

2021 ANNUAL REPORT



Supporting
Agribusiness
Continuity &
Green Recovery

aBi Development Ltd

aBi

About aBi

aBi is a social enterprise that channels development cooperation funding to agribusinesses and agricultural service providers in Uganda with the aim of building a strong and competitive agriculture sector. It was founded by the governments of Denmark and Uganda in 2010. The aBi consists of two companies limited by guarantee, aBi Development and aBi Finance Ltd.

The focus of aBi Development is to increase agricultural production and value addition by extending matching grants and business development services (BDS) to agribusinesses, farmer organisations and intermediaries. The grants and BDS enhance planning and management, production and business infrastructure, as well as upstream and downstream market linkages of producers and agribusinesses.

On the other hand, aBi Finance expands access to business finance for agricultural producers and agribusinesses by offering to Financial Institutions (FIs) financial incentives and infrastructure that make lending to the agricultural sector more attractive and less risky. The Financial Services Development programme provides matching grants to FIs to build institutional capacity for enhancing the provision of financial services and increase outreach in rural areas

Vision

A competitive, profitable and sustainable agriculture and agribusiness sector in support of equitable wealth creation in Uganda



aBi



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Acronyms

- i) Annual Workplan & Budget (**AWPB**)
- ii) Climate Smart Agribusiness (**CSA**)
- iii) Consortium for enhancing University Responsiveness to Agribusiness Development (**CURAD**)
- iv) East African Grain Council (**EAGC**)
- v) European Union (**EU**)
- vi) Financial Institution (**FI**)
- vii) Full-Time Employees (**FTEs**)
- viii) Green Challenge Fund (**GCF**)
- ix) Green Growth (**GG**)
- x) Gross Domestic Product (**GDP**)
- xi) Implementing Partner (**IP**)
- xii) Information Communication & Technology (**ICT**)
- xiii) International Coffee Organization (**ICO**)
- xiv) Investment Fund for Developing Countries (**IFU**)
- xv) National Union of Coffee Agribusinesses and Farm Enterprises (**NUCAFE**)
- xvi) Results Measurement Research & Development (**RMRD**)
- xvii) Savings and Credit Cooperative Organisation (**SACCO**)
- xviii) Small and medium enterprises (**SMEs**)
- xix) Uganda Coffee Development Authority (**UCDA**)
- xx) Uganda Crane Creameries Cooperative Union (**UCCCU**)
- xxi) Uganda Shilling (**UGX**)
- xxii) Value Chain Development (**VCD**)



ii. Chairperson's Foreword

Felix Okoboi
Chairperson

Our performance was affected by the extended impact of COVID-19 on the economy. Despite this, aBi Development Ltd posted good results in some key performance indicators. I commend the Management and staff of aBi for their commitment to deliver on our mandate. However, there is still room for improvement and much more to be done to address the needs of the agribusiness sector.

Going forward, we shall continue working with the nation's farmers and agribusinesses to help them cope with recovery amidst COVID-19 environment to grow and sustain them, adapting to climate change in order to safeguard livelihoods and ensuring food security. The majority of small holder farmers in Uganda still rely on seasonal rains and their yields are influenced by the amount and timing of those rains. An emerging priority for us is to increase our investment in undertakings that help farmers and agribusinesses become more resilient in the face of climate change. "Green investments" will be an increasingly prominent theme in coming years for aBi. Therefore, a big part of our motivation, and in line with

our sponsors' aspirations, is to prioritise the financing of green investments in 2022 and beyond.

Following the restructuring of aBi in 2021 into two fully autonomous entities a new Board of Directors was instituted. The four new Directors bring on diverse expertise and insight to aBi's work and I am delighted to welcome such a strong group of high calibre individuals. I look forward to serving with each of them in the coming years in the delivery of an enhanced value proposition to our stakeholders and partners. I also wish to thank my predecessor and the former Directors for steering aBi to a strong and sustainable institution it is today.

On behalf of the board, I extend my sincere appreciation to our key stakeholders including; Government of Uganda, Royal Danish Embassy, European Union and our implementing partners. aBi gratefully acknowledges that the progress being achieved in Ugandan agribusiness sector is the result of the combined efforts and contributions of many actors. aBi is proud to be counted amongst them.

iii. CEO's Foreword



The extended impacts of the COVID-19 pandemic, Kenya's bans on Uganda's exports of dairy and cereals products and and chemical and fertiliser supply chain issues challenged the sector in 2021, but despite those, agriculture outperformed its peers in the economy. aBi's operating environment for 2021 remained unique and challenging as we dealt with the effects of the COVID-19 pandemic which disrupted our business as well as those of our partners, many of whom experienced reduced revenues and incomes.

A look at the 2021 performance dashboard indicates reasonably good performance by aBi Development Ltd for some of the key performance indicators. We supported 38 agribusinesses to work with a total of 246,842 small-holder farmers (44 percent female) compared to an annual target of 176,178. The additional net income realized by our partners (agribusinesses/SMEs stood at UGX41Bn, representing a 151 percent achievement against the annual target of UGX27Bn. The increase in additional net income overall is largely attributed to increase in coffee exports and increased economic activity in the second half of year. 1,042 additional jobs were created at the IP/agribusiness/SME level representing 52 percent of the annual target of 2,000. Job creation at IP level was negatively affected by the slowdown in the economy.

Our partnerships and collaborations continued to be at the forefront of enhancing primary production, productivity, value addition and unlocking binding constraints such as the inadequate supply and limited access to critical production inputs. Unfortunately, a general slowdown in business activity meant that many of our grantees' ability to make their contributions to the partnerships we have with them constrained our investments and that is reflected in our somewhat disappointing programme spend. The extension of the agro-inputs project during the period under review offered much-needed relief to our cereals value chain partners/ SMES, helping them mitigate the negative of effects of COVID-19.

During this period, the Board and Management worked hard to ensure the safety and productivity of our people building on the experiences and efforts made in the previous year. At aBi we take seriously our duty to ensure the safety and wellbeing of all staff, their families and aBi

stakeholders. The aBi COVID-19 task force continued to guide the response to Covid-19 through a number of interventions that included; putting in place a hybrid and flexible work schedule, staff vaccination against COVID-19, and adhering to other standing operational procedures. We look forward to resume working from the office at full capacity in 2022.

Going forward, aBi Development will prioritise the financing of more green investments and this will include the launching of a UGX 7.5Bn Green Challenge Fund (GCF) in 2022. These interventions are especially critical as Uganda, like every other country in the world, is focused on mitigating and adapting to climate change as well as building back better in the wake of the COVID-19 pandemic. Investments under the GCF will contribute to Uganda's achievement of Nationally Determined Contributions (NDCs) target of reducing Greenhouse Gas (GHG) emissions by 22% by the year 2030. We encourage all our partners to take advantage of these great financing opportunities. aBi has a standing commitment to continue working with our partners to reduce Uganda's carbon footprint and build stronger and more resilient food systems and communities.

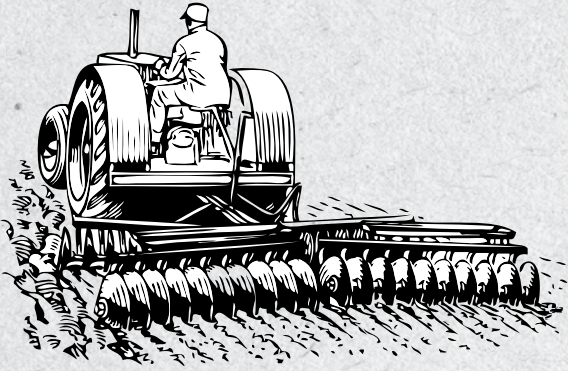
The ambition in 2022 is for aBi to be an effective and efficient service delivery vehicle, delivering impact and scale for the realization of green economy in Uganda. This strategy will be hinged on five pillars: green growth programming, portfolio development and quality, risk management, supporting post COVID-19 recovery, and business development services while putting people and culture at the centre.

On behalf of management and staff I commend and thank the board for its direction and oversight. I also take this opportunity to appreciate our partners and dedicated staff for their hard work and commitment.

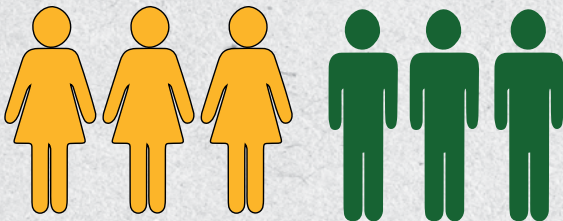
iv. Snapshot



aBi invested UGX28.1Bn; falling well short of our budget of UGX41.4Bn, primarily because of the economy's slowdown



Supported 38 agribusinesses, reaching 247 thousand smallholder farmers (44% female), against a target of 176,178



1,042 new jobs were created by agribusiness partners; just half of our target of 2,000.



Our partners realized increases in their net incomes of UGX41bn; well above the UGX 27.1Bn we anticipated.



Our partners' sales revenues were UGX 245 billion; close to double their UGX 136 billion sales targets.

v. Operating environment



During 2021 the economy grew by 3.3 percent compared to growth of 3.0 percent in 2019/20. The expansion suggested that the country was recovering from the negative impacts of the COVID-19 pandemic. Amidst all this, the agriculture sector was more resilient than the education, tourism and entertainment sectors whose activities almost ground to a complete halt. Unreliable rains in North and North Eastern Uganda affected crops and most farmers' yields were disappointingly low. With the onset of the second wave of the pandemic, on June 7 the country went into a second lockdown for 42 days.

Nonetheless the Ugandan economy began its rebound mostly driven by agriculture and industry output (Uganda Bureau of Statistics (UBOS) 2021). Despite the challenges of COVID-19 and export bans by Kenya for some commodities

on the agricultural sector, the economy was projected to grow 3.5 - 3.8 percent in the FY 2021/22 and 5.5-6.0 percent in FY2022/23, before increasing to 6.5-7.5 percent in the medium-term (Bank of Uganda State of the Economy Report, December 2021).

In terms of sectoral performance to Gross Domestic Product (GDP), agriculture, the source of livelihood for the majority of Ugandans contributed 23.7 percent this financial year, unchanged on the year before. The agriculture sector contributed 31 percent of export earnings in fiscal year 2020/2021. 70 percent of Uganda's working population is employed in agriculture. However, this high dependence on agriculture combined with changing climate patterns, high biodiversity loss and unsustainable land management will undermine this contribution if no urgent action is taken.

economy grew by 3.3 percent compared to growth of 3.0 percent in 2019/20.

vi. aBi Governance and Board Affairs

The Agricultural Business Initiative 'aBi' is composed of three related but autonomous legal entities namely: aBi Development Limited, aBi Finance Limited and aBi Agricultural Bond Company Limited. aBi's mission is to build a competitive, profitable and sustainable agriculture and agribusiness sector in support of equitable wealth creation in Uganda.

aBi Development Ltd Board

aBi Development is a company limited by guarantee. In 2021, a governance restructuring of aBi Development and aBi Finance, resulted in the separation of the Boards and Board Committees effective September 2021. To ensure sufficient coordination between aBi Development Ltd and aBi Finance Ltd and further enhancement of the existing synergies, the Board Chair, Vice Chair and Company Secretary remained the same for both entities. Corporate Services continues to be managed by a Chief Operating Officer under aBi Development Ltd. The position of Group Chief Executive Officer was removed in September 2021, Chief Executive Officer positions were created for aBi Development and aBi Finance.



