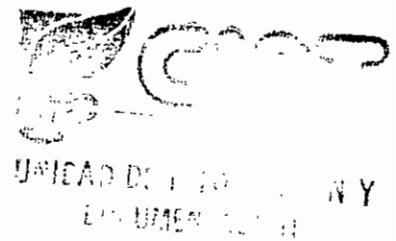


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KILIMO TRUST

GRANTEES ANNUAL REPORT

**PART I: Technical part for the Annual Report – Summary**

<b>Project Title:</b>	<b>INSPIRE III: Scaling up livelihood impacts through farmers organizations and access to markets</b>		
<b>Lead Organization:</b>	<b>International Centre for Tropical Agriculture</b>		
<b>Leader:</b>	Eliud Birachi		
<b>Reporting period</b>	1 <sup>st</sup> October 2010 to 31 <sup>st</sup> December 2010		
<b>KT Ref:</b>	<b>Phase:</b>	<b>Duration: 12 months</b>	<b>Start date: 1<sup>st</sup> Feb 2010</b>
<b>Background.</b> See Appendix A			
<b>Objectives</b> The overall goal of the project is to contribute towards poverty alleviation, food security, improved nutrition and better resource management in Eastern Uganda through enabling communities and their service providers to develop strategies for increased production, profitability and sustainability of competitive agro-enterprises at higher levels of organization and at sufficient scale. <b>Specific objectives</b> Increased incomes from Maize and Soya bean production for 1,500 households. Productivity of maize and soybean value chains increased among 1,500 households. Increased bulking and collective marketing by 8 Farmer Field School Networks. Enhanced storage and quality standards among 1,500 households. Operational contracts between networks and bulk buyers established. Key stakeholders learn lessons from past project activities for sustainability of agro-enterprises.			
<b>Progress Against Purpose OVs achieved in the year:</b>			
<b>Output 1: Territorial based approaches to market opportunity identification and agro-enterprise development evaluated and promoted</b> Outcome 1: <ul style="list-style-type: none"> <li>• Better prices through collective marketing</li> <li>• Better market stability and farmer confidence</li> <li>• Improved grain quality as a result of quality control training and bulk storage</li> </ul>			
<b>Output 2: Integrated technologies (germplasm, ISFM, IPDM, water use, processing and value addition) for improving productivity and profitability of agro-enterprises, developed and promoted</b> Outcome 2: <ul style="list-style-type: none"> <li>• Increased awareness of productivity enhancing technologies</li> <li>• Increased adoption of productivity enhancing technologies</li> <li>• Increased productivity of the identified value chains</li> <li>• Increased access to sustainable input supplies</li> </ul>			
<b>Output 3. Lessons learned on use of farmer field schools network for collective marketing documented.</b> Outcome 3: <ul style="list-style-type: none"> <li>• Increased understanding of the INSPIRE model for project management</li> </ul>			

Purpose indicator	Cumulative planned	Cumulative actual	Assessment 1= Excellent, 2= good, 3=Normal, 4= fair, 5= poor progress	Variance
Number of adult males supported by the project	750	704	1	-46
Number of adult females supported by the project	750	801	1	+51
Number of youths directly supported by the project	Na	Na	na	Na
Number of participating institutions	7	7	3	0
Number of households reached	Direct; 1500	1505	1	+5
	Indirect; 9000	9030	1	+30
Women led new enterprises	Na			
Men led new enterprises	Na			

Progress Against Output OVIs achieved in the year:

Output 1: Territorial-based approaches to market-opportunity-identification and agro-enterprise development, evaluated and promoted

Output 2: Integrated technologies (germplasm, ISFM, IPDM, water use, processing and value addition) for improving productivity and profitability of agro-enterprises promote

Output 3: Lessons learnt on use of farmer field schools network for collective marketing documented

Indicators at Output level

Outcome indicator description	Cumulative planned	Cumulative actual	Assessment 1= Excellent, 2= good, 3=Normal, 4= fair, 5= poor progress	Variance
Output Narrative				
Output 1: Territorial-based approaches to market-opportunity-identification and agro-enterprise development, evaluated and promoted				
<ul style="list-style-type: none"> <li>Indicator 1: Two prioritized agro-enterprises (maize and soybean) are developed and farmers are collectively marketing them to identified markets</li> </ul>	2	2	1	0
<ul style="list-style-type: none"> <li>Indicator 2: At least 1500 members from the registered associations (5 networks for maize, 3 networks for Soybean) competitively marketing maize and soybeans by 2010.</li> </ul>	1500	1505	1	+5
<ul style="list-style-type: none"> <li>Indicator 3: At least 100 MT of maize and 20 MT of soybeans sold by the networks per season in2010</li> </ul>	Maize; 100 Soybean 20	116 14.4	2 3	+16 -5.6 (stocked for seed)

<b>Output 2:</b> Integrated technologies (germplasm, ISFM, IPDM, water use, processing and value addition) for improving productivity and profitability of agro-enterprises promoted				
<ul style="list-style-type: none"> <li><b>Indicator 1:</b> At least 750 of participating farmers are practicing at least three sustainable production technologies (conservation agriculture, organic and inorganic fertilizers to increase productivity up to at least 3 tons/ha for maize (from the current level of less than 2 tons/ha) and 2 tons/ha for soybean (from the current level of 1.5 tons/ha)</li> </ul>	Technologies: 3	5	1	+2
<ul style="list-style-type: none"> <li><b>Indicator 2:</b> At least 900 farmers in the selected Farmer Field Schools have improved the productivity of maize and soybeans by end of 2010 by 1 ton for maize and by 0.5 tons for soybeans per ha (on farm optimal yield for maize is 3 ton/ha and 2 tons /ha for soybean)</li> </ul>	Productivity			
	Maize: 3	3	1	0
	Soy bean: 2	2	1	0
<ul style="list-style-type: none"> <li><b>Indicator 3:</b> 8 Participating Farmer Field School Networks have developed &amp; implemented production and marketing plans by the end of 2010.</li> </ul>	8	8	1	0
<ul style="list-style-type: none"> <li><b>Indicator 4:</b> As a result of training 1500 farmers are using improved storage, quality control and post harvest handling</li> </ul>	Training sessions and mentoring continued schedule.			
<b>Output 3:</b> Lessons learnt on use of farmer field schools network for collective marketing documented				
<ul style="list-style-type: none"> <li>8 FFS networks actively engage and negotiate contracts with bulk buyers</li> </ul>	Networks did not enter into formal contracts with bulk buyers because they had a choice of many traders to sell their maize and soybean to). However, networks continued to engage with buyers using informal agreements			

