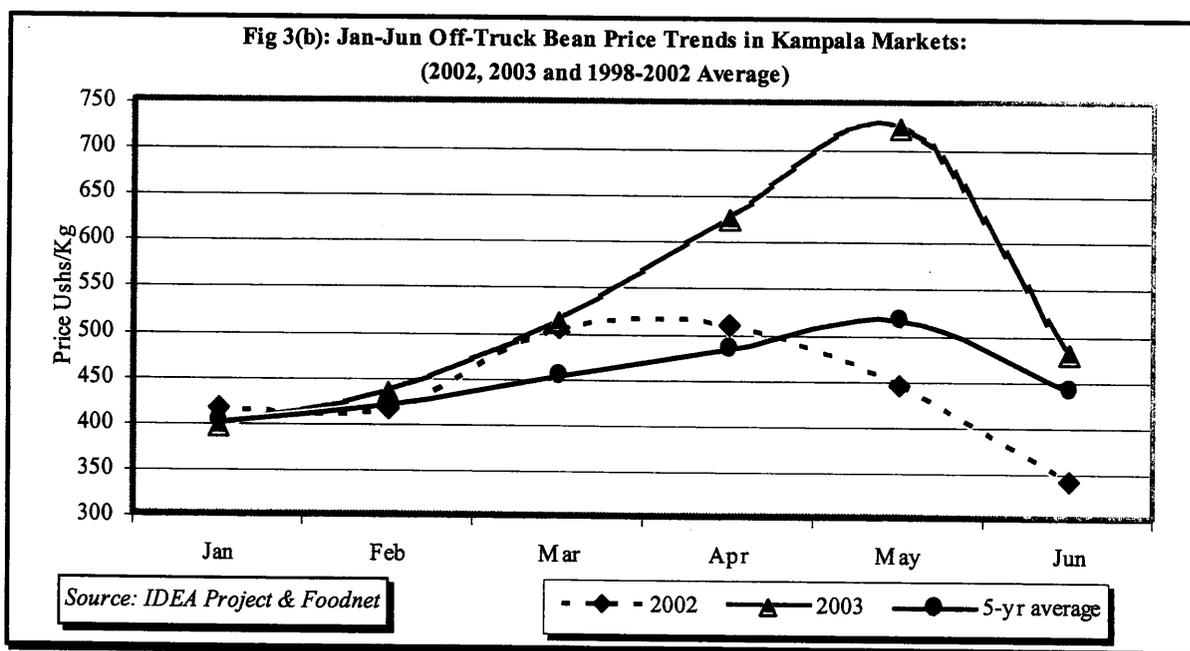
**Table 1: IDEA Expatriate and Local TA Positions**

<b>Expatriate LTTA</b>
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) <sup>1</sup>
High Value Crop Production and Marketing Advisor (HV)
Grants and Operations Manager (GOM)
<b>Local LTTA</b>
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)

- 1 Fintrac employee

**Fig 2: Institutional Environment of ADC/IDEA Project**





#### 1.4 The NTAE Sector Performance

**Low Value Commodities:** During the review period, over 36,500 mt of maize, worth US\$7.85 million and 5,170 mt of beans worth US\$1.3 million were procured by WFP. Exports to Kenya – the traditional market for Ugandan maize - were quite low (about 3,200 mt of maize and 4,900-mt of beans valued at US\$0.65 million and US\$1.66 million respectively).

Uganda Grain Traders (UGT) Limited has continued to play a high profile role in end user procurement of maize and beans. The company has been granted € 500,000 by the EU to continue developing the IDEA-initiated processing hub activity with the emerging commercial farmer groups. This will allow the company to actively take on the role of developmental private sector partner, further emphasizing the importance of strong public-private partnerships. Although financing un-contracted stocks remains an issue, UGT is determined to play its role as a terminal market for Ugandan products. Extensive effort has been made to improve its profile in the region with participation in the now regular regional trade forecast meetings. UGT staff is being trained by IDEA to maintain and continue developing *Ugandagrains.com* – the grain web site established under IDEA. This will support UGT's role as the industry mentor in the future. Grain sales to WFP hit a recent record 6 month high, with 35,000 mt being procured internally. WFP has seen a great improvement in supply capacity – a direct result of a commercial mindset amongst producers and improved quality and quantity.

**High Value Products:** The export value of crops covered by the High Value portfolio continued to increase during the first half of 2003. Good performances by both the floriculture and vanilla sub-sectors should take the total past the US\$45 million EOP target by the end of the year (estimated to reach US\$60 million).

New investments in rose production continued to increase the production area to over 140 ha. This trend which started in 2002 is fuelled by the strong Euro and positive demand for Ugandan roses in Europe, particularly from the large German supermarket chains. Prices have fluctuated, but overall were slightly better than 2002. If these trends continue, overall floriculture exports will increase by US\$9 million in 2003. Overall, quantities of fresh produce exports through Entebbe increased by 5% despite the relatively low levels of investment in this sub-sector.

Twenty seven tones of vanilla, valued at over US\$5 million were exported in the first half of 2003. A record crop of about 500 tonnes of green vanilla in June will ensure that exports of cured vanilla will reach 95 tonnes, with a value conservatively estimated at US\$17.5 million for the year. Global prices for good quality vanilla reached US\$250 per kg in June 2003, much higher than historical average prices since the large crop from Madagascar which was expected to come on to the market has not appeared.

World demand for cocoa remains strong although prices have dropped slightly in 2003. Prices of up to US\$ 2,000 per kg (US\$1.05 per kilo) were paid to growers. The annual export value is expected to increase to about US\$7 million in 2003, since many farmers are continuing to rehabilitate and re-plant cocoa, as an alternative to coffee. Average monthly exports of papain through Entebbe were 25-30 tonnes for the first half of the year but most of this originated in the DRC where coffee wilt and low prices have forced many growers to transfer their efforts to papain. The value of other HV crops including dried pineapple and banana, birds eye chilli and other spice products is estimated to reach US\$200,000 for 2003.

Overall, we are now experiencing relatively good prices for practically all of the NTAE commodities, and there is also an increase in Uganda's supply, so total export earnings for NTAEs will be much higher in 2003.

During the reporting period, the Small Grants Program continued its support to the Africa Project Development Facility, which provided funding for management support to select IDEA clients, as well as the four NARO research FARAs continued from 2002. Of the four NARO research activities, two, NARO Maize 2002 and NARO Beans 2002, were successfully closed out; however, the National Beans Program is still awaiting the release of several new sugar bean varieties per the agreement. This should occur at the next meeting of the Variety Release Committee tentatively scheduled for the second half of the year. As noted earlier in the report, the FARA with the National Passion Fruit Program was terminated earlier than expected as it became apparent that certain benchmarks were not going to be achieved. Activities under the FARA with the National Banana program are progressing well and will continue through July 2003.

In addition to the FARA activities, there were nine active grants during this reporting period; however, the grants to Farm Inputs Care Centre, Harvest Farm Seeds, NASECO, Outspan Enterprises, and Melissa Flowers ended on June 30<sup>th</sup>. Completion reports for these activities will be submitted in the next reporting period. A new grant agreement with Roka Ale Trading Co. supporting the multiplication and distribution of the improved sesame seed variety, Sesim II, in the districts of Nebbi and Arua was approved and is progressing well. Of the targeted 80 tons to be multiplied and distributed, 36 tons were procured in early February, with 10 tons distributed for planting during the March fly season. The remaining 70 tons (44 tons to be procured in July) will be distributed in time for the August planting season.

A request from the Uganda Cocoa Association to extend its grant through December 2003 and increase its program budget was approved by the ISC, while a similar request from the Uganda National Vanilla Association was still being reviewed at the end of the reporting period. A request for a no-cost extension to the fresh produce research activity with Mairye Estates was also being evaluated. Of the US\$1,600,000 set aside for the small grants program, US\$1,600,133 (includes pending modifications) has been committed thus far. Cost savings across several grant activities will bring the total below the US\$1,600,000 ceiling. Annex 8 provides a detailed breakdown of grant fund progress. IDEA will not be entering into any new grant agreements and all on-going activities will be concluded by the end of this work plan year.

## **2.0 PROGRESS BY COMPONENT**

This chapter summarizes progress made during the period January 1 through June 30, 2003. 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**

As stated in the introduction to the 9<sup>th</sup> annual work plan, the LV team faces some unique challenges in the last year of the project. It has always been the intention of the project to “work itself out of a job”. The only way this can realistically and effectively be done is to ensure that private sector partners are fully engaged in the process of development. This has been the focus of the team since inception of the project.

Following well distributed rainfall that signaled the establishment of 2003A season in April, normal to above normal rainfall was received in western and southwestern Uganda. Districts in central and eastern Uganda received predominantly normal rainfall, albeit sporadic periods of dryness, leading to normal crop growth. Generally, 2003A season rains began late, and in most parts of the country as many as 30 days late.

In parts of the country that received early rains, seed sales were encouraging, an indication that producer confidence had returned. It has been gratifying to see farmers consciously choosing short season varieties in preference to the longer season hybrids. This demonstrates that knowledge about variety choice and time of planting has been firmly set in the minds of commercially-oriented farmers.

An encouraging percent of farmers purchased seed, and finances permitting, basal and top dressing fertilizers as well as herbicides. Private sector involvement has been encouraging. Distributors and stockists have engaged in demonstration activity without IDEA support. They realize that despite the effort required, these demonstrations are key to their commercial success. This confirms the project strategy of maintaining the demonstration activity as the key developmental activity in its “toolkit”.

Upland rice demonstration activity has received a boost through the full engagement of Tilda (U) Ltd in demonstrating upland rice in the Busoga area. This comes after a 3-season purchase order agreement with Tilda (U) Ltd demonstration work. The upland rice is generating such interest that the company intends to develop a unique brand to cater for the anticipated increase in the new variety of rice.

Other developmental partners have also adopted demonstration work. Notably, there has been the full integration of demonstrations as a core activity in the cotton sub-sector. During the 2003 cotton-planting season, 3,000 demonstration sites were established by 4 “lead ginners”. This work has been financed by the SPEED project with technical support by the LV team. The Cotton Development Organisation (CDO) has introduced a new bylaw empowering lead ginners to protect their area of operation from cotton poaching. This is purely as a result of the uptake of demonstration activity by the ginners. NAADS has now specifically developed budget lines through which it can facilitate demonstration activity.

Field observations and reports by district officials and NGOs generally indicate normal crop conditions in most parts of the country where annual and perennial crops have recovered from the delayed start to the season. In central, eastern and Lake Victoria Basin, early bean harvest began in late May, with the peak harvest recorded at the end of June. The national 2003A season bean output is estimated at about 140,000 mt, of which 25-33% may be available for commercial sale. This is 33% above the 2002A season output. The increase is attributed mainly to increase in area under beans and improved yields.

About 60-75% of the national maize crop is at the grain filling stage and would require some moisture until at least mid July. The projected national maize production is 200,000 mt, of which 50-70% is expected to be available for commercial sale. Compared to the 2002A season crop, the expected 2003A season output is higher by about 17-20%. This increase is mainly attributed to increased areas under maize and better than expected rains.

Uganda Grain Traders (UGT) Limited has continued to play a high profile role in end user procurement of maize and beans. The company has been granted € 500,000 by the EU to continue developing the IDEA-initiated processing hub activity with the emerging commercial farmer groups. This will allow the company to actively take on the role of developmental private sector partner, further emphasizing the importance of strong public-private partnerships. Although financing un-contracted stocks remains an issue, UGT is determined to play its role as a terminal market for Ugandan products. Extensive effort has been made to improve its profile in the region with participation in the now regular regional trade forecast meetings. UGT staff is being trained by IDEA to maintain and continue developing *Ugandagrains.com* – the grain web site established under IDEA. This will support UGT's role as the industry mentor in the future. Grain sales to WFP hit a recent record 6 month high, with 35,000 mt being procured internally. WFP has seen a great improvement in supply capacity – the direct result of the emerging commercial mindset amongst producers and improved quality and quantity.

Variety development, stimulated by IDEA grant support, continues to be maintained by the private sector. NASECO has a considerable number of excellent materials in the pipeline. These include new rice, soya bean, QPM hybrids, sorghum and cow pea varieties. IDEA's support of the company's breeder has paid off handsomely. The company will hopefully be able to support at least 50% of the breeder's salary with additional support coming from private seed sector consultancy of a non-proprietary nature. FICA continues with development of its NARO hybrids as well as being particularly successful in its partnership with Monsanto. Monsanto has doubled its Uganda target, and FICA has risen to the challenge with the rapid development and deployment of well-coordinated field supervisors in three different locations namely, Masindi, Kasese and Kabarole. Harvest Farm Seeds suffered a marketing setback after the withdrawal of its SeedCo alliance. This has been due to low sales over the past 2 seasons, as well as the strategic setback for SeedCo regionally due to the demise of Zimbabwean agriculture. The company, however, continues to maintain good sales levels of "Uganda generic" open pollinated materials.

Rural finance, still suffering from 2001 setbacks, remains bullish. Both Centenary Rural Development Bank (CERUDEB) and Standard Chartered Bank (SCB) remain committed to reaching out to the emerging commercial producers. CERUDEB, despite a moratorium on PL-480 backed lending, has continued to service the rural sector. Notable success has been registered in Mbale branch where loan volumes continue to peak. The 2003A season peak of US\$ 480 million reflects the fine work being done by the bank staff and the support of the commercial farmers' association in Kapchorwa. Repayment rates remain at near 100% for this branch. Recent meetings with senior CERUDEB officials highlight their determination to increase access to finance in the rural areas, despite the recovery problems encountered in Kasese district.

Although private sector uptake of LV activity has been encouraging, much remains to be done and donor support is crucial to maintain the rapid pace of development. It remains imperative therefore, that USAID support continues and that announcement and establishment of follow-on activity take place as soon as possible.

During the review period, over 36,500 mt of maize, worth US\$7.85 million and 5,170 mt of beans worth US\$1.3 million were procured by WFP. Exports to Kenya – the traditional market for Ugandan maize - were quite low (about 3,200 mt of maize and 4,900 mt of beans valued at US\$ 0.65 million and US\$1.66 million respectively).

Highlights of achievements during the first six months of 2003 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: January – June 2003**

<b>Indicator</b>	<b>Unit</b>	<b>Quantity/Value</b>
<b>A: Maize and Bean Exports:</b>		
- Value of maize exports	US\$ Mill	8.497
- Volume of maize exports	Tons	39,778
- Value of bean exports	US\$ Mill	2.953
- Volume of bean exports	Tons	10,068
<b>B: Input Sales (National):</b>		
- Value of maize seed	US\$	631,300
- Volume of maize seed	Tons	905
- Value of bean seed	US\$	215,124
- Volume of bean seed	Tons	548
- Value of fertilizers	US\$	4,640,000
- Volume of fertilizers	Tons	14,500
<b>C: ATAIN Sales:</b>		
- Value of maize seed	US\$	413,930
- Volume of maize seed	Tons	583
- Value of bean seed	US\$	114,654
- Volume of bean seed	Tons	219
- Value of fertilizers	US\$	117,120
- Volume of fertilizers	Tons	366
- Number of input stockists	Number	395
- Number of farmers served	Number	58,175
<b>D: Commercial Farming Operations:</b>		
- Number of commercial farmer clients	Number	1,172
- Area under maize by commercial farmer clients	Ha	5,200
- Area under beans by commercial farmer clients	Ha	513
- Estimated maize output by commercial farmer clients	Tons	21,000
- Estimated bean output by commercial farmer clients	Tons	398
- Maize yield by commercial farmer clients	Mt/Ha	4.04
- Bean yield by commercial farmer clients	Mt/Ha	0.78
- Number of commercial farmer clients receiving credit	Number	588
- Total credit received by commercial farmer clients	US\$	413,700
<b>E: Technology Transfer:</b>		
- Number of field demonstration sites	Number	1,261
- Number of farmers attending training	Number	50,169
- Percent of farmers trained (females)	%	36
- Estimated percent adopting low input technology	%	66
- Estimated percent adopting high input technology	%	10

The sections that follow summarize LV achievements by objective for the period January-June 2003. In conformity with the LV results framework (Annex 1); objectives 1 and 2 are presented under Output 1. These 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**

The ADC/IDEA project this year has leveraged resources and support by working with private sector companies on trials of new materials and technologies. Working with NARO has been on limited scale and mainly focused towards the successful completion of the 2002-funded research activities with cereals and beans programs. The Cereals Research Program successfully completed constituting of 3-way cross maize hybrids which were released last year (2002). Additional promising 3-way genotypes were advanced to on-farm testing during 2003A season. The National Beans Program last season finalized on-farm testing of two sugar bean genotypes and one red type awaiting submission to the VRC during the second half of the year. The final reports by the two programs are expected to be submitted by August 2003.

During the reporting period, emphasis was placed on having close collaboration and provision of TA to private companies engaged in research and technology transfer. One such company is NASECO, which is evaluating some maize OPV genotypes with high levels of resistance to weevils and diseases common in Uganda. New high yielding sunflower hybrids from Pannar Seed Company are being promoted and others are currently under evaluation, in collaboration with Mukwano Industries, FICA and SAARI. The two sunflower hybrid genotypes Pannar 7351 and 7371 have high oil content and can yield up to 3,000kg/ha. This is being encouraged as a rotation crop especially among maize seed growers. Large acreage and small observational plots of sunflower hybrid materials are expected to be planted in the next season by many maize seed growers. A draft sunflower production package has been produced and publication is expected in the second half of the work plan year. Preparation of a maize handbook, detailing all aspects of production, maize genotypes available and agro-inputs and marketing, has begun and the handbook is expected to come out by March 2004.

Two new Monsanto hybrid maize varieties, namely DK 8051 and DK 8071, were released at the variety release meeting in February 2003 for commercial distribution. It is anticipated that these varieties will be on sale during the 2003B season.

**Benchmark 1.1:** *At least 3 private sector companies assisted with trials of new materials by 12/31/03 (Three private companies assisted: Pannar, NASECO, FICA, 50% accomplished, on-going).*

**Benchmark 1.2:** *At least 1 new technology package developed and disseminated by 12/31/03 (Sunflower production package in draft form, 50% accomplished).*

**Benchmark 1.3:** *At least 4 new "products" introduced by 12/31/03 (Two new Monsanto hybrid maize varieties introduced, 50 % accomplished).*

## **Objective 2: Promote efficient production and post-harvest technologies**

A total of 1,261 demonstration centres were established during the 2003A season. Of these 600 maize and 400 rice centres were undertaken directly by the ADC, while the 261 maize demonstration centres were established by ADC clients namely FICA, Balton, Rakai Farm Supply and East African Seeds. Most demonstration centres were 0.25 acres in size, spread out in 12 major maize and upland rice producing districts. A total of 50,169 farmers were exposed to various aspects of improved production technology during this period.

Farmers in Kapchorwa district continued to plant highland materials, the Kenya maize hybrids 614, 627 and 625, while the mid altitude belt which constitutes much of the maize production area of Uganda utilized hybrids SC 407, DK8051 from Monsanto and Uganda hybrid B. The open pollinated varieties Longe 4 and Longe 5 were also tried out at demonstration centres. SC 407 and Longe 4 were favoured in areas with relatively short rains while DK8051, Uganda hybrid and Longe 5 performed well in areas that experienced long rains. Round-up Max was promoted for zero tillage while the herbicides, Primagram and Alazine were utilised for pre-emergence application in maize.

Tilda (U) Ltd continued to participate in promotion of upland rice production in the Busoga sub-region with a target of procuring 7,500 mt of upland rice from outgrowers by the end of 2003. Although the first season rains were relatively short in Kiboga, Mubende and western Uganda, upland rice demonstrations were established during the season, in order to expose farmers to improved production technology ahead of the major 2003B production season. The newly released upland rice variety, Superica 1 was also tried out at the demonstration centres. Emphasis centered on timely planting, line planting to establish good populations, proper use of rice herbicides, appropriate fertilizer application and timely harvesting.

It is notable that demonstration centres set up by ADC clients continued to increase in number and improve in quality. 261 demonstrations were put up by FICA, Balton, East African Seeds and Rakai Farm Supply to promote products which, they trade in such as fertilizers, seed and herbicides. Table 4 outlines the field demonstration outreach for the 2003A season.

**Table 4: 2003A Maize and Upland Rice Field Demonstration Outreach**

<b>Category</b>	<b>Size (acres)</b>	<b>Number</b>	<b>Number of farmers exposed</b>
Upland rice	0.25	400	18,800
Maize: high input technology with zero tillage	0.25	600	22,234
Maize: high input technology with both minimum and zero tillage under distributors/stockists	0.25	261	9,135
<b>Total</b>		<b>1,261</b>	<b>50,169</b>

Technical support was also rendered to SPEED project in the design, training of field staff and establishment of 3,000 maize and cotton demonstration centres set up in collaboration with 4 cotton companies, namely North Bukedi Cotton Company in Pallisa, Mbale and Sironko districts; Nyakatonzi Cooperative Union in Kasese district (maize in first season); Dunavant in Lira and Apac districts; and Bon Holdings in Iganga, Kamuli, Bugiri and Mayuge districts.

Support to commercial farmers continued in form of training for new farmer clients, review workshops for existing clients, mediation with collaborating financial institutions, promotion of improved local agro-inputs supply, improved post-harvest technology support and promotion of market linkages. Training of new commercial farmer clients was carried out in Kapchorwa,

Mubende, Kamuli, Hoima and Kiboga while review training for existing clients was undertaken in Bugiri, Kasese and Kapchorwa.

5,200 ha of maize were planted by commercial farmers in the 2003A season, representing an increase of almost 30% over the same period in 2002. An estimated output of at least 21,000 tons of maize grain is expected. Although the 2003A season started late, steady and sufficient amounts of rainfall were received in most parts of the country. However, some parts of Mubende and Rakai districts experienced prolonged dry conditions, adversely affecting the maize crop of many commercial farmers. There was a rapid increase in land area put under the upland rice crop by commercial farmers directly trained and those exposed to improved upland rice production technology through the demonstration program. Over 840 hectares were devoted to the crop, with concentration in the districts of Iganga and Bugiri. Table 5 summarises the number of commercial farmers trained and the crop area under both maize and upland rice.

**Table 5: Commercial Farmers Trained and Crop Area Under Maize and Upland Rice**

<b>Indicator</b>	<b>Amount</b>
No of commercial farmers clients trained	1,172
Area under maize production (ha)	5,200
Estimated maize production (mt)	21,000
Area under upland rice (ha)	840
Estimated upland rice production (mt)	2,940

Loan repayments were such that both CERUDEB and SCB renewed their lending windows to commercial farmers, with most of the transactions undertaken directly between commercial farmers and/or farmer groups and their respective banks. Table 6 summarises the loan outlay to commercial farmers for 2003A season.

**Table 6: 2003A Season Commercial Farming Production Credit**

<b>Location</b>	<b>Bank/Branch</b>	<b>As at 30/6/03</b>			
		<b>No. of loans</b>	<b>Female</b>	<b>Male</b>	<b>Total Amount</b>
Kapchorwa	CERUDEB/Mbale	366	30	336	480,000,000
Sironko/Mbale	CERUDEB/Mbale	15	4	11	13,000,000
Bugiri	CERUDEB/Tororo	40	2	38	40,650,000
Rakai/Masaka	CERUDEB/Kyotera	34	3	31	36,000,000
Mubende	CERUDEB/Mityana	28	3	25	25,000,000
Kiboga	CERUDEB/Mityana	18	3	15	21,500,000
Hoima/Masindi	CERUDEB/Hoima	78	15	63	110,500,000
Kasese	CERUDEB/Kasese	6	0	6	8,750,000
<b>Sub Total (CERUDEB)</b>		<b>585</b>	<b>60</b>	<b>525</b>	<b>735,400,000</b>
Hoima	Standard/Kampala	1	0	1	20,000,000
Nakasongola	Standard/Kampala	1	0	1	55,000,000
Luwero	Standard/Kampala	1	0	1	17,000,000
<b>Sub Total (SCB)</b>		<b>3</b>	<b>0</b>	<b>3</b>	<b>92,000,000</b>
<b>Grand Total</b>		<b>588</b>	<b>60</b>	<b>528</b>	<b>827,400,000</b>

Environmental compliance pre-audit visits were carried out in the districts of Iganga and Bugiri. A total of 16 commercial farmers were pre-audited. Storage, disposal and safety measures continue to be the major hindrances to environmental compliance.