Mr. Warwick Thomson
Vice-Chair



Alice Ruhweza
Director



Mr. Morten Christiansen
Director



Ms. Kim Kamarebe
Director



Mr. Grace Jethro Kavuma
Director



Mr. Michael Kairumba
Director



Ms. Joan Abila
Company Secretary



1.0. Executive Summary

1.1. Introduction

This report presents aBi's accomplishments and performance for 2021. It explains variances against what was planned and budgeted for, offering recommendations for improvement and drawing learnings to inform that. The year under review was still characterised by the protracted effects of the COVID-19 pandemic and the global economic downturn which continued to be felt in the Ugandan economy in the first half of the year 2021. A gradual improvement was registered in the latter part of 2021. Amidst this, the agriculture sector was more resilient than the education, tourism and entertainment sectors whose activities almost ground to a complete halt. Unreliable rains in North and North Eastern Uganda affected crops and most farmers' yields were disappointingly low. With the onset of the second wave of the pandemic, on June 7 the country went into a second lockdown for 42 days.

1.2. aBi programmatic performance

During the year aBi Development supported 38 projects, 11 which were new partnerships. 241,000 farmers (44 percent female) were reached and supported; well above our target of 176,178. The outreach in 2021 was bolstered by our agro-inputs partnerships. For this business plan cycle, at the end of 2021 our cumulative farmer outreach was 508,000 where 223,000 or 44 percent of these were females. This is well below the 845,000 thousand farmers we had anticipated being able to support by this time.

1.3. Covid-19 Response Project: Agro-Inputs

In 2021, aBi Development Ltd implemented the last two programmed seasons of the COVID-19 Response project: "Building the Resilience of Smallholder Farmers through Increasing Access to Agro-Inputs". The UGX 19.7 Bn project seeks to increase farmers' access to agro-inputs through the provision of input subsidies of 100 per cent, 80 per cent and 60 percent for the seasons 2020B, 2021A and 2021B respectively, with the aim of safeguarding the production, trade and processing of key food staples. Participating partners are supported to provide seed and fertilizer to about

36,000 farmers producing maize, beans, and soya beans. This has generated total additional incomes of UGX 36 Bn for the participating farmers and UGX 72Bn for partners.

As a result of the intervention, our estimates are that the yields of beans improved from 450kg/acre to 550 kilograms/acre while Maize yield increased from 1000kg/acre to 1500kg/acre. A detailed evaluation of the Agro-inputs project is planned in the first half of 2022.

1.4. Budget performance

For the year ended 31st December 2021, aBi Development spent UGX 28Bn compared to UGX 31Bn in 2020 as a result of a reduction in expenses. Out of this amount; UGX 21Bn was in relation to grant expenditure, which was UGX 2Bn lower than 2020 figure of UGX 23Bn. The decline in grant performance in 2021 is attributed to delays by supported implementing partners in making their scheduled project contributions. This is attributed to the general slowdown in business most of them are facing.

1.5. Sustainability

aBi adopted the Rio Markers to guide our interventions to address climate change impacts and environmental stress on agribusinesses. Rio Markers were used to assess aBi green investments as part of our effort to enhance agribusiness SME and farmer resilience to climate change and promote a low carbon development in Uganda. Results from the assessment were used to design the Green Challenge Fund to support scalable green transformation in Uganda's agriculture. In addition, aBi continued to provide support to ensure equitable and socially responsible investments in all agribusiness SMEs and farmers, targeting women, youth and other disadvantaged members of society.

1.6. Lessons learned

Some of the challenges and lessons learned include:

- to mitigate against trade barriers as experienced in the dairy and cereals value chain from the Kenyan market, there is need for export promotion by supporting agribusinesses to access new markets and address quality and standards issues.

- Formation of Village Saving and Loans Associations (VSLAs) works effectively in organizing farmers to build up their savings and asset bases.
- Establishment of milk coolers and Milk Collection Centres owned by farmers through cooperative societies and unions has created a significant impact on the dairy value chain at all levels. For example, some cooperatives reported getting investment loans ranging from Shs120m to Shs1 billion for farm improvements (pasture rehabilitation, procure improved dairy breeds and water reticulation - excavate valley tanks - from Uganda Development Bank (UDB) . Thus increased investment in the sector.
- Embracing technology and modern business and farming practices is key to increasing yields and incomes and aBi's impact has been greatest where it has co-invested in infrastructure.
- Embracing technology and modern business and farming practices is key to increasing yields and incomes and aBi's impact has been greatest where it has co-invested in infrastructure.



Beneficiary of the Agro-inputs projects after receiving inputs in Mubende District

¹ aBi Impact Case Study of the joint aBi and UCCCU partnership/intervention in the dairy value chain

2.0. Highlights of key 2021 Achievements (January to December 2021)

In 2021, aBi supported 38 projects (11 new) and reached a total of 246,842 smallholder farmers (44 percent female), representing 140 percent of the 176,178 beneficiary farmers annual target for the year. The outreach was bolstered by the 33,000 farmers included in the agro-inputs activity.

The additional net income realized by the beneficiary IPs (agribusinesses/SMEs) attributable to aBi support in the year stood at UGX41Bn, representing 151 percent achievement against the annual target of UGX27Bn. The increase in additional net income overall is at-

tributed to increase in coffee exports and increased level of activity in the economy in Q4 2021 as well as being attributable to aBi's support. In terms of job creation, 1,042 additional jobs at the IP/agribusiness/SME level were created, representing 52 percent of the annual target of 2,000. Job creation at IP level was negatively affected by the slowdown in the economy where a number of agribusinesses had to lay off staff. Table below summarizes key achievements in 2021.

Table 2: VCD Outputs and Results (January - December 2021)

| KPI Name | Annual Target | Q1 Attained | Q2 Attained | Q3 Attained | Q4 Attained | YTD | %YTD Against Annual Target | Explanation / Variance |
|--|---------------|-------------|---------------|---------------|---------------|----------------|----------------------------|---|
| Additional Jobs including Full-Time Equivalent (Male) created at IP (Agribusiness/SMEs) level as a result of aBi-Supported intervention in the year and cumulative | 1,326 | 282 | 90 | 141 | 217 | 733 | 55% | COVID-19 restrictions in the first half of the year affected employment creation and labour mobility. |
| Additional Jobs including Full-Time Equivalent (Female) created at IP (Agribusiness/SMEs) level as a result of aBi-Supported intervention in the year and cumulative | 674 | 148 | 21 | 20 | 121 | 309 | 46% | |
| Sales value (in US\$ Bn) for the targeted enterprise by the IP in the reporting period. | 135.7 | 50.9 | 80.2 | 58.7 | 63.7 | 253.5 | 187% | Sales have been boosted by increased yield (volume) from the agro-inputs intervention |
| Number of new Demonstration Plots established for this reporting period | 2,370 | 274 | 878 | 598 | 762 | 2,512 | 106% | The set target was achieved. More demos were set up under the agro-inputs activity |
| Number of new female smallholder farmers who have received aBi-supported agricultural productivity or quality enhancement training during the reporting period | 88,089 | 35,499 | 35,104 | 21,033 | 17,280 | 108,916 | 124% | More emphasis has been placed on involvement of women in project activities at IP level. |

| | | | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|----------------|-------------|--|
| Number of new Male smallholder farmers who have received aBi-supported agricultural productivity or quality enhancement training during the reporting period | 88,089 | 46,124 | 41,328 | 25,782 | 24,692 | 137,926 | 157% | The annual target achievement was boosted by agro-inputs project. |
| Additional net income (USh Bn) realized by the beneficiary IPs (agribusinesses/SMEs) attributable to aBi support in the year and cumulative | 27.1 | 6.6 | 8.6 | 11.2 | 14.5 | 40.9 | 151% | IP additional net income increased in second half of the year due to increased level of activity in the economy with lifting of the COVID-19 restrictions. |
| Number of new/additional (Female) smallholder farmers that engaged in collective marketing during the reporting period | 12,127 | 2,400 | 3,373 | 532 | 1,569 | 7,874 | 65% | Number increased as a result of lifting of the COVID-19 restrictions and farmers seeking better prices for their produce. |
| Number of new/additional (Male) smallholder farmers that engaged in collective marketing during the reporting period | 12,126 | 4,082 | 4,366 | 1,000 | 4,291 | 13,739 | 113% | Annual target achieved. |
| Number of new farmer groups or farmers with which the IP or Agribusiness has a reliable business agreement as a result of the intervention in the reporting period | 32,372 | 14,482 | 19,632 | 15,590 | 3,215 | 52,919 | 163% | Annual target achieved; IPs have developed strong relationships with farmer groups enhanced by the Agro-inputs project. |
| Number of new smallholder farmers participating in group-based savings, micro-finance or lending programs as a result of the intervention (Male) | 5,846 | 601 | 2,074 | 1,967 | 3,656 | 8,298 | 142% | These are VSLA numbers. Number of farmers engaged in VSLA activities increased in Q4 2021 attributable to the lifting of the restrictions and the increased sales realised from produce in the season. |
| Number of new smallholder farmers participating in group-based savings, micro-finance or lending programs as a result of the intervention. (Female) | 6,584 | 1,170 | 1,656 | 1,318 | 1,365 | 5,509 | 84% | |
| Sales value (in USh Bn) for the targeted enterprise by the participating farmers in the reporting period. | 59.3 | 41.6 | 53 | 24.3 | 40 | 158.9 | 268% | Sales continued to grow driven largely by coffee sales. |

| | | | | | | | | |
|--|--------|-------|-------|-------|-------|-------|-------------|---|
| Number of new markets for the targeted enterprise established by the IP during the reporting period | 14 | 4 | 4 | 0 | 2 | 10 | 71% | 10 new markets were established during the year. Export bans on Ugandan maize and dairy products were experienced in the regional market. |
| Export Value (in US\$ Bn) for the targeted enterprise during the reporting period | 230.43 | 5.5 | 4.4 | 9.03 | 9.4 | 68.3 | 30% | Export value largely contributed by coffee. Target to be revised for AWPB2022. |
| Export volumes (In MT) for the targeted enterprise during the reporting period | 48,786 | 1,916 | 846 | 1,546 | 1,072 | 5,379 | 11% | Export volumes remained low with trade restrictions in the regional market for Ugandan maize, dairy and poultry products. |
| Number of new farmer groups mobilised and receiving aBi supported related interventions in this reporting period | 1,579 | 724 | 2,572 | 737 | 983 | 5,016 | 318% | New farmer groups mobilised under the new projects |
| Additional beneficiary agribusinesses that meet aBi's environmental, social and governance standards | 19 | 4 | 6 | 4 | 5 | 19 | 100% | Target achieved. |

Source: Grants Management System (GMS)



3.0. Performance of individual priority value chains & achievements

3.1. Coffee Value Chain

According to the International Coffee Organization (ICO), the total production for coffee year 2020/21 was more or less the same as the previous coffee year³ standing at 169 million bags. Arabica production grew by 2.2 percent to 99.3 million bags, from 97.1 million bags in 2019/20, while the production of Robusta was 69.62 million bags, down from 71.9 million bags in the previous year. World coffee consumption increased to 167.68 million bags in 2020/21 as compared to 164.5 million for coffee year 2019/20. However, consumption still remains down when compared with the pre-pandemic level of 170 million bags. The production-consumption gap for 2020/21 reduced to 1.20 million bags. This level is more comparable to pre-pandemic gap of 2 million bags (ICO Coffee Market Report, January 2022).