<ul style="list-style-type: none"> <li>At least 5 FFS networks sustain contracts with bulk buyers</li> </ul>	<p>Maize and soybean sold collectively by the 8 networks to bulk buyers from Busia produce market although they did not have formal contracts with them</p>			
<ul style="list-style-type: none"> <li>FFS continue to use business plans for production and marketing of products</li> </ul>	<p>Between May and June 2010, field data was collected at group, and network level during the INSPIRE project evaluation on this component. Networks have continued to use production plans to plans for their seasonal activities. The extent of individual usage is to be assessed through the project evaluation report.</p>			

**Progress Against Milestones planned to be achieved in the year: see appendix A**

Out put	Specific Milestones	Progress

**Part of outputs and milestones planned to be achieved in the next Year: See appendix A**

Out put	Activity	Specific Milestones

Based on the assessment of achievement of outputs and purpose level indicators

Goal indicator	Cumulative planned	Cumulative actual	Assessment 1= Excellent, 2= good, 3=Normal, 4= fair, 5= poor progress	Variance
Earned Income by smallholders within project coverage area	Estimate at Six billion eight hundred million Ushs (total value of production)	Collective sales only 91,000,000/=	Most of the produce is sold over a longer period of time, and not all is sold	Not yet determined
Earned Income by smallholders outside project coverage area	N.A (to be extracted from the on-going data analysis exercise of the field survey)			
Employment opportunities created within the project	1500	1505	1	+5
Employment opportunities created outside the project	6000	NA		
Number of new enterprises developed	1	1	1	0 (village informatio
Number of employees in new the enterprise developed	8	9	1	+1
Volume of business revenue realized	One billion two hundred and eight million Ushs	91,000,000/=	Most of the produce is not sold at ago and some is retained for food	Not yet determined

**KILIMO TRUST  
GRANTEES ANNUAL REPORT**

**PART III: Assessment of Progress towards Impact and Contribution to the Mission of Kilimo Trust**

**A: Assessment of Progress towards Impact: (details in appendix A)**

Description of Step	Available Evidence
Engagement of the key actors (= individuals, organizations and institutions) who must take action to turn the project's outputs into outcomes and then impacts	<i>Provide evidence of agreements, contracts etc that proves that the right actors have been engaged by the project.</i> Various appendices (B, E, F)
Promotion of the project and its results to the right actors.	<i>Describe the products produced for the specific actors (= individuals, organizations and institutions). Appendix B, F</i>
Monitoring and Evaluating General Outcomes	<i>Describe the data and evidence collected by the project to verify that changes such as in the behavior, relationships, practices, actions or performance of the main target actors, are taking place.</i>
Monitoring and Evaluating specific Outcomes related to business development and investments.	<i>Describe and provide Evidence of commercial business and investments which have resulted from project's work</i>
Monitoring and Evaluating specific Outcomes related to innovations	<i>Describe the data and evidence collected by the project to verify that innovations (e.g. institutional and technological) are being made by actors or their clients.</i>

Impact Assessment	<i>Describe the data and evidence kept by the project to assess if developmental impact is being attained by a specific group of the target stakeholders</i>

**B: Assessment of Contribution to the Mission of Kilimo Trust:**

<b>Kilimo's Priority Theme</b>	<b>Evidence of Project's Contribution</b>
a) Promote efficient value chains	In this phase of INSPIRE, two value chains that show better potential have been selected to focus on: Maize and soybean value chains in Tororo and Busia districts. The basis of selection were potential for higher returns through increased productivity. Networks involved in these value chains are producing for defined markets through collective marketing. Networks have been trained and mentored to be able to search for markets and engage with potential buyers through contract negotiations. Input suppliers have also been empowered to serve producers better and closer to them at the network levels. Credit arrangements are also facilitated between producers and input stockists as well as between input stockists and input distributors.
b) Support technical and institutional innovations	The project supports innovations at farmer, group and network and market levels. Using productivity and natural resource management technologies, farmers are supported to participate in experimentation and innovate on their farms. They are also supported to develop organizational and management skills to be able to manage their groups and networks
c) Engage the private sector, in dealing with sub-sector wide constraints limiting the exploitation of business opportunities	The private sector has been engaged for networks to access markets for outputs and inputs as well as funds. The private sector participation targets to sustain farmers' agricultural enterprises. These include Agrinet, Seba Foods, Mt. Meru Millers, Centenary Bank, private bulk buyers at district levels as well as engagement with micro-financial institutions in the project areas.
d) Facilitate policy dialogue	There have been policy discussions and sensitizations at the district government level with regard to key constraints affecting the development of the selected value chains. Policy discussions at with local government in Tororo has led to the adoption of Striga weed management at the district government level. The district government has set aside funds to implement striga management initiatives.
e) Create economies of scale in production systems	The project seeks to achieve economies in collective marketing of farmer produce through bulking activities. Storage facilities have been identified and are available at the district levels. Networks are using the stores to bulk their produce to await the buyer. Focus has also been on entire networks undertaking one or two common enterprises that can create sufficient values to attract key buyers. The project focuses on maize and soybean enterprises and expects to harvest over 1000 tonnes for both maize and soybean in all the networks involved.
f) Mainstream environmental sustainability	NRM practices are a key component of the project: conservation agriculture, soil fertility management through use of inorganic and organic fertilizers. Soil erosion control is also applied through practices such as cover cropping, terracing among others.

