

# PCF BENCHMARKING FIELD VISIT TO NORTHERN UGANDA

## NEWS LETTER



Ahead of the 5th bi-annual retreat scheduled for April 2024 in Gulu City under the Theme: **“Battle to green field: Transforming Northern Uganda into a commercial production & logistic Hub for export,”** the Presidential CEO Forum conducted on a four day field visit to Northern Uganda. The Purpose of the Visit was to understand the state, challenges and realistic options for supporting commercialization and agro-industrialization in the region. The field visit undertaken by The 5th Bi-annual Private Sector CEO retreat, technical working group, focused on exploring Northern Uganda farms and industries as part of the preparatory activities to gather views on existing agricultural value chains and logistics for export in the region for discussion

during the retreat. Alongside The technical working group visited various sites to gather first-hand information.

Additionally, The field visit aimed at identifying the obstacles hindering the advancement of Agro industrialization in the Northern Region suggest strategies for expanding commercialization and agro-processing (value addition). These measures aim to enhance market accessibility (promote exports) and optimize the commercial worth of the region's products.



**Mr Deo Kayemba chairman technical working group 5th Bi-annual CEO Private Sector Retreat**

During our visit to the Gulu Industrial Hub, we were briefed on its upcoming ventures in logistics, customs processes, and technology. However, a noticeable gap exists in storage and cleaning facilities. As farmers, it's important for you to collaborate, utilize the available equipment, pool resources for seed sourcing, and collectively market your products. Our Visit to the Northern Uganda Agriculture Centre (NUAC) highlighted the Region's potential for top-tier commercialized agriculture on expansive, fertile, level terrain. Cooperative farming is underscored as pivotal for sustaining the agricultural value Chain.

On behalf of the Uganda Manufacturers Association (UMA), our objective is to extend support by procuring whatever you produce for our industries. Let's identify a designated area for industrial development to add value to your produce and foster job creation within the region.

Northern Uganda is ready for world-class commercial agriculture due to its expansive, arable flatlands ideal for mechanized farming. With available land, water resources, and now mechanized equipment like irrigation systems and sprayers, the region is well-prepared. However, they still require government support in accessing quality inputs (seeds), quality chemicals, and road infrastructure. Particularly in Gulu, the region is ready for an industrial park to ensure that the agricultural output is processed locally, thereby creating employment opportunities for the growing youth population, adding value to the produce, and fostering manufacturing. This will position Northern Uganda as an export hub.

Gulu's strategic location as a border town to DRC, South Sudan, and Somalia underscores its potential. Prioritizing the industrialization of Gulu will transform it into a center for exports, with the Gulu Logistics Hub serving as an aggregation and export center for products from all over Uganda.

The people of Northern Uganda expect alignment with the National Development Plan III (NDP III), which emphasizes industrialization as a key development pillar, agriculture as a growth driver, and value addition of local inputs to bolster the economy over the next decade. These initiatives mark the beginning of this transformative journey, with Northern Uganda identified as a primary target area. The government's Parish Development Model, which provides financial support at the parish level, will help aggregate production into industries. The upcoming 5th Bi-annual Private Sector CEO Retreat will address these aspects and align government policies to achieve these objectives.



**Dr. Brenda Tibamwenda- Speaking for the PCF Chairman**

The Presidential CEO Forum, under the direct supervision of H.E Yoweri Kaguta Museveni, is dedicated to connecting with people across various sectors in Uganda. During our visits to different districts, we have seen the Head of State promptly addressing prevailing issues. Our goal is to highlight the richness of Northern Uganda and bring it to national prominence. We have chosen agriculture as our focus, aligning with the country's transition towards the African Continental Free Trade Area (AfCFTA), where agriculture is pivotal. This field visit aims to spotlight the region where agriculture flourishes the most.