2021 was a promising period for Uganda as its coffee exports for the 12 months amounted to 6.8 million bags worth US\$ 718.6million. This was 23.3 percent and 38.2 percent higher in quantity and value respectively, compared to 5.5million 60-kilo bags valued at US\$ 520m sold the previous year 2020. (UCDA Monthly Reports, 2021). The higher income is attributed to improved global coffee prices which were 85 cents higher than US\$ 1.49/kilo in December 2020. The positive trend in global coffee prices is credited to weather-related issues in Brazil and shortage of shipping containers caused by shortage of containers and Covid-19 pandemic restrictions in Asia. Meanwhile, increasing coffee exports during the year compared to the previous year was due to newly planted coffee which started yielding supported by favorable weather.

³A period of 12 months from 1 October to 30 September

aBi's interventions have contributed to the growth of the coffee sector. The increased volumes realized from supported farmers have had corresponding impact on the overall sectoral performance. In 2021, aBi supported eight IPs in the coffee value chain namely: Kyagalanyi Coffee Ltd, Rubanga Cooperative Society, Bukonzo Organic Cooperative Union, Uganda Coffee Farmers Alliance (UCFA), The Edge Trading Company, Ankole Coffee Producers Cooperative Union, Café Africa and National Union of Coffee Agribusinesses and Farm Enterprises (NUCAFE). The key interventions supported during the year include trainings in production of improved quality planting material, integrated soil fertility management, Post-Harvest Handling technologies, enhancement of value addition and quality of coffee, institutional capacity building, technology dissemination through demonstration gardens and facilitating market access. Overall, aBi-supported IPs contributed about 680 thousand bags and \$72 million or 10 percent of the total value and volume of coffee exports in Uganda for the year (UCDA Monthly Reports, 2021).

aBi entered into a Performance-Based Contract with two leading coffee exporters (Kawacom Uganda Ltd and Ugacof Ltd) incentivizing them to invest more in their supply chains to enable their network of small-holder farmers to produce higher volumes of good quality coffee that meet the export market standards and requirements. To achieve this, the two coffee exporting companies will invest in farmer certification, Good Agronomic Practices trainings, postharvest handling and access to necessary agro- inputs and services.



⁴Bunn, C; Lundy, M; Läderach, P; Fernández P; Castro-Llanos, F. 2019. *Climate-smart Coffee in Uganda*. International Center for Tropical Agriculture (CIAT), Cali, Colombia.

As a result of our interventions under the coffee value chain a total of 120,947 farmers benefited, including 49,224 women. Total sales value of UGX 150 Bn was realized by the participating SMEs while the participating farmers realized a sales value of UGX 83 Bn selling mainly dry coffee (Kiboko). Ninety-four (94) new full-time equivalent jobs were created under the coffee value chain during the year. These results would not have been attained at this level without aBi support to the sector.

A study⁴ conducted in 2019 noted that coffee production areas in Uganda have become drier and hotter over the past three decades due to climate change?. Annual temperatures have risen across the country, potential evapotranspiration has increased, and the distribution of precipitation has become more variable. In view of this, aBi interventions in 2022 will focus on substantial climate change adaptation efforts promoting implementation of interventions for climate-smart practices as a priority to secure long-term sustainability of the coffee sector.

3.2. Cereals Value Chain

aBi Development's interventions in the cereals value chain focuses on maize, rice, sorghum and barley enterprises. Maize trade in the East African region was disrupted during the year by a ban imposed by the Government of Kenya on the importation of maize from Uganda and Tanzania in March 2021, only being lifted in May 2021, with conditions. According to the Kenyan authorities, the ban was introduced based on the findings of a survey which showed that maize from the two countries was unfit for human consumption due to high levels of mycotoxins that were consistently beyond safety limits (East African Grain Council March 2021 Bulletin).

Discussions between EAGC, relevant government bodies of Kenya and development partners yielded positive results with conditional lifting of the maize ban whereby all maize dealers are required to comply with the provisions of the Crops Act 2013 and the Crops (food Crops) Regulations 2019 specifically, the requirements pertaining to the registration and licensing of dealers, production of a certificate of conformity and adherence to food safety and quality standards.

As a result of the restrictions imposed on maize importation by Kenya, maize exports from Uganda declined. The farm gate maize prices slumped as low as UGX 400 per Kg from the previous UGX 600 per Kg. Consequently, in March 2012 maize's position as a leading export commodity dropped from fifth to ninth position, 2021 (UBOS Trade Bulletin, June 2021).

In Q3 2021, approximately 273,000 MT of maize grain was traded within the Eastern Africa region. Tanzania and Uganda accounted for 56 and 43 percent of the total exports while Kenya and South Sudan represented 57 and 42 percent of the imports respectively.

To combat the challenge of aflatoxins, aBi is leading the way by partnering with the International Institute of Tropical Agriculture (IITA) to develop and commercialize a biological control product, Aflasafe. Learning from its success in other countries, adoption of Aflasafe will go a long way to ensuring the management of aflatoxins in Uganda and can contribute to mitigating a very serious public health risk and increasing exports of the nation's cereals.

Additionally, in Q3 2021, aBi Development launched a UGX13.75 Bn Cereals Funding Window to address such quality issues in the value chain.

In 2021, aBi supported seven Implementing Partners namely: Aponye Uganda Ltd, AgroWays (U) Ltd, Acila Enterprises Ltd, Arise and Shine Maize Millers Ltd, New Kakinga Millers Ltd, the International Institute of Tropical Agriculture and the Eastern Africa Grain Council (through Membership) with interventions which included: piloting a novel bio-technology for aflatoxin control, training in GAP, post-harvest handling and quality assurance, village savings and loan associations, gender mainstreaming and demonstration garden establishment. Other activities undertaken included: training in collective marketing for the marketing committees and farmer groups. Radio programs were also used to relay information especially on distribution of agro-inputs, pest and disease management.

⁵ IITA is a non-profit institution that generates agricultural innovations to meet Africa's most pressing challenges of hunger, malnutrition, poverty, and natural resource degradation.



As a result of our cereals value chain interventions overall, a total of 67,000 farmers were reached, including 32,600 women. Total sales value of UGX 26.8 Bn were realized by participating SMEs against the annual target of 135.7Bn. This is an improvement from the previous year in which UGX15 Bn was achieved. Participating farmers also realized a total sales value of UGX 28 Bn (previous year achievement was UGX35 Bn) against a target of UGX19.4 Bn. Sixty-six (66) including 9 Female new full-time jobs were created under the cereals value chain during the year.

3.3. Pulses Value Chain

Soybean remains the most important oilseed crop globally accounting for more than 50 percent of the oil seeds produced and consumed. In Uganda, effects of COVID-19 affected availability of quality seed and sunflower and soybean grains, and their products have also registered recorded high prices on the backdrop of increased demand against limited supply which has rewarded farmers who invested in the costly inputs.

Currently, 4 IPs (Gulu Agricultural Development Company, MMP Agro industries, Soybean Africa Ltd and Ngetta Tropical Holdings) are under the oil seeds value chain. GADC and Ngetta Tropical Holdings) are on

a performance-based arrangements and hence report only when they have a milestone due.

In a bid to grow the oil seeds portfolio further and in line with the BP 2019 -2023, the 2020 oil seeds Funding Window was re-launched in Q3 2021 with six applicants progressing to the due diligence stage.

MMP Agro Industries Ltd is supported with UGX 2.9 Bn grant which to date has resulted in an additional 9,410 smallholder farmers being reached, in comparison with a 10,000-farmer target. The supported interventions included: training in farming as a business, good agronomic practices (GAPS), organic farming, post-harvest handling, VSLA methodologies, access to input subsidies, marketing support to input suppliers and collective marketing. As a result of our interventions under the oilseeds value chain in 2021 (i.e., with Gulu Agricultural Development Company, MMP Agro industries, Soybean Africa Ltd and Ngetta Tropical Holdings) a total of 13,200 farmers were reached including 5,300 women by the single participating SME. Total sales value of UGX 20.1 Bn was realized by the participating SME and Participating farmers realized total sales value of UGX 2.9 Bn from selling to GADC.

3.4. Oilseeds value chain

Soybean remains the most important oilseed crop globally accounting for more than 50 percent of the oil seeds produced and consumed. In Uganda, effects of COVID-19 affected availability of quality seed and sunflower and soybean grains and their products have also registered recorded high prices on the backdrop of increased demand against limited supply which has rewarded farmers who invested in the costly inputs.

Currently, 4 IPs (Gulu Agricultural Development Company, MMP Agro industries, Soybean Africa Ltd and Ngetta Tropical Holdings) are under the oil seeds value chain. GADC and Ngetta Tropical Holdings) are on a performance-based arrangement and hence report only when they have a milestone due

In a bid to grow the oil seeds portfolio further and in line with the BP 2019 -2023, the 2020 oil seeds Funding Window was re-launched in Q3 2021, six applicants progressing to the due diligence stage.



Project interventions with MMP resulted into an additional 9,410 smallholder farmers being reached in comparison with a 10,000-farmer target. The supported interventions under the oil seeds value chain included: training in farming as a Business, Good Agronomic Practices, organic farming, Post-Harvest Handling, VSLA methodologies, access to input subsidies, marketing support to input suppliers and collective marketing.

3.5. Horticulture Value chain

The horticultural sector is broadly divided into vegetables, fruits, flowers and spices with numerous crops within the respective sub-categories. The global greenhouse horticulture market reached a value of US\$ 26Bn in 2021, a 10 percent increase from previous year, and is projected to reach US\$ 44Bn by 2027 representing a huge potential. Uganda is the second largest producer of Fresh Fruits and Vegetables (FFVs) in sub-Saharan Africa (after Nigeria), producing about 5.3m tons per year according to recent FAO statistics. Horticultural crops are currently ranked as the fourth largest foreign exchange earner for Uganda's agricultural produce exports earning over US\$45.9 million⁶. Uganda is the third largest exporter of horticulture products in East Africa after Kenya and Tanzania. Uganda's FFV sector faces challenges that threaten its long-term competitiveness, particularly around farm and firm-level resilience, quality, traceability, and food safety requirements for domestic, regional, and international markets. These need to be addressed to enable Uganda to increase her FFV exports. The European Union historically has been the main high-value market for Ugandan FFV exports.