- Benchmark 2.1a:** *Efficient production technologies promoted through 2,000 demonstration sites by 12/31/03 (1,261 demos established, 63% accomplished).*
- Benchmark 2.1c:** *100,000 farmers trained (cumulative total of 973,000 by LOP) in efficient production and post-harvest technologies by 12/31/03 (50,169 farmers exposed, 50% accomplished).*
- Benchmark 2.2a:** *7,500 of maize ha cultivated by commercial farmers by 12/31/03 (5,200 ha cultivated, 69% accomplished).*
- Benchmark 2.2b:** *At least 25,000 tons of maize produced by commercial farmers by 12/31/03 (21,000 tons expected, 84% accomplished).*
- Benchmark 2.3:** *Production credit obtained for 600 commercial farmer clients by 12/31/03 (588 farmers obtained credit, 98% accomplished).*
- Benchmark 2.4:** *At least 50 commercial farmer clients pre-audited for environmental compliance by 12/31/03 (16 farmers pre-audited, 32% 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**

Increased availability, accessibility and affordability of selected improved inputs at farmer level through an efficiently functioning and well linked private sector-led input supply chain continue to be the focus of this objective. During the reporting period, ADC maintained its emphasis on a reduction in the unit costs of production at farmer level. As such, increased use of improved inputs, coupled with other efficiency-enhancing agronomic practices, plays a major role in obtaining higher yields that translate into lower unit costs of production. ADC has continued to pursue this objective through the ATAIN program with emphasis on stockists training, stockists' demonstration activities, inventory credit guarantee and supply linkages, and distributor manager support.

During the period under review, support was maintained for 7 ATAIN distributors and 169 new ATAIN stockists. The ATAIN input inventory credit guarantee was maintained for the distributors for all locally sourced and imported inputs. It was also expanded to cover the 169 new stockists enlisted on ATAIN during 2002 and 2003. The 218 ATAIN graduate stockists continued to access larger amounts of non-guaranteed credit from the distributors, a clear demonstration of the potential for sustainability of ATAIN. The majority of the graduate stockists have expanded their businesses and are sourcing stocks from both ATAIN and non-ATAIN distributors, thus reducing the dependence and strain on the latter. As in the previous periods, the ATAIN program maintained its 100% stockists credit recovery rate as a result of a well coordinated monitoring effort by both the distributor ATAIN managers and ADC staff.

The favourable market during 2002B and the early part of 2003A rejuvenated demand for the inputs after the market plunged in the three previous seasons. Also the ADC's involvement in other crops such as upland rice and cotton has helped to stabilise the demand for inputs. During the reporting period, farmers were able to realize positive net returns as compared to the previous periods and this has contributed to improved input sales. Unlike 2002 when distributors and

stockists experienced slow-moving and huge volumes of stocks, there has not been such a scenario during this period. ADC maintained the regular supplier/distributor dialogue which helps to facilitate the smooth flow of inputs and to minimize complaints regarding the quality of the inputs.

Overall, improved maize and bean seed, and fertilizer sales for 2003A season were high compared to the previous period. Given good market and weather conditions, the input supply situation will remain robust in the coming season. The summary of the developments in the input sector during the six months ending 30 June 2003 is presented below:

- A total of 7 existing ATAIN distributors and 169 ATAIN stockists, 45 new and 124 existing, were supported. The new stockists, for Nsanja and Rakai Farm Supply, were trained and linked to the ATAIN distributors for credit guarantee support while refresher training was conducted for the 43 existing stockists of Rakai Farm supply. ADC also facilitated a three-day networking workshop for stockists and agents of Harvest Farm Seeds, another ATAIN distributor. The distributors and a number of suppliers are continuing to actively participate in the training events, thus leveraging the training costs and, most importantly, cementing the working/networking relationships. Through collaboration, ADC trained 34 BUCADEF women stockists in Kiboga. The BUCADEF stockists are expected to broaden the outreach in an area not previously serviced by the ATAIN stockists network.
- With ADC facilitation, Rakai Farm Supply held a one day field day at two stockists-initiated demonstration sites. The field day was hailed by the external IDEA project evaluators as a positive step towards expanding the stockists farmer outreach and stimulating commercial input sales.
- Guarantee support was maintained for both distributor and stockists' credit for the participating ATAIN distributors and new stockists, enlisted on ATAIN in 2002 and 2003, respectively. The distributors continue to assume the full credit risk for supplies to graduate ATAIN stockists. There were no cases of credit repayment default reported during the period by the distributors from either the guaranteed or graduate ATAIN stockists, thus maintaining the program's 100% credit recovery record. The distributors have improved on the stockists network management, which has consequently helped to reduce ADC field monitoring and further leverage the ATAIN management costs.
- Two ATAIN distributors, Nsanja and FICA, accessed a total of US\$68,000 guaranteed input import credit. ADC continued to provide distributor credit guarantee to the local suppliers for all the participating ATAIN distributors. As the distributors continue to access non-bank finance and credit, the demand for bank finance mediation for ATAIN distributors during the period slackened. During the period under review, the ADC mediated US\$50,000 bank finance for one distributor, FICA.
- Three non-ATAIN suppliers, East African Seeds, Universal Chemicals and General and Allied made substantial input sales directly to commercial farmers with ADC support.
- Value of fertilizers sold by ADC-linked input providers was about US\$303,000.
- Value of seeds sold by ADC-linked input providers was about US\$528,000.
- 58,175 farmers directly purchased their inputs (many of them repeatedly), from ADC-facilitated stockists network and ADC-linked distributors.

- A total of 261 demonstration sites were established by various distributors and stockists, as a way to improve their input sales and to impart knowledge to their farmer clients. The stockist's demonstration plot activities continue to be an effective catalyst for input sales and a direct private-sector led conduit for technology transfer.
- Five new stockists in Rakai received pesticide pre-audit visits. The main focus was on ensuring conformity with proper safe use, handling and disposal procedures.

**Benchmark 3.1:** *Functioning input supply system, reaching 100,000 farmers by 12/31/03 (58,175 farmers reached by ADC-supported stockists, 58% accomplished).*

**Benchmark 3.2:** *At least 80 new stockists (achieving LOP target of 400 and down from 100 in 2002) trained and integrated into the ATAIN program by 12/31/03 (45 stockists trained and integrated into ATAIN, 56% accomplished).*

**Benchmark 3.3a:** *At least 30 stockists receive routine pesticide compliance follow-up audits by 12/31/03 (No stockists received routine pesticides compliance visits, 0% accomplished- visits scheduled for 2003B season).*

**Benchmark 3.3b:** *At least 50 stockists receive pesticide compliance pre-audits by 12/31/03 (5 stockists pre-audited, 10 % accomplished).*

**Benchmark 3.3c:** *At least 100 stockists effectively undertaking demonstration programs by 12/31/03 (Sites established with 261 stockists, 261% accomplished).*

**Benchmark 3.4a:** *US\$500,000 worth of seeds sold through ADC input-linked input providers by 12/31/03 (US\$528,000 worth of seeds sold, 106% accomplished).*

**Benchmark 3.4b:** *US\$500,000 worth of fertilizers sold through ADC input-linked input providers by 12/31/03 (US\$303,000 worth of fertilizers sold, 60% accomplished).*

**Benchmark 3.5:** *At least 12 MUFA interns placed with agribusiness firms by 12/31/03 (12 interns placed, 100% accomplished).*

**Benchmark 3.6:** *5 ATAIN distributors assisted to access bank and trade finance by 12/31/03 (2 distributors assisted, 40% accomplished).*

#### **Objective 4: Support seed multiplication and distribution**

Demand for seed has continued to improve with sales peaking in the months of March and April. Although the onset of rains was initially delayed, good rainfall from early May continued through to the end of the reporting season. Although not recommended, many farmers have planted late in the hope that the rains will extend beyond their normal period. The high price of grain has also been a good incentive for farmers to plant maize. Memories of the market crash of 2001 contributed to the relatively low demand for the hybrid varieties with the majority of farmers opting for the considerably cheaper open pollinated varieties. Available stocks of Pannar and SeedCo hybrids were sold but the FICA hybrid was the hybrid of choice particularly as it was well promoted by FICA through advertisement and its own demonstration program.

NASECO had its best season to-date with sales of maize and beans at 242 mt and 21 mt respectively. In addition, production of upland rice has been stepped up in preparation for the second season with a total of 80 acres planted in the first season. NASECO estimates a total of 200 mt of the new rice seed varieties will be available for sale in the second season, which is the principal rice planting season. As NASECO is the only regional producer of these varieties, the company has plans to develop regional market outlets. NASECO did not plant SeedCo seed maize this season as the parent lines were not available due to the continued political difficulties in Zimbabwe. The land that had been set aside (amounting to 160 ha) was instead planted with open pollinated varieties.

FICA exported 311 mt of the Monsanto maize variety to Tanzania. This was the first consignment exported and was from the crop planted in 2002B season. All of this crop was processed through the seed plant which FICA received under the IDEA grant program. Seed multiplication of the Monsanto varieties was expanded during 2003A season, with total acreage planted at 254 ha, although the irregular weather pattern may affect yields. Monsanto is very satisfied with the level of commitment and the quality of output from this collaboration and would like to expand output in the second season of this year. IDEA continues to emphasize the importance of training of both the outgrowers and the FICA staff to be able to manage the increased output successfully. Monsanto has continued to monitor the program closely and has put in a lot of effort to minimize losses from poor management. FICA has continued with variety trials and the process of registering its own varieties for release in Tanzania and Kenya. It is anticipated that official release will be granted by the end of the year.

With IDEA grant support, Roka Ale distributed 10 mt of Sesim 2 seed in Nebbi district. Two locations have been identified as sources of seed production from which Roka Ale will buy back 45 mt of seed. Interest in this project in West Nile has been considerable and the target for seed distribution in the second season is 70 mt. Demonstration activities are also planned for the new variety in the upcoming season.

During the reporting period, the LV component undertook the following bureaucratic/policy interventions:

- Participated in various ways to assure farmers, policy makers and consumers that the new maize hybrids introduced by Monsanto are not genetically modified organisms (GMOs).
- Liaised with MAAIF to monitor seed production of DK8051 and DK8071 maize hybrids in order to allay fears that they are a source of inoculation for Fusarium wilt disease of maize.
- Mediated between various seed dealers and MAAIF over counter-accusations about delays in obtaining import permits for seeds and other inputs.
- Continued to work with USTA, NARO and MAAIF on various issues concerning the seed industry. For instance, during the reporting period, NARO eventually signed material transfer agreements (MTAs) with 3 seed companies for the commercialization of locally bred maize hybrids. The ADC has been the driving force behind this development.

**Benchmark 4.1:** *At least 1,200 mt (40% increase over last year's achievement) of improved maize seed multiplied and distributed by 12/31/0 (905 mt of improved maize seed multiplied and distributed, 75% accomplished).*

**Benchmark 4.2:** *At least 300mt (up from 0 in 2002) of improved maize seed exported by 12/31/03 (371 mt of seed exported, 123 % accomplished).*

**Benchmark 4.3:** *At least 300 mt (40% lower than last year's imports) of imported improved maize seed distributed by 12/31/03 (250 mt of imported improved maize seed distributed, 83% accomplished).*

**Benchmark 4.4:** *At least 300 mt (50% of last year's target) of improved bean seed multiplied and distributed by 12/31/03(285 mt multiplied and distributed, 95% accomplished).*

**Benchmark 4.5:** *At least 3 seed firms and USTA assisted by 12/31/03(3 seed firms and USTA assisted, 100 % accomplished).*

**Benchmark 4.6:** *At least 100 mt of new upland rice seed produced and distributed by 12/31/03 (35 mt produced and distributed, 35 % accomplished).*

**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 US\$ 34 million, and e) at least 2 firms assisted with agricultural processing activity (Output 3).**

#### **Objective 5: Provide Market Knowledge and Information Services**

During the period, 6 market reports were produced and disseminated to all LV clients. There were 126 recipients of the LV reports during the first half of the year. The market information recipients included government ministries, donors, parastatals, farmers' associations, university students, extension workers, individual farmers and researchers. The reports were disseminated using e-mail, and collected by individuals from the ADC. In addition, 16 recipients were from East and Southern Africa and 12 from outside Africa.

The MKIS Manager made continuous updates of market information on the LV web page. It is hosted at the IDEA web site [www.ugandaidea.org](http://www.ugandaidea.org) as [www.ugandagrains.com](http://www.ugandagrains.com). Weekly price information in the region, the monthly market report and minutes from the national and regional trade forecast meetings are available on-line.

The MKIS office coordinated the regular trade forecast meetings in conjunction with Foodnet and FEWSNET Projects as well as World Food Program (WFP). Four meetings were held during the first half of the year and were attended by UGT (Uganda Grain Traders), WFP, various WFP suppliers, NAADS, as well as staff from Foodnet, FEWSNET and IDEA Project.

During the reporting period, the UGT chairman and secretary made contacts and visits to stimulate the potential for commercial high-volume trade links. Development trips were primarily made to Southern Africa, which is experiencing significant production shortfall as a result of drought. Samples of beans were also sent to traders in Southern Africa. Additionally, reports and visits were made with WFP to stimulate its procurement from farmers' groups in the districts. WFP plans to procure 10% of its total procurement directly from farmers. It procured over 40,000 Mt from the local market during the reporting period.

**Benchmark 5.1:** *12 MKIS bulletins/crop forecast data produced and disseminated by IDEA & UGT 12/31/03 (6 market report disseminated, 50% accomplished).*

**Benchmark 5.2:** *At least 150 clients served with MKIS publications by 12/31/03 (126 clients served, 84% accomplished).*

**Benchmark 5.3:** *At least 10 web sites carry LV web site links by 12/31/03 (6 sites carry LV web link, 60% accomplished).*

### **Objective 6: Establish and Promote Rural Agricultural Marketing Systems**

Support to this activity has continued through this reporting period. Maize prices have been very buoyant starting the year at US\$90 per mt and rising to US\$200 per mt at the end of June 2003. The Kampala maize grain price over the six month period averaged out at about US\$150 per mt. As a result of the high prices, marketing maize has not been difficult. It was interesting to observe that the higher the price the less likely the group members were willing to market their produce as a group. Although all the group members maintained their associations, the marketing function was dispersed to become an individual activity. The greater the ability of an individual to hold on to his/her crop the higher the unit price ultimately obtained. As these rural marketing activities are still in their early stages of development such a response is not surprising. The message delivered by the LV team was, however, that a successful group marketing activity is one where the farmers sell together irrespective of the marketing situation. The challenge will be to convey the benefits of maintaining a consistent approach to the marketing activity.

The upland rice activity continued to be successful. Nyati Millers processed 1,187 metric tons. With IDEA support, Nyati Millers set up 50 quarter acre demonstration centres in Hoima district. Although the first season is not traditionally a rice planting season, it was decided to hold the demonstration activity so that farmers could see upland rice planted in a commercial way before the onset of the second season. Rapid adoption is anticipated. Nyati Millers is purchasing two large rice hullers to enable it to handle the increased demand. Another interesting development is that Nyati Millers has started to introduce farmers to CERUDEB Hoima, from where the farmers have received small production loans.

Tilda purchased 70 mt of rice in the first part of the year from the outgrower program. This figure is somewhat lower than originally planned as the decision was taken to allow the farmers to sell their crop to neighbouring farmers as seed, so as to increase available volumes for planting and to bulk up commercial product more quickly. Volume of sesame purchased by Outspan Enterprises in the reporting period was 378 mt, of which 270 mt was organic and 108 mt conventional.

**Benchmark 6.1:** *At least 25 RAMS centres assisted by 12/31/03 (25 RAMS centres assisted, 100 % accomplished, on-going).*

**Benchmark 6.2:** *At least 8,000 mt of maize marketed through RAMS by 12/31/03 (2,062 mt of maize marketed through RAMS, 26% accomplished).*

**Benchmark 6.3:** *At least 500 mt of new upland rice marketed through RAMS by 12/31/03 (1,287 mt of new upland rice marketed through RAMS, 257% accomplished).*

### **Objective 7: Promote outgrower initiatives**

FICA and NASECO in particular have expanded their outgrower network to meet growing demand for the new varieties they are now promoting. An expanding network of outgrowers utilizes considerable resources both in terms of finance and time. The ADC has, in conjunction with these companies, been visiting their respective outgrowers, and offering production and post-harvest advice.

In addition, the ADC has continued to work closely with other companies such as Tilda (U) Ltd and to a lesser extent Nyati Millers on their rice outgrower programs, as well as Outspan and Roka Ale on sesame. The proposed Mukwano Industries Ltd intervention on sunflower did not get started as expected but may get underway in the second half of this year. Nevertheless, the ADC has started promoting sunflower amongst maize seed growers as a rotation crop with commercial prospects and seed growers in Mubuku have shown a lot of interest. The ADC will continue to encourage Mukwano Industries Ltd to accelerate its involvement.

Table 7 below shows expected maize and bean seed outgrower outputs and value during 2003A season. The figures are provided by company and crop.

**Table 7: Maize and Bean Seed Contracted: January – June 2003**

<b>Company/Crop type</b>	<b>Area Planted (acres)</b>	<b>Expected Output (kg)</b>	<b>Farm Gate Value (USh)</b>
<b>FICA:</b>			
Beans (K132)	415	250,000	100,000,000
Maize (OPV)	320	384,000	115,200,000
Monsanto Hybrid	620	866,000	500,700,000
FICA Hybrid	70	88,000	40,950,000
<b>NASECO:</b>			
Beans	169.5	59,900	23,960,000
Maize (OPV)	400	380,000	114,000,000
Upland Rice	80	128,000	64,000,000
<b>HFS:</b>			
Beans	217.5	87,000	34,800,000
Maize Hybrid	260	230,000	69,000,000
Maize OPV	5	8,000	2,400,000
Upland Rice	27.5	44,000	22,000,000

**Benchmark 7.1:** *At least 8 seed and commercial production outgrower schemes assisted by 12/31/03 (4 seed and commercial production outgrower schemes assisted, 50% accomplished).*

**Benchmark 7.2a:** *At least 1,500 mt (50% increase on 2002 target) of seed maize produced by 12/31/03 (1,534 mt of seed maize produced, 102% accomplished).*

**Benchmark 7.2b:** *At least 300 mt (25% of LOP target) of seed beans produced by 12/31/03 (397 mt of seed beans produced, 132 % accomplished).*

**Benchmark 7.2c:** *At least 500 mt (up from 150 mt in 2002) of commercial upland rice produced by 12/31/03 (Crop still in the field, 0 % achieved).*

**Benchmark 7.3:** *At least 1 new oilseed/grain outgrower scheme supported in Northern Uganda by 12/31/03. (No oilseed/grain outgrower scheme supported, 0 % accomplished ).*

### **Objective 8: Provide support to exporter clients**

The emphasis has been on providing support to exporter clients with focus on supporting UGT in its role as the principal commercial conduit from the farmer to the market and strengthening linkages between shareholders of the company and RAMS centers.

Afro-Kai, Roka Ale and Outspan are three targeted UGT shareholders that have received direct support to link with rural producer groups. Afro-Kai still maintains a presence in the west and central (Masindi with Gukwatamanzi Producers Association, Mubende with the newly formalized Mubende Commercial Farmers Association and with Kiboga's Commercial Farmers Association). During the past 6 months, each of these associations benefited from the SAFGRAD sheller grant. In addition 3 other groups have received similar support from the US\$25,000 grant. This has enabled the producer groups to shell their maize and achieve export quality standard. The groups have charged a fair price to their members for the shelling activity, and maintained a margin for maintenance and depreciation. The activities over the past 2 seasons for this grant have shown that the processing hub concept is workable and could receive commercial finance in the future.

As a result of the performance of the sheller grants in promoting the concept of processing hubs, UGT has been able to secure a €500,000 from the European Union. This grant has been designed to support processing hubs in the LV maize surplus districts not only with shellers but also with cleaners and secondary processing facilities such as dryers. These facilities are intended as financed options rather than outright grants to qualified producer groups. The establishment of up to 15 primary and 7 secondary processing hubs will give UGT unparalleled field presence and allow established producer groups direct terminal market access with the resultant improved efficiencies of processing and marketing. It is likely that these processing hubs will be established during the second half of this work plan year.

UGT itself still suffers from a financing bottleneck. The BoU has not been able to continue its guarantee to UGT under the terms it had offered previously. It can only offer such support with shareholder guarantees. This is unrealistic since if the individual shareholders could offer such guarantees themselves, then there would be no financing crisis in the grain export sector. Barclays Bank has maintained the level of exposure that has allowed UGT to purchase over 9,500 mt of produce valued at more than US\$1.5 million (Table 8).

**Table 8: Volumes Procured by UGT: 2003A Season**

<b>Product</b>	<b>Volume Procured (mt)</b>
Lira Beans	818
K132 Beans	858
Large Seeded Mixed Beans (LSMB)	2,399
Maize Grain	5,457
<b>Total</b>	<b>9,532</b>

Roka Ale, a company with long experience in sesame export, has been supported with a small seed multiplication grant. The grant enables the company to take a significant quantity of Sesim II and multiply it amongst target growers in Nebbi, Arua and Apac districts. The program has proceeded well in Nebbi and Arua with some 70 mt available for distribution through NGOs, DAOs and farmer groups prior to the August planting period. Outspan Enterprises was also advanced an amount of Sesim II for multiplication without additional grant support (Outspan had

received a prior grant to support its organic sesame export business). The very high prices for sesame experienced in May unfortunately meant that Outspan was unable to prevent the seed entering the commercial market.

The Lira beans were procured for an Angola contract, which performed very badly, and stock remained unsold. K132 has been performing well and the LSMB is likely to move into regional institutional contracts. Work with IITA FOODNET and FEWSNET local and regional offices has furthered regional cooperation resulting in two regional forecast meetings being held to which all the great lakes countries were represented. Additionally, UGT has been playing a more proactive role in the Ugandan crop forecast meetings held at IITA offices as part of the phasing down of IDEA. The ADC MKIS office has been conducting training of UGT staff in maintaining the *ugandagrains.com* web site – originally the ADC grains web site. Training of staff should be complete by August and UGT will then be able to offer industry support in terms of market information.

The residual LV management support grant under APDF has been used to support the UGT Chief Executive Officer (CEO) position. John Magnay, formerly the UGT Chairman, began fulltime work as UGT CEO in March 2003. APDF support will continue through December 2003.

Maize and bean exports from Uganda over the reporting period are as presented in Table 9 below.

**Table 9: 2003A Export Volumes and Values of LV Commodities**

<b>Commodity</b>	<b>Volume (mt)</b>	<b>Value (US\$ Million)</b>
Maize (formal)	1,024	0.161
Maize (informal)	2,202	0.490
Maize (relief)	36,552	7.846
<b>Total Maize</b>	<b>39,778</b>	<b>8.497</b>
Beans (formal)	3,460	1.150
Bean (informal)	2,271	0.809
Beans (relief)	5,177	1.296
<b>Total Beans</b>	<b>10,068</b>	<b>3.255</b>
Sesame	2,286	1.121
<b>Grand Total</b>	<b>53,132</b>	<b>12.873</b>

**Benchmark 8.1:** *At least 16 exporter clients assisted by 12/31/03 (16 exporter clients assisted, 50% achieved, on-going activity).*

**Benchmark 8.2a:** *At least 70,000 mt (75% increase over 2002) of maize exported commercially through exporter clients by 12/31/03 (36,552 mt of maize exported, 52% achieved).*

**Benchmark 8.2b:** *At least 10,000 mt (same target as 2002) of beans exported commercially through exporter clients by 12/31/03 (5,177 mt exported, 52 % achieved).*

**Benchmark 8.3:** *Export value of LV supported crops reaches US\$31 million (100% increase over 2002 achievement) by 12/31/03. (US\$12.873 million worth of LV supported crops realized, 42% achieved).*

## 2.2 High Value Crop Development

### Overview

The export value of crops covered by the High Value portfolio continued to increase during the first half of 2003. Good performances by the floriculture and vanilla sub-sectors should take the total past the US\$45 million EOP target by the end of the year. A summary of estimated export values for 2003 by major category is given in Table 10. The values are annualized from best estimates for January-June 2003, based on various data sources. Volumes are calculated from production and export statistics collected from CAA, MAAIF, URA, Fresh Handling Ltd, airlines, national associations, individual clients and traders. These are then converted into values using average 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. Primary data and information on sources, assumptions and calculations are held at the ADC.

**Table 10: High Value Crop Exports: 1995-2003**

Product	LOP Target (\$ Mill FOB)	1995 Value (\$ Mill FOB)	2000	2001	2002	2003 (est)
Roses	20.00	2.30	9.12	11.52	14.10	22.62
Plant cuttings	5.00	0.00	4.50	5.60	7.03	7.62
Fresh produce	10.00	0.63	3.16	3.20	4.44	4.85
Vanilla	2.00	0.24	2.02	5.72	9.43	17.46
Cocoa	3.00	0.64	2.02	2.70	4.97	7.68
Other HV products	1.00	2.40	0.50	0.60	0.20	0.40
<b>Total</b>	<b>45.00</b>	<b>10.67</b>	<b>22.30</b>	<b>30.06</b>	<b>40.88</b>	<b>60.63</b>

New investments in rose production continued to increase the production area to over 140 ha. This trend, which started in 2002, is fuelled by the strong Euro and positive demand for Ugandan roses in Europe, particularly from the large German supermarket chains. The good quality and vase life of Ugandan flowers has been an important factor in enabling growers to fill the gap caused by reduced production of sweetheart roses in the Netherlands, Israel and Zimbabwe. Prices have fluctuated, but overall were slightly better than 2002. Two of the four farms specialising in the production of plant cuttings (22ha) are currently expanding their production capacity and these products will contribute about 30% of floriculture export earnings. If these trends continue, overall floriculture exports will increase by US\$9 million in 2003. The Government of the Netherlands and the EDF are committed to provide funds to continue and expand the work started by IDEA in the floriculture sector, particularly in the areas of research, training and market promotion.