KILIMO TRUST  
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GRANTEES ANNUAL REPORT

**PART I: Technical part for the Annual Report – Summary**

<b>Project Title:</b>	<b>INSPIRE III: Scaling up livelihood impacts through farmers organizations and access to markets</b>		
<b>Lead Organization:</b>	<b>International Centre for Tropical Agriculture</b>		
<b>Leader:</b>	Eliud Birachi		
<b>Reporting period</b>	1 <sup>st</sup> October 2010 to 31 <sup>st</sup> December 2010		
<b>KT Ref:</b>	<b>Phase:</b>	<b>Duration: 12 months</b>	<b>Start date: 1<sup>st</sup> Feb 2010</b>
<b>Background.</b>			
<p>This is a follow-up project on INSPIRE I and II whose main goal was to empower farmers in Eastern Uganda overcome food insecurity and poverty by enabling them to improve the fertility of their soils and improve crop yields through development and use of sustainable and integrated soil fertility management practices and technologies. These initial phases tested participatory processes that supported the transitioning of farmer groups from traditional subsistence to commercial agriculture. Farmer capacity was built for them to enable them collect market information, test new crop varieties and plan collective marketing strategies that increased their competitiveness. Phase III has been in implementation since May 2007, and was intended to end by April 2010. However, review by Kilimo Trust of the project progress with regards to achieving the planned outputs and outcomes resulted in the project undergoing a re-design process between September 2009 and January 2010. As such, a no cost extension of one year starting in February 2010 up to January 2011 was granted by KILIMO Trust with adjustment of the project document to focus on two of the most promising agro-enterprises (soybean and maize), working with 8 FFS networks from the districts of Tororo and Busia. This is the focus of the report.</p>			

**Objectives**

The overall goal of the project is to contribute towards poverty alleviation, food security, improved nutrition and better resource management in Eastern Uganda through enabling communities and their service providers to develop strategies for increased production, profitability and sustainability of competitive agro-enterprises at higher levels of organization and at sufficient scale.

**Specific objectives**

Increased incomes from Maize and Soya bean production for 1,500 households.

Productivity of maize and soybean value chains increased among 1,500 households.

Increased bulking and collective marketing by 8 Farmer Field School Networks.

Enhanced storage and quality standards among 1,500 households.

Operational contracts between networks and bulk buyers established.

Key stakeholders learn lessons from past project activities for sustainability of agro-enterprises.



**Progress Against Purpose OVs achieved in the year:**

**Output 1: Territorial based approaches to market opportunity identification and agro-enterprise development evaluated and promoted**  
Outcome 1:

- Better prices through collective marketing
- Better market stability and farmer confidence
- Improved grain quality as a result of quality control training and bulk storage

With regards to output 1, the project is still working with 58 strong and active FFS involved in the production of maize and soy beans. These groups continue to engage in production of the above value chains. As part of the exit strategy, 5 production planning sessions were conducted in 5 out of the 8 networks to agree on action plans for the 2011A season (March-August) and set group and individual targets. During the sessions, cost-benefit analyses of the two enterprises (maize and soybean) were calculated as a way of guiding farmers to determine their profit margins. As a result of this analysis, each of the networks resolved to have each of their members plant a minimum of 1 acre and above of either soybean, or maize, in order to for them to fulfill the demands of the market for the commodities. During the sessions, farmers were also encouraged to bulk their produce for collective marketing if they are to get good prices for their commodities. Overall, the 5 networks have planned to plant 206 acres of Maize and 1,254 acres of soy bean in 2011A season (see Appendix 1). This is expected to yield about 206MT of maize, and 752.4MT of soybean. Confirmations of the actual values will done in February 2011.

**Output 2: Integrated technologies (germplasm, ISFM, IPDM, water use, processing and value addition) for improving productivity and profitability of agro-enterprises, developed and promoted**

**Outcome 2:**

- Increased awareness of productivity enhancing technologies
- Increased adoption of productivity enhancing technologies
- Increased productivity of the identified value chains
- Increased access to sustainable input supplies

During the reporting period, 5 mentoring sessions on agro-input use and handling targeting especially the network farmer facilitators were conducted in 5 out of the 8 networks. During the sessions, project staff shared with farmers the benefits of using improved seeds, as well as training them on fertilizer use and handling. The aim of these training sessions was to equip the facilitators with knowledge and skill in order for them to continue supporting their fellow farmers even after the project life.

**3. Lessons learned on use of farmer field schools network for collective marketing documented.**

**Outcome 3:**

- Increased understanding INSPIRE model for project management

Between May and June 2010, field data was collected at household, group, and network level during the INSPIRE project evaluation. A report on this activity has been compiled in draft and will be shared at the end of January 2011.