Planned interventions in the horticulture value chain at the farmer level include Good Agronomic Practices (GAP) and Farming as a Business (FAAB) for mango, citrus, pineapple and tomatoes, and low-cost irrigation for high value crops. At the SME level interventions include upgrading of fruit trees, seed and agrochemical supply, market chain development, processing and packaging and international market development.

Currently, only one IP (FARM Africa) is being supported under the horticulture value chain and a UGX14.45

⁶ aBi Horticulture Investment Feasibility Study 2021

billion horticulture funding window is under development to boost aBi's investment in the sector in 2022. This follows the closure of the other projects in the value chain. As a result of FARM Africa project interventions in the year, 34 new jobs (22 Female) were created, and an additional net income of UGX36m and sales value of UGX 252m was realized by the IP.

3.6. Dairy Value Chain

Uganda has become a significant producer and exporter⁷ of dairy products in Africa. In Uganda, the dairy sector was not spared by the negative effects of COVID-19, especially from movement restrictions and business slow down. The dairy industry also faced ramifications of drought challenges, Foot and Mouth Disease (FMD) outbreak and Kenya's export bans. Despite the challenges, the dairy sector registered an increase in production volumes to 2.8 billion litres in 2021, up from 2.5 billion liters in 2018 (DDA, 2021).

In the dairy value chain, aBi's interventions seek to: i) increase milk production; ii) integrate traditional milk producers into the formal/processed milk supply chain; iii) increase the supply of quality milk to Milk Collection Centres (MCCs) and processors and iv) stabilise milk production throughout the year. In 2021, aBi invested in 2 partnerships namely, Pearl Dairy Farms Ltd and Heifer Project International. The interventions included training and backstopping extension workers in their establishment of demonstrations for new technologies, control of diseases, farm visits, as well as mobilization of new farmer groups and farmers. Investments in these two partners developed extension networks through which farmers were reached with trainings on animal husbandry practices, milk quality handling, feed conservation technologies, water harvesting and value addition. Farmers were also linked to service providers building farm structures, as well as participating in exchange visits. Other activities undertaken included: technical support to governance and management, village savings and loan methodologies, technical support for animal husbandry. The Pearl Dairy partnership established toll-free support lines that also linked farmers to water input and service providers.

⁷ During the 2019/2020 financial year, Uganda earned US\$131.5 million, from milk exports



In total, 8,414 (2,487 females and 5,927 males) dairy farmers were reached with productivity or quality enhancement training, against an annual target of 4,800 (3,360 males and 1,440 females). Daily milk production ranged between six and eight liters per cow, leading to a cumulative total of 58 million (57 percent) litres of milk was produced for the year, against a target of 103 million litres. This was a 2% contribution to the national milk production of 2.8 billion litres.

A total of UGX36.8 Bn in sales value was realized by the participating farmers against an annual target of UGX 26 Bn (142 percent) due to an increase in prices from UGX 600 to UGX1,600 by end of the year. Increase in prices was due to high demand during the period of prolonged drought when production was very low. To enhance sustainable milk production, 1,869 farmers (82 percent) against an annual target of 2,280 farmers invested in dry season technologies such as hay and silage making and fodder growing.

aBi supported dairy SMEs were able to realize additional net revenue of UGX 3.9Bn (10 percent of target) during the year against an annual target of UGX 38.6 Bn. This is in comparison to UGX 9 Bn realized in 2020. This below par performance is due to trade related challenges as a result of ban of export to Kenya as a protectionist measure for its dairy farmers that partic-

ularly affected Pearl Dairy Farms and negative effects of COVID-19 on purchasing ability of local consumers. Pearl Dairy Farms Ltd is mitigating this by exploring new markets.

191 jobs (103 males, 88 females) were created at IP level against a target of 1,256 jobs by 31st December 2021. These were jobs created at milk collection level. Jobs created at farmer level will be obtained from the annual impact survey expected to be conducted in early 2022. This performance was very low due to challenges of COVID-19 where SME, particularly Pearl dairy farms had to lay off a large section of staff due to low export volumes as a result of the trade ban.

3.7. Poultry Value Chain

The poultry value chain in Uganda shows potential for inclusive growth due to relatively small land and low capital requirements. Growth in the poultry sector also offers opportunity for linkages with aBi's priority value chains of cereals and oilseeds that are key ingredients in poultry feeds. Following a feasibility study in 2020, aBi included the poultry value chain amongst its priority value chains and launched the first Poultry Funding Window worth UGX10 Bn in 2021.

Productivity and sales of the poultry sector saw a decline in 2021 due to the effects of the COVID-19

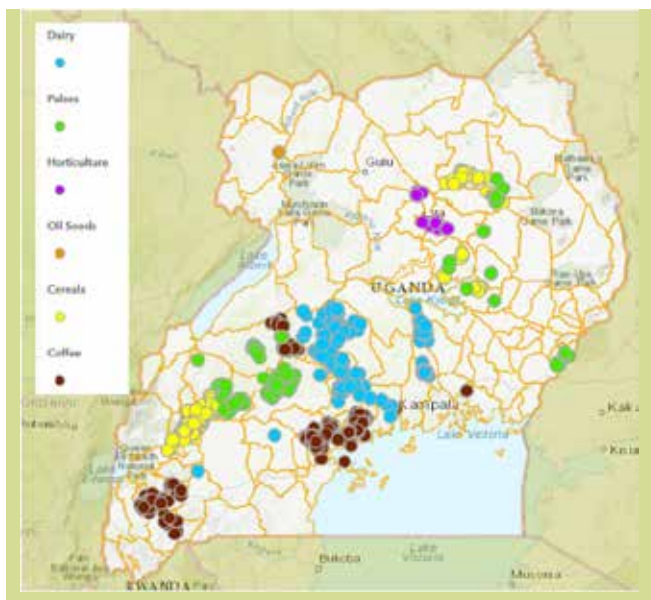
pandemic including restrictions on movement and closure of some important markets. In January 2021 Kenya stopped all chicken, meat and egg imports on the pretext that it needed to support its “producers to recover from disruptions in their livestock enterprises occasioned by COVID-19”. The ban saw prices of poultry production inputs dropping. Overall, prices for poultry products declined leading to losses to hatchery operators and poultry farmers respectively. It is projected that the sector will pick up and perform in 2022 as Kenya lifted the ban in December 2021.

The poultry value chain was launched in the course of the year and five new projects were approved. These include: Biyinzika Enterprises Limited, Pristine Foods Limited, Hatches Limited, Ugachick Poultry Breeders Limited and Ssekajja Agro Farms Limited. aBi Development will invest in three strategic priority areas in the poultry value chain namely:

- i) Expansion of Out-grower Models
- ii) Production of Poultry Feeds and Feed Additives, and,
- iii) Development of integrated social enterprises engaging in poultry farming, feed production and slaughterhouse

The above projects were approved in Q4 2021 and as such no tangible results have been reported yet.

Figure 2: map showing the spread of VCD activities in 2021



3.8. Strategies and planned investments for 2022

2022 is the fourth year of aBi Business Plan (BP) implementation and it is projected to be a year of flat and challenging economic performance. The economy remains constrained, investors are cautious and there is increasing concern that the world is slipping into a recession. The situation remains volatile. aBi will continue to support our partners to build back better and overcome the challenges brought about by COVID-19 and Ukraine-Russia war, among others. To do this more successfully requires that we rethink our granting terms and conditions. We have been slow to pivot and address the new realities of SME agribusiness and this needs to be addressed.

The strategies in 2022 aim at closing the gaps to realization of the BP targets by 2023. The ambition in 2022 is for aBi to be an effective and efficient service delivery vehicle for impact and scale in a green economy.

The Strategy will be hinged on five pillars being;

- i) Green Growth programming
- ii) portfolio development,
- iii) portfolio quality and risk management,
- iv) supporting post COVID-19 recovery; and
- v) Business Development Services

In 2022, aBi will invest UGX 33.2 Bn with UGX12.6 Bn (38 percent) invested in climate adaptation as well as social inclusion largely driven by the strong focus being placed on green growth, going forward.

The Uganda Carbon Bureau Ltd
Certifies that
aBi Development & Finance (U) Ltd
 is carbon neutral for the period 1st January to 31st December
 2021.
 Achieved by the purchase of **176 tonnes** of Plan Vivo carbon
 offset credits from the 'Trees for Global Benefits' project in
 western Uganda managed by **ECOTRUST**.



4.0. Sustainability Initiatives

aBi supports sustainable agribusiness investments with focus to meet needs of current generations without compromising those of future generations. aBi ensures that all supported agribusiness goods and services are produced in ways that do not harm the environment or deplete natural resources. aBi supported the following sustainability initiatives in 2021.

4.1. Greening aBi investments

During the year, aBi transition to more actively supporting the development of a green economy was accelerated by rolling out implementation of aBi Green Growth Strategy (2020/21-2025). aBi's green programming responds to Uganda's policies, plans and strategies that target to address climate change effects and biodiversity loss. These include Uganda Green Growth Development Strategy (2017/18 – 2030/31), the third National Development Plan (NDP III) 2020/21 – 2024/25, National Adaptation Plan for the Agricultural Sector (2018), National Climate Change Act (2021)

and the National Biodiversity Strategy and Action Plan II (2015-2025). aBi greening agenda is further guided by the Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC) Rio Markers for climate. Originally designed to help members of Rio Conventions on biodiversity, climate change and desertification with the preparation of their National Communications or National Reports to the Rio Conventions, by identifying activities that mainstream the Conventions' objectives into development co-operation, the Rio Markers are increasingly applied to guide development assistance in developed countries.

aBi has adopted the Rio markers to address climate change impacts and environmental stress on agribusinesses. This approach provides a sustainable development path to enhancing agribusiness SME and farmer resilience to climate change and promote low carbon development in Uganda.

aBi conducted a green growth rapid assessment using the Rio Markers to establish the level of greening in the currently supported projects with Value Chains Development IPs. 22 out of 27 VCD IPs are implementing climate adaptation practices on farm. The most common practices include use of improved seed (early maturing, drought tolerant, disease and pest resistant) mulching, contours and trenches, organic manure, organic pesticides, agroforestry, and dry feeding hay and silage. Five out of 27 IPs use energy saving, eco-efficient (environmentally friendly) and carbon neutral production systems (three IPs-NUCAFE, Kyagalanyi, UGACOF) are using industrial solar systems and two IPs (GADC & Pristine foods) using energy efficient machineries. The aBi funded NUCAFE 172kWp solar plant for instance helps the company to sequester approximately 241 tones of CO₂ emissions per annum from the atmosphere. According to NUCAFE, the solar system has also reduced the company's energy costs by about 50 percent from bills that usually peaked at UGX 5m to the current UGX 2.8m per month.