The Presidential CEO Forum, an entity directly overseen by H.E Yoweri Kaguta Museveni,



aims to reach as many Ugandans as possible, making the Chairman's presence crucial to ensure discussions are endorsed. Our visits to various districts have demonstrated the President's ability to provide swift solutions, bypassing lengthy bureaucratic processes. Today, we visit the Northern Region to allow the President to connect with its people and appreciate the region's unique attributes, which many may not know. The PCF aims to showcase the Northern Region to the rest of the country, recognizing the significant contributions of its people. We are here to engage in discussions, understand



### **Irene Birungi Mugisha**

In 2021, H.E Yoweri Kaguta Museveni inaugurated the Presidential CEO Forum to bridge the gap between the Private Sector and Government. The PCF, initiated by the Head of State, aims to bring together the Private Sector, which is the engine of economic growth. The Forum was established to facilitate ongoing engagement with the Government on key policy initiatives that enhance the National Development Agenda. The forum aims to expedite socio-economic transformation, considering the private sector as the primary driver of growth. It recognizes and engages those who have made significant contributions to the country's economy. Since inception, the Forum has organized 4 Retreats:

The 1st Retreat convened at the National Leadership Institute (NALI) in Kyankwanzi focused on transformative issues like the Export Guarantee Scheme benefiting small-scale farmers. The 2nd hosted was held at H.E Kaguta Museveni's country home in Ntugamo yielded a key outcome: the

your challenges, and determine how the President and the Government can assist you. As a vital breadbasket for Uganda, your role is crucial, and it deserves national recognition. With the country moving towards the African Continental Free Trade Area (AfCFTA), where agriculture is central, we have come to the heartland of agricultural activity. The PCF is highly inclusive, and we are pleased to be here, eagerly anticipating the 5th Bi-annual Private Sector CEO Retreat.

Government's provision of alternative financing, a measure now adopted by the Ministry of Finance, Planning and Economic Development has adopted.

The 3rd Retreat held at Chobe Safari Lodge in Nwoya district resulted in a significant focus on enhancing trade and exports. The 4th Bi-annual Retreat held at the Kiira Motor Vehicle Plant in Jinja, highlighted the theme of e-mobility, particularly the production of electric vehicles. To date, the plant has successfully manufactured over 21 buses, with plans underway to diversify into producing trucks for farmers.

During the 4th Bi-Annual Retreat, H.E Yoweri Kaguta Museveni officially launched our roadmap for Regional Private Sector Retreats, designating Gulu as the venue for the 5th Bi-Annual Retreat. The Focus of the 5th Bi-annual Retreat will be on transforming agriculture, optimizing value addition and boosting exports of agricultural produce. Our goal is to comprehend the challenges and identify strategic interventions necessary for the commercialization and mechanization of the agriculture value chain.

The PCF team together with some of its Stakeholders embarked on a 4 day benchmarking Field Visit in Northern Uganda, aligning with the President's directive to engage with those that have contributed immensely to the nation's development through various initiatives and enterprises thereby fostering wealth creation and income generation.

Subsequently, the Presidential CEO Forum will soon convene its 5th Bi-annual retreat wherein discussions will revolve around the challenges encountered and desired government interventions to promote the commercialization of agriculture under the theme: "Battlefield to Green Field."

# Day 1: AGENCY FOR ACCELERATED REGIONAL DEVELOPMENT (AFARD).

AFARD is a local, not-for-profit, non-denominational, non-governmental organization (NGO) formed in July 2000 by professional sons and daughters of West Nile. AFARD works in West Nile region, Uganda with poor, rural, and marginalized community groups composed of women, men, youth, fisher folks, and persons living with HIV/AIDS.

Mr. Robert Bakyalire, Director of Programmes 1 at AFARD, highlights the organization's commitment to driving scalable socio-economic change in the West Nile region. This transformative effort targets 140,000 individuals, comprising both nationals and refugees, with a focus on empowering women and youth. Through the "Inspire - Empower - Account" approach, AFARD aims to break the cycle of intergenerational poverty and enable marginalized families to thrive.