Overall, quantities of fresh produce exports through Entebbe increased by 5% despite the relatively low levels of investment in this sub-sector. This is partly because the strength of the British Pound has caused the average unit value of products to increase. As a result, IDEA clients with supply contracts (Mubuku, African Organic, Mairye Estates and others) and freight agreements with FHL were able to increase their export quantities and margins. This trend, which started in 2002, favours the development of vertically-integrated exporters, as opposed to cost-driven traders, and is likely to continue in future. Surveys showed that the value of cross-border trade in banana, pineapple and passion fruit to neighbouring countries during this reporting period was about US\$0.31 million.

Twenty seven tones of vanilla, valued at over US\$5 million were exported in the first half of 2003. A record crop of about 500 tonnes of green vanilla harvested in June will ensure that exports of cured vanilla will reach 95 tonnes, with a value conservatively estimated at US\$17.5 million for the year. Growers received average farm gate prices of USh 30,000 per kg for green beans (US\$15/kg). Global prices for good quality vanilla reached US\$250 per kg in June 2003, much higher than historical average prices since the large crop from Madagascar which was expected to come on to the market has not appeared. The success of IDEA in promoting vanilla as a smallholder crop in Uganda is widely recognised by international buyers in the USA and Europe. If technical assistance is increased, they believe that Uganda could become a major player in the vanilla market with exports rising to 500 tonnes over the next five years.

World demand for cocoa remains strong although prices have dropped slightly in 2003. An IDEA cross-border study showed that cocoa exports were up more than three-fold (2002 estimates may have been too low). Prices of up to USh 2,000 per kg (US\$1.05 per kilo) were paid to growers. The annual export value is expected to increase to about US\$7 million in 2003. Many farmers are continuing to rehabilitate and re-plant cocoa as an alternative to coffee. IDEA grant support for training is playing an important role in this rehabilitation.

Average monthly exports of papain through Entebbe were 25-30 tonnes for the first half of the year but most of this originated in the DRC where coffee wilt and low prices have forced many growers to transfer their efforts to papain. We estimate that less than 10% of this is produced in Uganda.

The value of other HV crops including dried pineapple and banana, birds eye chilli and other spice products is estimated to reach \$200,000 for 2003. These are minor products which do not have a major impact on export earnings, but receive some technical assistance from IDEA, since they provide valuable income for families in some fragile areas of the country.

### Progress by Objective

**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

Efforts to improve production technology continued through a combination of research, training, demonstrations, technical publications and other technology transfer activities.

Throughout the life of the project, research trials have been carried out at demonstration sites located either on private farms or at NARO research stations. In general, trials have been managed better on private farms, but this required intensive inputs from NARO and IDEA staff to ensure that data is properly collected and analysed. The data collected was not always reliable and often incomplete. In some cases the plots were neglected or valuable planting material was lost. Nevertheless some useful results have been obtained and documented. Some of the key research activities initiated since January 2000 are outlined below.

## HV RESEARCH ACTIVITIES SUPPORTED, FEBRUARY 2000 - PRESENT (IDEA II)

### A. Flowers:

- More than 50 rose varieties evaluated from five different breeders at Uganda Flowers Exporters Association Research & Training facility (completed).
- Gerbera trials as a new cut flower for Uganda, at Melissa Flowers (completed).
- Temperature control of cut flowers in a cold chain to export market with FHL and UFEA (completed).

### B. Vegetables and fruits:

- Trials on French & runner beans in Kabale with Zed Horticulture and Mairye Estates (completed).
- Screening for rust resistance of new varieties of French and Dutch beans at Mairye Estates (completed).
- Evaluation of promising varieties of chilli, okra and baby vegetables at Mairye Estates and Mubuku (completed).
- Varietal trials on passion fruit and papaya at Mairye and Mubuku (current).
- Passion fruit trials on virus and root rot indexing for clean planting material and establishment of demonstration plots by NARO (completed).
- Banana production technology transfer in low, medium and optimal production zones of Uganda by NARO (current).
- Integrated Pest Management of peri-urban vegetables by NARO/ICIPE (completed).

### C. Spices and cocoa:

- Chemical analysis of vanillin content in cured vanilla from various production areas by UNVA and Chemiphar (completed).
- Integrated pest management of Cocoa pests/plantation rehabilitation by NARO (completed).
- Yield potential and demonstration of best practices for vanilla and cocoa production and post-harvest handling on smallholder demo plots (current).

The success of the UFEA Research and Training Centre has been acknowledged by growers, who have opted to relocate the centre to a permanent site on the Entebbe Road, which will be owned by UFEA. This will reduce operating costs, give more long-term security and be more accessible to growers.

Rose varietal trials were completed by UFEA in May and a final report distributed. From January 2003 all primary testing of new rose varieties was transferred to three farms under contract with breeders and propagators. Results from these trials will be consolidated, analysed and distributed by UFEA staff, with decreasing levels of technical assistance from IDEA. The growers have started monthly study groups and open days for discussion of technical and marketing issues. A research grant to Melissa Flowers to investigate Gerbera as a new cut flower crop for Uganda was also completed. Yield and quality results were good for some varieties, but work still needs to be done to gain acceptability on the market.

The Netherlands Embassy has provided funds for a UFEA Executive Director, for a two-year period to support the research and training activities initiated by IDEA and strengthen the institutional capacity of UFEA. The Director started work in January 2003 and has been effective in reorganizing UFEA activities and raising the profile of floriculture.

UFEA has continued negotiating with UNIDO, on revising the terms of the grant allocated from the Montreal Protocol for phasing out Methyl Bromide. Whilst the total amount allocated still stands at US\$230,000, there is now a greater component set aside for training, consultancy, and properly evaluating other alternatives to steaming. This includes funding for trials enabling rose growers to move over completely to substrates, and use other products such as metham sodium.

All three chrysanthemum cutting producers have ordered steaming equipment which should be installed in the next six months. The UFEA Executive Director was recently invited to make a presentation in Montreal, Canada and the presentation was well received.

Research trials on vegetables have been more difficult to carry out, since HORTEXA does not have the capacity and NARO has been unable to provide the level of field supervision required. Trials on different types of fresh chilli and other vegetable crops were completed at Mubuku and Mairye. The best performing varieties are already incorporated into their 2003/4 commercial programs. Continued grant and technical support to Mairye for research trials on passion fruit and papaya will be completed in October 2003.

Research grants with NARO on passion fruit and banana are coming to an end. Production of improved passion fruit plants for distribution has been transferred to private nurseries and this is resulting in more rapid distribution of planting material. Other aspects of the NARO programme were behind schedule and have been discontinued. Banana demonstrations have been well attended by more than 500 growers and the program of technology transfer and yield enhancement will be completed in July 2003.

Technical assistance and funding for demonstration plots of vanilla (30) and cocoa (6) was continued through grants to the Uganda National Vanilla Association (UNVA) and the Uganda Cocoa Association (UCA).

#### **HV TRAINING ACTIVITIES - FEBRUARY 2000-PRESENT (IDEA II)**

##### **A: FORMAL TRAINING - Through collaboration with Makerere University:**

- Internship Program for third year B.Sc. Agriculture students [The best 25 students are selected and are attached to different ADC/IDEA clients for practical skills for three months: In 2000, 15 interns placed to HV client firms; 2001, 14 students were attached; 2002, 17 students attached; and 14 students in 2003.]
- Masters in Agribusiness Studies was started with some input from ADC/IDEA Project. [Each year the project sponsors two students for a two-year program, six students have so far benefited, and increased enrollment in this program is recorded by the faculty. The last two students are on target to complete successfully]
- Bachelor of Science degree program in Horticulture was approved by the Makerere University Council and is due to commence in Oct. 2003.
- A certificate course in Applied Tropical Floriculture is offered through a joint partnership between Uganda Flowers Exporters Association (UFEA) and Makerere University. Flower farm middle class managers and government officials from ministry of agriculture, NARO and Makerere University are given basic principles of flower production and marketing. A total of 78 students have graduated in the past three years. This has resulted in the following:
  - Increased number of ATF graduates promoted and given increased responsibility in the running of the farms
  - Increased interest by MU contributes significantly to the resource pool in the teaching of this course.

##### **B: FIELD TRAINING**

This takes a bigger part of ADC/IDEA Project training activities. Training is conducted by HV staff and various other NGO, MAAIF, NARO and other partners, mainly through practical seminars and field days conducted in various areas on the different commodities. Permanent demo plots managed by progressive farmers are used for vanilla, vegetables, cocoa and banana training in key areas, but many more are needed. More than 20,000 farmers, extension staff and exporters have been trained since 2000 (7,405 recorded so far in 2003).

Training and research on papain production continued with RECO Industries and outgrowers in Bushenyi and Kasese. Technical back-up continued to Technoserve on birdseye chilli, papain and dried fruit demonstrations in Arua and Nebbi. Growers produced their first commercial crop of 4.5 tonnes of birds-eye chilli and 400 kg of dried pineapple and papaya. Production is expected to increase significantly over the next 12 months.

Yield increases on commercial farms are difficult to monitor on a regular basis. However, rose growers report average yield increases of more than 20% over the past two years (national average is now 35 tonnes of exportable roses per hectare), with concurrent improvements in quality. The continuous technical assistance provided to UFEA has been an important factor in achieving this. Similar improvements in yields of chilli have been achieved and recorded by Mubuku and Mairye Estates, the two most successful growers. Some new chilli introductions are producing more than 50 tonnes/ha. Surveys of growers around banana demonstrations showed that yield increases of over 100% were achieved on the demonstration plots and yields from surrounding farmers are now being measured. Yield improvements of vanilla and cocoa achieved by growers close to demonstration plots are also evident, with some vanilla growers achieving up to 4 kg per plant stand.

In addition to technical assistance provided directly by the HV team, the ADC has also been active in helping clients source funds from other donors. Grants totaling US\$1.9 million were obtained from the Government of the Netherlands in 2002. This has continued in 2003 with the EU Delegation committing €1million from EDF funds for trade associations including UNVA, HORTEXA and UFEA, and a further contribution of €300,000 from the Netherlands Government for training and market promotion through CBI.

**Benchmark 1.1:** *Total 12 research contracts completed by 12/31/03 (9 research contracts completed, 75% accomplished).*

**Benchmark 1.2:** *At least one new soil sterilization technique introduced commercially to start replacing methyl bromide by 12/31/03 (50% completed).*

**Benchmark 1.3:** *At least 4,000 farmers trained at over 80 demo sites by 12/31/03 (7,358 farmers trained, 184% completed).*

**Benchmark 1.4:** *10 technical and marketing bulletins/manuals revised by 12/31/03 (9 technical and marketing manuals revised, 90 % completed).*

**Benchmark 1.5:** *Average 10% yield improvements achieved and recorded on at least 20 targeted commercial farms and smallholdings by 12/31/03 (up to 100% increase in yield recorded, over 100% accomplished).*

## **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, HV still continues 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. These have included the following:

- The final IDEA-sponsored ATF marketing visit to Holland for 22 students from flower farms which took place in June 2003

- Customized assistance for three fresh produce exporters to negotiate new and higher contracts for 2003
- A small but high profile contract for Mubuku to supply solar-dried chilli to Marks and Spencers, a high quality UK food retailer
- Organisation of field visits for two major US vanilla buyers
- Consolidation of roses from several farms to supply major German supermarkets on contract at fixed prices through Sierex and the VBA auction.
- Increased sales of Ugandan roses in UK supermarkets

One of the most obvious indicators of our contribution to the success of the horticulture sector is that international buyers of flowers, fresh produce and vanilla now visit Uganda on a routine basis, and that the ADC is invariably their first contact point. Many of the visits are still coordinated by the ADC, but increasingly they are handled by trade associations with assistance from IDEA. So far, during the first six months of 2003 inward buyer visits were made by three major vanilla importers, the two Dutch flower auctions (several times), three large independent flower importers and four major European fresh produce importers. Many other buyers from smaller companies looking for new business have also visited the ADC or made contacts by telephone and e-mail on an almost daily basis. In May 2003 the ADC arranged the participation and presentations of the main delegates for the World Bank/EU-funded Presidential Conference on Horticulture.

At present we do not have marketing problems with any of the ADC target products, neither does Uganda need to "find new markets". Buyers are extremely positive regarding future potential for roses, cuttings, fresh produce and vanilla, and would buy much more than the quantities 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 month. 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 90 clients, plus many call-in requests. Training was provided to trade associations in market analysis and web site management in preparation for handing over the preparation of bulletins and market reports.

**Benchmark 2.1:** *At least 50 inward buyer visits supported by 12/31/03 (25 inward buyer visits supported, 50% completed).*

**Benchmark 2.2a:** *24 market bulletins produced and disseminated by 12/31/03 (12 market bulletins produced and disseminated, 50% completed).*

**Benchmark 2.2b:** *At least 150 clients served with MKIS publications by 12/31/03 (90 clients served with MKIS publications, 60% completed).*

**Benchmark 2.3:** *At least 5 clients assisted with customized marketing strategies that increase the value and quantity of their exports by 12/31/03 (3 clients assisted, 60% completed).*

**Objective 3: Promote product quality and improved post-harvest handling**

Technical assistance on post-harvest management has continued in 2003. A follow-up advisory visit to 15 flower farms by Roger White, an IDEA post-harvest specialist, showed that significant

improvements have been made since his previous visit in 2001. The FHL coldstore at Entebbe is operating at full capacity, and the Roka Bonds/Anova coldstore next door, with 200 tonne capacity, allows ample room for expansion. Together with the ENHAS coldstore, there are now 3 coldstores at Entebbe airport, and the increased competition has meant levels of service have improved. Ugandan roses now have a good reputation for quality and vase life. In June 2003, low season freight rates for flowers (US\$1.52/kg) and vegetables (US\$1.40/kg) were competitive with rates being offered in Kenya, Zambia and Zimbabwe.

Assistance to flower farms to reach the standards of the Uganda National Code of Practice (UCoP) continued in 2003. Training in EUREPGAP and MPSGAP was provided in conjunction with IDEA STTA consultants Roger White and Gary Tomlins, and a CBI consultancy team. Training in UCoP was continued with fresh produce growers through HORTEXA, focusing mainly on “safe use of pesticides”. HORTEXA’s 3 regional coordinators continue to work as trainers of trainers in six districts in the central region, providing services to their 500 members. A code of practice for the cocoa industry was finalized and launched. The 3 cocoa extension coordinators, growers and processors received training in the new cocoa code of practice in Bundibugyo, Hoima, Iganga, and Mayuge districts. This code of practice focuses particularly on improving post-harvest handling problems related to correct fermentation and drying.

Code of practice training will be extended to vanilla through the UNVA in the second half of 2003. Adherence to these guidelines will improve post-harvest handling in particular, although there will be many overall benefits to the industry in relation to quality and market acceptability.

Local analysis of export batches of vanilla conducted by Chemiphar Laboratories, an EU accredited company, showed that vanillin content of exported vanilla pods was in the range 1.4-2.3% at a moisture content of 22-26%. This is an acceptable range for the world market and indicates that processors have improved their techniques to achieve good quality vanilla even though a relatively high proportion of pods were picked immature in 2003.

Courses on health issues were held in conjunction with technical training at UFEA, three flower farms and the Mubuku irrigation scheme in Kasese. These included topics such as “HIV AIDS awareness and counselling”, as well as “malaria control and prevention” and “family planning and STD prevention”, delivered by other USAID-funded service providers such as TASO and CMS.

- Benchmark 3.1:** *At least 10 training events conducted for smallholders on post-harvest handling of HV products by 12/31/03 (5 training events conducted, 50% completed).*
- Benchmark 3.2:** *Uganda Code of Practice (UCoP) pre-audit visits handed over to UFEA by 12/31/03 (50% completed, on-going activity).*
- Benchmark 3.3:** *UCoP pre-audit visits on at least 3 direct exporters of fresh produce completed by 12/31/03 (UCoP pre-audit visits conducted on 1 exporter, 33% completed).*
- Benchmark 3.4:** *UCoP pre-audit visits made to at least 3 vanilla and cocoa processors by 31/12/03 (UCoP pre-audit visits to farmers conducted, 0% completed).*
- Benchmark 3.5:** *Five community healthcare courses run in conjunction with other training activities by 12/31/02 (3 community healthcare courses conducted, 60% completed).*

#### **Objective 4: Promote production and export of HV commodities**

Since 2001 direct technical assistance has been provided to 27 firms, 4 national private sector associations, 7 regional private sector associations, 3 NGOs and 5 government agencies. Three new private sector clients and one new NGO were assisted during this reporting period. 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 volumes for January – June 2003 of flowers, cuttings, fresh produce, vanilla, cocoa and other minor high value products are shown in Table 11. Overall, export quantities increased by over 85%, but figures were influenced mainly by increases in fresh produce and cocoa. If this continues through the second half of 2003, the total value of HV exports will reach US\$60 million, which is 30% over the EOP target.

**Table 11: Export Quantities (in tones): January-June 2003**

<b>Product</b>	<b>2002</b>	<b>2003</b>	<b>Difference (%)</b>
Roses	1,961	2,246	+ 14.53
Cuttings	405	424	+ 4.69
Fresh Produce	1,925	4,611	+ 139.53
Vanilla	18	27	+ 50.00
Cocoa	854	2,432	+ 174.24
<b>Total</b>	<b>5,163</b>	<b>9,650</b>	<b>+ 86.91</b>

A socio-economic impact study of the floriculture industry was completed in January 2003 which showed that 7,000 people are currently employed in the industry, of which 54% are women. It showed that the industry is having a sustainable positive impact in terms of income generation, health and education in rural areas.

Our success in developing vanilla as a major crop for smallholders in many districts has received a massive boost from the unprecedented increase in world market prices. Top quality processed vanilla is currently selling at over US\$250/kg and growers have received average farm gate prices of US\$ 30,000/kg for green beans (it takes 6 kg of green beans to make 1 kg of processed vanilla). Enhanced levels of technical assistance will be necessary to maintain the high quality standards needed to develop competitive advantage when the market scarcity recedes. Various donors have expressed interest in taking over these aspects of the IDEA work in 2004.

The value of fresh produce exports increased by 35% during the first six months of 2003. Exports are made up entirely of niche products such as hot pepper, chilli, okra and ethnic vegetables which can be shipped without expensive investments in facilities and equipment. The devaluation of the Uganda shilling has helped exporters, and some other African and Caribbean suppliers of these products have become uncompetitive, but there has also been an attempt by Ugandan growers and traders, particularly IDEA clients, to improve their quality and continuity. This has paid off in the wholesale markets where prices have generally improved this year. Some Ugandan produce is also sold under contract or re-directed to supermarket suppliers on demand, after arrival in Europe.

**Benchmark 4.1:** *At least 40 existing clients, and 5 new firms assisted by 12/31/03 (30 existing and 3 new firms assisted, 70% completed).*

- Benchmark 4.2:** *Clients assisted to access and implement new investments of at least US\$2 million by 12/31/03 (US\$1 million of new investment accessed, 50% completed).*
- Benchmark 4.3a:** *Floriculture exports increased by at least 20%, to over 6,500mts of flowers, valued at US\$27 million by 12/31/03 (2,670 mt of flowers valued at US\$15.1 million exported, 48% completed).*
- Benchmark 4.3b:** *Exports of fresh produce increased by at least 10%, to over 5,000 mt, valued at US\$3 million, by 12/31/02 (4,611 mt valued at US\$ 2.37 million exported, 92% completed).*
- Benchmark 4.3c:** *Exports of vanilla increased by at least 20% to over 75 mt, valued at US\$6.5 million, by 12/31/03 (27 mt valued at US\$4.2 exported, 50% completed).*
- Benchmark 4.3d:** *Over 100 mt of papain, valued at US\$1.2 million exported by 12/31/03 (138 mt valued at US\$1.96 million exported, 138% completed).*
- Benchmark 4.3e:** *Exports of cocoa increased by at least 20% to over 4,000 mt of cocoa beans, valued at \$4 million, by 12/31/03 (2,342 mt of cocoa valued at US\$ 3.7 million exported, 93% completed).*
- Benchmark 4.3f:** *Trial shipments of at least 3 new medicinal plant products sent to prospective customers by 12/31/03 (1 trial shipment sent, 33% completed).*
- Benchmark 4.4:** *At least 2 surveys completed to obtain accurate number of households earning incomes from HV commodities by 12/31/03 (Survey on floriculture conducted, 50% completed).*

#### **Objective 5: Promote agricultural processing of HV products**

Private sector investment in new vanilla processing facilities continued in 2003 with two new processors receiving technical assistance from IDEA. As a result, processing of the record harvest of 500 tonnes of green beans in June proceeded smoothly. Processors have also improved their techniques so that overall quality seems to be good despite a relatively high proportion of immature beans and overcast weather. The number of small-scale solar driers in operation in rural areas continues to increase and, as a result, the niche markets for dried pineapple, apple banana and chilli are growing and potential sales could reach US\$1-2 million over the next three years. The main constraint to growth is low and unreliable supply of raw material.

Small quantities of dried chilli are now being exported from Mubuku. Papain exports through Entebbe increased to 30 tonnes per month, but much of this originated in the DRC. There is potential to increase Ugandan production significantly, but more technical assistance will be required post-IDEA. Cocoa fermentation systems are improving and some growers in Bundibugyo have formed a growers union and have been able to negotiate improved prices as a result.

Government of Uganda has embarked on strategic intervention programme for horticulture, and has helped ensure disbursement of funds to bona fide clients who are likely to perform. Results from this include financing of around US\$ 45 million to put up new packhouses and charcoal coolers.

**Benchmark 5.1:** *At least 2 new processing facilities established by 12/31/03 (2 facilities established, 100% completed).*

**Increased capacity of sector to provide efficient support 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**

Fresh Handling Ltd remains profitable and continues to grow rapidly. It offers a range of services to growers including consolidation, chartering, handling, documentation, storage, market clearance and delivery into London, Brussels and Amsterdam. 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 realize the benefits of economies of scale, by working together and sharing information. A new Board was appointed in May 2003. This is now a sustainable company which does not depend upon IDEA technical support, although we still attend Board meetings and offer advice as appropriate.

Direct negotiations between FHL and airlines has resulted in further freight rate reductions in 2003 which will deliver savings to the floriculture industry of more than US\$400,000 compared to 2002. Low season rates have come down 10% (see above) and high season rates for 2003/2004 are expected to be US\$1.45-1.50/kg for vegetables and US\$1.60-1.65 for flowers, which is competitive with other East and Southern African countries.

**Benchmark 6.1:** *An average of at least 900 mt/month of HV products exported through improved airport handling facilities by 12/31/03 (1,000 mt/month exported, 111% completed).*

**Benchmark 6.2:** *Freight and handling costs maintained at rates (average \$1.50-1.60/kg), which are competitive with exporters in Kenya, Zimbabwe and Zambia by 12/3/03 (Rates maintained at US\$1.55 per kg, 100% completed).*

#### **Objective 7: Reduce the costs of imported inputs**

Local suppliers have reacted to preparatory work on the bulk purchase of inputs with FHL and UFEA by making further reductions in the cost of chemicals and other inputs. Prices have now reached a level where growers doubt the need to create their own company. The increase in size of the industry has also resulted in prices for packaging being reduced. Nevertheless, a draft study has been completed on input needs and the feasibility of FHL or UFEA importing some inputs directly.

This will start by making forecasts for packaging requirements in the flower industry, where all exporters use either the jumbo or standard size box, and making a proposal to growers for bulk purchase. With packaging there are less worries on out-of-date stock, and storage of packaging, than on agrochemicals. A plan will be drawn up to arrange group purchase of the 20 most popular agrochemicals, and this will be put out to tender later in the year with a view to getting a better deal from suppliers.

**Benchmark 7.1:** *Input needs assessment completed for HV clients by 12/31/03 (Standard box material needs collected, 50% completed).*

**Benchmark 7.2:** *Feasibility of establishing a specialist input procurement company determined by 31/12/03 (Draft report prepared, 50% completed).*

### **Objective 8: Strengthen institutional systems**

Technical support to UFEA continued at a reduced level during 2003. Most effort has been focused on handing relevant ADC activities over to UFEA; assisting the new Executive Director to get established; and sourcing other donor funds to finance re-location and expansion of the Research and Training Centre. The fifth course in Applied Tropical Floriculture was successfully completed for 20 participants including two from MAAIF and MU. Various other training courses and seminars were held at the UFEA training centre, including cross-cutting training on AIDS awareness.

Assistance to HORTEXA in 2003 has focused on training in EUREPGAP and other SPS issues. IDEA funded, and was behind HORTEXA renewing its membership in COLEACP, which has already resulted in several training and consultancy visits from the newly formed PIP unit in Brussels. The Chairman and two board members recently attended a further meeting at PIP in Brussels, which will result in Uganda replacing Zimbabwe as a key recipient of EU assistance for training small scale exporters on the safe use of pesticides.