Other IPs (such as the Consortium for Enhancing University Responsiveness to Agribusiness Development Limited (CURAD)) are increasingly adopting efficient, clean and renewable energy technologies to improve their processing systems. Regarding waste management, sixteen (16) VCD IPs re-use by-products of their production processes and are promoting a circular economy.

This illustrates aBi's commitment to supporting national and international strategies in addressing climate change impacts on Uganda's agriculture as well as biodiversity conservation and natural resources management to enhance farmer resilience to climate change shocks. This also demonstrates aBi's efforts to reduce emissions from the agricultural sector which contributes almost 50% (22.38 Mt CO₂e) of Uganda's total GHG emissions of 48.38 Mt CO₂e. Moving forward, aBi's efforts will be to increase our green investments, supporting IPs and farmers' efforts to adapt to the increasingly changing climatic conditions in the agribusiness sector. A UGX 7.5 Bn Green Challenge Fund is scheduled to be launched in 2022. aBi will offer more deliberate and targeted support to interventions that enhance climate change adaptation, especially on-farm, "climate smart" practices. All aBi in-

vestments will be screened for their compliance to climate change and greening agendas. aBi will support its partners to become more resource efficient (water for production, waste management, energy, etc.) and to reduce GHG emissions, including methane in livestock enterprises.

4.2. Environment, Social and Governance (ESG)

aBi conducted ESG screening for 19 agribusinesses as part of the due diligence processes for on-boarding new SME partners. For seven of these, ESG shortfalls requiring remediations were identified. These included poor solid waste management, poor wastewater disposal, limited attention to health and safety, poor anti-corruption measures, and poor child protection policies. These were compiled into an action log with an implementation plan to keep track of actions to be addressed. Implementation of agreed corrective actions is on-going especially for IPs that were operational. For instance, Pearl Diary procured a new wastewater treatment for effective treatment of wastewater from the dairy factory. CURAD has since put in place measures to manage its waste from the fruits processing facility in Namanve Industrial Park. Implementation of actions for IPs on-boarded in 2022 such as Blessed Tree Planters and Agro Processors, Curry Distributors Ltd, Zirobwe Agaliawamu Agribusiness Training Association and Pearl Seeds Ltd will be supported and monitored during the inception phase to ensure compliance to minimum ESG standards. On the social and governance front, the IPs met the minimum standards.

aBi will continue to assess new IPs using the ESG tool to ensure adherence to minimum standards before on-boarding. For those with shortfalls, a remedy action plan will be developed together with aBi to help them address the identified issues and ensure sustainable and socially responsible investments.

⁸ ESG is an approach to evaluating the extent to which a corporation works on behalf of social goals that go beyond the role of a corporation to maximize profits on behalf of the corporation's shareholders. Typically, the social goals advocated within an ESG perspective include working to achieve a certain set of environmental goals, as well as a set of goals having to do with supporting certain social movements, and a third set of goals having to do with whether the corporation is governed in a way that is consistent with the goals of the diversity, equity, and inclusion movement

4.3. Gender

aBi is premised on ensuring sustainable and socially responsible investments by partner agribusiness SMEs and farmers. aBi continued to anchor gender equality into SME operations, engaging farmers in farming as a household business. Out of a total of 246,842 smallholder farmers reached by aBi, 108,610 farmers (44 percent) were females. More women became involved in agribusiness activities, notably during the lockdown period, where the target of 88,089 was exceeded by 24 percent. Compared to performance of 2020, the participation of women in agribusiness activities improved from 86,943 (43 percent) to 137,926 (44 percent). This performance is largely attributed to the agro-inputs intervention.

There was a general improvement in the jobs created, from 954 jobs in 2020 to 1,042 this year. However, new jobs created amongst females dropped by 4 percent from 321 in 2020 to 309 in 2021. Similarly, there was a sharp drop in female participation in collective marketing by 42 percent from 13,651 in 2020 to 7,874 compared to only 7 percent drop among the males. Participation of smallholder female farmers in group-based savings, micro-finance or lending programs followed the same reducing trend. There was almost 50 percent drop from 11,010 in 2020 to 5,509. Male participation on the other hand increased by 30 percent from 6,339 to 8,298. This consistent decline could be attributed to general economic slowdown and restricted movements due to COVID 19 pandemic thereby slowing down sales and savings with VSLAs especially among females. It is also probable that with schools being closed and the movement restrictions, women spent more money and time on their care giving role and hence participated less in project activities.

aBi will continue to provide necessary support to ensure equitable and socially responsible investments in all agribusiness SMEs and farmers, targeting women, youth, refugees and other disadvantaged members of society.

Further to enhance awareness and social inclusion, aBi conducted a review of the aBi Gender Training Manual and facilitated training of IPs, aBi staff and Board on the same. Four IP trainings were separately conducted in Western, Central, Northern and Eastern Uganda to

ensure adequate reach of all IPs in the country. As a result of the training, five IPs have developed gender policies for their institutions to guide gender and social inclusion. These include New Kakinga millers Ltd, ACPCU, EADC, Kawacom Uganda and Agro-Consortium Ltd.

4.4. Youth

aBi's supported construction of the CURAD agribusiness incubation facility in Namanve Industrial Park and promotion of youth in agribusiness through incubation. Key highlights of 2021 include:

- Installation of the machinery at the Namanve Industrial Park based agripark leading to export of fresh fruits and vegetables (pineapple, pawpaw, avocado, mangoes, ginger and soursop) to the EU and Middle East. CURAD continued to work with off-takers such as IceMark, Agricado and FPG to increase marketing of fresh fruits and vegetables in local and international markets
- Quality Management System (QMS) developed for fresh fruits and vegetables. This includes the legality and traceability, among others. In this process, CURAD is working with the Ministry of Agriculture Department of Crop Inspection and Certification and the Trade in Agriculture Safely and Efficiently (TRASE) project. The outcome is expected to be compliance to sanitary and phytosanitary standards
- Technical support offered to 13 incubatees through monitoring and verification to ensure compliance to UNBS standards. The products produced by the incubatees included: processed dry fruits, juices, process coffee blends, fresh vegetables and fruits, bottled mineral water
- Farmers mobilization and recruitment was undertaken to increase and establish new CURAD suppliers in line with the sourcing of new markets
- Capacity building of staff to improve marketing of CURAD products and services as well as incubatee products was undertaken
- Overall, the aBi supported agri-park will provide a shared facility where young entrepreneurs can be supported to grow their businesses.



Chemiphar Laboratory located in Kansanga, Kampala

4.5. Independent Laboratory and Food Safety Compliance:

Independent laboratory Chemiphar's analytical capacity to facilitate food safety and compliance has been enhanced with aBi's support. With aBi support, the laboratory's accreditation was enhanced with an additional 15 parameter tests. The laboratory was equipped with Laminar flow, Soxhlet and Fibre analysers for conducting tests that have problematic fumes or need a sterile environment, and Certified Reference Materials (CRMs) that enable analysts to carry out several routine microbiology analyses were procured. Proficiency tests were done in preparation for the

accreditation of these parameters and extensions for the Microbiology department which is due in 2022. As a result of the enhancement of the laboratory's analytical capacity, the average turn-around time for tests has reduced from 36 days to 12 days. Chemiphar is now a world-class analytical laboratory and is contributing to providing quality assurance services for Uganda's exports.

COVID-19 hugely affected Chemiphar (U) Ltd's business. Recovery was slow and additional funding from aBi under the COVID-19 Relief Fund is under consideration.

5.0. Challenges, Evaluations and Lessons Learnt

5.1. Challenges and lessons learnt

Lessons from implementation of the Value Chain Development (VCD) program in 2021 are derived from IPs implementation plans, monitoring activities and reports, RM&RD evaluations, aBi – UCCCU partnership case study, end of project reporting, and general consultation with our stakeholders. They include:

- Complementary partnerships among actors across the value chain are key to enhancing productivity, quality, and sustainability. For instance, in an aBi supported partnership, Solidaridad partnered with Uganda Breweries Limited (UBL) and Grain Pulse, with each playing different roles. Solidaridad was responsible for farmer mobilization, farmer organization and extension services while UBL was the off taker and Grain Pulse was the aggregator & input provider. This resulted in better quality barley that met the requirements of UBL. Farmers' productivity increased from 247Kg per acre in second season 2017 to 995Kg per acre in first season 2020; Average volume of Barley purchased by Grain Pulse per season increased from 200,643Kg in the second season 2017 to 1,743,000Kg in first season 2020. This model has also seen farmers access other embedded services like agricultural insurance. Inspired by the success and sustainability of this business model, aBi will replicate similar partnerships model, especially in the North and Eastern regions of Uganda.
- Clear Business Plans are significant drivers of systemic change. The systemic change study (2021) findings indicated that IPs with clearly articulated and feasible business models and the technical capacity to manage demonstrated changes across multiple quadrants of the Adopt-Adapt-Expand-Respond (AAER) framework. The partnerships with Kyagalanyi Coffee Limited and Kawacom and their impact across different market systems in the coffee sub-sector are good examples of this. Conversely, aBi's work with producer organisations did not show any signs of systemic impact, nor are they likely to continue with the intervention activities with their own resources. aBi will therefore develop more effective processes for pairing the right interventions with the right partners.
- The systemic study established that intervening in a dense ecosystem like coffee, without sufficient analysis of aBi's additionality poses specific barriers to achieving systemic impact. It is inefficient to pursue a strategy based primarily on an expanding portfolio to generate additive impact. Secondly, continued progress of the Ugandan coffee requires that the subsector graduates to a higher quality and higher value end of the spectrum. This is achievable by working with partners that are financially and technically able to invest in and manage investments in technology and innovation. aBi's real value is to focus on strengthening the less organised and under-represented parts of the coffee value chain for the most bang for their buck. This can be through crafting a diverse portfolio that is based on a common strategy and made up of inter-connected interventions.
- Supporting the formation of VSLAs is an effective way of bringing farmers together. According to the systemic change study (2021), VSLAs are thriving, with new groups coming up regularly across all the agricultural sub-sectors. Instead of the relatively arbitrary top-down efforts of development organizations or agribusinesses to form groups, VSLAs offer a more sustainable model that is built on trust and familiarity between the members. They are incentivised to stay together as successful VSLAs can build up the savings and asset bases of farmers which in turn, is useful for buying farm inputs and household needs. VSLAs can provide an effective mechanism for service delivery. aBi will continue to use the VSLA model to support farmers.
- Establishment of milk coolers can significantly create impact in the dairy value chain at all levels when owned by farmers through cooperative societies and unions. Farmers can better access a reliable market for their milk, while processors benefit from a more reliable supply of higher qual-

ity milk. On average, each Primary Cooperative or Milk Collection Centre has been able to create at least four direct jobs as a result of aBi's intervention in cooling infrastructure. A case study on the impact of aBi-Uganda Crane Creameries Cooperative Union (UCCCU) partnership indicates that at least 150 full time direct and over 300 indirect jobs were created in the community.