## Four Pillars of AFARD's Strategic Plan.

1: Nutrition security: AFARD promotes the production and consumption of diverse foods to enhance nutrition and food security.

2: Access to markets: AFARD facilitates access to decent employment opportunities in strategic agribusiness and vocational labor markets.

3: Voice and accountability: AFARD advocates for responsive and people-centered local governance to ensure community empowerment and effective service delivery.

4: Institutional Development: AFARD strengthens its operational capacity and financial sustainability to better serve its beneficiaries.



**ROBERT BAKYALIRE**  
Director Programmes 1

## Key Initiatives by AFARD:

- Supporting cassava value chains for refugees and host communities, emphasizing food security and high-nutrient crops.
- Aligning programmes with national, local government, and community development initiatives.
- Promoting peer-to-peer extension services and facilitating Business Development Services (BDS) to link farmers with buyers.
- Facilitates Business Development Services (BDS) for market development linking farmers and buyers.
- Providing financial literacy programmes and supporting farmers' cooperatives for collective marketing and input negotiation.
- Supports farmers' cooperatives under collective marketing facilities (for better markets and negotiated inputs) AFARD promotes farmers' involvement in collective marketing through fostering the establishment of cooperative farmer organizations to boost market access and enhance the availability of inputs.
- Encouraging the establishment of village savings and loan associations (VSLAs) to Agro-inputs Fund Savings associations for economic empowerment.



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AFARD engages in various value chains, including cassava, Irish potatoes, onions, sorghum, and rice, to support smallholder farmers across 8 out of 11 districts in the Northern Region. Currently, AFARD collaborates with 30,900 smallholder farmer households organized into 1,115 farmer groups, aiming to enhance their food and income security through inclusive market participation.

Hudson .O. Ogwali, Director of Programs 2 at AFARD, underscores the organization's extensive reach across 8 out of 11 districts in the Northern Region. AFARD's primary objective in these areas is to bolster smallholder farmers, thereby strengthening the agricultural value chain. This strategic focus aligns with AFARD's broader mission of promoting sustainable agricultural practices and fostering economic empowerment within local farming communities.

**Challenges Faced:**

- High cost and poor quality of inputs.
- Lack of market for cassava.
- Price instability.
- No value addition to the cassava with over 90% of the harvest cassava is sold in

- In Economic Empowerment, AFARD directs its efforts towards youth, providing them with skills that are currently on demand in the market. The organization offers vocational skills training, aligning with the market demand and promoting economic independence.

- Conducting community-led advocacy for voice and accountability, empowering communities to demand for better services from duty bearers.

raw form, currency instability leading to foreign exchange losses, land size limitations for commercial agriculture.

- Inadequate cold chain facilities (vaccines poultry).
- Lack of storage facilities.
- Inadequate market information and its flow.
- Lack of bulking centers through collective marketing, low commitment by LGs to adopt and promote good practices developed by NGOs like AFARD support.
- Inadequate enforcement of agro inputs regulations for the stockists, inadequate training of farmers on use of the agro-inputs by extension staff.
- Need for mindset change.
- Political orientation interference and inadequate irrigation equipment.

**Recommendations.**

- Need to implement a regulation on agriculture inputs.
- Establishing a milling center in Nebbi for value addition.
- Establishing a storage facility for post-harvest management.
- Renovating the meter gauge rail to ease transportation of the produce.
- Need for agriculture insurance scheme.
- Need for more sensitization is needed about the PDM as most farmers feel it is a gift from government yet it is a good opportunity for promoting agriculture commercialization and value addition, and need for more extension workers to train farmers.

## Visit to a Cassava Growers Cooperative Group under AFARD in Nebbi District.



Following a tour of the gardens in Nebbi district and discussions with cassava growers, several challenges and recommendations were brought forward to enhance their cassava cultivation returns. The farmers expressed gratitude for the government's PDM initiative and confirmed receipt of the funds, anticipating that it would enhance cassava production in their area.