Although there have been no major new investments in fresh produce, growers and traders have responded well to IDEA training, and a significant improvement has been achieved in the quality of produce leaving Uganda. Some traders now have small packing facilities which do not actually meet EUREPGAP standards, but do allow better quality standards to be maintained. There are even basic traceability systems now in place. This has coincided with better prices in the wholesale markets and some opportunities for Ugandan niche products to reach supermarket shelves.

The Uganda National Vanilla Association (UNVA) has continued to develop during 2003 due to high world market prices, which have provided good returns to growers and processors. The Technical assistance from IDEA staff continued to focus on production training and quality assurance. A local consultant has been provided for three months to work with the new committee on establishing good management systems and introducing the code of practice for vanilla growers and processors. The grant for training, demo plots and radio programs was extended to cover the period to December 2003.

The Uganda Cocoa Association (UCA) received an extension to its grant to cover the period to December 2003. This will fund training activities in UCoP, nursery management, plantation establishment/rehabilitation and post-harvest issues. Following training, some growers are now receiving premiums for properly fermented and graded beans. Cocoa continues to make rapid growth as a substitute for coffee in some areas devastated by coffee wilt disease and 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 started their internship program with HV clients in 2003. One post-graduate student pursuing Masters Degree in Agri-business Studies (MABS) at the same institution completed his course and the final three students are on target to complete in 2003/4. Government support was confirmed for the new degree course in horticulture, in the department of crop science at MU and applications are currently being received for October 2003.

The HV team has continued to assist 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. We have provided essential support in the negotiations with UNIDO. We also provided intensive technical input to the GoU's strategic export initiative, and the Presidential Conference on horticulture. We are on the committee responsible for evaluating and distributing GoU grant funds for export diversification. We have attended meetings with the Ministry of Finance and UFEA on the taxation of agricultural inputs, which have resulted in positive changes to GoU policy on VAT and withholding tax.

- Benchmark 8.1:** *At least 1 policy and regulatory intervention undertaken by 12/31/03 (100% completed).*
- Benchmark 8.2:** *At least 4 HV associations assisted by 12/31/03 (All 4 national associations being assisted on a continuous basis, 50% completed).*
- Benchmark 8.3a:** *Funding of at least 2 scholarships awarded in Masters in Agri-business Studies continued through their second year by 12/31/03 (2 MABS students continue with their studies, 100 % completed).*
- Benchmark 8.3b:** *Two MABS scholarship holders graduate by 12/31/03 (1 graduated in March, 50% completed).*
- Benchmark 8.4:** *At least 12 MU interns placed by 12/31/03 (14 interns placed, 117% completed).*
- Benchmark 8.5:** *At least 15 supervisors from flower farms achieve a Certificate in Applied Tropical Floriculture (ATF) Course by 12/31/03 (Certificate to be awarded during second half of the year, 0% accomplished).*
- Benchmark 8.6:** *A Memorandum of Understanding (MoU) reached between UFEA and MUFA for implementation of a degree course and post-graduate research activities in Horticulture by 31/12/03 (MoU reached, 100% 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 continued to maintain close collaboration with the USAID Mission, which has the overall project monitoring and evaluation responsibility.

At the beginning of the ninth work plan year, seven objectives were identified under Project Management, Monitoring and Evaluation. The sections that follow highlight progress by objective during the first half of the ninth 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/10th annual work plan

This is scheduled for mid December 2003. There will be two sessions. The first session will involve the ISC, USAID, and the ADC team brainstorming on the way forward. The second session, to be held within a week, will involve the ISC reconvening and approving the 10<sup>th</sup> annual work plan and training plan. This activity will involve several new SO7 team members of USAID, and since IDEA is a transition project, design input from new initiatives APEP and PRIME will be synchronized.

**Benchmark 1.1:** *Tenth annual work plan approved by the ISC by 12/16/03 (Tenth annual work plan scheduled for December 2003, 0% accomplished).*

**Benchmark 1.2:** *Training plan approved by 12/16/03 (Training plan scheduled for December 2003, 0% 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.

The Mission is also in the process of implementing its new ISP, and this will require regular input from IDEA as the new SO7 initiatives enter design phase, since IDEA is now a transition project that will close out in June 2004. The U-TRADE project was cancelled, and awards of APEP and PRIME are still pending.

Work permits have been renewed for expatriate TAs and dependents.

USAID conducted a site visit and evaluation of IDEA inventory and records of non-expendable US government property and commodities during the reporting period. There were some

deficiencies pointed out, and we are now implementing the recommendations outlined in the report.

USAID conducted an external evaluation of IDEA in January 2003. The entire team participated in the process, including field visits also accompanied by the USAID CTO and SO7 Team Leader. The evaluation was very positive, reporting that IDEA has been a very successful project and the integrated commodity systems approach is a key to that success.

Both the COP and the LV Advisor, Mark Wood, attended the Chemonics Senior Management Conference in Washington, DC in May, 2003. One key element addressed in the conference was the issue of grades and standards, and their impact on smallholder ability to compete in the global market place.

The Small Grants Program continued its support to the Africa Project Development Facility, which provided funding for management support to select IDEA clients, as well as the four NARO research FARAs continued from 2002. Of the four NARO research activities, two, NARO Maize 2002 and NARO Beans 2002, were successfully closed out; however, the National Beans Program is still awaiting the release of several new sugar bean varieties per the agreement. This should occur at the next meeting of the Variety Release Committee tentatively scheduled for the second half of the year. As noted earlier in the report, the FARA with the National Passion Fruit Program was terminated earlier than expected as it became apparent that certain benchmarks were not going to be achieved. Activities under the FARA with the National Banana program are progressing well and will continue through July 2003. In addition to the FARA activities, there were nine active grants during this reporting period. A request from the Uganda Cocoa Association to extend its grant through December 2003 and increase its program budget was approved by the ISC, while a similar request from the Uganda National Vanilla Association was still being reviewed at the end of the reporting period.

Of the US\$1,600,000 set aside for the small grants program, US\$1,600,133 (includes pending modifications) has been committed thus far. Cost savings across several grant activities will bring the total below the US\$1,600,000 ceiling. IDEA will not be entering into any new grant agreements and all on-going activities will be concluded by the end of this work plan year.

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

**Benchmark 2.1:** *All expatriate staff's personal vehicles registered (non-contract cost) and copies of liability insurance documents filed by 12/31/03 (50% accomplished).*

**Benchmark 2.2:** *Documentation of expatriate status and all work permits and visas required for project personnel to reside in Uganda completed by 12/31/03 (50% accomplished).*

**Benchmark 2.3:** *ISC meetings held on at least a quarterly basis by 12/31/03 (50% accomplished).*

**Benchmark 2.4:** *Updated local office procedures manual developed by 12/31/03 (0% accomplished).*

**Benchmark 2.5:** *Updated local employee handbook developed by 12/31/03 (0% accomplished).*

- Benchmark 2.6:** *Monthly vouchers (12) submitted by 12/31/03 (6 submitted, 50% accomplished).*
- Benchmark 2.7:** *Two semi-annual progress reports submitted by 12/31/03 (50% accomplished. Sixteenth semi-annual progress report submitted on 1/15/03).*
- Benchmark 2.8:** *Audits of project-financed activities completed by 12/31/03 (0% accomplished).*
- Benchmark 2.9:** *Procurement/receiving/inventory/marketing completed by 12/31/03 (0% accomplished).*
- Benchmark 2.10:** *STTA reports completed by 12/31/03 (50% accomplished).*
- Benchmark 2.11:** *Remaining small grants activities completed by 12/31/03 (Still on-going, 0% completed).*
- Benchmark 2.12:** *COP attends Chemonics Senior Management Conference by 5/31/03 (100% accomplished).*

**Objective 3: Collaborate with other economic growth initiatives**

The reporting period was busy with respect to this objective. The USAID Mission was implementing its new 6 year Integrated Strategic Plan (ISP) and implementing partners such as IDEA were frequently engaged in dialogue with the Mission. The planned U-TRADE project was cancelled. PRIME and APEP are still pending award.

ADC has had frequent meetings with team members and consultants from SPEED. We also participated in the President's Horticultural Conference, and assisted in providing many of the key resource persons. Other donors and NGOs also make daily contact with the ADC.

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 and on the Makerere University Agribusiness Advisory Committee. He was also an invited speaker at the FAO conference on agribusiness linkages.

IDEA TAs has been collaborating on a regular basis with the PMA Secretariat, UEPB, and other donors/NGOs.

**Benchmark 3.1:** *At least 1 competitiveness study updated on an IDEA NTAE by 12/31/03 (0% accomplished, input to export strategies being compiled for floriculture, vanilla and horticulture).*

**Benchmark 3.2:** *At least 1 engagement completed with SPEED where a new financial instrument is made available for access to credit by NTAE clients by 12/31/03 (0% accomplished, IDEA clients accessing DCA facility being discussed).*

**Benchmark 3.3:** *ADC LTTA serve on PL-480 TRC and attends at least 4 meetings by 12/31/03 (50% 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 reporting period, data was periodically up-dated in order to track project inputs and outputs. Semi-annual reporting format was reviewed and the sixteenth semi-annual/eighth annual progress report produced and disseminated on time.

**Benchmark 4.1:** *AIMS reviewed and maintained consistent with SO7 requirements by 12/31/03 (On-going activity, 50% accomplished).*

**Benchmark 4.2:** *Semi-annual reporting format reviewed by 6/2/03 (Review incorporated changes in results framework, 100% accomplished).*

**Benchmark 4.3:** *Sixteenth semi-annual/eighth annual progress report produced and disseminated by 1/15/03 (Report disseminated, 100% accomplished).*

**Benchmark 4.4:** *Seventeenth semi-annual progress report produced and disseminated by 8/1/03 (Dissemination of report due early August, 0% 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), Civil Aviation Authority (CAA) 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. During the reporting period the ADC also took the initiative to consult other data providers, notably UCDA, CDO and UCGEA.

**Benchmark:** *Secondary data collected and updated by 12/31/03 (On-going activity, 50% accomplished).*

### **Objective 6: Conduct commodity studies for impact evaluation**

IDEA completed a socio-economic impact study of the floriculture industry in Uganda. The ADC also focused on analyzing project areas of successes and lessons learned, with a view to determining best practices. Two value chain analysis studies, one on maize and another on cocoa, will be conducted during the second part of the work plan year.

The cross-border data collection mechanism established in 2000 has been maintained; however, the number of border points was reduced to 4 (Suam, Lwakhakha, Malaba and Busia all along the Kenyan border), since they were found to be major exit points for the NTAEs promoted by IDEA. The NTAEs covered included maize, beans, matooke, apple banana and bogoya, pineapple, passion fruit and dried cassava. The low prices prevailing in Kenya have resulted in reduced exports to Kenya.

**Benchmark 6.1:** *At least three commodity/impact studies conducted by 12/31/03 (1 conducted, 33% accomplished. Two studies expected in the next six months).*

**Benchmark 6.2:** *Data on cross border trade collected and disseminated by 12/31/03 (Ongoing activity, 50% accomplished).*

### **Objective 7: Assess project interventions and prepare Agribusiness Highlights**

Arising from these in-house assessments, 3 Agribusiness Highlights will be prepared during the second half of the work plan year. Project intervention areas have already been assessed and areas of Agribusiness Highlights have been identified to include best practices on RAMS, best practices and lessons learned from IDEA project and best production lending practices. Other possible areas of assessment include the safe use and handling of pesticides, and the impact of the UFEA research development and training center.

The external evaluation of IDEA project was successfully concluded during the reporting period. The IDEA team provided valuable input to the evaluation team and helped coordinate the team's field visits.

**Benchmark 7.1:** *At least 3 project intervention areas assessed and Agribusiness Highlights prepared by 12/31/03 (0% accomplished. Highlights to be prepared during second part of the work plan year).*

**Benchmark 7.2:** *Evaluation of IDEA completed by 4/30/03 (Evaluation successfully concluded, 100% accomplished).*

### **3.0 CONCLUSION**

The 2003A season rainfall was intermittent at the beginning, and only became established in the latter part of April. But rains have been relatively good since then, and above normal over much of the country. Longer season crops such as maize will require good soil moisture conditions through mid-July in order to realize good yields.

Commodity prices have improved for practically all the NTAE commodities. Prices for vanilla are at record highs. The strength of the Euro is also assisting exporters supplying the European markets. The high prices combined with what appears to be good production (supply) prospects translates into NTAE export values expected to increase significantly in 2003, possibly by 20% or more. Focusing on the NTAEs has been a wise investment by the clients, the GOU and USAID.

## **PART II: STATISTICAL ANNEXES**

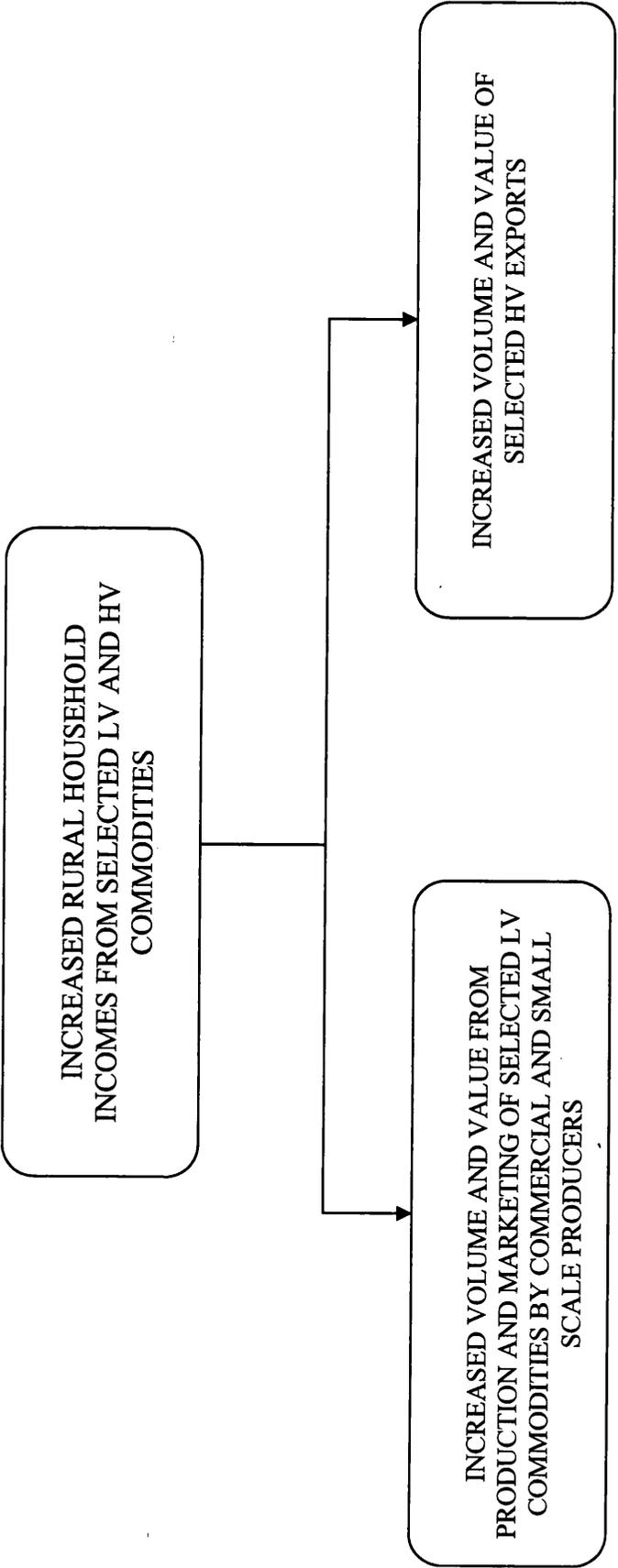


**ANNEX 1**

**RESULTS FRAMEWORK FOR LOW AND HIGH VALUE  
COMPONENTS**



**RESULTS FRAMEWORK FOR IDEA PROJECT**



# 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

Research Activities

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

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

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

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



**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 30-Jun-03	Balance
<b>Expat:</b>				
Clive Drew	Chief of Party	52	40	12
Chris Donohue	Grants and Operations Manager	51	39	12
Steve New	High Value Crop Production and Marketing Advisor	49	40	9
Steve Humphreys	High Value Crop Production and Marketing Advisor	41	40	1
Mark Wood	Low Value Crop Production and Marketing Advisor	49	40	9
Frank O'Brien	Low Value Crop Production and Marketing Advisor	39	38	1
<b>Local:</b>				
Peter Watham	Monitoring and Evaluation Specialist	52	40	12
Umran Kaggwa	High Value Horticultural Specialist	50	40	10
Christine Kiwanuka	High Value Horticultural Specialist	40	35	5
Martin Wamaniala	Low Value Commodity Specialist	50	40	10
Fred Muhhuku	Low Value Commodity Specialist	41	36	5
Asaph Besigye	Business Advisory Specialist	50	40	10
Fred Ssango	Research, Extension and Education Specialist	49	40	9
<b>Totals</b>		<b>613</b>	<b>508</b>	<b>105</b>



**ANNEX 3**

**RAINFALL PATTERNS AND PRICE TRENDS**



Month	1-10th	11-20th	21-30th (31st)		
Jan 02					
Feb 02					
Mar 02					
Apr 02					
May 02					
June 02					

None

Low

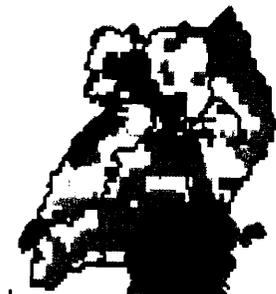
Moderate

High

Very High

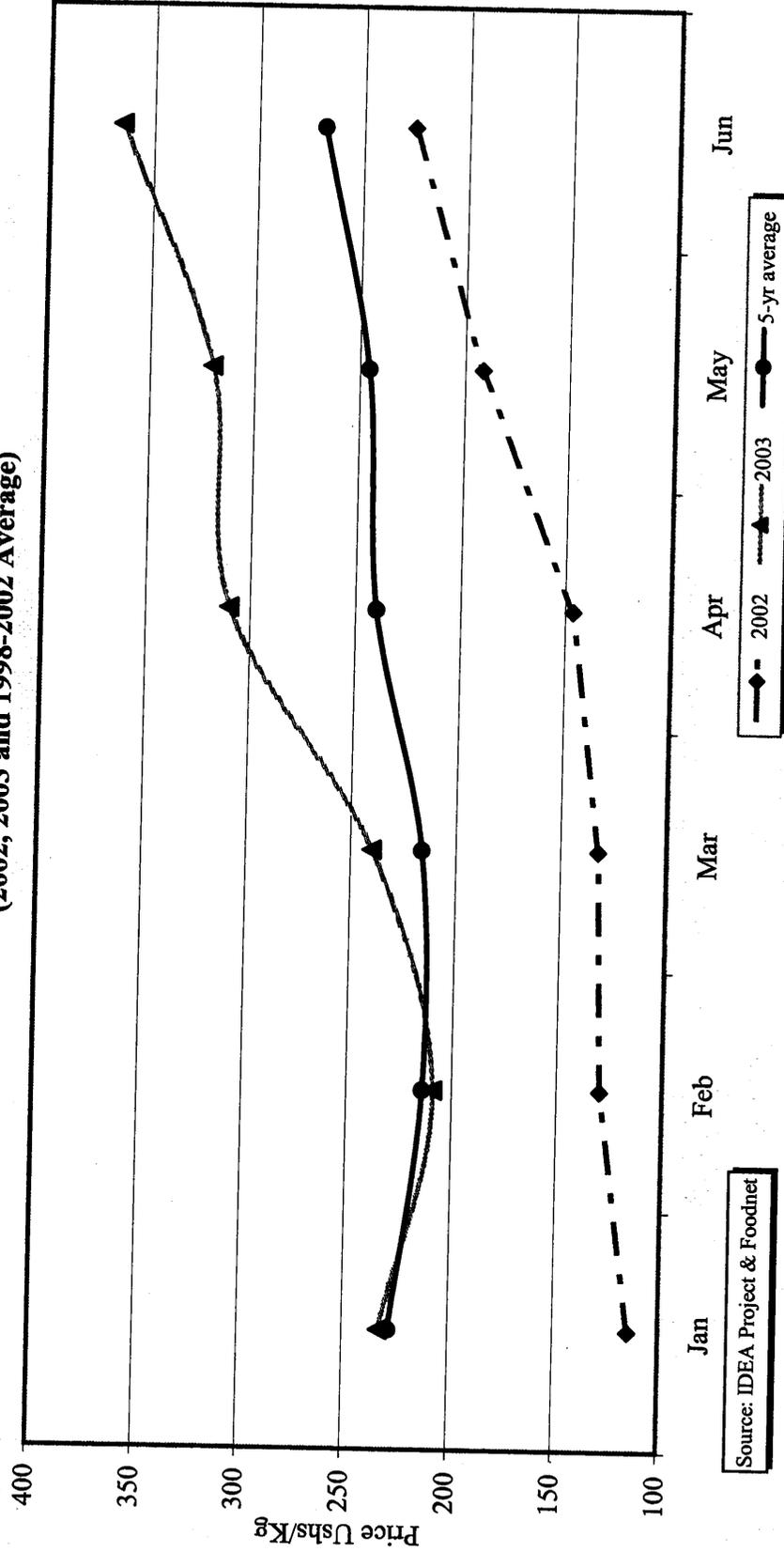
Source: FEWS NET/Uganda, July 2003



Month	1-10th	11-20th	21-30th (31st)
Jan 03			
Feb 03			
Mar 03			
Apr 03			
May 03			
June 03			
None	Low	Moderate	High
Very High Source: FEWS NET/Uganda, July 2003			



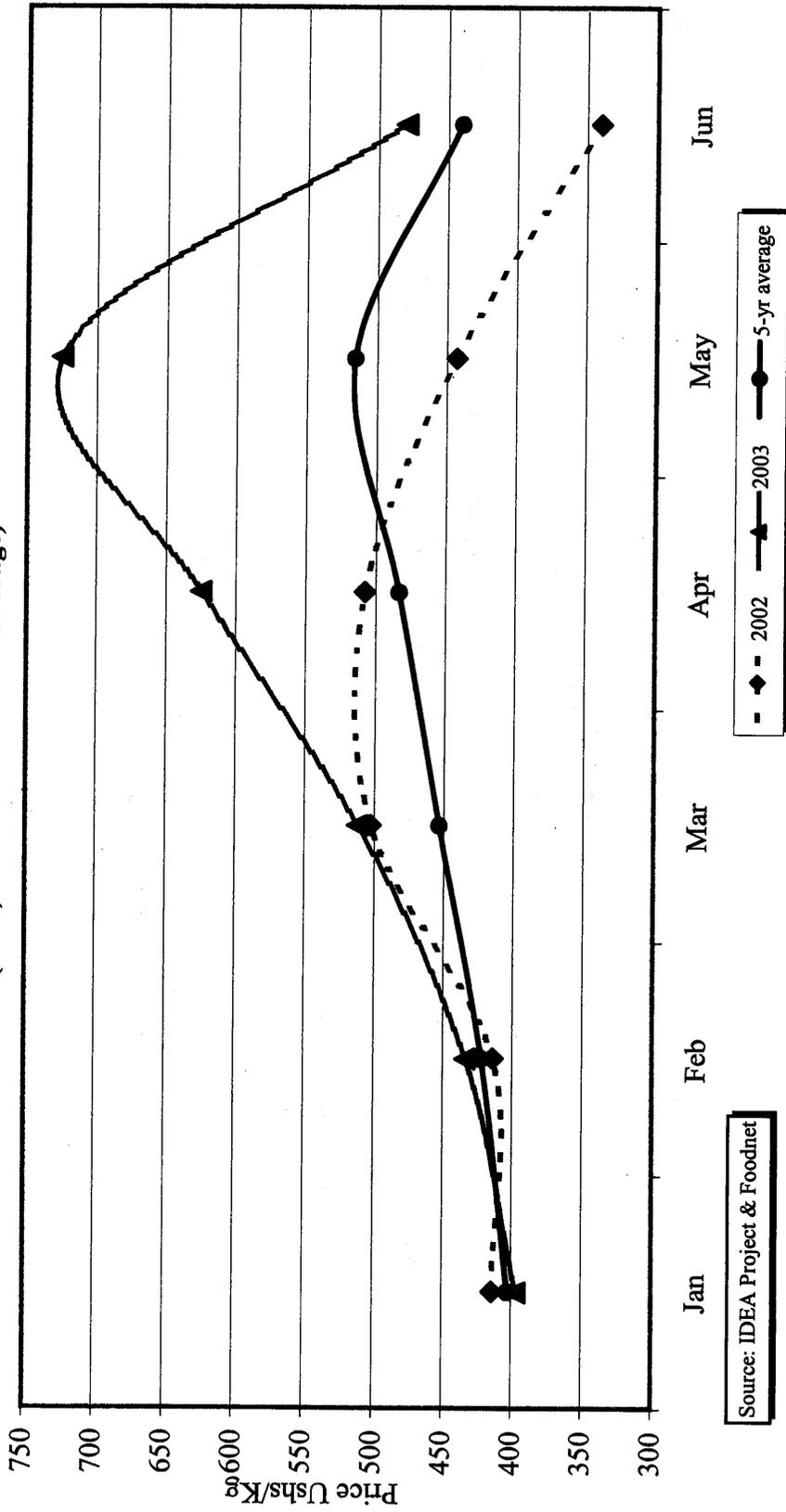
**Jan-Jun Off-truck Maize Price Trends in Kampala Markets:  
(2002, 2003 and 1998-2002 Average)**