- Technology is an enabler for business growth. Integrating coolers, milk testing, efficient generators, quality-based payment systems, accounting systems, value addition, and veterinary laboratory services (among others) can add value and generate profits. Embracing technology and modern business and farming practices is key in increasing yields. aBi's impact is greatest where it has invested in infrastructure, but it is important to ensure that enterprises attend to maintenance, make provision for asset replacements and service requirements.
- Coordinated partnerships for smallholder farmer capacity building on agriculture production and productivity is critical for market uptake. Case in point is the steady rise in farmers' use of what are new technologies for them. An example is Jabba Engineering's provision of soil testing services which saw some 15,995 farmers undertaking soil testing, exceeding the target of 15,000. Linkages made with Jabba during other farmer trainings (e.g., on agronomy) were responsible for the rise in uptake.
- In 2021, Uganda's rains were unreliable, with incidences of drought in some of the project areas. Drought tolerant maize seed varieties supported resilience in these conditions, as well as against the Fall armyworm attack. The UH 5051 variety, for example, is high yielding (double comber) and has a high mill yield because of less bran. aBi will promote the utilisation of drought tolerant and early maturing seed varieties alongside other climate smart agriculture practices for sustainable farming.
- Some of the supported value chains especially cereals and dairy were affected by an export ban imposed by Kenya. To mitigate against such trade barriers, aBi will support our partners to access

new or emerging markets within and beyond the East African region. We will also address quality and standards issues to help our partners meet East African and global market quality standards, for example through interventions such as the development of Aflasafe for aflatoxin controls and our ongoing support to post-harvest and handling and storage management. There is also need to continue supporting advocacy for government to better deliver its regulatory functions in a more enabling manner and to negotiate better terms of trade in the EAC and for removal of trade barriers.

5.2. Uganda Crane Creameries Cooperative Union (UCCCU) impact study

The study purposed to analyse and document aBi's impact and contribution to the dairy sector at micro and macro level through the UCCCU project in Southwestern Uganda. It also documented the impact the UCCCU project had on SMEs in the dairy sector as per the finding of the Systemic Change study which confirmed that aBi's interventions created a systemic change in the sector within Uganda and the region. Some of the key findings of the study include;

- i) Increased cooling capacity through the installation of 100 milk coolers each of 3,000 litres capacity in the Southwestern region. All the coolers were operational at the time of conducting the study. aBi's contribution in the project area was therefore an additional 300,000 litres of installed capacity at the Milk Collection Centre (MCC) level. The total installed capacity in the southwestern region now stands at 1.4 million litres and aBi's contribution represents 22 percent of this.
- ii) An additional 60 coolers were sold at concessionary rates to processors, Pearl Dairy and Jesa Dairies and to other traders, bringing the total number of installed aBi co-financed MCC coolers to 160. This increased national installed capacity by 490,000 litres, bringing it to 2 million litres. aBi's contribution equates to 25 percent of that.
- iii) aBi's interventions broke the monopoly in the dairy sector that existed at the time, supporting the establishment and growth of several new industry-scale processors such as Pearl Dairy and Amos Dairies. aBi's partnership with UCCCU gave farmers and their primary cooperatives (PCs) an

opportunity to sell to whoever they chose to, at terms agreeable to them. Today, with an installed annual capacity of 800,000 liters, Pearl Dairies is the largest exporter of dairy products in Uganda.



- vi) aBi and UCCCU partnership succeeded in building the capacity of PCs to run their own affairs through proper book-keeping and installing accounting systems. The Quality Based Payment System enabled workers at PCs/MCCs to efficiently record and manage farmers' sales. This capacity building led to the hiring of professionals such as accounts and managers to run the affairs of PCs/MCCs. This has also led to improved time payments to farmers. before the aBi interventions, farmers were being paid every 30 days.
- v) The joint intervention with UCCCU contributed to PCs increasingly becoming bankable as they formalized their management and accounting processes. 22 percent of the sampled PCs have obtained loans ranging between UGX120m and UGX1bn from Uganda Development Bank (UDB) which they are using for the installation of watering and pasture improvement, amongst others. Today, all farmers are paid through either their SACCO or bank accounts. The growth of PCs has also enabled them to offer consultancy services to other MCCs, with 4 percent of the sampled PCs taking on the management of other MCCs.
- vi) The interventions by aBi have led to the diversification of activities at PCs through value addition, with 24 percent of sampled PCs involved in making yoghurt and ghee. The PCs have also started VSLA/SACCOs that enable farmers to lend to fellow members at affordable interest rates with milk sales used as collateral. Farmers not only access credit from their VSLA/SACCO, but they also get inputs such as rock salt and veterinary drugs from the agribusinesses that have been set up at the PCs. At least one (NDAFCO) of the four secondary district unions had set up a commercial veterinary laboratory service that has helped farmers and veterinary officers in the region diagnose diseases and undertake testing.
- vii) Increase in incomes as the farmgate price of milk improved from UGX300 before aBi interventions to over UGX600 and an average retail price of UGX1,150 in southwestern Uganda (2019/20 DDA Annual Performance Report). This is against the national farmgate average of UGX984 and retail price of UGX1,440 . Due to improved cooling capacities, cattle breeds, and farm improvements, southwestern Uganda contributes 25 percent of all the milk produced in Uganda. This improvement in incomes has seen the average pay by secondary district unions to PCs/MCCs rise by 386 percent from UGX112m every 14 days in 2013 (project start date) to UGX432m by 2019.
- vii) The success of the aBi-UCCCU partnership arising from installation of milk cooling infrastructure prompted the crowding in of other actors and off takers such as Amos Dairies and Vital Tomosi Dairy due to increased milk production and quality. Of all the sampled PCs and secondary unions, 84 percent had managed to acquire their own buildings in which they operated. 80 percent of PCs had bought open trucks to transport milk cans from farmers while 20 percent had tuk-tuks (three wheelers). Therefore, aBi plans to intervene through continued support to cattle farmers to enable increase in milk production volumes, support the acquisition of milk coolers at farmer level and strengthen farmers linkages with milk processors for market.

¹¹The national farmgate price and retail price is skewed by high prices in milk deficit areas (e.g., northern and eastern Uganda) while it is lower in areas where milk production is high.

5.3. Systemic Change Study findings

In 2020/21 the systemic change study focused on three value chains namely, coffee, cereals, and dairy with some aspects of horticulture. Overall, the findings are summarised by value chain as below.

- i) **Coffee:** Sustainability of the supported coffee value chains interventions was evident in Kagalanyi Coffee Limited (KCL) and Kawacom that have integrated the aBi supported activities into their commercial operations. Other partners consider the aBi supported activities as separate to their core business and only funded by external funds, thus significantly compromising prospects of the aBi activity continuity. aBi will look outside of lead firms for partnerships and invest in support services such as finance, logistics, and storage.
- ii) **Cereals:** aBi's choice to work in cereals, especially maize, is entirely appropriate given the strong (and growing) demand of the crop from multiple markets, the high relevance of the crop to poverty reduction as well as food and nutrition security, and the presence of a large number of potential partners. However, the interventions studied did not reflect any of this promise. There was little evidence of systemic impact from the interventions assessed except Numa Foods (NF). The primary reason for minimal systemic impact was aBi's choice to work with producer organisations with vulnerable business models. More aBi investments in companies like NF is needed to improve processing of a variety of safe cereal-based products.
- iii) **Horticulture:** aBi's interventions in horticulture exhibited weaknesses around the sustainability and viability of the business models. Both the interventions studied had partners with vulnerable revenue streams and over-reliance on donor funding for operations. At a strategic level, these partnerships appeared to be isolated activities instead of being part of a coherent portfolio addressing key constraints in horticulture. Henceforth, aBi has prioritised a constraints analysis of the horticulture sub-sector leading to the formulation of a clear strategy for implementation.

aBi undertook baseline studies for four new VCD projects onboarded at beginning of the year. These included Ngetta Tropical Holdings, The Edge trading, MMP Agro and Eastern Agricultural Development Company (EADC). Some of the findings included 43 percent of the farmers interviewed for MMP, Ngetta and EADC programming in the eastern and northern region reported food insecurity therefore the need for an agro-input intervention targeting the region.

Summary of endline evaluation findings include:

Jabba Engineering Ltd: More farmer organizations were able to pay for soil testing services; and more farmers were using optimal fertilizer levels on their coffee and maize plots. A remarkable increase in maize (44 percent) and coffee (48 percent) productivity and production against a target of 10 percent as a result of small holder farmer use of fertilizers in their fields. However, the transaction/sales volumes at the laboratory and agripreneurs levels used was below the target scores of 40 percent, as only 21 percent increment in volumes was reported for the period between 2018 and 2019. For instance farmers who applied fertilizer harvested 354Kgs of coffee from an arce compared to 180kgs for those who did not use fertilizer. Maize production also showed a significant result with yield per acre of maize field with fertilizer yielding 327kgs compared to 213kgs/acre with no fertilizer.

Rubanga Cooperative Society: The study showed an increase in the volume of coffee processed and marketed per farmer was 744kgs achieved through intensification of farming as opposed to extensive farming. However, the anticipated yield per farmer and yield per tree was not realized. From the anticipated 2kgs, only 1.3 (60 percent) was achieved.

Noted was a reduction in gross margins realized per acre between the midline and end line for both control and beneficiary households. The findings call for interventions that enable farmer access to superior coffee seed varieties, fertilizers and pesticides; as well as capacity building on post-harvest practices for drying, storage, and processing.

5.4. Baseline Studies findings

6.0. Financial Performance for aBi Development Ltd.

In its support to agribusiness in Uganda, aBi Development employs a strategy of maximizing value for money through prudent deployment of grant funding matched with operational cost management strategies.

For the year ended 31st December 2021, aBi Development spent UGX 28Bn compared to UGX 31Bn in 2020 as a result of a reduction in expenses. Out of this amount, UGX 21Bn was associated with grant expenditures, which was UGX 2Bn lower than 2020 figure of UGX 23Bn. The decline in grant performance in 2021 was attributed to delays in implementing partners (IPs) making their agreed contributions. Generally, this was explained as being a consequence of the IPs' slowdown in business and the impact of that on their ability to contribute.

General and operational expenditure closed at UGX 7Bn (UGX 10Bn less the recharge cost to aBi 2020 Ltd and NURI of UGX 4Bn) compared to UGX 8Bn in 2020. Operational costs in 2021 comprised majorly of staff related costs of UGX 5Bn, consultancy costs of UGX 2Bn, board oversight costs UGX1Bn and depreciation of UGX 1Bn.

General and operational expenditure closed at UGX 6.6bn (UGX 10.3bn less the recharge cost to aBi 2020 Ltd and NURI of UGX 3.7bn) was comprised majorly of staff related costs of UGX 5.3bn, consultancy costs of UGX 1.5bn, board costs UGX1.3bn and depreciation of UGX 0.6bn.