Purpose indicator	Cumulative planned	Cumulative actual	Assessment 1= Excellent, 2= good, 3=Normal, 4= fair, 5= poor progress	Variance
Number of adult males supported by the project	750	704	1	-46
Number of adult females supported by the project	750	801	1	+51
Number of youths directly supported by the project	220	220	3	0
Number of participating institutions	7	7	3	0
Number of households reached	Direct; 1500	1505	1	+5
	Indirect; 9000	9030	1	+30
Women led new enterprises	Na			
Men led new enterprises	Na			

**NB/ number of youth farmers as computed from the projection evaluation surveys**

Progress Against Output OVIs achieved in the year:

**Output 1:** Territorial-based approaches to market-opportunity-identification and agro-enterprise development, evaluated and promoted  
5 production planning sessions were conducted in 5 out of the 8 networks to agree on action plans for the 2011A season (March-August) and set group and individual targets. During the sessions, cost-benefit analyses of the two enterprises (maize and soybean) were calculated as a way of guiding farmers to determine their profit margins. As a result of this analysis, each of the networks resolved to have each of their members plant a minimum of 1 acre and above of either soybean, or maize, in order to for them to fulfill the demands of the market for the commodities. During the sessions, farmers were also encouraged to bulk their produce for collective marketing if they are to get good prices for their commodities. Overall, the 5 networks have planned to plant 206 acres of Maize and 1,254 acres of soy bean in 2011A season (see Appendix 1). This is expected to yield about 206MT of maize, and 752.4MT of soybean. These figures will be confirmed for actual values implemented later in February 2011.

**Output 2:** Integrated technologies (germplasm, ISFM, IPDM, water use, processing and value addition) for improving productivity and profitability of agro-enterprises promote

During the reporting period, 5 mentoring sessions on agro-input use and handling targeting especially the network farmer facilitators were conducted in 5 out of the 8 networks. During the sessions, project staff shared with farmers the benefits of using improved seeds, as well as training them on fertilizer use and handling. The aim of these training sessions was to equip the facilitators with knowledge and skill in order for them to continue supporting their fellow farmers even after the project life.

**Output 3: Lessons learnt on use of farmer field schools network for collective marketing documented**

Between May and June 2010, field data was collected at household, group, and network level during the INSPIRE project evaluation. A report on this activity is being compiled.

**Indicators at Output level**

Outcome indicator description	Cumulative planned	Cumulative actual	Assessment 1= Excellent, 2= good, 3=Normal, 4= fair, 5= poor progress	Variance
<b>Output Narrative</b>				
Output 1: Territorial-based approaches to market-opportunity-identification and agro-enterprise development, evaluated and promoted				
<ul style="list-style-type: none"> <li>Indicator 1: Two prioritized agro-enterprises (maize and soybean) are developed and farmers are collectively marketing them to identified markets</li> </ul>	2	2	1	0
<ul style="list-style-type: none"> <li>Indicator 2: At least 1500 members from the registered associations (5 networks for maize, 3 networks for Soybean) competitively marketing maize and soybeans by 2010.</li> </ul>	1500	1505	1	+5
<ul style="list-style-type: none"> <li>Indicator 3: At least 100 MT of maize and 20 MT of soybeans sold by the networks per season in 2010</li> </ul>	Maize; 100 Soybean; 20	116 14.4	2 3	+16 -5.6 (stocked for seed)
<b>Output 2:</b> Integrated technologies (germplasm, ISFM, IPDM, water use, processing and value addition) for improving productivity and profitability of agro-enterprises promoted				

<ul style="list-style-type: none"> <li>• <b>Indicator 1:</b> At least 750 of participating farmers are practicing at least three sustainable production technologies (conservation agriculture, organic and inorganic fertilizers to increase productivity up to at least 3 tons/ha for maize (from the current level of less than 2 tons/ha) and 2 tons/ha for soybean (from the current level of 1.5 tons/ha).</li> </ul>	Technologies: 3	5	1	+2
<ul style="list-style-type: none"> <li>• <b>Indicator 2:</b> At least 900 farmers in the selected Farmer Field Schools have improved the productivity of maize and soybeans by end of 2010 by 1 ton for maize and by 0.5 tons for soybeans per ha (on farm optimal yield for maize is 3 ton/ha and 2 tons /ha for soybean)</li> </ul>	Productivity			
	Maize: 3	3	1	0
	Soy bean: 2	2	1	0
<ul style="list-style-type: none"> <li>• <b>Indicator 3:</b> 8 Participating Farmer Field School Networks have developed &amp; implemented production and marketing plans by the end of 2010.</li> </ul>	8	8	1	0
<ul style="list-style-type: none"> <li>• <b>Indicator 4:</b> As a result of training 1500 farmers are using improved storage, quality control and post-harvest handling</li> </ul>	Training sessions and mentoring continued schedule.			

<p><b>Output 3:</b> Lessons learnt on use of farmer field schools network for collective marketing documented</p>				
<ul style="list-style-type: none"> <li>• 8 FFS networks actively engage and negotiate contracts with bulk buyers</li> </ul>	<p>Networks did not enter into formal contracts with bulk buyers because they had a choice of many traders to sell their maize and soybean to). However, networks continued to engage with buyers using informal agreements</p>			
<ul style="list-style-type: none"> <li>• At least 5 FFS networks sustain contracts with bulk buyers</li> </ul>	<p>Maize and soybean sold collectively by the 8 networks to bulk buyers from Busia produce market although they did not have formal contracts with them</p>			

<ul style="list-style-type: none"> <li>• FFS continue to use business plans for production and marketing of products</li> </ul>	<p>Between May and June 2010, field data was collected at group, and network level during the INSPIRE project evaluation on this component. Networks have continued to use production plans to plans for their seasonal activities. The extent of individual usage is to be assessed through the project evaluation report.</p>			
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Progress Against Milestones planned to be achieved in the year:		
<b>Out put</b>	<b>Specific Milestones</b>	<b>Progress</b>
Output 1: Territorial-based approaches to market-opportunity-identification and agro-enterprise development, evaluated and promoted	Two prioritized agro-enterprises (maize and soybean) are developed and farmers are collectively marketing them to identified markets	In regards to the targeted groups and networks, this has been achieved. There are already 58 FFS covering eight networks.