Source: IDEA Project & Foodnet



**Jan-Jun Off-Truck Bean Price Trends in Kampala Markets:  
(2002, 2003 and 1998-2002 Average)**



Source: IDEA Project & Foodnet



**ANNEX 4**

**SUMMARY OF LV AND HV ACHIEVEMENTS:  
JANUARY - JUNE 2003**



*Annex 4(A)*

**Low Value Achievement Indicators: January – June 2003**



**A: MAIZE AND BEAN EXPORTS FOR 2003A SEASON**

Commodity	Month						2003A
	Jan	Feb	Mar	Apr	May	Jun	TOTAL
<b>Maize Volume (Mt):</b>							
Formal exports	219	234	75	4	341	151	1,024
Informal exports	41	40	330	216	905	670	2,202
Internal relief exports	3,356	7,619	11,878	9,142	2,107	2,450	36,552
<b>Total maize volume</b>	<b>3,616</b>	<b>7,893</b>	<b>12,283</b>	<b>9,362</b>	<b>3,353</b>	<b>3,271</b>	<b>39,778</b>
<b>Maize Values (US\$ Million):</b>							
Formal exports	0.029	0.031	0.014	0.001	0.056	0.030	0.161
Informal exports	0.006	0.006	0.072	0.049	0.202	0.155	0.490
Internal relief exports	0.562	1.394	2.547	2.134	0.412	0.797	7.846
<b>Total maize value</b>	<b>0.597</b>	<b>1.431</b>	<b>2.633</b>	<b>2.184</b>	<b>0.670</b>	<b>0.982</b>	<b>8.497</b>
<b>Bean Volumes (Mt):</b>							
Formal exports	705	1,001	136	440	118	1,060	3,460
Informal exports	175	195	278	813	555	255	2,271
Internal relief exports	0	1,581	1,889	50	907	750	5,177
<b>Total bean volume</b>	<b>880</b>	<b>2,777</b>	<b>2,303</b>	<b>1,303</b>	<b>1,580</b>	<b>2,065</b>	<b>10,908</b>
<b>Bean Values (US\$ Million):</b>							
Formal exports	0.205	0.351	0.056	0.171	0.049	0.318	1.150
Informal exports	0.050	0.054	0.094	0.307	0.228	0.076	0.809
Internal relief exports	0.000	0.403	0.484	0.012	0.228	0.169	1.296
<b>Total bean value (US\$ Million)</b>	<b>0.255</b>	<b>0.808</b>	<b>0.634</b>	<b>0.490</b>	<b>0.505</b>	<b>0.563</b>	<b>3.255</b>
<b>Value of maize &amp; beans (US\$ Million)</b>	<b>0.852</b>	<b>2.239</b>	<b>3.267</b>	<b>2.674</b>	<b>1.175</b>	<b>1.545</b>	<b>11.752</b>

**B: RURAL AGRICULTURAL MARKETING SYSTEMS (RAMS): 2003A SEASON**

PARTICULARS	Month						2003A
	Jan	Feb	Mar	Apr	May	Jun	TOTAL
Number of producers selling through RAMS	750	750	750	750	750	750	750
Volume of maize marketed through RAMS (mt)	120	380	550	487	320	205	2,062
Value of maize marketed through RAMS (\$)	10,200	38,000	60,500	58,440	40,000	30,750	237,890
Volume of beans marketed through RAMS (mt)	0	0	0	0	0	0	0
Value of beans marketed through RAMS (\$)	0	0	0	0	0	0	0
Number of rural buying centres	25	25	25	25	25	25	25

C: SEED SALES: 2003A SEASON

PARTICULARS	Month						2003A
	Jan	Feb	Mar	Apr	May	Jun	TOTAL
Sales volume of maize seed (mt)	10	90	205	307	252	41	905
Sales value of maize seed (\$)	7,020	63,180	143,410	212,004	176,904	28,782	631,300
Sales volume of bean seed (mt)	27	70	166	186	81	18	548
Sales value of bean seed (\$)	9,850	27,580	65,404	73,284	31,914	7,092	215,124
Volume of maize seed multiplied (mt)						1,918	1,918
Volume of bean seed multiplied (mt)						297	297
Number of seed firms assisted						4	4

D: AGRIBUSINESS TRAINING AND INPUT NETWORK (ATAIN): JAN - JUN 2003

PARTICULARS	Month						2003A
	Jan	Feb	Mar	Apr	May	Jun	TOTAL
<b>National Sales</b>							
Value of maize seed (\$)	7,020	63,180	143,410	212,004	176,904	28,782	631,300
Volume of maize seed (mt)	10	90	205	307	252	41	905
Value of bean seed (\$)	9,850	27,580	65,404	73,284	31,914	7,092	215,124
Volume of bean seed (mt)	27	70	166	186	81	18	548
Value of fertilizers sold (\$)	160,000	320,000	1,280,000	1,440,000	960,000	480,000	4,640,000
Volume of fertilizers sold (mt)	500	1,000	4,000	4,500	3,000	1,500	14,500
<b>Sales under ATAIN</b>							
Value of maize seed (\$)	3,550	34,790	90,880	184,600	91,590	8,520	413,930
Volume of maize seed (mt)	5	49	128	260	129	12	583
Value of bean seed (\$)	4,728	14,184	35,066	40,976	15,760	3,940	114,654
Volume of bean seed (mt)	12	36	89	104	40	10	291
Value of fertilizers sold (\$)	640	14,400	34,560	38,400	24,320	4,800	117,120
Volume of fertilizers sold (mt)	2	45	108	120	76	15	366
Number of distributors	7	7	7	7	7	7	7
Number of input stockists	350	380	395	395	395	395	395
Number of input stockists (females)	61	65	69	69	69	69	69
Recovery rate on credit guarantee (%)	98	98	98	98	98	98	98
# of employees in input supply system	700	760	790	790	790	790	790
Percent of employees females (%)	50	50	50	50	50	50	50
Number of farmers served	9,860	19,240	39,300	36,400	11,750	8,230	58,175

**E: COMMERCIAL FARMING OPERATIONS: 2003A SEASON**

<b>PARTICULARS</b>	<b>Unit</b>	<b>2003A Season</b>
<b>Small Scale Commercial Farmers:</b>		
Number of small-scale commercial farmer clients	no	633
Number of small-scale commercial farmer clients (females)	no	96
Area under maize by small-scale commercial farmer clients	ha	2,340
Area under beans by small-scale commercial farmer clients	ha	461
Maize yield from small-scale commercial farmer clients	mt/ha	3.80
Bean yield from small-scale commercial farmer clients	mt/ha	0.78
Maize output from small-scale commercial farmer clients	mt	8,892
Bean output from small-scale commercial farmer clients	mt	360
Number of small-scale commercial farmer clients receiving credit	no	267
% of small-scale commercial farmer clients receiving credit who are females	%	45
Total credit received by small-scale commercial farmer clients	\$	156,165
Loan repayment rate	%	88
<b>Medium Scale Commercial Farmers:</b>		
Number of medium-scale commercial farmer clients	no	539
Number of medium-scale commercial farmer clients (females)	no	38
Area under maize by medium-scale commercial farmer clients	ha	2,860
Area under beans by medium-scale commercial farmer clients	ha	52
Maize yield from medium-scale commercial farmer clients	mt/ha	4.23
Bean yield from medium-scale commercial farmer clients	mt/ha	0.73
Maize output from medium-scale commercial farmer clients	mt	12,108
Bean output from medium-scale commercial farmer clients	mt	38
Number of medium-scale commercial farmer clients receiving credit	no	339
% of medium-scale commercial farmer clients receiving credit who are females	%	5
Total credit received by medium-scale commercial farmer clients	\$	292,035
Loan repayment rate	%	82
<b>Total/Overall Commercial Farming Operations:</b>		
Number of commercial farmer clients	no	1,172
Number of commercial farmer clients (females)	no	134
Area under maize by commercial farmer clients	ha	5,200
Area under beans by commercial farmer clients	ha	513
Maize yield from commercial farmer clients	mt/ha	4.04
Bean yield from commercial farmer clients	mt/ha	0.78
Maize output from commercial farmer clients	mt	21,000
Bean output from commercial farmer clients	mt	398
Number of commercial farmer clients receiving credit	no	606
Percent of commercial farmer clients receiving credit who are females	%	23
Total credit received by commercial farmer clients	\$	448,200
Loan repayment rate	%	85

**Low Value Indicators at I.R 1 and Input Levels : 2003A Season**

<b>Indicator</b>	<b>Unit</b>	<b>Jan-Jun</b>
<b>I.R LEVEL:</b>		
Export value of maize	\$	8
Export value of beans	\$	3
Export volume of maize	mt	39,778
Export volume of beans	mt	10,908
Estimated farm gate value of maize exports	\$	6
Estimated farm gate value of bean exports	\$	2
Total volume of maize produced (estimate - excludes Kapchorwa)	mt	200,000
Total volume of beans produced (estimate)	mt	140,000
Total area under maize (estimate)	ha	125,000
Total area under beans (estimate)	ha	180,000
Maize yield (estimate)	mt/ha	1.600
Bean yield (estimate)	mt/ha	0.778
<b>INPUT LEVEL:</b>		
<b>Obj 1: Generation of Efficient Production Technologies</b>		
Number of private sector companies assisted with trials of new materials	no	3
Number of technology packages developed	no	0
Number of new products released	no	2
<b>Obj 2: Promotion of Efficient Production &amp; Post Harvest Technologies</b>		
Number of field demonstration sites	no	1,261
Number of farmers attending training	no	50,169
Percent of farmers trained (female)	%	36
Percent of farmers trained adopting LI technology	%	66
Maize production from commercial farmer clients	mt	21,000
Maize yield obtained by commercial farmer clients	mt/ha	4.04
Bean production from commercial farmer clients	mt	398
Bean yield obtained by commercial farmer clients	mt/ha	0.78
Number of commercial farmer clients receiving credit	no	606
Percent of commercial farmer client receiving credit female	%	23
Total credit received by commercial farmer clients	\$	448,200
Loan repayment rate by commercial farmer clients	%	85
Number of commercial farmer clients (medium scale)	no	539
Number of commercial farmer clients (small scale)	no	633
Number of commercial farmer client female	no	134
Percent of commercial farmer client female	%	11
Area under commercial client farms medium scale	ha	2,912
Area under commercial client farms small scale	ha	2,801
Number of commercial farmers with cribs	no	189
Number of commercial farmers with shellers	no	31
Number of commercial farmers with dryers	no	8
Number of commercial farmers with storage	no	674
Number of commercial farmer clients participating in seed multiplication	no	154

Indicator	Unit	Jan-Jun
<b>Obj 3: Functioning Input Supply System</b>		
Sales value of maize seeds	\$	631,300
Sales volume of maize seeds	mt	905
Sales value of bean seeds	\$	215,124
Sales volume of bean seeds	mt	548
Sales value of fertilizers	\$	4,640,000
Sales volume of fertilizers	mt	14,500
ATAIN maize sales value as percentage of National sales	%	66
ATAIN maize sales volume as percentage of National sales	%	64
ATAIN bean sales value as percentage of National sales	%	53
ATAIN bean sales volume as percentage of National sales	%	53
ATAIN fertilizers sales value as percentage of National sales	%	3
ATAIN fertilizers sales volume as percentage of National sales	%	3
Number of farmers through the input supply system	no	58,175
Recovery rate on credit guarantees (All support mechanisms)	%	98
Number of input supplier clients	no	10
Number of input distributor clients	no	7
Number of input stockists (ADC direct linked)	no	395
Number of input stockists female	no	69
Number of employees in the input system	no	790
Percent of employees female	%	50
<b>Obj 4: Seed Multiplied and Distributed</b>		
Sales value of maize seeds	\$	631,300
Sales volume of maize seeds	mt	905
Sales value of bean seeds	\$	215,124
Sales volume of bean seeds	mt	548
Volume of maize seed multiplied	mt	1,918
Volume of bean seed multiplied	mt	297
Number of LV policy, beauracratic and regulatory interventions	no	4
Number of seed firms	no	4
<b>Obj 5: Market Information System in Operation</b>		
Number of crop forecast data bulletins disseminated	no	6
Number of market analyses	no	0
Number of clients/subscribers with market information from MKIS	no	126
<b>Obj 6: Rural Agricultural Marketing Systems (RAMS)</b>		
Number of producers selling through RAMS	no	750
Volume of maize marketed through RAMS	mt	2,062
Value of maize marketed through RAMS	\$	237,890
Volume of beans marketed through RAMS	mt	0
Value of beans marketed through RAMS	\$	0
Number of rural buying centres	no	25

Indicator	Unit	Jan-Jun
<b>Obj 7: Outgrower Initiative</b>		
Volume of maize produced through outgrower arrangement	mt	1,534
Value of maize produced through outgrower arrangement	\$	333,300
Volume of beans produced through outgrower arrangement	mt	397
Value of beans produced through outgrower arrangement	\$	79,380
Number of new outgrower schemes assisted	no	1
Number of schemes accessing credit	no	0
Number of producers under outgrower schemes	no	2,000
Percent of outgrower producers female	%	30
Number of outgrower groups participating in seed multiplication	no	4
<b>Obj 8: Increased Exports</b>		
Volume of maize exported by the assisted firms	mt	36,552
Value of maize exported by the assisted firms	\$	9,051,603
Volume of beans exported by the assisted firms	mt	5,177
Value of beans exported by the assisted firms	\$	1,295,804
Number of firms accessing exporter finance	no	1
Number of policy and regulatory interventions regarding exports	no	0
Number of exporters assisted	no	16



*Annex 4(B)*

**High Value Achievement Indicators: January – June 2003**



**High Value Exports by Commodity Group for 2003A Season**

Product/Commodity	Month						2003A TOTAL
	Jan	Feb	Mar	Apr	May	Jun	
<b>Flowers:</b>							
<b>(a): Roses</b>							
Export value (\$)	1,761,861	2,705,810	1,658,491	1,539,200	2,633,448	998,200	11,297,010
Export volume (mt)	334.7	432.1	409.1	370.0	367.8	332.0	2,246
<b>(b): Cuttings</b>							
Export value (\$)	585,000	614,700	647,100	609,300	650,700	707,400	3,814,200
Export volume (mt)	65.0	68.3	71.9	67.7	72.3	78.6	424
<b>Export value of flowers</b>	<b>2,346,861</b>	<b>3,320,510</b>	<b>2,305,591</b>	<b>2,148,500</b>	<b>3,284,148</b>	<b>1,705,600</b>	<b>15,111,210</b>
<b>Export volume of flowers</b>	<b>400</b>	<b>500</b>	<b>481</b>	<b>438</b>	<b>440</b>	<b>411</b>	<b>2,670</b>
<b>Fresh Produce:</b>							
<b>(a): Banana - matooke</b>							
Export value (\$)	71,016	67,795	61,570	104,825	80,734	62,329	448,269
Export volume (mt)	80.7	74.5	65.5	100.6	74.0	79.4	475
<b>(b): Banana - apple</b>							
Export value (\$)	15,418	12,487	13,560	12,765	16,267	13,800	84,297
Export volume (mt)	13.0	10.6	11.6	11.5	12.9	12.0	72
<b>(c): Hot pepper</b>							
Export value (\$)	67,105	78,740	113,316	108,450	70,271	36,821	474,703
Export volume (mt)	52.1	48.1	53.2	45.0	39.5	48.2	286
<b>(d): Green Chilli</b>							
Export value (\$)	16,245	8,550	8,265	1,504	5,795	7,980	48,339
Export volume (mt)	17.1	9.5	8.7	1.6	6.1	8.4	51
<b>(e): Bobby/Fine/Runner Beans</b>							
Export value (\$)	1,472	1,500	1,045	1,539	1,539	1,200	8,295
Export volume (mt)	2.1	2.5	1.9	2.7	2.7	2.4	14
<b>(f): Okra</b>							
Export value (\$)	5,520	6,560	4,500	1,624	2,726	3,538	24,468
Export volume (mt)	6.9	8.2	7.5	2.8	4.7	6.1	36
<b>(g): Passion Fruit</b>							
Export value (\$)	3,120	1,104	1,896	1,542	6,353	2,757	16,772
Export volume (mt)	1.6	0.4	0.7	0.7	2.4	1.1	7
<b>(h): Pineapple</b>							
Export value (\$)	9,072	9,430	12,835	7,949	10,266	10,488	60,040
Export volume (mt)	11.2	11.5	15.1	9.2	11.8	12.0	71
<b>(i) Cross border trade value</b>							
Export value (\$)	39,000	44,000	55,000	88,000	35,000	53,000	314,000
Export volume (mt)	301.4	385.3	401.9	809.9	284.5	406.5	2,590
<b>(j): Other (includes dried products)</b>							
Export value (\$)	182,627	166,033	141,215	213,342	212,048	134,677	1,049,942
Export volume (mt)	210.4	166.7	120.8	161.5	182.8	167.3	1,010
<b>Export value of fresh produce</b>	<b>410,595</b>	<b>396,199</b>	<b>413,202</b>	<b>541,540</b>	<b>440,999</b>	<b>326,590</b>	<b>2,529,125</b>
<b>Export volume of fresh produce</b>	<b>696.5</b>	<b>717.3</b>	<b>686.9</b>	<b>1,145.5</b>	<b>621.4</b>	<b>743.4</b>	<b>4,611</b>
<b>Vanilla</b>							
Export value of vanilla (\$)	120,000	1,665,000	2,392,500	22,400	0	0	4,199,900
Export volume of vanilla (mt)	0.8	11.1	14.5	0.2	0.0	0.0	26.6
<b>Papain</b>							
Export value of papain (\$)	373,500	481,600	496,800	364,500	36,000	223,500	1,975,900
Export volume of papain (mt)	24.9	34.4	36.8	24.3	2.4	14.9	138
<b>Cocoa</b>							
Export value of cocoa (\$)	777,000	1,037,000	689,000	507,000	326,000	359,000	3,695,000
Export volume of cocoa (mt)	469.0	652.0	480.0	304.0	189.0	248.0	2,342
<b>Export value of HV products (\$)</b>	<b>4,027,956</b>	<b>6,900,309</b>	<b>6,297,093</b>	<b>3,583,940</b>	<b>4,087,147</b>	<b>2,614,600</b>	<b>27,544,425</b>

**HIGH VALUE INDICATORS AT I.R 1 AND INPUT LEVELS: 2003A SEASON**

<b>Indicator</b>	<b>Unit</b>	<b>Jan-Jun</b>
<b>I.R 1: INCREASED VOLUME AND VALUE OF SELECT HV NTAEs</b>		
Export value of flowers	\$	15,111,210
Export volume of flowers	mt	2,670
Export value of fresh produce	\$	2,529,125
Export volume of fresh produce	mt	4,611
Export value of vanilla	\$	4,199,900
Export volume of vanilla	mt	27
Export value of papain	\$	1,975,900
Export volume of papain	mt	138
Export value of cocoa	\$	3,695,000
Export volume of cocoa	mt	2,342
<b>INPUT LEVEL:</b>		
<b>Obj 1: Efficient Production Technologies Promoted</b>		
Number of research contracts completed	no	9
Number of technology packages developed	no	3
Number of new products/varieties released	no	2
Number of field demonstration sites	no	78
Number of farmers trained	no	7,358
Percent of farmers trained female	%	45
Number of commercialization bulletins	no	9
<b>Obj 2: Increase in Market Opportunities</b>		
Number of trade missions supported	no	2
Number of inward buyer visits supported	no	4
Number of importers buying Ugandan produce	no	27
Number of products exported	no	2
Number of new exporters	no	12
Number of MKIS reports disseminated	no	12
Number of clients served with MKIS publications	no	95
Number of new products	no	3
Number of new markets	no	0
Number of market analyses	no	1
Number of exporter clients assessing finance through ADC	no	1
<b>Obj 3: Improved Quality and Post-Harvest Handling</b>		
Number of pack house/processing facilities in place	no	2
Number of firms implementing code of practice	no	21

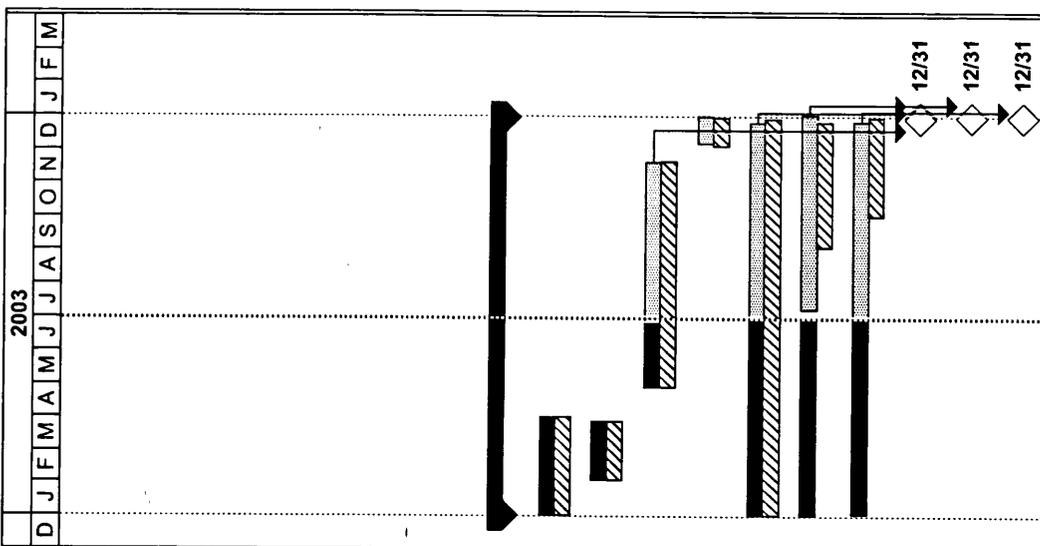
Indicator	Unit	Jan-Jun
<b>Obj 4: Increased Volumes of Production</b>		
Volume of flowers exported	mt	2,670
Volume of fresh produce exported	mt	4,611
Volume of vanilla exported	mt	27
Volume of papain exported	mt	138
Volume of cocoa exported	mt	2,342
Number of flower farms	no	19
Number of fresh produce growers supplying exporters	no	3,100
Percent of fresh produce growers female	%	30
Number of vanilla growers	no	15,000
Percent of vanilla growers female	%	43
Number of papain growers	no	250
Percent of papain growers female	%	30
Number of cocoa growers	no	8,500
Percent of cocoa growers female	%	40
Number of employees at flower farms	no	4,500
Percent of employees at flower farms female	%	53
Number of new outgrower schemes assisted	no	2
Number of client producers/farms accessing production credit	no	2
<b>Obj 5: Agricultural Processing Promoted</b>		
Number of firms assisted in agricultural processing	no	2
Quantity of HV products processed	mt	3.85
Value of HV products processed	\$	691,000
Value added through HV processing	\$	350,000
<b>Obj 6: Improved Airport Handling System</b>		
Total capacity of handling facilities	mt/day	75
Capacity of cold store facilities	mt/day	30
Number of exporter clients using FHL	no	29
Throughput volumes	mt/week	225
<b>Obj 7: Consolidation of Freight</b>		
Total freight capacity	mt/week	225
Frequency of flights	no/week	3
Destinations of products (countries)	no/week	10
Average freight/handling cost of flowers	\$/kg	1.65
Average freight/handling cost of fresh produce	\$/kg	1.50
Average freight/handling cost of vanilla	\$/kg	4.50
Average freight/handling cost of papain	\$/kg	4.50
Average freight/handling cost of cocoa	\$/kg	0.17
<b>Obj 8: Institutional Systems in Place</b>		
Number of policy/regulatory interventions	no	2
Number of NTAE associations	no	4



**ANNEX 5**

**TIMELINES FOR LV, HV AND PROJECT  
MANAGEMENT AND MONITORING:  
JANUARY - JUNE 2003**





**Task Name**

**Component One: Low Value Crop Export Development**

**Annual export value of maize and 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 2002 maize and bean research activities
- Monitor completion of on-going research activities
- Facilitate 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 3 private sector companies assisted with trials of new materials**