### **The challenges farmers raised included;**

- i. Pests and disease notably Cassava Brown Streak Disease and Cassava Mosaic.**
- ii. Lack of market leading to cassava tubers ending up rotting.**
- iii. High cost of agriculture inputs.**
- iv. Price instability.**
- v. Financing constraints.**
- vi. Bad weather conditions due to climate change,**
- vii. Transport challenge including lack of lorries.**
- viii. Gender-based violence (GBV).**
- ix. Lack of tractors and ox-ploughs at the sub county, hindering extensive land preparation for commercial cassava production**

**During the interactive session, farmers appealed to the government for:**

- i. Fast yielding crops,**
- ii. Storage facilities**
- iii. Need for more SACCO support**
- iv. Additional finance**
- v. Marketing opportunities**
- vi. Cassava processing milling machines**
- vii. Electricity extension to various communities**
- viii. Provision of a lorry to facilitate transportation of harvested cassava.**





## DAY 2: YUMBE FRUIT FACTORY



Yumbe Mango Processing factory is a value addition initiative by the Government of Uganda through NAADS in partnership with Food and Nutrition Solutions Ltd (FONUS), Aringa Mango Farmers' Cooperative Society and Uganda Development Corporation (UDC). The project is a fulfillment of the pledge made by H.E the President during the West Nile Centenary celebrations to support Food and Nutrition Solutions Ltd (FONUS) a company started by Makerere University Professors in Food Science to complete the project.

Mr. Taban Yassin – Director Nile Zilla

### Background of Yumbe Fruit Factory

Yumbe Mango Processing factory is a value addition initiative by the Government of Uganda in collaboration with NAADS, Food and Nutrition Solutions Ltd (FONUS), Aringa Mango Farmers' Cooperative Society and Uganda Development Corporation (UDC).

The project is a fulfillment of H.E Yoweri Kaguta Museveni's pledge during the West Nile centenary celebrations to support Food and Nutrition Solutions Ltd (FONUS) a company started by Food Science Professors at Makerere University in completing the project.

The 5-metric ton per hour factory is designed based on the local mangoes grown in the West Nile region and a ready market for the farmers.

The establishment of the factory is intended to diminish the hefty post-harvest losses and exploitation of farmers by the middlemen who buy the mangoes cheaply. The factory, with a capacity of processing 5 metric tons per hour, is tailored to utilize locally grown mangoes from the West Nile region, catering to a readily available market for farmers. Its establishment aimed to mitigate substantial post-harvest losses and curb the exploitation of farmers by middlemen who purchase mangoes at low prices. Each family has at least 3 mango trees in their compound. Once the factory starts operating, they will be processing pulp that will expect to sell to Coca Cola.

Currently no production activities are taking place at the factory. Production was expected to start in May 2024, coinciding with the mango season in Yumbe district.



Following the discussion with the Yumbe Fruit Factory Management, the team held an engagement with the farmers under the Aringa Mango Farmers' Cooperative Society at Yumbe at the District Local Government offices.

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#### **Issues/Challenges raised**

- i. Pests and disease – Fruit flies and fungal infection because of climate change,
- ii. Long distances to the factory/market,
- iii. Gender-based violence fighting over sales from the mangoes,
- iv. Few extension workers,
- v. Very high cost and poor-quality inputs



#### **Requests/Recommendations**

The farmers called upon the government to;

- i. Increase the number of extension workers,
- ii. Provide support in other fruit value chains like Guava, Citrus, and Cocoa for income diversification.
- iii. Conduct sensitization campaigns on gender-based violence particularly in relation to the distribution of proceeds from mangoes and other incomes generating ventures,
- iv. Provide financial literacy training, and provide Lorries to help in the transportation of fruits from the different parts of Yumbe district.