	At least 1500 members from the registered associations (5 networks for maize, 3 networks for Soybean) competitively marketing maize and soybeans by 2010.	Farmer's capacities have been developed to identify markets by themselves and negotiate prices with bulk buyers. Four bulk buyers of maize and soybean have been identified by farmers in Busia Produce market, in addition to the other buyers have been engaging with like AgriNet. As a result of this, farmers can now sell their produce to traders offering them favourable terms, such as offering fairly higher prices, or offering them with deposits even before their deliver their produce to the buyer
	At least 100 MT of maize and 20 MT of soybeans sold by the networks per season in 2010	116MT of maize sold collectively to bulk buyers in Busia produce market, while 14.5T of soybean were sold collectively to AgriNet Uganda Limited after harvesting the produce from the 2010A season. About 5 tons were kept for seed. Marketing of produce from the 2010B season is getting underway.
	At least 5 networks have established mechanisms for information and knowledge sharing on profitability for collective marketing by 2010	Local Information Facilitators from the 15 networks continue to receive market information (price indices and trade alerts) from AgriNet, which they are sharing with other farmers, and using this to guide their price negotiations with bulk buyers, as well as identify market opportunities, besides advertising the products they also have for sell
<b>Output 2:</b> Integrated technologies (germplasm, ISFM, IPDM, water use, processing and value addition) for improving productivity and profitability of agro-enterprises promoted	At least 750 of participating farmers are practicing at least three sustainable production technologies (conservation agriculture, organic and inorganic fertilizers to increase productivity up to at least 3 tons/ha for maize (from the current level of less than 2 tons/ha) and 2 tons/ha for soybean (from the current level of 1.5 tons/ha)	

	At least 900 farmers in the selected Farmer Field Schools have improved the productivity of maize and soybeans by end of 2010 by 1 ton for maize and by 0.5 tons for soybeans per ha (on farm optimal yield for maize is 3 ton/ha and 2 tons /ha for soybean)	
	8 Participating Farmer Field School Networks have developed & implemented production and marketing plans by the end of 2010	All 8 FFS networks have production and marketing plans for both 2010 seasons
<b>Output 3:</b> Lessons learnt on use of farmer field schools network for collective marketing documented	8 FFS networks actively engage and negotiate contracts with bulk buyers	Informal contracts have been made between farmers representatives and 4 bulk buyers from Busia produce market to buy the maize and soybean they have. The price per kg of clean and sorted soybean has been agreed at 1,000/= on delivery to the market. Maize has been agreed at 300/= per kg, also on delivery at the market
	At least 5 FFS networks sustain contracts with bulk buyers	All 8 networks will sell their produce to bulk buyers this season because they are offering better prices for soybean and maize compared to AgriNet
	FFS continue to use business plans for production and marketing of products	This is going on and is being taken care of by the FFS monitoring committees. Participatory monitoring data is being compiled by networks and will be received by end of October

<b>Part of outputs and milestones planned to be achieved in the next Year:</b>		
<b>Out put</b>	<b>Activity</b>	<b>Specific Milestones</b>
Output 1: Territorial-based approaches to market-opportunity-identification and agro-enterprise development, evaluated and promoted	Re-assessment of existing groups, networks and associations involved in maize and soybean value chains to identify active and strong ones	This activity has been completed.
	Ensure that at least 1500 members from the registered associations (5 networks for maize, 3 networks for Soybean) competitively marketing maize and soybeans by 2010.	All 1,500 farmers' capacity have been developed to identify markets, and negotiate with the traders. Farmer representatives from the networks have entered into informal contracts with the traders to buy their produce this season
	At least 100 MT of maize and 20 MT of soybeans sold by the networks per season in 2010	The target was met for maize in the 2010A i.e. 116MT was sold collectively. The soybean target was, however, not met fully as some soybean had to be retained for seed. Sales were also realized over a longer period. Measures have been put in place to ensure that this shortfall in volume is met in the 2010B season sells
	At least 5 networks have established mechanisms for information and knowledge sharing on profitability for collective marketing by 2010	Mobile phone information is widely used by the networks among themselves and with buyers
<b>Output 2:</b> Integrated technologies (germplasm, ISFM, IPDM, water use, processing and value addition) for improving productivity and profitability of agro-enterprises promoted	At least 750 of participating farmers are practicing at least three sustainable production technologies (conservation agriculture, organic and inorganic fertilizers to increase productivity up to at least 3 tons/ha for maize (from the current level of less than 2 tons/ha) and 2 tons/ha for soybean (from the current level of 1.5 tons/ha)	Proportion practicing conservation agriculture are 615, organic fertilizers are 1110, inorganic fertilizer 705, mulching 1080, cover cropping 750, hybrid seeds 975 among other technologies. An overall average of 930 were using these productivity enhancing technologies and practices.

	At least 900 farmers in the selected Farmer Field Schools have improved the productivity of maize and soybeans by end of 2010 by 1 ton for maize and by 0.5 tons for soybeans per ha (on farm optimal yield for maize is 3 ton/ha and 2 tons /ha for soybean)	1000 farmers planted maize and 500 planted soybean. Farmer field assessments show that farmers have been able to get yields of up to 2 tons per hectare.
	8 Participating Farmer Field School Networks have developed & implemented production and marketing plans by the end of 2010	All 8FFS have started on production and marketing plans and this will continue to be monitored for every season
<b>Output 3:</b> Lessons learnt on use of farmer field schools network for collective marketing documented	8 FFS networks actively engage and negotiate contracts with bulk buyers	Negotiations and market search continue to be monitored and facilitated.
	At least 5 FFS networks sustain contracts with bulk buyers	This continues to be monitored and facilitated
	FFS continue to use business plans for production and marketing of products	This continues to be monitored and facilitated.