**Benchmark 1.2: At least 1 new technology package developed and disseminated**

**Benchmark 1.3: At least 4 new "products" introduced**

**% Complete**

51%

100%

100%

30%

0%

50%

50%

50%

50%

50%

50%

50%

**Task**

**Task Progress**

**Rolled Up Task**

**Summary**

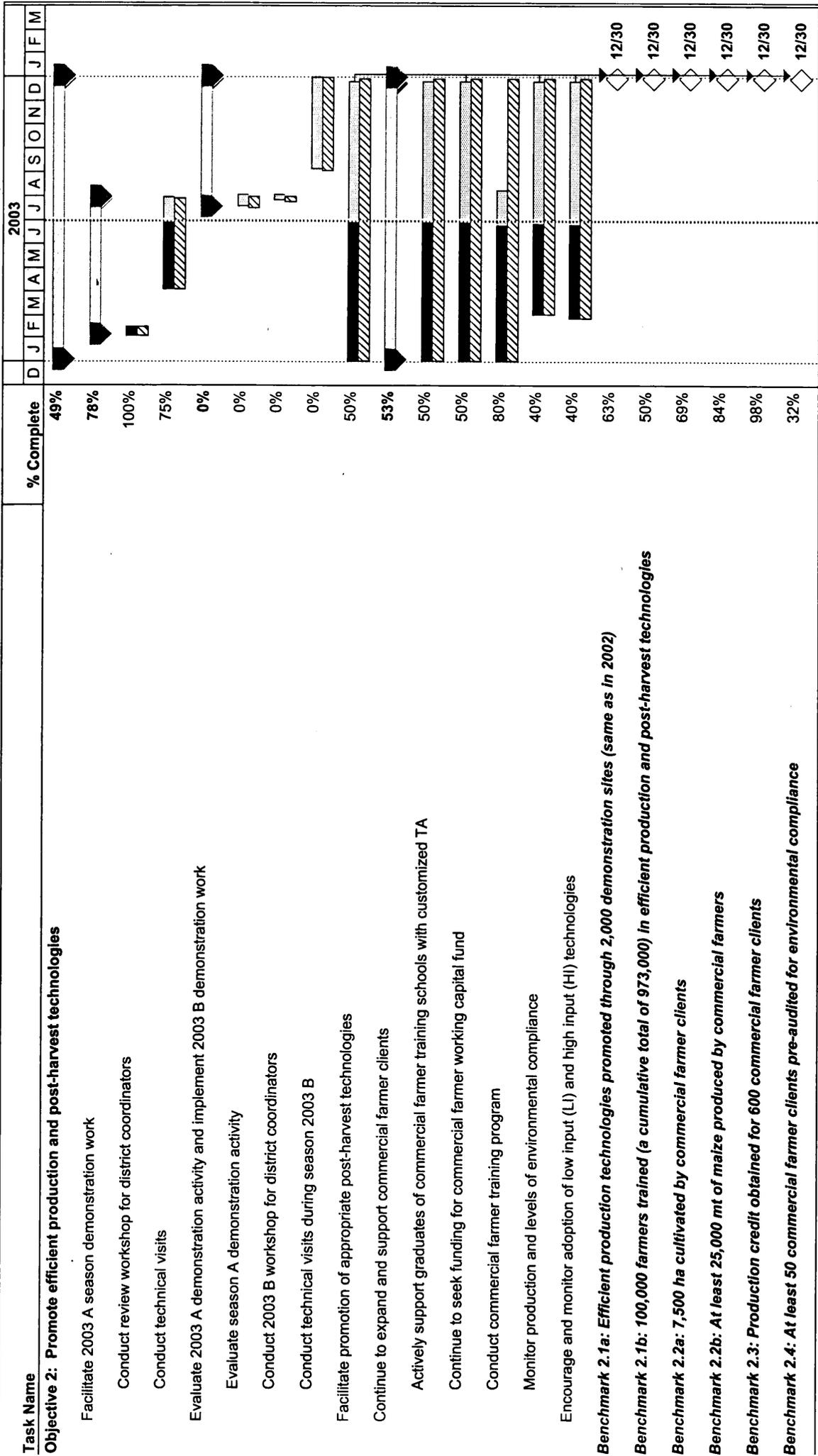
**Baseline**

**Rolled Up Baseline**

**Milestone**

**Baseline Milestone**

**Baseline Summary**



Task

Task Progress  
 Rolled Up Progress  
 Rolled Up Task  
 Task

Baseline  
 Rolled Up Baseline  
 Milestone  
 Baseline Milestone

Summary  
 Baseline Summary

Project: WORKPLAB  
Date: Mon 6/30/03

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**

- Continue support to input suppliers, distributors and stockists
- Increase ATAIN stockist numbers under guarantee support
  - Assist distributors to identify and train new stockists
- Maintain TA support for distributors
  - Link distributors to suppliers
- Provide TA to ATAIN and non-ATAIN distributors
- Facilitate ATAIN credit
- Maintain credit guarantee for non-graduate ATAIN stockists
- Maintain supplier credit guarantee for ATAIN distributors
- Mediate financial arrangements for ATAIN distributors and graduate ATAIN stockists
- Maintain collaborative effort with other institutions
- Conduct pesticide compliance visits
- Facilitate dialogue
  - Hold review workshops for existing stockists
- Maintain ATAIN supplier/distributor regular dialogue
- Monitor sales volumes and values of inputs and credit recovery under ATAIN



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Task  
 Rolled Up Task  
 Task Progress  
 Rolled Up Progress

Baseline  
 Rolled Up Baseline  
 Milestone  
 Baseline Milestone

Summary  
 Baseline Summary

Task Name	% Complete	2003															
		D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M
Facilitate stockist demonstration sites	50%	[Gantt chart showing progress from Jan to Dec]															
<b>Benchmark 3.1: Functioning input supply system, reaching 100,000 farmers</b>	58%	[Gantt chart showing progress from Jan to Dec]															
<b>Benchmark 3.2: At least 80 new stockists (achieving LOP target of 400) trained and integrated into the ATAIN program</b>	56%	[Gantt chart showing progress from Jan to Dec]															
<b>Benchmark 3.3a: 30 stockists receive routine pesticide compliance audits</b>	0%	[Gantt chart showing progress from Jan to Dec]															
<b>Benchmark 3.3b: At least 50 stockists receive pesticide compliance pre-audits</b>	10%	[Gantt chart showing progress from Jan to Dec]															
<b>Benchmark 3.3c: At least 100 stockists effectively undertaking demonstration program</b>	100%	[Gantt chart showing progress from Jan to Dec]															
<b>Benchmark 3.4 a: US\$500,000 worth of seeds sold through ADC input-linked dealers</b>	100%	[Gantt chart showing progress from Jan to Dec]															
<b>Benchmark 3.4 b: US\$500,000 worth of fertilizers sold through ADC input-linked dealers</b>	60%	[Gantt chart showing progress from Jan to Dec]															
<b>Benchmark 3.5: At least 12 MUFA interns placed with agribusiness firms</b>	77%	[Gantt chart showing progress from Jan to Dec]															
<b>Benchmark 3.6: 5 ATAIN distributors assisted to access bank and trade finance</b>	40%	[Gantt chart showing progress from Jan to Dec]															
<b>Objective 4: Support seed multiplication and distribution</b>	46%	[Gantt chart showing progress from Jan to Dec]															
Continue to liaise with Seed Certification Authority (SCA)	50%	[Gantt chart showing progress from Jan to Dec]															
Support new private sector entrants in production and marketing of seeds	50%	[Gantt chart showing progress from Jan to Dec]															
Encourage commercial farmer involvement in seed production of newly released & imported hybrids	48%	[Gantt chart showing progress from Jan to Dec]															
Identify commercial farmers and outgrowers with capacity to participate	70%	[Gantt chart showing progress from Jan to Dec]															
Liaise with seed firms	40%	[Gantt chart showing progress from Jan to Dec]															
Continue multiplication of new groundnuts and sesame varieties with private seed firms	50%	[Gantt chart showing progress from Jan to Dec]															
Provide guidance on seed production	45%	[Gantt chart showing progress from Jan to Dec]															
Coordinate seed certification visits and monitor production	45%	[Gantt chart showing progress from Jan to Dec]															
Expand multiplication of hybrid maize seed for regional market	50%	[Gantt chart showing progress from Jan to Dec]															

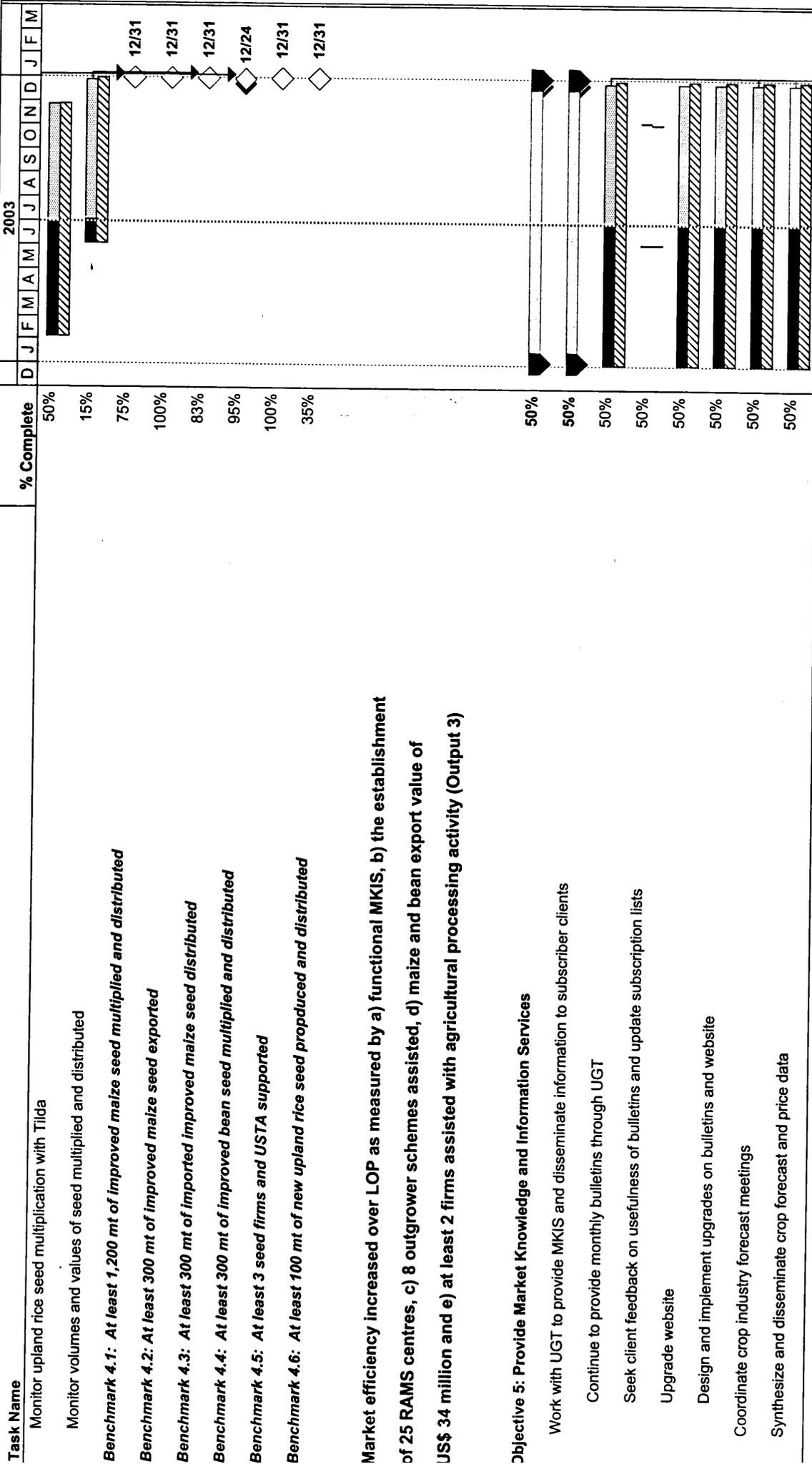
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- Task: [White bar]
- Rolled Up Task: [Light grey bar]
- Task Progress: [Dark grey bar]
- Rolled Up Progress: [Black bar]
- Baseline: [Hatched bar]
- Rolled Up Baseline: [Hatched bar]
- Milestone: [Diamond]
- Baseline Milestone: [Diamond]

Summary

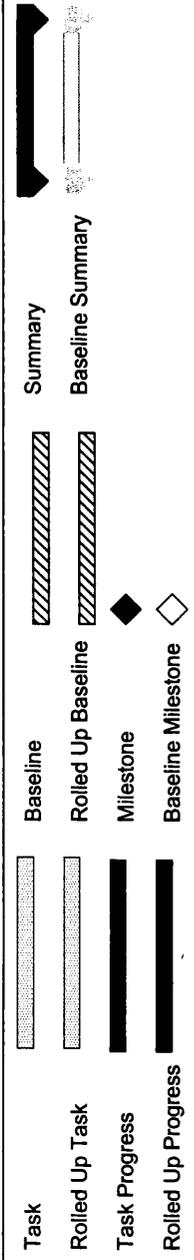
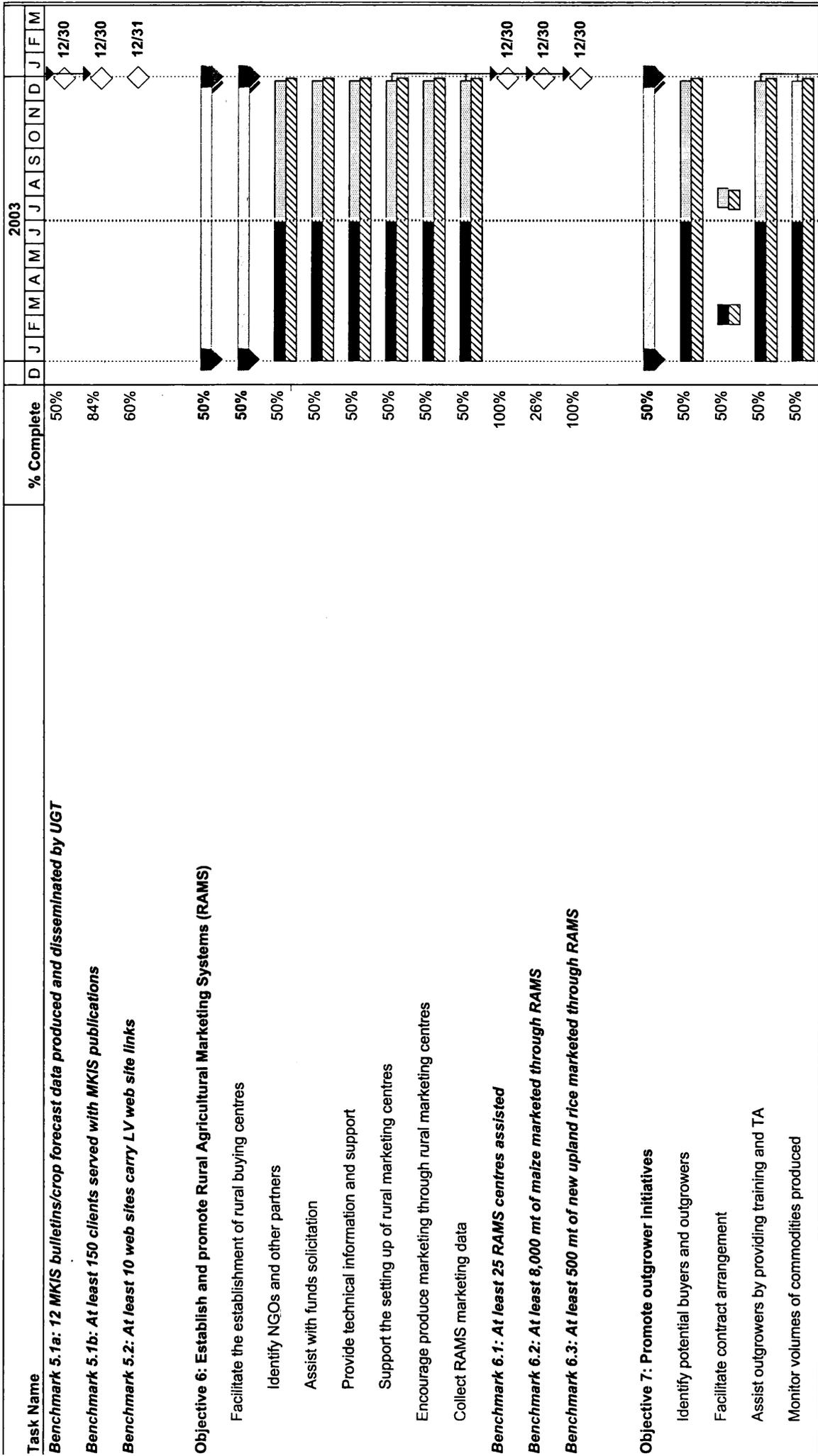
Baseline Summary

Project: WORKPLA8  
Date: Mon 6/30/03

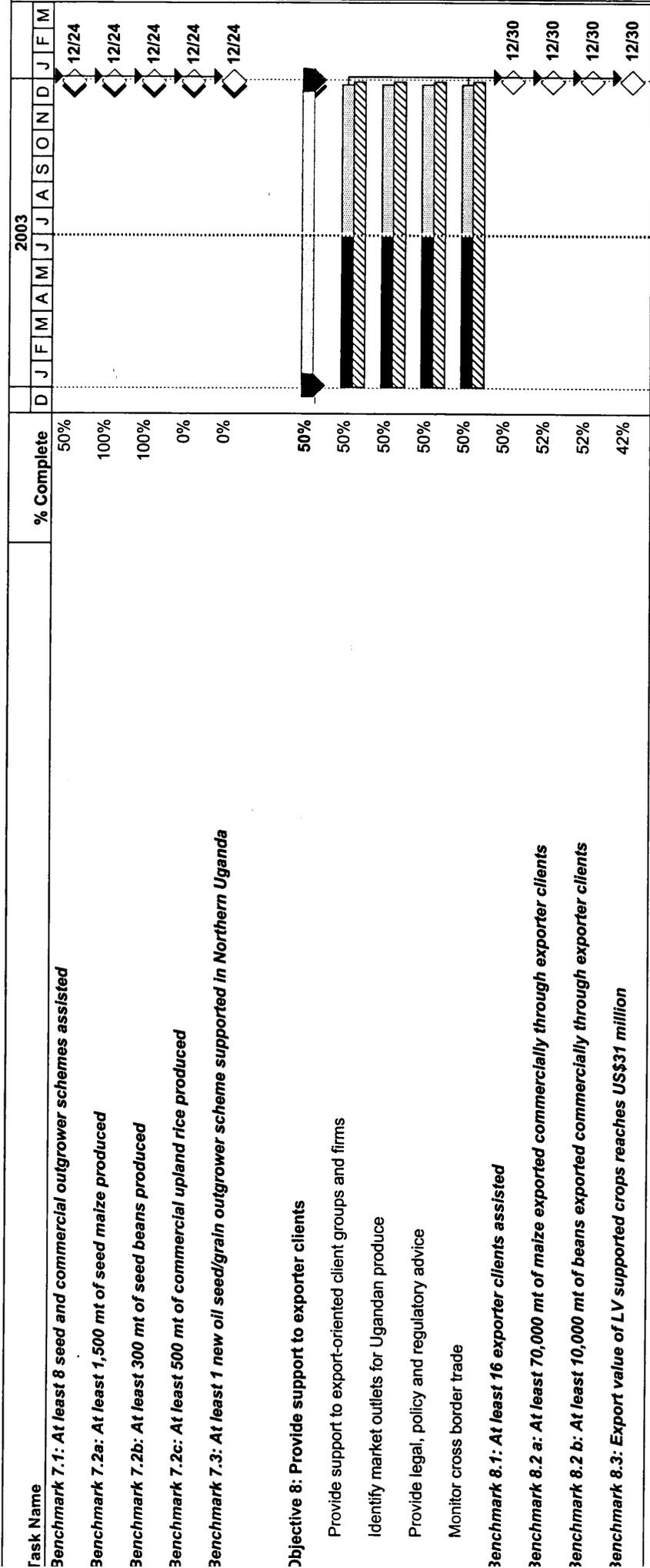


Project: WORKPLA8  
Date: Mon 6/30/03

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



Project: WORKPLA8  
Date: Mon 6/30/03



Project: WORKPLA8  
Date: Mon 6/30/03

Summary  
Baseline Summary

 Task

 Rolled Up Task

 Task Progress

 Rolled Up Progress

 Baseline

 Rolled Up Baseline

 Milestone

 Baseline Milestone

**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

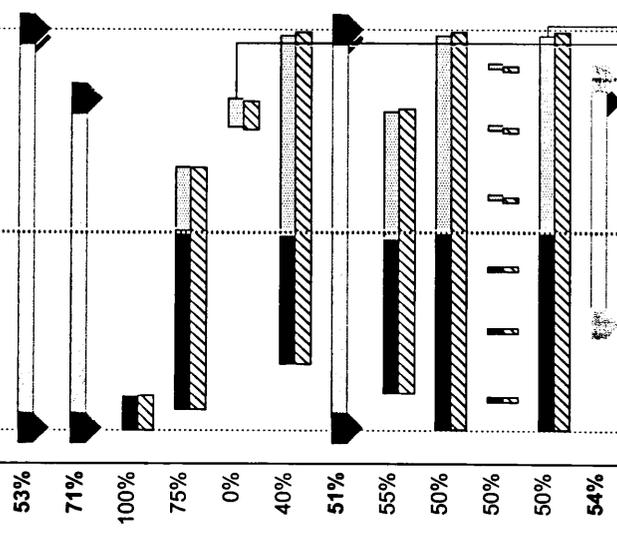
- a) 20% increase p.a in value of selected HV commodities and b) number of exporters assisted increasing by 5% p.a over LOP (Output 4)

**Objective 1: Promote efficient production technologies**

- Support research and technology transfer activity
  - Facilitate funding for trials
  - Initiate and support implementation and completion of research trials
  - Review results and recommendations of trials
- Promote existing and new variety and technology introductions
  - Maintain demonstration centres
- Conduct review workshops of demo centre staff
- Provide logistical support to demonstration centres
- Conduct technical visits
- Promote the use of improved technology
- Update commercialisation bulletins and extension manuals

