



# Partnering for Resilience: Transformations in Agribusiness for Rice & Potato Farmers



*Achievements and lessons  
learned from*  
**REACH-Uganda**

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# Structure of presentation

- Overview
- Sector challenges and how these were addressed
- Impact and lessons learned

# 1. Project overview

- 59-month project ending August 2021.
- Total project budget €19.6m (inclusive cost share).
- Targeting 40,000 farmers.
- 25+ private-sector partnerships.
- Targeting two crop value chains: potato, rice + ancillary crops.
- Working in three regions in Uganda: Eastern, South-Western, and Rwenzori.
- Technical partner: Cardno-EMG.



**Goal: To strengthen the efficiency and inclusiveness of the agricultural market system while contributing to improved household resilience and productivity in selected value chains in Uganda.**

**Objective 1:** Agribusinesses, service providers, and farmers benefit from better market system functions (market activities).

**Objective 2:** Enhanced resilience and productivity of market-oriented farmers in the commodity value chains (pre-market/farmer uplift; activities).





## 2. Critical issues to be addressed

### Potato

- Establishing and strengthening the seed potato industry.
- Establishing and strengthening the supply chain for food processing industries.
- Improving access to, information about, and application of crop protection measures and fertilizer.

- **Cross cutting** – Infrastructure, making finance accessible, business enabling environment.

### Rice

- Expanding land area suitable for productive lowland rice cultivation.
- Increasing the use of more efficient milling services by farmers.
- Improving access to better quality seed and information on good agronomic practices to increase yields.

# What were the main approaches?

- 26 partnerships with the private sector leveraged catalytic investments of €5.43m, reaching 9,743 farmers.
- Trained 36,000 (f 62%, m 38%) farmers in good agronomic practices (GAPs), farming as a business (FaaB), climate-smart agriculture; 23,000 trained in financial literacy.
- Upgraded over 67 km of rural feeder roads in partnership with 5 district local governments (DLGs).







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September 15, 2021  
11:00 AM UTC (2:00 pm EAT)





# 3. Key sector changes – potato

## Local seed potato system

- Private sector commercial seed potato supply chain established, reaching 9% of national demand (average).
- Average yield of quality declared seed (QDS) 4.35 mt/acre vs. 3.13 mt/acre.
- Tissue culture supply still a bottleneck; only 48% of demand met.

## Supply chain for processing industry

- By 2021, 1,350 mt of industry-demanded potato varieties supplied. Gap remains in current demand of 5,350 mt for crisp processing.





## Key sector changes – potato (cont'd)

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- Higher yielding seed is entering the market – 360 mt of 3 processing varieties now harvested or under harvest to reach 450 farmers.

### **Access to crop protection products and fertilizer**

- Fertilizer usage increased 80-95%.
- Improved access to crop protection products from increased number of stockists, promotional activities, and advice through training and spray service providers.





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## 4. Key sector changes – rice

- Through partnerships with 5 rice processors, 6,654 farmers supplied multistage mills in 2021. Farmers are getting price premium of 19% and 29% net income; will increase to 9,235 farmers by 2022.
- Expansion of gazetted land area for productive rice cultivation: 5,000-acre farm established; 500 acres cultivated.
- Through 2 partnerships, 13 mt of seed reached 1,173 farmers. Yield per acre is 29% higher using certified vs. home saved.
- Increased productivity has reduced pressure on expansion into protected wetland areas for smallholders.







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## 5. Cross-cutting changes

- **Infrastructure** – Over 156,000 community members benefited from 67 km of roads; 50% reduction in transport costs and travel times, 40% increase in sales price.
- **Accessible finance** – 31% of farmers received loans annually; 55% have access to a bank account. Funds were used for hire of land and inputs.
- **Business enabling environment** – supported MAAIF to improve the seed inspection and certification system in potato; In rice, supported data requests to national rice platforms.





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## 6. What has the impact been?

### *Farmer level*

- **Yields have improved** significantly – **potato** from 3.07 mt/acre to 4.15 mt/acre (35%), **rice** from 0.6 mt/acre to 1.36 mt/acre (126%).
- **Net income increased** – potato from €383 to €689 and rice from €182 to €301 per acre per season.
- **Food security improved** from 55% to 62% – due to improvements in yield, income, and crop diversification.

### *Business level*

- **Additional turnover** from partnership interventions cumulatively €4,757,867 (40% annually).
- **343 full-time equivalent** jobs created, with an additional income of €190,272.





## 7. Observations on resilience

- **Income diversification** - 97% of trained farmers purposely diversify crops, to improve food security, quality of soils, and back up source of income in case of crop failure.
- **Access to finance** – training on financial literacy improved planning/budgeting for farm activities. VSLA cultivates a savings culture but is limited for investment.
- Through establishing savings account from a financial institution, farmers are able to absorb shock or setbacks (COVID-19) more effectively.





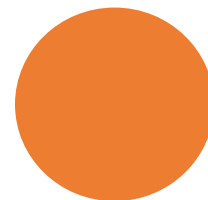
## Resilience (cont'd)

- Adoption of **CSA practices** improved as a result of training and technical support.
- **Joint household decision-making** – 58% average vs. 45% baseline. From the training and change agent approach, joint decision-making on planning/budgeting has increased to support agricultural production.



## 8. Lessons learned and recommendations – general

- a) Potato and rice are relevant crops for food security, farmer resilience, and business expansion in Uganda.
- b) The hybrid approach applied in the project is appropriate for emerging/thin markets.
  - i. *a pragmatic/adaptive approach to program design needs to be adopted*
- c) Access to credit is critical to the commercialization of agriculture – particularly for rice farmers.





# Lessons learned and recommendations (cont'd)

d) Improved infrastructure in key strategic locations has a catalytic and sustainable effect on agriculture.

*ii. Public partnership approach should be adopted (ownership)*

e) The practice of crop diversification resulted in farmers being more resilient than their non-trained counterparts.

*iii. Introducing a farming systems approach will enhance farmer resilience further.*

f) Restrictions around COVID-19 presented challenges for the project, partners and farmers. Despite this farmers and firms demonstrated resilience.





## 9. Lessons learned – potato

- a) Potato needs an **established local seed potato industry** to live up to its potential;
  - iv. A focused and integrated approach is needed to bridge the remaining 78% of national demand*
- b) **Screenhouse model** has proven a successful medium term business opportunity **but requires support to achieve scale (expansion is difficult)**
  - v. A subsidy approach (70/30) on a €15,000 investment is needed to attract commercial farmers.*
- c) Better access to quality seed will result in improved yields.
- d) Use of Dutch seed is challenging but profitable: higher yields, selling price but niche market



# 10. Lessons learned – rice

- a) **Uptake of multistage mills** by farmers increased to 63% due to attractive price point and recovery.  
*vi. Embedded approaches such as Village Agents need to be scaled up for continued benefits.*
- b) Lowland rice could greatly benefit from **a more vibrant seed sector**, but demand is only emerging. Other factors are critical to yield.
- c) A supportive business enabling environment is critical to the long-term growth of the domestic rice sector.





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# Thank You!