Table 2: aBi Development Statement of Comprehensive Income for year ended 31 December 2021 (Rate 1 DKK = 541 UGX)

| | Actual | Actual | Budget | | Actual |
|--|---------------------|---------------------|--------------------|-------------|----------------|
| | Dec-20 | Dec-21 | Dec-21 | Variance | Dec-21 |
| | UGX '000 | UGX '000 | UGX '000 | % | DKK '000 |
| Grant income | 31,294,668 | 28,218,118 | 41,379,168 | -32% | 52,159 |
| Other Income | - | 73,848 | - | 100% | 137 |
| Total income | 31,294,668 | 28,291,966 | 41,379,168 | -32% | 52,296 |
| IP Expenses | -23,118,885 | -21,104,558 | -31,112,083 | 32% | -39,010 |
| Operational expenses | -7,826,405 | -6,565,708 | -10,267,084 | 36% | -12,136 |
| Net impairment of financial assets | -40 | -44,685 | 0 | - | -83 |
| Finance income | -210,818 | -404,519 | - | - | -748 |
| Total expenses | (31,156,148) | (28,119,470) | -41,379,168 | 32% | -51,977 |
| Surplus for the year before tax | 138,521 | 172,496 | 0 | 100% | 319 |
| Income tax expense | -138,521 | -172,496 | 0 | -100% | -319 |
| Net surplus for the year | - | 0 | 0 | - | 0 |
| Other comprehensive income | - | - | - | - | 0 |
| Total comprehensive income for the year | - | 0 | 0 | 0 | 0 |

Trade and other receivables mainly comprise the IP receivables which increased to UGX 18Bn compared to UGX 15.4Bn in 2020 and related party receivables that increased to UGX 8.9Bn compared to UGX 5.4Bn in 2020. The increase in the receivables is mainly due to the UGX 5Bn concessional loan facility to aBi Finance Ltd, UGX 0.4Bn IP refunds deposited into aBi Development accounts other than aBi Finance Ltd accounts, and UGX 0.9Bn reduction in recharge costs receivable. The decrease in IP receivables is due to smaller amounts of IP accountabilities compared to 2020.

Table 3: aBi Development Statement of Financial Position as of 31 December 2021

| | Actual Dec-20 UGX '000 | Actual Dec-21 UGX '000 | Budget Dec-21 UGX '000 | Variance % | Actual Dec-21 DKK '000 |
|-------------------------------------|------------------------------|------------------------------|------------------------------|---------------|------------------------------|
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Property & equipment | 327,867 | 310,928 | 522,654 | -41% | 575 |
| Right of use assets | 1,867,311 | 1,487,519 | - | - | 2,750 |
| Intangible assets | 272,270 | 250,144 | - | - | 462 |
| | 2,467,448 | 2,048,592 | 522,654 | 292% | 3,787 |
| Current assets | | | | | |
| Assets held for sale | - | | | | |
| Trade and other receivables | 15,408,298 | 18,167,123 | 22,069,467 | -18% | 33,581 |
| Income tax recoverable | - | 99,136 | - | - | 183 |
| Cash and cash equivalents | 30,579,345 | 64,767,824 | 52,760,767 | 23% | 119,719 |
| | 45,987,643 | 83,034,083 | 74,830,234 | 11% | 153,483 |
| TOTAL ASSETS | 48,455,091 | 85,082,675 | 75,352,888 | 13% | 157,269 |
| LIABILITIES AND EQUITY | | | | | |
| Capital and fund balance | | | | | |
| Fund balance | - | - | 0 | -100% | - |
| Non - current liabilities | | | | | |
| Lease liabilities | 1,427,045 | 1,056,181 | 0 | - | 1,952 |
| Current liabilities | | | | | |
| Deferred grants | 45,285,608 | 82,377,331 | 70,860,903 | -16% | 152,269 |
| Lease liabilities | 398,244 | 372,136 | 0 | - | 688 |
| Trade and other payables | 1,344,194 | 1,277,028 | 4,491,985 | 72% | 2,360 |
| | 47,028,046 | 84,026,494 | 75,352,888 | -12% | 155,317 |
| TOTAL LIABILITIES AND EQUITY | 48,455,091 | 85,082,675 | 75,352,888 | -13% | 157,269 |

6.1. Funding Status aBi Development

As at the 31 December 2021, aBi Development Ltd. has a commitment with its IPs of UGX 31.5Bn in terms of undisbursed grant funding for contracts signed compared to UGX 29.4Bn in 2020, the net increase is due to new grants commitments of UGX 23.7Bn, commitments written off in 2021 and disbursements in 2021. aBi Development Ltd ended 2021 with significant cash balances of UGX 64.8Bn compared to UGX

30.5Bn in 2020 due to under disbursements during the year and receipt of grant funding of UGX 55.2Bn in December 2021. The total grant funding received in 2021 was UGX 65.3Bn, of this UGX 41.8Bn was received from DANIDA and UGX 23.5Bn from aBi 2020 Ltd (now aBi Finance). The total funds disbursed under direct program expenditure amounted to UGX 18Bn.

Table 4: showing the total cash disbursements under the value chains and agro-inputs Covid relief projects Vs the amounts budgeted from January to December 2021

| Value Chain | 2021 Cash disbursements | 2021 Budget Jan to Dec | 2021 Variance | % Variance |
|----------------------|-------------------------|------------------------|--------------------|-------------|
| | (UGX '000) | (UGX '000) | (UGX '000) | |
| Coffee | 2,608,880 | 2,579,921 | 28,959 | 1% |
| Cereal | 1,426,061 | 2,171,650 | (745,589) | -34% |
| Pulses | 476,240 | 796,337 | (320,097) | -40% |
| Oil Seeds | 1,145,498 | 1,347,960 | (202,462) | -15% |
| Horticulture | 763,381 | 1,284,370 | (520,989) | -41% |
| Dairy | 1,137,707 | 1,380,747 | (243,040) | -18% |
| Cross Cutting Issues | 236,530 | 1,684,110 | (1,447,580) | -86% |
| Agro Inputs Support | 8,702,435 | 12,034,327 | (3,331,892) | -28% |
| Other Value Chains | 1,496,989 | 3,148,000 | (1,651,011) | -52% |
| Total VCD | 17,993,721 | 26,427,422 | (8,433,701) | -32% |

Direct program costs for the period amounted to UGX 18Bn which is 68 percent of the planned spend UGX 26.4Bn. The under-spend of UGX 8.4Bn relates to program activities that were not implemented.

About half of the direct programmatic costs were for the agro inputs project.

7.0. Corporate Services 2020

7.1. Human Resources and Shared Services

During the year 2021, the Board and Management put in place initiatives to ensure safety and productivity of staff in the Covid-19 situation, building on the experiences and efforts in the previous year. We recognize our duties as an employer to ensure safety of all staff, their families, and aBi stakeholders. The aBi Covid-19 task force continued to guide the institution's response to the pandemic through a number of interventions that included; putting in place a hybrid and flexible work schedule, utilization of staff vaccinations during less busy periods, and adhering to other standing operational procedures.

aBi Development started the year with 48 Full-Time Employees (FTEs) against an approved structure of 52 (indicating an 8% staffing gap). Within the year, the six staff that voluntarily exited aBi employment were all replaced and subsequently we closed the year at a staff headcount of 48 FTEs. Two staff members progressed to executive leadership roles within the organization. The former Chief Internal Auditor was promoted to Chief Operating Officer – Corporate Services to oversee HR, ICT, finance, procurement, legal and risk compliance functions. The Chief Internal Auditor position was filled by the Senior Internal Auditor, demonstrating aBi's commitment to talent development and enhancement of internal leadership capabilities.

As part of implementation of the human resources (HR) strategy to build staff capacity for leadership, a leadership development programme for junior and middle managers was undertaken in partnership with the Strathmore School of Business. The objective is to build capacity of this category of staff to better manage their personal growth within their work context and to grow leadership and managerial potential within the organization. Our focus going forward is to also enhance staff knowledge, awareness, and competence in green programming.

The cultural audit conducted in 2021 contextualized aBi's current culture as being highly result and performance-oriented, also revealing a need for the organization to enhance reward and recognition of staff for good performance. In this regard, two major policies (Reward and Recognition and Performance Incentives Application) were developed and are being implemented, with the expectation that they will

provide a framework within which staff are rewarded and recognized for good performance.

aBi won the 2021 Prudential HR Best Practices "Diversity and inclusion" award beating off strong competition from the other nominees under this category (MTN & UBL). The survey attracted participation from 534 organization from various sectors. It aimed at identifying organizations that implement good people policies, systems, and processes that create and sustain productivity along with industrial peace and harmony. This survey provided an opportunity to benchmark good HR practices in the industry to enrich our HR strategy, policies and practices.

7.2. Finance & Accounts

aBi Finance and Accounting team comprises of three professional accountants charged with a responsibility of ensuring prudent and transparent financial management, accountability, and accurate financial reporting. Finance function also supports management decision making in areas of strategic planning, budget performance monitoring and decision making by providing timely and accurate financial information.

The 2021 financial statements presented in this report were audited by Ernst and Young (EY) that issued an unmodified opinion. As part of the requirement to periodically rotate auditors, Ernst and Young took over from Price Water Coopers (PwC) as aBi external auditors starting with the 2021 audit.

7.3. Grants Management

The Grants Management Control unit supports the programs team and IPs in pipeline development, and IP accountability review and monitoring. Under the mixed team approach the Grants Management Control function facilitated due diligence on 22 projects under pipeline development with 11 of these approved for contracting. Project monitoring visits and capacity building for a total 24 active projects on the use of the Grants Management System, project accounting and financial management was conducted through both physical and online sessions. As part of the external audit exercise 28 IPs were audited and the results are as summarized in the table below.

Table 5: Showing the results of the external audit from 2018 - 2021

| Year | No. Audit-ed IPs | IPs with unquali-fied audit opinions | Percentage |
|------|------------------|--------------------------------------|------------|
| 2018 | 40 | 31 | 78 |
| 2019 | 44 | 35 | 80 |
| 2020 | 24 | 20 | 83 |
| 2021 | 28 | 28 | 100* |

***Based of draft audit reports that are yet to be signed off by IPs**

As observed from the above table, there has been consistent improvement in the percentage of IPs having clean audit reports.

The questioned project expenditure for 2021 was UGX 177m against amount disbursed of UGX 19Bn out of which UGX 17.6Bn was accounted for in the period. Over years, there is remarkable reduction in questioned expenditure as a percentage of both disbursed and accounted for project amounts between 2020 and 2021 as summarized in the table below. This is attributed to continuous improvement in our monitoring and control environment.

In 2021 there was a slow down in the execution of the procurement plan from Q1 to Q2 due to delays in initiation of procurements during the COVID-19 lock downs. However, in Q3 to Q4, several procurements were concluded leading to a 91 percent achievement of the procurement plan by end of the year.