2003

% Complete



Task

Rolled Up Task

Task Progress

Rolled Up Progress

Baseline

Rolled Up Baseline

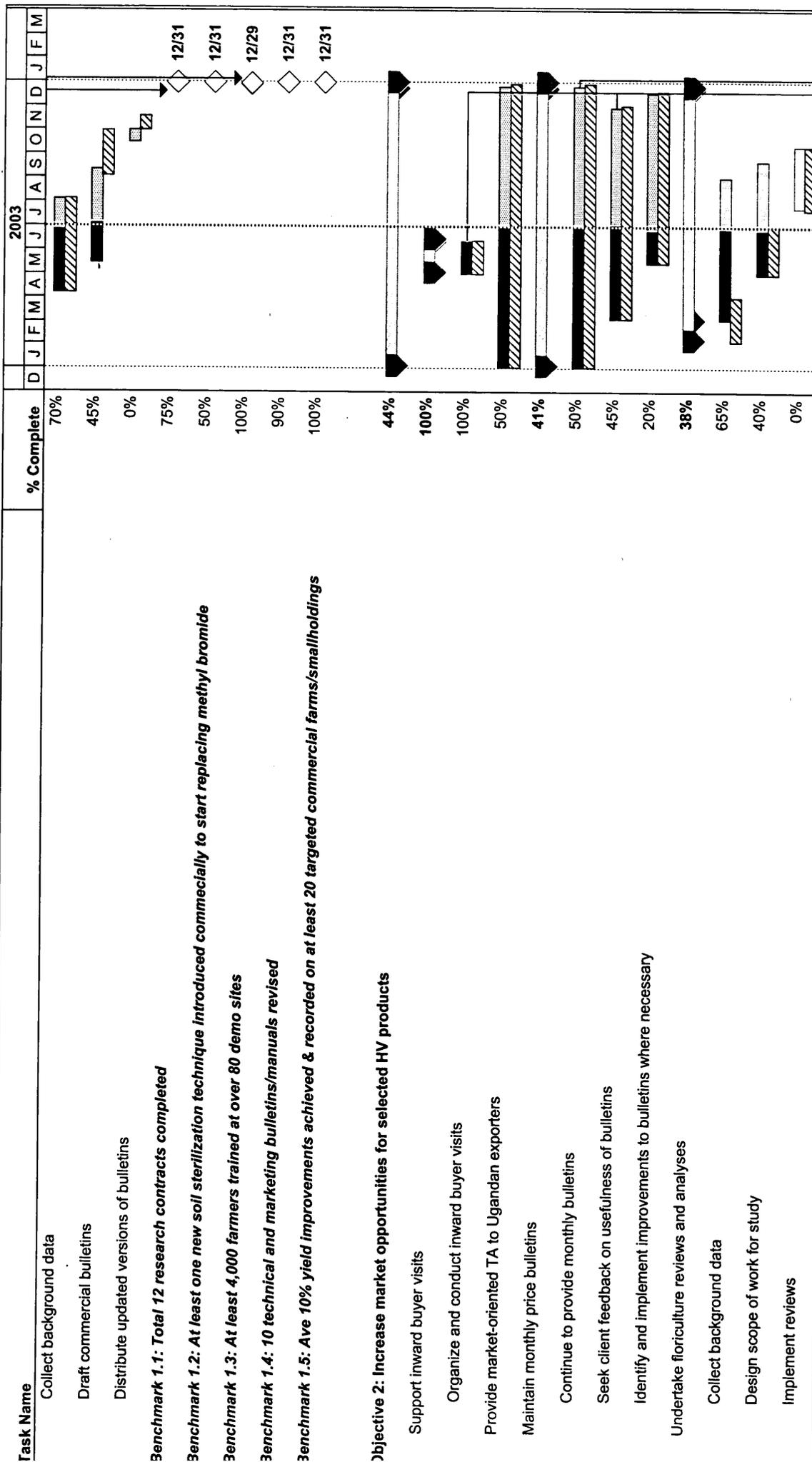
Milestone

Baseline Milestone

Summary

Baseline Summary

Project: WORKPLA8  
Date: Mon 6/30/03

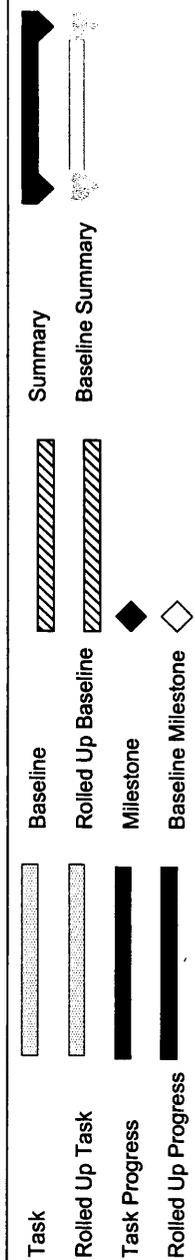
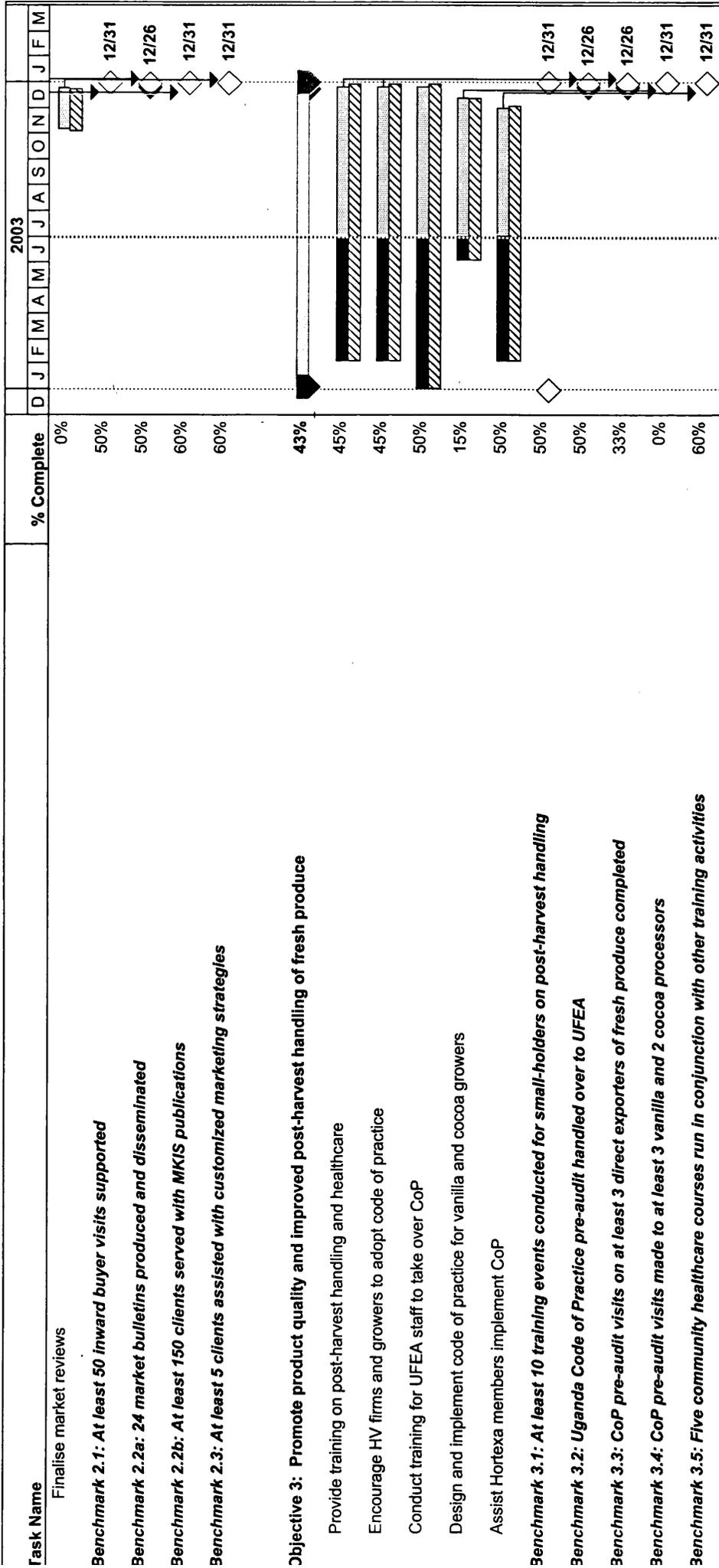


Project: WORKPLA8  
 Date: Mon 6/30/03

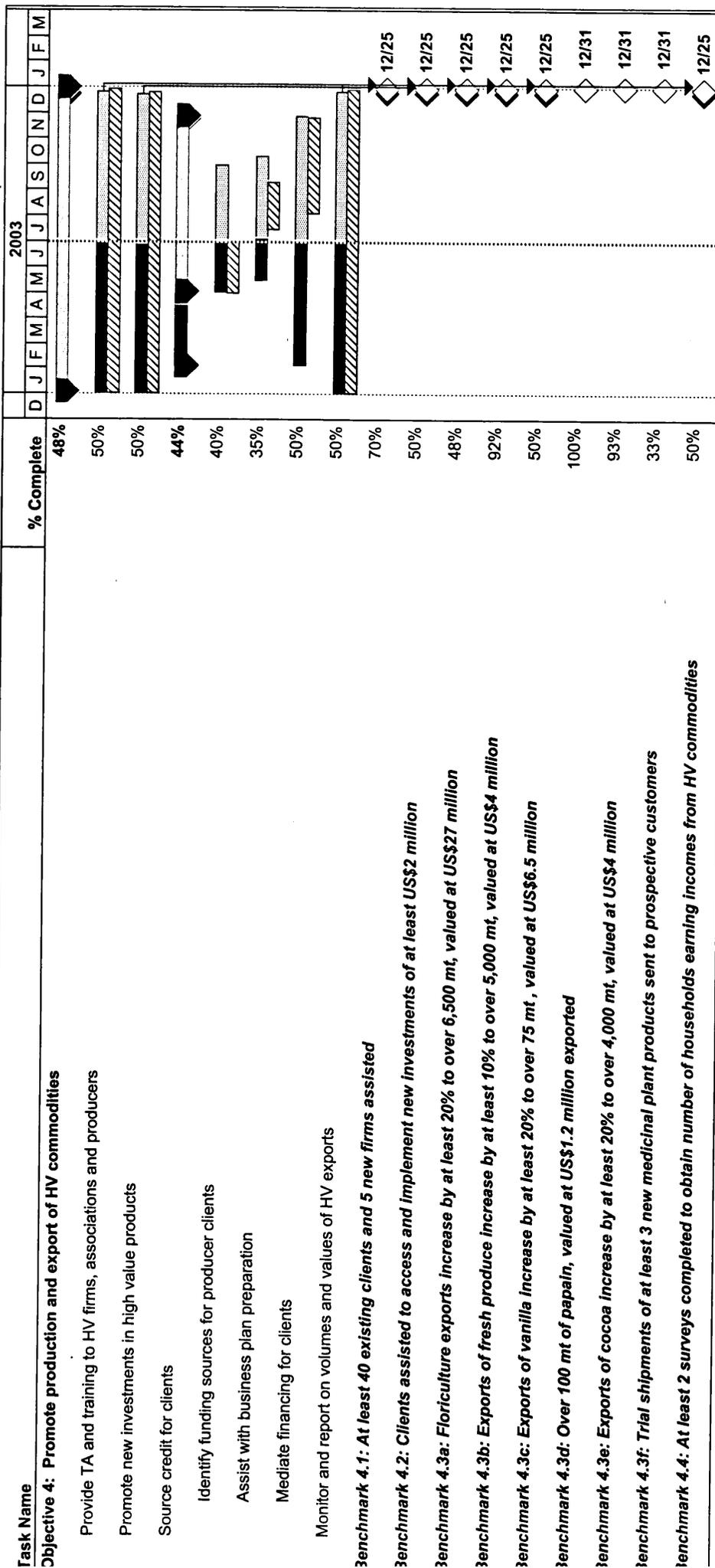
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 Task Progress: [Pattern] Task Progress  
 Rolled Up Progress: [Pattern] Rolled Up Progress

Baseline: [Pattern] Baseline  
 Rolled Up Baseline: [Pattern] Rolled Up Baseline  
 Milestone: [Symbol] Milestone  
 Baseline Milestone: [Symbol] Baseline Milestone

Summary: [Pattern] Summary  
 Baseline Summary: [Pattern] Baseline Summary



Project: WORKPLA8  
Date: Mon 6/30/03



Project: WORKPLA8  
 Date: Mon 6/30/03

**Task**

**Rolled Up Task**

**Task Progress**

**Rolled Up Progress**

**Baseline**

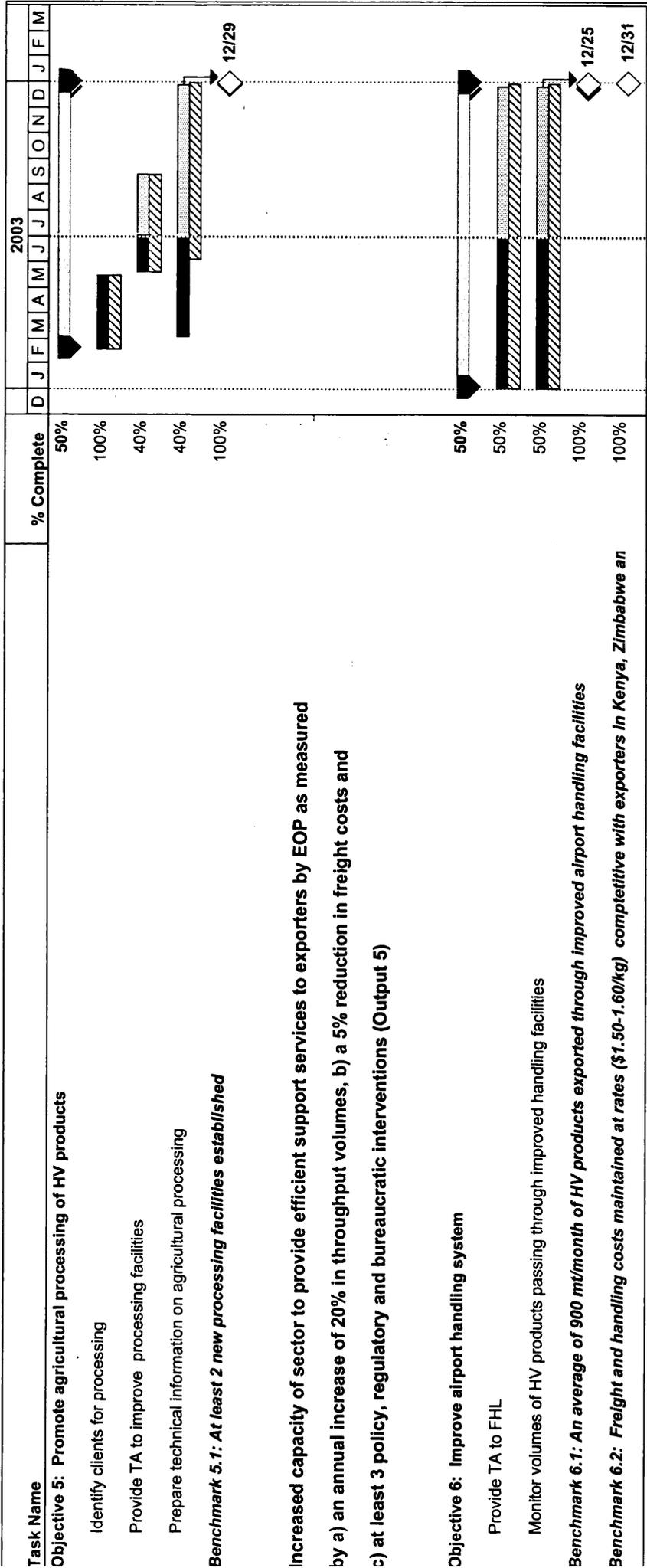
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**Milestone**

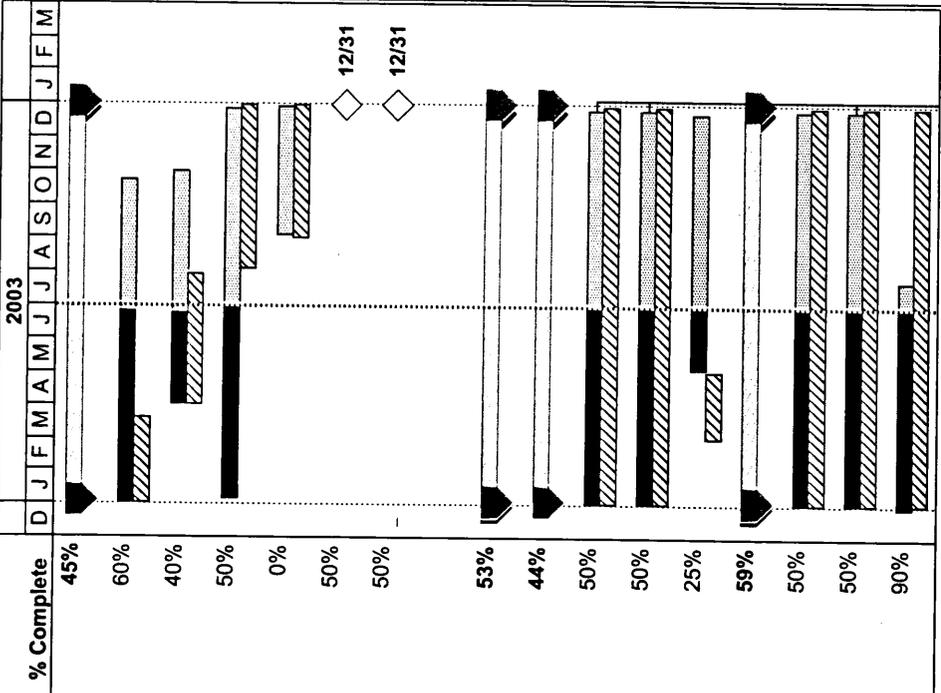
**Baseline Milestone**

**Summary**

**Baseline Summary**



Project: WORKPLA8  
 Date: Mon 6/30/03



**Task Name**  
**Objective 7: Reduce the cost of imported inputs**

- Assist in establishing a bulk procurement company
- Assist in business proposal preparation and staff recruitment
- Provide support/assistance to the new procurement company
- Monitor volumes through the procurement company

**Benchmark 7.1: Input needs assessment completed for all HV clients**

**Benchmark 7.2: Feasibility of establishing a specialist input procurement company determined**

**Objective 8: Strengthen institutional systems**

- Provide policy and regulatory advice through government institutions and high-value associations
- Assist UNVA in vanilla bill implementation
- Assist HV associations on types of pesticides recommended and their usage
- Update IDEA Pesticide IEE
- Provide TA and training to HV associations
- Facilitate membership recruitment
- Provide TA for HV associations
- Train flower farm supervisors in ATF course

Project: WORKPLA8  
 Date: Mon 6/30/03

Task: [Solid Black Bar]

Rolled Up Task: [Diagonal Lines Bar]

Task Progress: [Solid Black Bar]

Rolled Up Progress: [Diagonal Lines Bar]

Baseline: [White Bar]

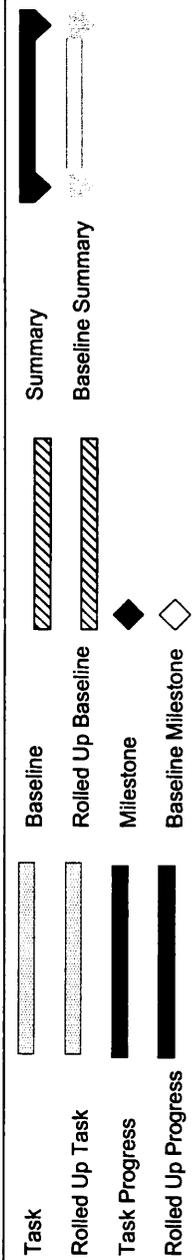
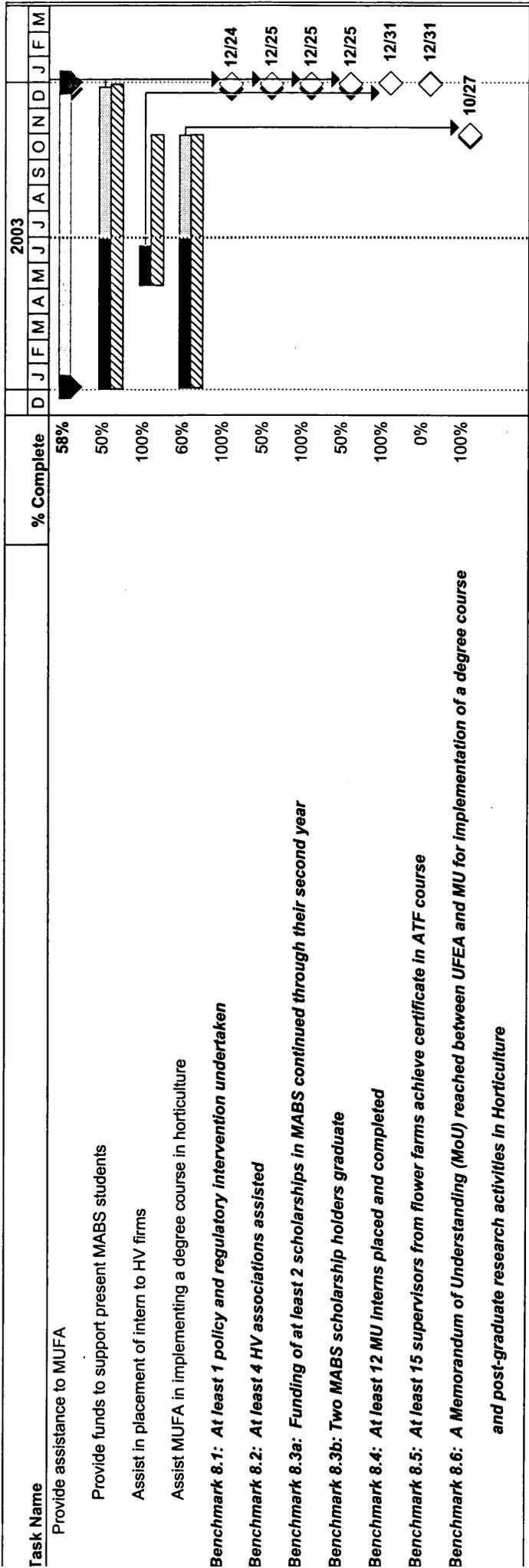
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Milestone: [Diamond]

Baseline Milestone: [Diamond]

Summary: [Thick Black Bar]

Baseline Summary: [Thick Black Bar]



Project: WORKPLA8  
Date: Mon 6/30/03

Task Name	% Complete	2003														
		D	J	F	M	A	M	J	J	A	S	O	N	D	J	F
<b>Project Management, Monitoring and Evaluation</b>																
<b>Project functioning and providing feedback to facilitate management for results over LOP</b>																
<b>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</b>																
<b>Objective 1: Facilitate team building/10th annual work plan</b>	0%															
Coordinate the design of training and commodity procurement plans	0%															
Conduct work planning workshop at ADC offices	0%															
Seek ISC input to and approval of work plan and budget	0%															
<b>Benchmark 1.1: Tenth annual work plan approved by the ISC</b>	0%															
<b>Benchmark 1.2: Training plan approved</b>	0%															
<b>Objective 2: Effect contract administration and reporting</b>	0%															
Liaise with USAID, HO, ISC, Subs, APDF, GoU, etc	0%															
Update procedures and personnel policies	0%															
Seek approvals of STTA	0%															
Submit contract compliance reports	0%															
<b>Benchmark 2.1: All expat. staff's personal vehicles registered &amp; copies of liability insurance documents filed</b>	50%															
<b>Benchmark 2.2: Documentation of expat. status and work permits/visas completed</b>	50%															

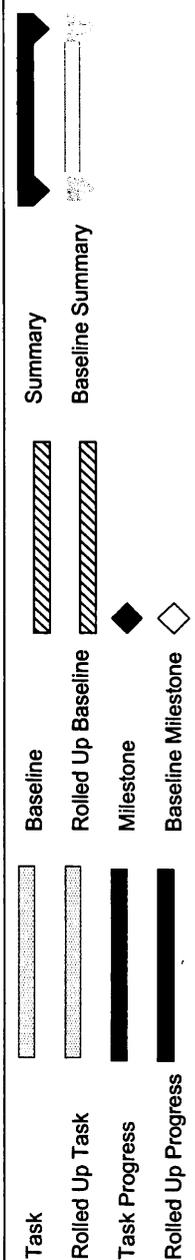
Project: WORKPLA8  
Date: Mon 6/30/03

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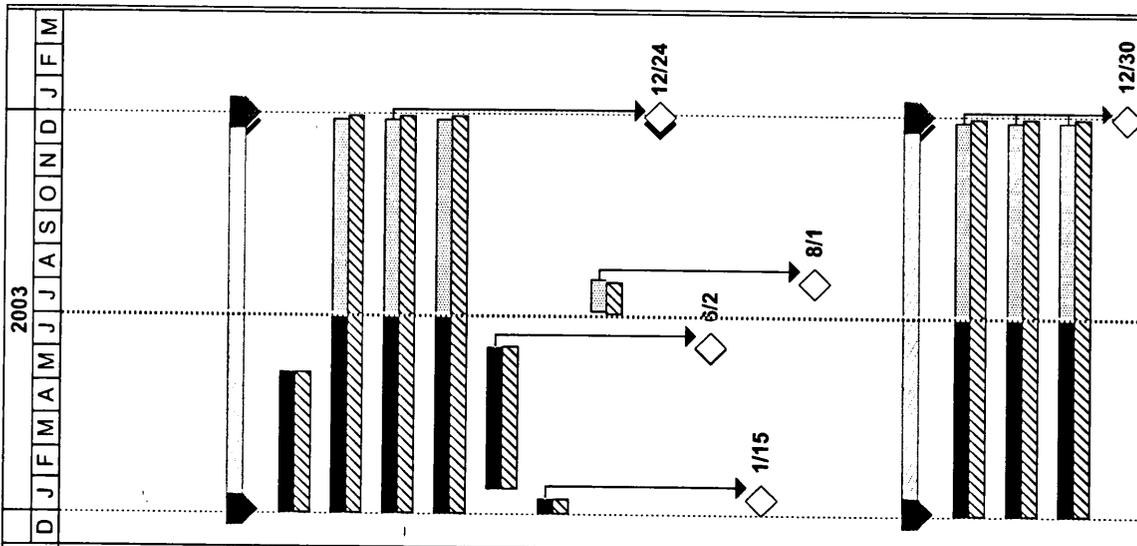
Baseline [Baseline] [Rolled Up Baseline] [Milestone] [Baseline Milestone]

Summary [Summary] [Baseline Summary]

Task Name	% Complete	2003														
		D	J	F	M	A	M	J	J	A	S	O	N	D	J	F
Benchmark 2.3: ISC meetings held at least on a semi-annual basis	50%															
Benchmark 2.4: Updated local office procedures manual developed	0%															
Benchmark 2.5: Updated local employee handbook developed	0%															
Benchmark 2.6: Monthly vouchers (12) submitted	50%															
Benchmark 2.7: Semi-annual progress reports submitted	50%															
Benchmark 2.8: Audits of project-financed activities completed	0%															
Benchmark 2.9: Procurement/receiving/inventory/marketing completed	0%															
Benchmark 2.10: STTA reports completed	50%															
Benchmark 2.11: Remaining small grants activities completed	0%															
Benchmark 2.12: COP attends Chemonics Senior Management Conference	100%															
Objective 3: Collaborate with other economic growth initiatives	0%															
Provide counseling on a demand-driven basis	0%															
Liaise with USAID on extent of participation of IDEA	0%															
Undertake joint engagements and leverage effort with others	0%															
Participate on technical review committees as necessary	0%															
Benchmark 3.1: At least 1 competitiveness study updated on an IDEA NTAE	0%															
Benchmark 3.2: At least 1 engagement completed with SPEED for access to credit by NTAE clients	0%															
Benchmark 3.3: ADC LTTA serve on PL-480 TRC and attend at least 4 meetings	50%															



Project: WORKPLA8  
Date: Mon 6/30/03



**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 SO7 reporting needs  
 Review reporting needs, 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 sixteenth semi-annual progress report  
 Prepare seventeenth semi-annual progress report