## DAY 3: GULU LOGISTICS HUB



In recent years Uganda has played a vital role as a distribution hub for South Sudan and the Eastern DR Congo. However, importers in South Sudan and DRC keep supplies (exports and re-exports) in bonded facilities in Kampala which increases the cost due to the distance the goods must travel. The route to South Sudan and DRC passes through Northern Uganda, despite the large volume of goods en-route to these markets, there is no distribution hub in Northern Uganda. The northern region depends on Kampala and Jinja distribution hubs. The operationalization of the Gulu Logistics Hub is therefore expected to address some of the issues that hamper distribution of cargo in Northern Uganda, South Sudan, parts of DRC.

The Gulu Logistics Hub is envisaged as a state-of-the-art, integrated logistics facility, covering ~24.1 acres. Hence, developing such a large facility requires heavy investment costs for which government of Uganda need to prioritize in short, medium and long term plans.



**Mr. Ijam Charles**  
Team Leader of Gulu Logistics Hub

The facility established by the government in Gulu City, serves to provide convenient services to the people of Northern Uganda and neighboring countries such as South Sudan, the Democratic Republic of Congo, and Kenya. Its primary objective is to enhance Uganda's exports, particularly those originating from the region, and to alleviate the expenses associated with conducting business. Instead of requiring individuals to undergo clearance procedures in Kampala or at the Elegu border, they can now directly access services at Gulu Logistics Hub, situated at the heart of the northern region, thereby streamlining the export process for regional produce. The Gulu Logistics Hub project aligns closely with the strategic plans, policies, and initiatives of the Government of Uganda. Notably, it is anticipated to play a significant role in facilitating the shift of cargo transportation from roads to railways, in line with the objectives outlined in Uganda Vision 2040. This vision aims to increase the share of rail in freight transport to 80% by 2040, a notable increase from the current approximately 3.5%.

Among the array of services offered at the Hub, customs clearance is a key feature. Upon arrival with cargo, customs procedures can be swiftly completed.

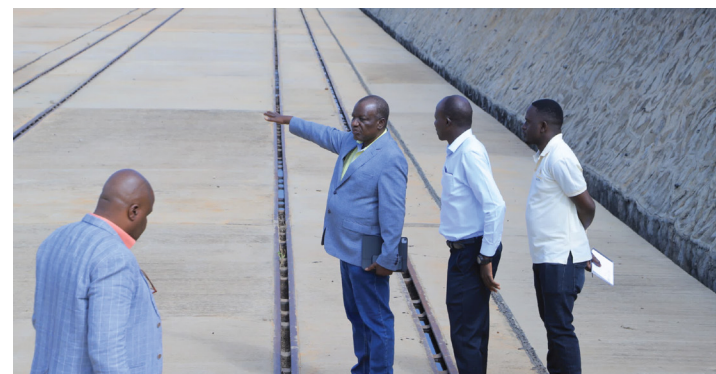
Additionally, the facility offers warehousing services, allowing for the storage of goods if the owner is not immediately prepared for clearance. Furthermore, an agricultural team is stationed at the Hub to oversee the inspection and certification of agricultural imports and exports, ensuring compliance with the standards of destination countries.

The main challenge addressed by the establishment of the Hub is the logistical distance previously required for exporting goods. Previously, exporters had to travel to Kampala or border crossings, often resulting in delays and potential lapses in certification. However, with the Gulu Logistics Hub, exporters can now conveniently access processing and clearance services closer to the source of production, mitigating such challenges.



The Gulu Logistics Hub operates within a multi-modal transport framework, with both road and railway connections. While the road infrastructure is already in place, efforts are underway to rehabilitate the Meter Gauge line from Tororo to Gulu, funded by the European Union and Government of Uganda is expected to be completed within the coming year. The integration of these transport modes facilitates cost-effective bulk cargo transportation, thereby reducing the overall cost of doing business. As a customs-based warehouse, the Gulu Logistics Hub is specifically designed to handle cargo intended for international trade, encompassing both imports and exports.