Based on the assessment of achievement of outputs and purpose level indicators,

<b>Goal indicator</b>	<b>Cumulative planned</b>	<b>Cumulative actual</b>	<b>Assessment</b> 1= Excellent, 2= good, 3=Normal, 4= fair, 5= poor progress	<b>Variance</b>
Earned Income by smallholders within project coverage area	Estimate at Six billion eight hundred million Ushs (total value of production)	Collective sales only 91,000,000/=	Most of the produce is sold over a longer period of time, and not all is sold	Not yet determined
Earned Income by	N.A (to be			

smallholders outside project coverage area	extracted from the on-going data analysis exercise of the field survey			
Employment opportunities created within the project	1500	1505	1	+5
Employment opportunities created outside the project	6000	NA		
Number of new enterprises developed	1	1	1	0 (village information centers)
Number of employees in new the enterprise developed	8	9	1	+1
Volume of business revenue realized	One billion two hundred and eight million Ushs	91,000,000/=	Most of the produce is not sold at ago and some is retained for food	Not yet determined

## KILIMO TRUST

### GRANTEES ANNUAL REPORT

#### **PART III: Assessment of Progress towards Impact and Contribution to the Mission of Kilimo Trust**

**A: Assessment of Progress towards Impact:**

Description of Step	Available Evidence
Engagement of the key actors (= individuals, organizations and institutions) who must take action to turn the project's outputs into outcomes and then impacts	<p><i>Provide evidence of agreements, contracts etc that proves that the right actors have been engaged by the project.</i></p> <p>Key partners in INSPIRE are A2N, AT (Uganda), NARO, district governments and NAADS programme, private sector buyers (Agrinet) and CIAT. Letters of agreement and work plans and budgets for A2N and AT are used to commit partners to the project implementation. Contracts (both formal and informal bind private sector buyers to outputs from the project activities (appendix B).</p>
Promotion of the project and its results to the right actors.	<p><i>Describe the products produced for the specific actors (= individuals, organizations and institutions).</i></p> <p>Through meetings with stakeholders and networks, the project is brought to right stakeholders. The stakeholders have been identified as having direct impact on the project activities. Appendix provides an example of such stakeholder forums used to bring key actors together. For farmers, new technologies are promoted to them to improve productivity and access markets through manuals, information leaflets. Input stockists also receive trainings on how to link up with both suppliers and buyers through manuals and information leaflets. Networks facilitators receive training to support the farmers. Outputs of the enterprises (maize and soybean) are made available to key buyers through formal and informal contracts. Meetings and workshops are conducted to share in lessons from interactions within the project (Appendix B).</p>
Monitoring and Evaluating General Outcomes	<p><i>Describe the data and evidence collected by the project to verify that changes such as in the behavior, relationships, practices, actions or performance of the main target actors, are taking place.</i></p> <p>Two types of data are collected in the project to show evidence of project progress: continuous monitoring and evaluation data on seasonal basis project evaluation data done towards the end of the project. Forms have been designed to collect information on continuous basis by both project staff and network officials/facilitators. The current season's data is being collated for reporting in the next quarter. Continuous data collect information such as on farm production, usage of inputs and technologies, extent of involvement of farmers and networks in collective activities. Project evaluation data has been collected and data entry and analysis are going on. This data is expected to provide evidence on whether desired changes are taking place as a result of project interventions. Examples of the changes are the extent of adoption of production and NRM technologies</p>

	as well as market and social innovations necessary to sustain network activities. Data collected involves both INSPIRE project sites and non-INSPIRE project sites to achieve a measure of control in assessing project outcomes and impacts. Both these data sets will be used in providing information on lessons to be derived from the project through a planned workshop.
Monitoring and Evaluating specific Outcomes related to business development and <b>investments</b> .	<i>Describe and provide Evidence of commercial business and investments which have resulted from project's work</i> Village information centers and network stockists have developed through project interventions. 8 village information centers are operational on a self-sustaining basis. Network stockists stock farm inputs such as seeds and fertilizers as a business, selling for cash and/or credit to farmers. The network stockists are linked to input distributors and credit providers to develop their business. (See Appendices C, D, and F)
Monitoring and Evaluating specific Outcomes related to innovations	<i>Describe the data and evidence collected by the project to verify that innovations (e.g. institutional and technological) are being made by actors or their clients.</i> The data collected under monitoring and evaluation for general outcomes will be used to assess the specific innovations. Project site specific data collected will be used to evaluate the innovations achieved. The data is collected at individual farmer level as well as group and network levels within the project sites.
Impact Assessment	<i>Describe the data and evidence kept by the project to assess if developmental impact is being attained by a specific group of the target stakeholders</i> Through project evaluation data, the project will be able to assess project impacts by comparing project sites and non-project sites. Comparisons will also be made for "before" and "after" project periods to assess the impacts at the farm levels.