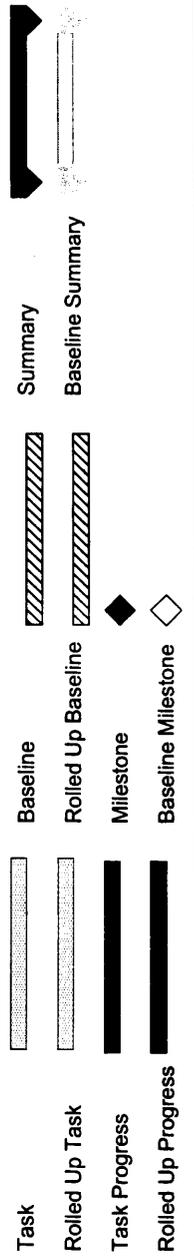
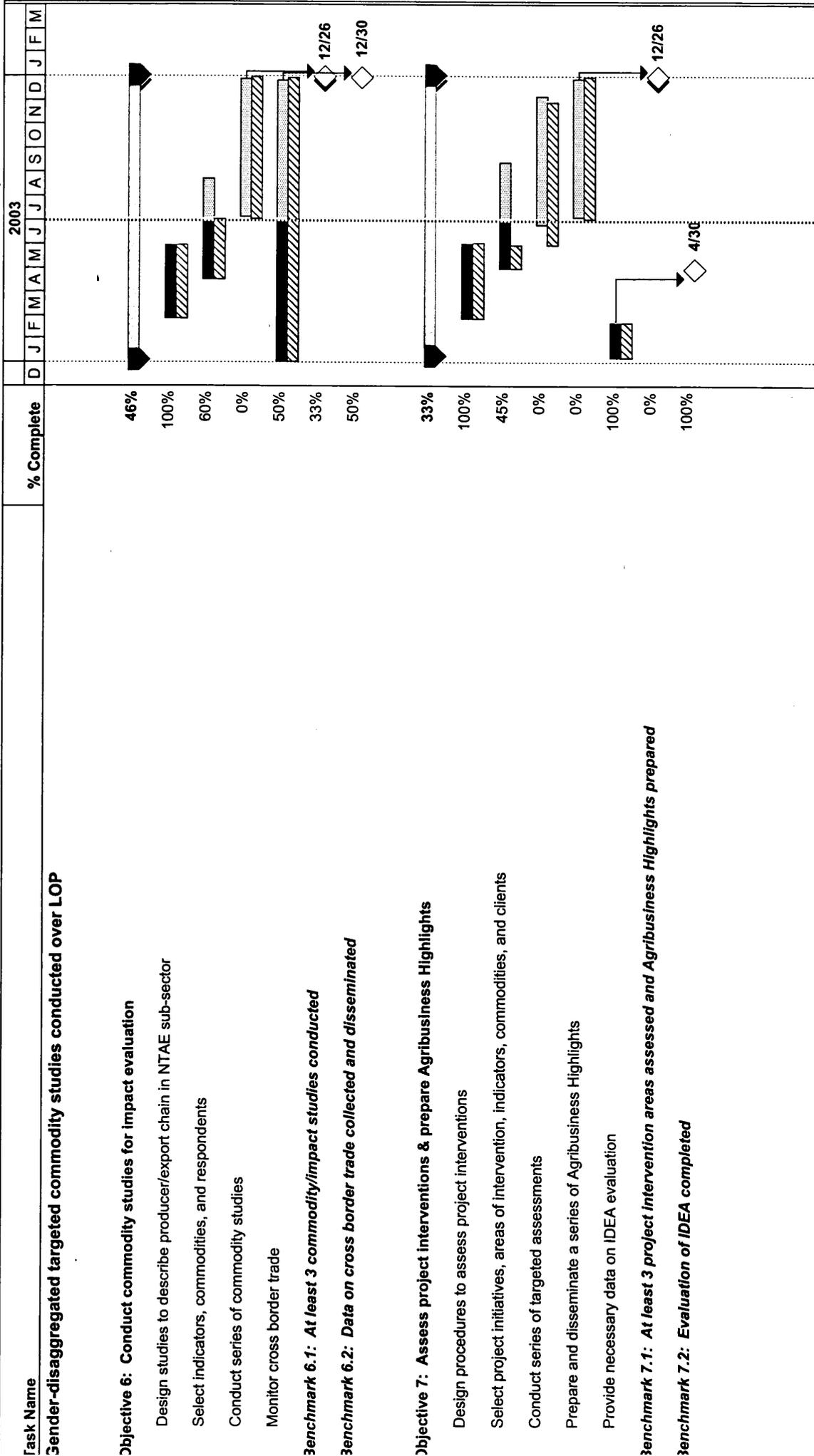
**Benchmark 4.1: AIMS reviewed and maintained consistent with SO7 requirements**  
**Benchmark 4.2: Semi-annual reporting format reviewed**  
**Benchmark 4.3: Sixteenth semi-annual progress report produced and disseminated**  
**Benchmark 4.4: Seventeenth semi-annual progress report produced and disseminated**

**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  
 Update data, prepare briefs and disseminate information

**Benchmark: Secondary data collected and updated**

**Project: WORKPLA8**  
**Date: Mon 6/30/03**

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



Project: WORKPLA8  
 Date: Mon 6/30/03

**ANNEX 6**

**TECHNICAL ASSISTANCE OFFERED TO NTAE  
CLIENTS:  
JANUARY - JUNE 2003**



*Annex 6(A)*

**Low Value Clients Served with Technical Assistance:  
January – June 2003**



## Technical Assistance Provided to LV Clients: January – June 2003

#	Name	Description	Activity category
1	Commodity Exports International	Linkage with Nakisenhe, Kamuli and Kasese marketing programs	Marketing
2	Kiboga Commercial farmers	Commercial maize farming	Training & finance
3	Sukura Agro Inputs	Wholesaler linkages locally and regionally.	Input supply
4	Bugangaizi Farmers Association	Bean seed multiplication activity for production of various beans for export.	Production, Export Marketing
5	Nsanja Family Stores - Masaka	Training and market links - input supply	Input Supply
6	IFCD/CEDO - Rakai	Seed production and marketing activity. Commercial bean production for export. Training in leadership and planning for managers	Production, Marketing
7	Rakai Farm Supply	Training and market links in input supply	Input supply
8	Roka Ale	Procurement and export of grains	Marketing
9	Afro Kai	Procurement and export of grains	Marketing
10	Kinoni Farm Produce	Technical assistance in maize production and marketing.	Production Marketing
11	NASECO Seed Co	Seed production and marketing	Production
12	Kasese Commercial Farmers	Commercial maize farming	Training & finance
13	Hoima Commercial Farmers	Commercial maize and upland rice farming	Training & finance
14	Mubuku Growers Association	Technical assistance in maize seed production	Production
15	Harvest Farm Seeds	Seed trading activity	Production & marketing
16	Kaddu Enterprises	Commercial farming activity	Production and marketing
17	Kapchorwa Commercial Farmers	Commercial maize farming	Training and finance
18	Masindi Commercial Farmers and Seed Growers	Commercial maize farming and contract seed production	Training and finance, seed growing
19	El Shaddai	Technical assistance in input supply	Input supply
20	Farm Engineering Industries Ltd	Machinery inputs supply. Participation in tractor operators course	Market advice and technical assistance

21	Nakisenhe Adult Literacy Group	Maize marketing through RAMS	Technical assistance
22	Mubende Commercial Farmers	Commercial maize farming	Training and finance
23	Iganga Commercial Farmers	Commercial maize and upland rice farming	Training and finance
24	Kamuli Commercial Farmers	Commercial maize farming	Training and finance
25	Bugiri Commercial Farmers	Commercial maize and upland rice farming	Training and finance
26	Sironko Commercial Farmers	Commercial maize and upland rice farming	Training and finance
27	Farm Inputs Care Centre	Seed enterprise – Maize and beans; Input supply	Production and market linkages and inputs
28	Outspan Enterprises	Support for certification and export logistics	Export marketing and market study
29	Monsanto	Crop chemical wholesaling, production demonstration and marketing linkages	Market advice and producer linkages
30	SEEDCO	Seed wholesaling, production demonstration and marketing linkages	Market advice and producer linkages
31	East African Seeds	Seeds and crop chemical wholesaling, production demonstration and marketing linkages	Market advice and producer linkages
32	Gukwatamanzi	Commercial maize outgrowers scheme and RAM S	Contract production, market linkages
33	Commodity Trading International	Procurement and export of grains	Marketing
34	Uganda Grain Trading Limited	Grain trading by a consortium of companies	Technical, Marketing and financial support
35	Centenary Rural Development Bank Ltd.	Banking Services/Seasonal finance	Product and Client Development
36	Standard Chartered Bank (U) Ltd.	Banking Services/Seasonal finance	Product and client Development
37	Development Finance Co. of Uganda Ltd.	Development finance (Long term finance)	Product and client development
38	Namalere Agricultural Training Institute	Training institution	Tractor training
39	Uganda Seed Trade Association	Association representing Uganda seed traders	Association formation and management
40	Tilda Rice	Outgrower program and contract growing	Training

41	Keith Associates	Input supply	Market advice and input linkage
42	SPEED Project	Project cooperation	Training
43	Nyakatonzi Cooperative Union	Cotton growing	Training and demonstration
44	North Bukedi Cotton Co.	Cotton buying	Demonstration
45	General and Allied	Input supply	Input market linkages
46	Tractor & Farm Implements	Agro machinery supplies	Market linkages
47	Andrew Lubega	Maize production	Production
48	Luzinga Estates	Commercial maize production	Production
49	Nyati Millers	Rice milling and commercial upland production	Production, processing



*Annex 6(B)*

**High Value Clients Served with Technical Assistance:  
January – June 2003**



Technical Assistance Provided to HV Firms and Associations: January - June 2003

Name of firm	Products	Type of assistance
<b>National associations:</b>		
HORTEXA	All fruits and veg.	Market information, training, consultancy
UCA	Cocoa	Training, consultancy, <b>grant</b>
UFEA	Flowers	Marketing, TA, training, research, <b>grant</b>
UNVA	Vanilla	Training, extension, market development, <b>grant</b>
<b>Local associations:</b>		
Mubuku Growers	Hot pepper, passion fruit	Training, consultancy
Comfarnet	Banana, vanilla, vegetables	Technical assistance, training
Buhweju Growers	Passion fruits	Training
Makonzi-Kasanda	Hot pepper, okra, passion fruit	Training, technical support
TEFU	Dry fruits	Training
Masaka Organic Growers	Dried fruits, vanilla	Technical assistance, training
Kasese Growers	Passion Fruits	Training
<b>Floriculture firms:</b>		
Melissa Flowers	Roses, gerbera	Research trials, <b>grant</b>
Magic Flowers	Roses	TA - PSOM funding for propagation
Bel Flowers	Tropical flowers	Trials
MK Flora	Roses	Management support, EU funding
Rosebud	Roses	Management support, marketing
Ugarose	Roses	Management support, sourcing finance
Fiduga	Cuttings	Technical support - MeBr
Van Zanten	Cuttings	Technical support - MeBr
WFS/Wagagai	Roses, cuttings	Technical support, PSOM funding
<b>Fruit and veg firms:</b>		
African Organic	Organic produce	Technical support, organic certification
Zed Hort.	Runner beans	Research, consultancy, marketing
Mairye Estates	Vegetables	TA, research, EU funding, <b>grant</b>
Jaco Comm. Agencies	Pineapple	Marketing, TA
Hortipack	Fruits and vegetables	Technical assistance, PSOM funding
Tropiexports	Fruits and vegetables	Marketing, TA
Makonzi	Vegetables	Technical assistance,
<b>Vanilla and Spices</b>		
Ndali Estate	Vanilla	Technical assistance
Uganda Crop Industries	Vanilla, cardamom	Technical support
Esco	Chilli, papain, vanilla	Marketing, technical support
Empire Estates	Vanilla	Marketing, technical support
House of Spice	Spices	Technical support
<b>Other Products</b>		
Magric	Equipment	Technical support - steam sterilisation
Madhvani Group	Medicinal plants	Research
Reco Industries	Papain	Research
Fresh Handling	Air freight Services	Management, technical support
Flona Ltd	Dried fruits	Product analysis, technical support
Chemiphar	Chemical analysis	Technical assistance
<b>NGOs:</b>		
Technoserve	Chilli, Papain	Technical support
VEDCO	Vegetables, Passion fruits	Technical support, planting material
SARD	Banana, vanilla	Technical support
<b>Government:</b>		
Makerere University	Agribusiness, horticulture	Training, interns, P/G degree sponsorship
CDP	Cocoa	TA, training, consultancy,
NARO	Various	Research funding, TA, <b>grants</b>
PMA/NAADS	Export crops	Technical support - strategic exports
NEMA/UNIDO	MeBr	Technical support



**ANNEX 7**

**NTAE TRAINING EVENTS SPONSORED BY IDEA:  
JANUARY - JUNE 2003**



*Annex 7(A)*

**High Value Training Events: January – June 2003**





	the Netherlands	requirements in the Netherlands and how to improve on the quality of Ugandan roses.							MU staff
8	Seminar	Improve performance of harvest supervisors	0	18	9				Employees of Deliflor harvesting section
<b>Healthy care trainings</b>									
2.	Seminar	Create awareness among workers and how to reduce Malaria and STD prevalence, Kajjansi Roses hosted the training	21	86	27				Flower farm workers at Kajjansi Roses
	Seminar	To create HIV/AIDS awareness among the workers and how to care for HIV positive people	50	75	47				Flower farm employees of Venus flowers
	Seminar	To create HIV/AIDS awareness among the workers and how to care for HIV positive people. The training took place at Aurum Roses	50	100	66				Flower farm employees of Aurum flowers
	Seminar	To create HIV/AIDS awareness among the workers and how to care for HIV positive people. The training took place at Mairye Estates	135	165	150				Flower farm employees of Mairye Estates and Magic flowers
	Seminar	Create awareness on how HIV is transmitted from mothers to their babies	0	47	11.75				Female workers at Fiduga Ltd
	Field day	To show Mairye out-growers what is being done at the estate especially on vegetable production	14	4	28				Mairye out-growers, Research officers and other small scale vegetable growers
<b>Cocoa training program</b>									
3	Field day	Demonstrate how to prune, shade management and cocoa plant establishment in Bundibugyo and Hoima in the month of January	91	37	128				Cocoa growers in Bundibugyo and Hoima districts
	Field day	Cocoa plant establishment and general management in Mayuge district	47	148	195				Cocoa growers in Mayuge district
	Field day	Cocoa field management practices	56	16	72				New and old cocoa growers in

									Bundibugyo in the month of February
4	Field day	Cocoa field management practices	40	14	54				New and old cocoa growers in Jinja district in the month of February
5	Workshop	Launching of cocoa COP training in Bundibugyo and Hoima	142	48	190				Cocoa growers and buyers in Bundibugyo and Hoima districts
6	Workshop	Launching of cocoa COP training in Mukono and Mayuge districts	138	36	174				Cocoa growers and buyers in Mukono and Mayuge districts
7	Field day	Cocoa field management training in Bundibugyo during the month of March	56	13	69				Cocoa growers, new and old in Bundibugyo district
8	Field day	Training farmers aspects of rehabilitation, post harvest and cocoa field rehabilitations	163	67	230				Cocoa growers in Bundibugyo, Hoima and Busoga region in the month of April.
9	Field day	Field rehabilitation, quality control, marketing and sensitization	380	90	470				Cocoa growers in Bundibugyo, Hoima and Busoga region in the month of May.
10	Field day	Crop establishment, rehabilitation and marketing of cocoa	156	73	229				Cocoa growers in Bundibugyo, Hoima and Busoga region in the month of June
11	Field day	Cocoa establishment, rehabilitation and sensitization on cocoa UCOP during the month of June	120	43	163				Cocoa growers in Masindi and Hoima districts
	<b>Vanilla</b>								
4. 1	Field day	Vanilla training on general field management in Mubende in January	51	26	77				New and old growers of Vanilla in Mubende district
2	Field day	Training of new vanilla farmers in Wakiso district	54	11	65				New vanilla farmers in Wakiso district
3	Field day	Pruning and general management of vanilla plants	51	20	71				New and old vanilla growers in Mukono district.
4	Field day	Harvesting of mature vanilla beans	70	16	86				Vanilla growers in Iganga
5	Field day	Planting and management of vanilla plants, types of support plants required	82	3	85				Vanilla growers in Bundibugyo district
6	Field day	Harvesting and quality requirements of	251	14	265				Vanilla growers and local leaders in

		vanilla on the international market				Bundibugyo district
<b>Fresh fruits</b>						
5	1	Field day	Training of fresh fruit growers in the management and growing practices of fresh fruits for export in April	14	4	18
<b>Bananas</b>						
6	1	Field day	Banana plantation management and rehabilitation in six districts in January	161	192	353
	2	Field visit	Banana farmers visited in January	69	63	33
	3	Field visit	Training on the need to form groups for small banana holders in Kingo sub/county Masaka district	48	60	27
	4	Seminar	Banana plantation establishment using tissue culture plants	14	8	22
	5	Field day	Banana field rehabilitation, establishment and fertilization	241	316	557
	6	Field day	Banana follow up training on rehabilitation and pest control during the month of March	289	340	629
	7	Field day	Banana sucker management, fertilizer application and pest control during the month of April	285	450	735
	8	Field day	Banana general management of banana fields during the month of May	155	232	387
	9	Field day	Farmer group formation, record keeping and planning	67	94	161
<b>Market information</b>						
7	1	Seminar	Enhance sustainability of market information services to individual	1	4	7.5
						Staff from UFEA, HORTEXA, UGT, UCA and UNVA

			associations				
<b>Passion fruits</b>							
8	1	Field day	Passion fruit production techniques and nursery management	109	77	186	Farmers and potential passion fruit farmers from Kasese, Bushenyi, Mbarara and Kamwenge districts
	2	Field day	Passion fruit production techniques and nursery management	102	93	195	Farmers and potential passion fruit farmers from Masaka, Mubende, Mukono districts
	3	Field day	Passion fruit production techniques and nursery management	168	176	344	Farmers and potential passion fruit farmers from Luwero, Wakiso and Mbale districts
<b>HV Total</b>				<b>4069</b>	<b>3336</b>	<b>7313.25</b>	



*Annex 7(B)*

**Low Value Training Events: January – June 2003**



**B: Low Value Training Events**

Sr No	No. of training events	Type	Title/Purpose	No of participants		Participant days	Clients
				Male	Female		
<b>Seed Production and Rice demonstrations</b>							
1.	1	Seminar	The importance of crop rotation in the seed production industry.	9	4	13	FICA seed out growers in Masindi
	2	Field visit	Identification and initiation training of potential maize seed growers	12	5	17	FICA seed out growers in Masindi
	3	Field visit	Inspection of hybrid seed growers in Mubuku and Fort Portal. Aspects of thinning, fertilizer application and identification and removal of off-types	140	40	180	FICA Monsanto Seed growers
	4	Field visit	Herbicide and fertilizer application in upland rice	25	5	60	Upland rice Tilda outgrowers in Bugiri and Iganga
	5	Field visit	Upland rice production management of demonstration plots	10	3	13	Potential upland rice growers in Hoima.
	6	Workshop	Promoting business development and market linkages	21	7	28	Political, civic leaders, extension workers
	7	Workshop	Upland training	269	189	228	Commercial upland rice farmers in Hoima
	8	Workshop	Upland rice training	28	22	25	Commercial farmers in Kiboga
<b>ATAIN and Inputs training events</b>							
2	1	Workshop	ATAIN stockists training	26	4	60	New stockists for Farm Inputs Centre
	2	Workshop	ATAIN stockists training	11	4	30	New stockists for Rakai Farm supply
	3	Workshop	Stockists Training	0	34	68	Stockists for BUCADEF
	4	Workshop	ATAIN stockists review workshop	37	9	46	Old stockists of Rakai Farm Supply

5	Field day	ATAIN stockists demonstration sites field day	68	28	96	Farmers and extension workers	
6	Field day	Rakai farm Supply Field day	90	30	120	Farmers and stockists of Rakai Farm Supply	
7	Seminar	Women stockists in Mubende/ Kiboga districts	0	32	32	Women stockists from Mubende and Kiboga	
8	Workshop	The role of NAAADS in marketing, strategies for market opportunities	40	10	50	NAAADS personnel	
9	Workshop	Stockists training with Harvest Farm Seeds	20	10	15	Stockists attached to Harvest Farm Seeds	
10	Workshop	Train the participants on the rationale for having a demo program	30	16	46	NAAADS district coordinators and other NAAADS personnel	
<b>Maize Commercial Farmer Trainings</b>							
3	1	Workshop	Commercial farmers training maize	65	37	204	Commercial farmers in Kamuli & Kasese
	2	Workshop	Review of best practices with old farmers of maize	180	20	200	Old maize commercial growers in Kapchorwa
	3	Workshop	Review of best practices with old farmers of maize	34	11	45	Old maize commercial growers in Bugiri
	4	Workshop	Commercial farmers training in maize	84	16	200	New commercial farmers in Kapchorwa
	5	Workshop	Maize Commercial farmer s training	50	28	156	Maize commercial farmers from Kiboga
	6	Workshop	Maize commercial farmers training	62	23	170	Commercial farmers from Mubende
	7	Field day	Upland rice	66	36	52	Farmers of Kiboga nand Mubende districts
	8	Field day	Upland rice	72	48	60	Farmers and extension staff from Mbale, Sironko, Kamuli, Igang





**ANNEX 8**

**IDEA SMALL GRANTS PROGRAM**



**IDEA SMALL GRANTS FUND TRACKER**

PROGRESS REPORT THROUGH JUNE 2003

No.	GRANTEE/FARA Recipient	IDEA Small Grant/FARA Budget	Period of Grant/FARA	Agreement Amount	Amount Obligated	Expended to Date (\$)	Agreement Amount Remaining	Total Funds Remaining
1	African Project Development Facility-FARA No. 1		3/1/00-12/31/02	\$400,000	\$400,000	378,839	21,161	
2	NARO Maize Program 2000-FARA No. 2		3/1/00-2/28/01	112,331,000	112,331,000	55,843	16,730,147	Returned to Grant Pool
3	NARO Beans Program 2000-FARA No. 3		3/1/00-2/28/01	69,195,948	69,195,948	39,563	1,255,317	Returned to Grant Pool
4	NARO Sesame Program-FARA No. 4		5/1/00-4/30/01	9,748,550	9,748,550	2,495	5,342,062	Returned to Grant Pool
5	Fresh Handling Limited-CII-IDEA-001		3/16/01-3/15-02	\$80,000	\$80,000	79,961	39	Returned to Grant Pool
6	Uganda Flowers Exporters Association-CII-IDEA-002		3/28/01-3/27/02	161,500,000	161,500,000	91,527	2,430,183	Returned to Grant Pool
7	Uganda Cocoa Association-CII-IDEA-003		3/29/01-12/31/03	69,550,000	69,550,000	30,195	22,999,600	Returned to Grant Pool
8	Farm Inputs Care Centre-CII-IDEA-004		3/16/01-6/30/03	\$99,000	\$99,000	99,250	-250	Deducted from Grant Pool
9	Harvest Farm Seeds-CII-IDEA-005		3/16/01-6/30/03	\$99,000	\$99,000	99,115	-115	Deducted from Grant Pool
10	NASECO-CII-IDEA-006		3/16/01-6/30/03	\$60,000	\$60,000	60,016	-16	Deducted from Grant Pool
11	Outspan Enterprises Ltd.-CII-IDEA-007		3/16/01-6/30/03	\$98,272	\$98,272	98,265	7	
12	NARO Maize Program 2001-FARA No. 5		3/1/01-2/28/02	111,573,950	111,573,950	61,111	7,687,145	Returned to Grant Pool
13	NARO Beans Program 2001-FARA No. 6		3/1/01-2/28/02	104,754,200	104,754,200	55,061	6,873,520	Returned to Grant Pool
14						0	0	
14	Mairyie Estates Limited-CII-IDEA-008		6/1/01-5/31/03	\$87,000	\$87,000	89,771	17,229	
15	Uganda National Vanilla Association-CII-IDEA-009		6/1/01-12/31/03	168,212,500	168,212,500	70,681	41,625,000	
16	Melissa Flowers Ltd.-CII-IDEA-010		1/1/02-6/30/03	52,900	52,900	52,900	0	
17	NARO National Banana Program-FARA No. 7		2/1/02-7/31/03	88,023,200	88,023,200	42,504	16,546,370	
18	NARO National Passion Fruit Program-FARA No. 8		2/1/02-5/31/03	68,091,360	68,091,360	33,365	8,591,700	
19	NARO National Maize Program 2002-FARA No. 9		3/1/02-2/28/03	28,274,000	28,274,000	14,781	1,322,838	Returned to Grant Pool
20	NARO National Beans Program 2002-FARA No. 10		3/1/02-2/28/03	28,625,000	28,625,000	11,203	8,505,752	
21	Uganda Flowers Exporters Association-CII-IDEA-011		1/1/03-12/31/03	66,500,000	66,500,000	3,835	59,700,000	
22	Roka Ale Trading Company Ltd.-CII-IDEA-012		2/7/03-12/31/03	63,400,000	63,400,000	11,642	41,650,000	
<b>TOTAL</b>		1,600,000				1,461,926	138,207	-133

\* Italicized Numbers denote Uganda Shillings

\*\*Remaining balances for Grants/FARAs denominated in Uganda Shillings have been converted to US\$ at an exchange rate of 2000:1 for purposes of this report