The Hub is currently in the developmental phase and is not yet operational. The development is progressing in stages, with the initial phase focusing on establishing the export hub. Subsequent phases will address the storage needs for locally produced goods in Northern Uganda.



### **Recommendations**

- i. Prioritizing and expediting the construction of local handling facilities is essential.
- ii. Involvement of the Local Government officials in Northern Uganda to foster the expansion and utilization of the Gulu Logistics Hub.
- iii. Need for the assessment of the current Logistics Hub Business Plan to ensure that any gaps are addressed in the updated version.
- iv. Need for community awareness regarding the logistics hub facility (including citizens, private sector entities, and local governments/districts) is imperative.



## Visit to the Aloki Winyo Mixed Farm



**Mr. Christopher Opwonya – Managing Director**

The Aloki Winyo Farm, situated in Nwoya district, spans more than 5000 acres (8 square miles) of fertile, flat land ideal for mechanized agriculture. In the past season, the farm cultivated 1500 acres of maize, along with smaller plots for sunflower, sorghum, and millet. Presently, the farm meets local demand by supplying maize, rice, and sunflower, with the latter being transported to Lira for further processing due to the availability of machinery there.

The maize and rice are delivered to Jinja. There is a pressing requirement for the mechanization of farming in the region, especially with the availability of electricity. The Aloki Winyo Farm provides employment to more than 150 individuals, comprising 50 permanent staff members and 100 casual workers who assist during planting, weeding, and harvesting seasons. One of the primary challenges encountered is the lack of machinery; consequently, the farm has had to undertake land clearance manually, incurring significant expenses. There's a strategic aim to clear more land to enhance the farm's agricultural productivity. Our focus lies in cultivating grains such as maize, sunflower, soybeans, and rice. We operate within two distinct seasons: during the first season, we plant soybeans, while maize takes precedence in the second season, aligning with the rainfall patterns and storage availability. However, the expense of irrigation during the dry season poses a significant barrier to the growth of certain crops. Although the Government has provided solar irrigation systems to support small-scale farmers, commercial farms with extensive acreage have yet to benefit. Implementing irrigation infrastructure would greatly enhance our ability to cultivate crops throughout both seasons, ultimately leading to improved yields.



## Visit to the Northern Uganda Agricultural Centre



**Peter Oscar Brunn -General Manager**

The Northern Uganda Agricultural Centre (NUAC) initiated commercial agriculture endeavors while concurrently providing agricultural support to local farmers in the region, beginning in 2003 with 4500 acres of land. Located in Alingiri, Nwoya district, Northern Uganda, it stands as one of the largest commercial farms in the area, specializing in the cultivation of cereals such as rice, soybeans, maize, millet, and sorghum, both for seed production and food grain sales. Plans are underway to expand into cultivating cashew, avocado, and tree planting.

NUAC's primary goal is to advance commercialized agriculture while offering mechanization assistance to farmers. It leads the mechanized production of soybeans, rice, sorghum, millet, and maize in Northern Uganda, currently managing slightly over 258 acres of land. NUAC aims to secure medium-term capital to expand its cultivated area to over 1000 hectares, thereby increasing crop production for both seed and commercial consumption. NUAC maintains close collaboration with other large-scale farmers in the vicinity and extends support to small-scale farmers by aiding them in plowing, planting, spraying, harvesting, and providing agricultural guidance.



## FARMERS CONSULTATIVE WORKSHOP.



**Remarks from General Otema Charles, a commercial farmer in Nwoya district”**

The Northern Region aims to illuminate its progress in making agriculture more market-oriented and investigate opportunities to use lands that are currently underused. It's suggested that an industrial zone be established in Gulu City with the goals of generating employment, decreasing crime rates, and boosting exports, considering its advantageous position next to South Sudan and DR Congo.