**B: Assessment of Contribution to the Mission of Kilimo Trust:**

<b>Kilimo's Priority Theme</b>	<b>Evidence of Project's Contribution</b>
a) Promote efficient value chains	In this phase of INSPIRE, two value chains that show better potential have been selected to focus on: Maize and soybean value chains in Tororo and Busia districts. The basis of selection was potential for higher returns through increased productivity. Networks involved in these value chains are producing for defined markets through collective marketing. Networks have been trained and mentored to be able to search for markets and engage with potential buyers through contract negotiations. Input suppliers have also been empowered to serve producers better and closer to them at the network levels. Credit

	arrangements are also facilitated between producers and input stockists as well as between input stockists and input distributors.
b) Support technical and institutional innovations	The project supports innovations at farmer, group and network and market levels. Using productivity and natural resource management technologies, farmers are supported to participate in experimentation and innovate on their farms. They are also supported to develop organizational and management skills to be able to manage their groups and networks
c) Engage the private sector, in dealing with sub-sector wide constraints limiting the exploitation of business opportunities	The private sector has been engaged for networks to access markets for outputs and inputs as well as funds. The private sector participation targets to sustain farmers' agricultural enterprises. These include Agrinet, Seba Foods, Mt. Meru Millers, Centenary Bank, private bulk buyers at district levels as well as engagement with micro-financial institutions in the project areas.
d) Facilitate policy dialogue	There have been policy discussions and sensitizations at the district government level with regard to key constraints affecting the development of the selected value chains. Policy discussions at with local government in Tororo has led to the adoption of Striga weed management at the district government level. The district government has set aside funds to implement striga management initiatives.
e) Create economies of scale in production systems	The project seeks to achieve economies in collective marketing of farmer produce through bulking activities. Storage facilities have been identified and are available at the district levels. Networks are using the stores to bulk their produce to await the buyer. Focus has also been on entire networks undertaking one or two common enterprises that can create sufficient values to attract key buyers. The project focuses on maize and soybean enterprises and expects to harvest over 1000 tonnes for both maize and soybean in all the networks involved.
f) Mainstream environmental sustainability	NRM practices are a key component of the project: conservation agriculture, soil fertility management through use of inorganic and organic fertilizers. Soil erosion control is also applied through practices such as cover cropping, terracing among others.



## **Appendix B**

### **Scaling up livelihood impacts through farmers' organizations and access to markets**

**October-December 2010 progress report**

## 1.0 Introduction

Activities implemented included the following;

- Conducting self-reflection meetings/end-of-project self evaluation (Capture achievements, successes and failures) (Debt recovery (AT): visioning (where they have been, where they are, and where they want to go), group dynamics.
- Planning with farmers for after project life (to grow 60 acres, elect new leaders) (promotion of agro-inputs (AT) (production plans)
- Exit strategy (AT<sup>1</sup>/A2N-Uganda) (promotion of agro-inputs

## 2.0 Progress towards project activities

The same farmers the project worked with 10 years ago were challenged to reflect on their failure to adopt and improve. They also reflected on why their groups have failed to graduate to individual farmer commercial farming and cooperatives. They pointed out the following major causes and solutions:-

### Causes

- Dormant leadership/weak leadership
- Committees in place, but not active

### Solutions

- Farmers advised to graduate to a cooperative level
- Modal farmer approach

### Debt recovery

Table: Debt recovery

No.	Farmer group/network	Total debt	Debt recovered	Balance	Comment and Repayment plan
1	Katamata	429,000/=	66,000/=	363,000/=	Members to receive their savings and use to pay. For those expecting to harvest by 14 <sup>th</sup> dec. will pay after harvest, expected yields are not expected to be good due to draught that followed hail storm.
2	Sinani	N/A			

<sup>1</sup> Focus is on continuity after project life on issue of agro-inputs access

3	Kisoko	502,200/=	15,000/=	487,200/=	Members to receive their savings and use to pay. Some members harvested, sold and used the money. They expect to use their saving to clear by 14 <sup>th</sup> dec. some members claim they were told to bring back soy bean produce equivalent to the seed they received.
4	Nagongera	594,000/=	67,500/=	526,500/=	Chairman and secretary to follow up members. The secretary distributed small quantities of soybean seed to so many members that even the chairman does not know
5	Molo	479,000/=	199,000/=	280,000/=	The VIC manager distributed the seed and doing the follow up. He is collecting the money and will deposit whatever will be recovered by MTN mobile money.
6	Mella	594,000/=	35,000/=	558,800/=	Members claim hey were told to bring back soy bean produce equivalent to the seed they received.
7	Bulumbi farmers/Namutere	N/A			
8	Masaba network	169,000/=	66,000/=	166,000/=	The chairman following up
9	Bulumbi network	905,400/=	0	905,400/=	The chairman following up
10	Masafu	594,000/=	0	594,000/=	The chairman distributed seed but was no where to be seen. A meeting was called in vain.
	<b>TOTAL</b>		<b>448,500/=</b>	<b>3,880,900/=</b>	

### Production planning at group and network level

Ten productivity enhancement and production planning sessions were conducted. During the planning sessions, farmers were mentored in visioning, and farming as a business. During the farming as a business, emphasis was put on planning (acres), record keeping, enterprise selection, and the use of improved seed, the use of soil fertility enhancement inputs, the use of field and storage agro-chemicals.

Cost-benefit analysis was also calculated to demonstrate to farmers the difference in profit margins between the use of local and improved farming practices. Regarding collective marketing, farmers were encouraged to bulk their produce, and bargain collectively. Farmers were encouraged to increase production to commercial level (from 1 acre upwards). Farmers were also encouraged to work towards

graduating their groups to cooperatives, and graduating their savings boxes to SACCOs and open accounts such that they can borrow from banks and invest in farming to be able to generate sufficient funds for investment in their farms.

Groups were encouraged to drop members with small acreages, as well as administrator leaders (those not practice what they preach) and inactive members.

Planning with farmers for after project life (to grow 60 acres, elect new leaders) (promotion of agro-inputs (AT) (production plans)

- Production plan is 60 acres for 2011A
- Group registered as a limited company under USAID/LEAD project
- Setting clear targets at group and individual level

**Table 2: Production planning**

No.	Farmer group/network	Acreages		Total
		Maize	Soy	
1	Katamata		60	
2	Sinani	61	66	127
3	Kisoko			
4	Nagongera			
5	Molo	12	14	26
6	Mella			
7	Bulumbi farmers/Namutere	17	14	31
8	Masaba network	19	500	519
9	Bulumbi network	109	600	709
10	Masafu			
	<b>TOTAL</b>	<b>206</b>	<b>1254</b>	<b>1412</b>

### **Documenting successes**

Individual farmer and agro-dealer success were captured.