He highlighted the expectation was for anticipated retreat was going to be very profitable to the northern region. He held a positive view regarding the commercialization goal within northern Uganda being achievable given its abundance of fertile land. What lacked in northern Uganda was merely financial resources. During the meeting it was informed that 800 billion had been allocated towards the Atiak endeavor yet no substantial outcomes were evident.

## **Interactive session between the different stakeholders and the farmers in the Region.**



Upper Left ( The PCF Delegation in an interactive session with the farmers at Acholi Inn.



A representative from the Ministry of Agriculture, animal industry and fisheries speaking to the farmers in Gulu district.



(L) Dr. Constantine Bitwayiki, Ms. Maxima Nsimenta and a representative of the Ministry of Agriculture during the Stakeholder Engagement.



(R) Ms. Brenda Tibamwenda, PCF Board Member and Mr. Deo Kayemba (L) Chairman UMA and Chairman of the 5th Bi-Annual Private Sector CEO Retreat during the interaction.





**Maxima Nsimenta- CEO Livara Organics**

At Livara Organics, we are engaged in value addition to Shea butter, leveraging the unique Shea trees found only in Northern Uganda. Despite the abundance of this valuable resource, local communities often do not benefit economically, with many resorting to cutting down Shea trees for short-term gains such as charcoal production. This unsustainable practice not only harms the environment but also deprives the rightful owners of potential income.

We started the Women’s Economic Empowerment with a focus on women as the primary workforce in Shea fields. Our focus on women’s economic empowerment stems from the fact that women are the primary workforce in Shea fields. However, they face significant challenges, including limited access to credit and finance. Additionally, the lack of proper financial documentation further hinders their ability to secure loans. In response, we have initiated programs like the Women’s Economic Empowerment initiative to address these barriers.

In areas like Agago, where fertile land abounds, we strive to create market opportunities by purchasing crops like Shea nuts in bulk. However, the lack of proper record-keeping poses a challenge in tracking important data such as the number of trees being cut down.

This information is crucial for sustainable management of the Shea industry. While government initiatives like the Parish Development Model (PDM) and Savings and Credit Cooperatives (Saccos) aim to support economic development, they often fall short in addressing the specific needs of farmers and producers. For instance, Saccos primarily focus on savings rather than providing access to credit based on production data. We have actively contributed to establishing markets by purchasing a minimum of 10 tonnes of Shea nuts every week. However, even this task is hindered by challenges in record-keeping. During the sunflower season, we assist in the collection and transportation of sunflowers to Gulu and Lira, addressing the primary issue of transportation to the fields.

All transactions are meticulously recorded and stored on a platform accessible to the sellers. Through this platform, sellers can access credit at a monthly interest rate of about 4%, significantly lower than the 10% offered by Saccos and based on seasonal fluctuations. This initiative operates without equity but relies on our commitment to purchase, which has proven successful.

We also play a role in stabilizing prices. Despite middlemen offering as low as 800 Shs per kilo of Shea nuts in smaller markets, we ensure stability by providing training to farmers on post-harvest handling. This intervention is crucial as it helps maintain the price at a sustainable level. Previously, the going rate for a kilo of Shea nuts was 2000 Shs. Through our efforts, we source, sell, and maintain price stability in the market.

## DAY 4: SHEAR NUTS VALUE CHAIN



### **Ms. Nsimenta Maxima, Founder and CEO of Livara Natural and Organic Cosmetics**

Livara Natural Organics works with more than 1,000 farmers, offering them training and a ready market to the farmers for their product. Despite strenuous efforts to persuade financial institutions to establish branches in Agago all in vain. However there is a significant rise of digital financial inclusion in the district. Most farmers were registered with the mobile money service providers - Airtel and MTN mobile money agents in Agago. These make payments to customers using mobile money so that farmers get to have financial records which could be advantageous during the application for digital loans. The village Chairman, Charles Otim detailed that Agago produces 50% of the Shea butter in Uganda, with distributions extending to the global food initiative as well as capturing markets in South Sudan.

### **Challenges**

The challenges faced by Shea butter farmers under Nyowe Ventures in Agago included;

- i. Poor quality of Shea nut kernels and related target crops upon collection/production points.
- ii. Limited access to high value/national markets.
- iii. Low prices of Shea nut, and related products.
- iv. Limited financial service access to stimulate high production and value addition (aggregation and bulking) by women-led micro, small and medium enterprises.

### **Farmers Focus Group Discussion**

During the Engagement, the following were raised:

- Access to markets

The markets for Shea products are largely underdeveloped, lacking precise and formal arrangements accessible to farmers in the region. Private actors and intermediaries dominate the Shea value chain, often situated far from the farmers. For instance, some farmers in Kitgum and Lamwo must travel approximately 180km to Lira to sell their produce, incurring significant expenses and time.

- Access to Finance

Many farmers prefer utilizing their savings as capital rather than borrowing from institutions. Particularly among women, savings with Village Savings and Loan Associations (VSLAs) are favored due to trust and benefits. Limited access and understanding of digital financial services, like mobile banking and digital wallets, hinder credit availability for Shea value chain actors who lack access to formal banking institutions and lack credit history or scoring. Moreover, insufficient digital financial literacy and awareness among Shea nut producers hinder effective utilization of available digital financial services and tools.



- Social Norms and GBV

The predominant patriarchal system in the region poses numerous challenges for women, including property and resource ownership, decision-making authority, educational opportunities, among others. High levels of gender-based violence further restrict women's empowerment. While women participate in production activities, men typically control the earnings. This dynamic was evident in the focus group discussions.

- Access to Information

Limited digital infrastructure and connectivity in Shea nut production areas restrict access to online platforms and digital information sources.

The area, primarily agrarian, has low technology adoption. While some participants own basic mobile phones, many lack access. Women expressed challenges in owning phones due to male objections, although there is a desire to use smart

phones for communication and business marketing. Low digital literacy, particularly among women, hampers effective use of digital tools and access to relevant information.

### Others

- Very low outreach to farmers with improved planting material.
- Lack of a planting culture for indigenous tree species and Shea.
- Climate Change leading to increased seasonality and frequency of extreme events.
- Relatively long nursery production procedures and relatively low success rate of propagation methods.
- Uncontrolled tree cutting for firewood and charcoal production.

## VISIT TO GURU NANAK – LIRA

The Presidential CEO Forum delegation visited a Shea butter processing facility located in Lira known as Guru Nanak. This company sources Shea nuts from various districts including Otuke, Pader, Agago, Kitgum, Kotido, Kaboong, Moroto, Abim, and Alebtong. The process involves cleaning, washing, and sun-drying the Shea nuts before processing them into natural Shea butter at the factory. Additionally, they enhance the value of the product by producing Shea olein, which is a liquid cooking oil consumed in the domestic market, and Shea stearin, a semi-solid fat known as Shea Butter Uganda, which is a highly valued product.



Mr. Sulaiman Ssebanakita (C) alongside the Management of Guru Nanak following their interaction.



# PICTORIAL



The PCF Team (L) along with the Director 1 of the Agency for Accelerated Regional Development engaged in an interactive session.



Dr. Constantine Bitwayiki, PCF Consultant (L), and Mr. Robert Bakyalire (R) showcasing various cassava varieties cultivated by farmers.



A farmer in Nebbi elaborates on the different seasons and cassava varieties grown.



A farmer in Nebbi elaborates on the different seasons and cassava varieties grown.



(L) Mr. Deo Kayemba, UMA Chairman and Chairman of the 5th Bi-Annual Private Sector CEO Retreat Technical Working Group, with other delegation members during the tour of the Gulu Logistics Hub.



Mr. Deo Kayemba (L) and Mr. Peter Brunn (R) engaging in a sideline discussion during the Field Visit tour.