### **Farmer individual successes**

#### **Kisoko network**

#### **Othieno Sebastiano**

- Got knowledge on use of improved seed, fertilizers and pesticides.
- Constructed a semi-permanent house from Soya and groundnut sale.
- The Soya seeds given by AT-Uganda are high yielding, early maturing and striga resistant.

### **Mary Odoi**

- Got knowledge on farming as a business and paid school fees from the sale of Soya and groundnuts.
- Got knowledge on the use of improved seeds, fertilizers and pesticides thus in large acreage.

### **Omalla Edewa**

- Appreciated the use of improved seeds fertilizers and pesticides that lead to high yields because I used to plant 1 acre of groundnuts but could only get 1-2bags only, but now days he gets 10-12 bags of groundnuts and 5-6 bags of Soya. The income he got after adopting technologies was 600,000/= and 480,000/= for groundnuts and soybean respectively.
- Out of INSPIRE knowledge I have managed to acquire 2 acres of land and a 4 roomed permanent house which is remaining to roof and also paid school fees from the same sale of Soya and groundnuts.

### **Twino**

- She has made farming as her business where she gets income to pay fees and use in the garden as well as home use, harvested 12 bags of groundnuts equivalent to 600,000/= and hopes to go for horticulture next season and she has also planted 100 mango seedlings.
- The kisoko net work members plan to construct a store next season and bulk together as a network (Soya and groundnuts).

### **Sinani farmers**

Reverend James Okumu

Chairman sinani farmers' group. Joined bulumbi network for trainings (FAAB, agronomy and soil fertility enhancement, soy bean and maize production planning and collective marketing) that were conducted by ATU early in 2009. 2009A I got Maksoy1N seed from the network and planted 5 acres of soybean with rhizobia and dressed with agroleaf. 3 acres of the crop did well, got atleast 500kgs per acre. I sold some soybean to some members as seed and replanted some. Sold to agrinet at 800/= per kg. Got good income of over 2million shillings which i used to buy more land, paying school fees and reinvested in increased acreage under soy bean farming. Even though things were not so good in 1<sup>st</sup> season, I grew 5 acres again. Planted 7 acres of soybean this 2010A and expecting atleast 500kgs per acre. Since the soybean seed variety is high yielding, early maturing, draught resistant and pods don't burst in the field when dry I was able to plant 3 times in 2010.

As a result of my adoption and transferring knowledge to my group members, the group that started in 2006 with the key objective of solving market problems joined the network. The group started with 15 members but increased to 30, all committed to farm as a business. End of 2009, members planned to grow 20 acres of Maksoy 1N soybean, with a yield target of 500kgs/acre. 2010A, 8MT of maize were collectively sold to agrinet at 240/= per kg. 2010B onset, 11 members planted 20.5 acres of soy bean with a yield target of atleast 10 MT. The group purchases inputs from the network input shop but it's distant. The group plans to

collectively purchase inputs, hire a storage facility for warehousing, use the market information from agrinet to access better produce markets.

### **Osukuru Katamata**

Emengo Boniface

Planted 2 acres of soy bean, used rhizobia and agroleaf foliar fertilizer, experienced problems of hailstorm but harvested 5 bags which he sold to agrinet at 80,000/= a bag and earned at least 600,000/=. Used some of the money to reinvest in 9 acres of soybean that he starting to harvest.

### **Akello Magdalen**

Planted less than ¼ acre of Gloria F1 cabbage, 1 saket of 50 grams. Used agroleaf, agrochemicals and observed all the agronomic practices in the ATUganda crop guide. Harvested cabbage worth atleast 200,000/=.

I use the ATU farmer trainer's manual to train practice improved farming methods and to train other farmers. 1 farmer 1 trained on how to grow green grams planted. staa 8kilos of green grams in 1acre and harvested 10 bags equivalent to atleast 1000kgs. He sold each kilo at 1000/= to some Kenyan traders. Was trained as an agro dealer by ATU in the inspire project and was connected to other project partners like agrinet and UNADA.

Started an input shop using the knowledge i acquired. Startup capital was 350,000/=, it later increased to 700,000/=. Doing produce marketing, last season collected 20 bags of g.nuts for agrinet. Agrinet gave me an information board which I have displayed at my shop. I receive market information which I share with the whole farming community in atleast 3 sub counties. My business has expanded im also an MTN mobile money agent as a result of the project. My welfare has greatly improved.

### **Promotion of improved inputs**

Different types of agro-inputs were displayed and farmers were educated about the benefits of their use. The inputs that wer promoted included; different types of fertilizers (foliar, granular, organic, inorganic), field and storage pesticides, improved maize varieties.

### **Way forward/ sustainability and introduction of successor projects**

Farmers are selling to other produce buyers other than agrinet. For instance busia farmers are selling to a produce bulk buyer between 900 and 950/= per kilo of soybean and at farm gate price of 900/=

Farmers who first took on soybean growing sold some of their harvest to other farmer as seed and this will continue as ATU connects them to a genuine soybean seed dealer.

USAID/LEAD has taken soybean as one of their value chain crops other than epuripuri sorghum. This project is working with masaba, bulumbi and masafu network farmers.

Projects on conservation agriculture and bulk produce marketing to be implemented by ATU and A2N were introduced to farmers

### **3.0 Challenges and how they were addressed**

- Poor leadership
- Group members do not work collectively