Table 7: Summary procurement performance in 2021

| Procurement Dashboard | Unit | |
|---|------|-----|
| IP Induction meetings | No. | 5 |
| Procurement reviews | No. | 28 |
| Procurement Plan progress Q3 target 75% | % | 64% |
| Procurement Plan progress Q4 target 90% | % | 91% |

7.5. Advocacy and Communications Initiatives

As part of our thought leadership agenda, we entered into partnerships with various strategic stakeholders including; government ministries and departments as well as media and other key agribusiness actors on a number of initiatives aimed at raising the profile of the sector. For example, aBi partnered with the Ministry of Finance, Planning & Economic Development to organize the 12th National Competitiveness Forum that informed the formulation of 2022/23 National

Table 6: Showing project disbursements and accountability

| Description | Amount UGX (2020) | Percentage (2020) | Amount UGX (2021) | Percentage (2021) |
|----------------------|-------------------|-------------------|-------------------|-------------------|
| Amount disbursed | 22,371,659,077 | 1.2 | 19,000,987,933 | 0.9 |
| Amount accounted for | 15,640,053,094 | 1.7 | 17,635,348,939 | 1 |
| Questioned cost | 267,967,964 | - | 177,211,766 | - |

7.4. Procurement and Disposal of assets

aBi Procurement and Disposal Unit (PDU) has a team of two procurement specialist charged with the responsibility of ensuring value for money procurements. The PDU in coordination with ICT continued with progress to digitize the procure to pay (P2P) process. The development of the contract management tool for efficient management of contracts in DOC IT was completed in 2021.

COVID-19 affected procurement operations necessitating contract extensions for several assignments. We are working with the users and ICT to further automate our processes to enhance our efficiency and harmonise with the operating environment.

Budget. Other initiatives included the EPRC launch of the 2021 Agricultural Finance Yearbook.

Communicating the transition of aBi into two autonomous entities to both internal and external stakeholders was undertaken as part of change management. It effectively served the purpose of ensuring business continuity and increased uptake of aBi Development products due to the enhanced market confidence and strong aBi brand equity.

Profiling of achievements and impact of aBi interventions was undertaken in partnerships with the media and through other creative platforms. The objective of this knowledge sharing aimed at creating awareness



Ms. Mona Muguma-Ssebuliba Ag, CEO aBi Development handing over a dummy cheque to Mr. Don Wanyama CEO Vision Group for the 2021 Harvest Money campaign to support the Expo and sharing of knowledge

and influencing policy. It also enhanced our visibility of aBi and that of our partners. Going forward more focus will be put into establishing and sustaining strategic engagements and collaborations.

To further consolidate the learning and knowledge management (LKM) function, various initiatives were implemented. aBi through a partnership with USAID, Mediae and Vision Group implemented the 2nd phase of Mpeke Town Farming Drama series, an edutainment undertaking targeting the urban youth and women, to inspire them to join agribusiness through increasing their access to farming knowledge, changing attitudes and adoption of good agronomic practices. The television and radio drama episodes were broadcasted on Bukedde FM, Bukedde TV and Urban TV. The initiative has caused traction for more edutainment projects in Uganda with the launch of new similar products. From results of the sampled respondents the 2nd phase of this edutainment project positively impacted farmers in the following aspects; increasing productivity and production through practicing GAP, increase in sales, financial literacy, digitalisation of financial services, nutrition and food security, access to affordable financing especially for youth and women. Some of the results include; 37 percent of the sampled respondents reported to have harvested between 1-5 bags of maize (90kg per bag). 39 percent reported having started using fertilizer/manure and got better yields. As a result of the financial literacy over 45 percent of the respondents were financing agribusinesses from their savings and 40 percent started trusting and using agent banking.

Results of a customer satisfaction survey covering 2021 reflected a high level of customer service satisfaction of over 80% across the seven different categories of respondents. Over 85% of all respondents believe that aBi's interventions are socially responsible, 100% of government respondents strongly agreed that aBi is relevant in the agricultural sector, 78% of the respondents from the private sector agreed that aBi's services and products are impactful and accessible to smallholder farmers and agribusinesses. However, a few areas were not rated favorably, requiring improvement. For example, 33.4% of respondents were not satisfied with the justifications given for the rejection of their grant applications, and 58 percent of internal clients (staff) said there was need for improvement in management of employee performance in terms of recognition and motivation.

7.6. Procurement and Disposal of assets

PDU in coordination with ICT and service provider completed the development of the contract management tool for efficient management of contracts. Remote working due to COVID-19 affected procurement operations necessitating further automation of our processes to enhance our efficiency and harmonise with the operating environment.

aBi embarked on a process mapping re-engineering exercise to review the flow and identify areas that create better efficiencies across most of the key functions including the procurement. The resultant process maps will greatly enhance the efficiency and

performance of these functions in 2022 and beyond. There was a slow down in the execution of the procurement plan due to delays in carrying out assignments during the two lock downs but the pace is picking up. We anticipate to achieve about 80 percent of procurements planned for the year 2021.

7.7. Results Measurement and Research & Development

The RMRD function continued to support and provide technical assistance (TA) to the Programme teams and shared functions through the mixed team arrangement during. The TA included; funding window development, work planning, monitoring and data verification, pre-project assessments/due diligence exercises, reviews and development of project results frameworks, induction of new partners and conducting inception meetings. During the reporting period two LKM briefs were developed and disseminated. The key highlights of briefs included; lessons for improvement of dairy value chain production and productivity amidst COVID-19 and other challenge, systemic approaches to sustainable market systems and commercialization of Aflasafe technology in cereals and groundnuts and sustainable green growth integration (**refer to Chapter 5.0: Challenges, Evaluations and Lessons Learnt**)

7.8. Internal Audit Performance

aBi's Internal Audit is an independent, objective assurance, and consulting function designed to add value and improve aBi's operations. It supports aBi in achieving its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of governance, risk management, and control processes in accordance with the International Standards for the Professional Practice of Internal Audit.

During the year, a risk-based audit approach and combined assurance model was used to coordinate aBi assurance efforts. 19 (84 percent) planned audit areas were completed as highlighted in the table below. In addition to the assurance engagements accomplished in 2021, Internal Audit also provided other advisory and consulting engagements in the areas of risk management and the management of problematic partnerships.

aBi Board and management generally put in place internal control systems which reasonably enables the institution to generate required information, safeguard assets and achieve intended results.

Nevertheless, there is still room for improvement and these areas that require control enhancement were observed, communicated to management and action is being taken. In a few instances, non-compliance with available controls was observed at both aBi and IP level and this which will be monitored going forward as it affects efficiency.

Table 8: Summary of Internal Audit performance in 2021

| Auditable area | Execution level | Comment |
|---|--------------------------|--|
| Audit of 11 VCD projects | 11 projects were audited | 11 reports issued |
| 1 RMRD audit | Not done | The performance shortfall is explained by the transfer of the Chief Internal Auditor to Corporate Services department and the resignation of one Internal Auditor who were later replaced in the year. |
| 1 ICT audit | Not done | |
| 1 Investment audit | Not done | |
| Finance and tax audit for aBi Development | 1 done | 1 report issued |
| 1 risk management audit | 1 done | 1 report issued |
| 1 Governance audit | 1 done | 1 report issued |
| 1 HR audit | 1 done | 1 report issued |
| 1 procurement audit | 1 done | 1 report issued |



Group photo of aBi Shareholder, Board and Management, ACPCU and pupils of Nyakasambya Primary School in Sheema District built by ACPCU as part of its corporate social responsibility and promotion of coffee growing

8.0. Stories of Change

8.1. Ankole Coffee Producers' Cooperatives Union (ACPCU)

Headquartered in Kabwohe, Mbarara district, ACPCU was founded by 10 primary cooperative societies in 2006 with 3,500 farmers. It operates in the South-Western districts of Bushenyi, Sheema, Rubirizi, Mitooma, Buhweju and Ntungamo. It has grown to cover 25 primary cooperative societies with about 9,150 members.

The cooperatives are engaged in the production of both Robusta and Arabica coffee hence, most farmers certificated in fair trade and organic coffee farming. With support from aBi, ACPCU has increased coffee export volumes from the 10,000 kilograms they did in the late 2000s to 2,900,000 kilograms in 2021.

While ACPCU has grown from height to height it has not been a rosy journey.

"In 2015 our export turnover was over 10,000 kilograms. That continued to grow, and by 2018/19 our turnover had hit 3,000,000 kilograms. Unfortunately, our biggest buyer in Europe collapsed due to Covid19 effects. Eventually, our turnover dropped to 2,900,000

kilograms in 2020/21 as we were affected by the lockdown and lack of packaging containers that increased the cost of transportation and packaging" said John Nuwagaba, the Managing Director – ACPCU.

ACPCU, remained resilient and continued to process and grade member coffee for the export market. Other services offered to members include supervision, book-keeping, management, and capacity building in good agronomic practices & natural resource management and provision of seedlings. ACPCU also ensures organic and fair-trade certification of its members' coffee.

Jessica Birungi, 45

"ACPCU offered me a premium price of UGX2,800 per kilogramme for my organic coffee compared to the UGX2000 offered by other markets in 2021. After selling I got agricultural inputs such as hoes which increased my production. ACPCU invested the surplus of the money into the community for example in Nyakasambya where schools have been built, roads rehabilitated, and shallow wells built" said Jessica Birungi, a 45-year-old coffee farmer and resident of Kayanga West Ward, Rushozi Ward, Kabwohe Division in Mbarara.

ara district. She started growing coffee on one acre in 2015 and today she is a proud owner of four acres of organic coffee, courtesy of support from ACPCU.

Jessica is also a member of the Rushozi-Kwefaho Growers Cooperatives Society, one of the many member groups of ACPCU. This membership has assured Jessica and her group of a market. "We are paid in two tranches, the first on delivery and the other, after ACPCU has sold off" notes Jessica.

Joram Kavundi, 69, ACPCU beneficiary farmer



Joram and wife standing in front of their new house.

Joram from Ryenjoki, Rweibare, Kakinda TC, Sheema district has increased his coffee acreage from one acre to seven acres in five years, during which period he has harvested Robusta elite coffee, all courtesy of the support from ACPCU. He started planting coffee after a chance encounter with an extension worker from ACPCU. Thereafter, he started integrating better agricultural practices such as mulching and better care for his crops which has paid off big dividends.

With the proceedings from the coffee farm, Joram has been able to construct a new house. During 2021 he also acquired four Friesian cows at a cost of UGX 2m each from the savings of the previous season's harvest.

Consortium for enhancing University Responsiveness to Agribusiness Development (CURAD)

CURAD is an innovative agribusiness incubator established in 2012 by Makerere University, National Union of Coffee Agribusinesses and Farm Enterprises (NUCAFE) and National Agricultural Research Organisation

(NARO). CURAD is purposed to produce innovative young entrepreneurs and agribusiness leaders that champion productivity and profitability of the many enterprises they are engaged in. aBi has supported CURAD since 2017, through business establishment and development support services; facilitating access to finance; technical support; networking and internship opportunities extended at three value addition incubation centres - namely, the Coffee Value Addition Centre at Kabanyoro, CURAD Agri-park at Namanve and the Juice and other beverages production centres.

Mariam Luguse, 32

With the assistance of CURAD, Mariam from Kapeeka Sub County in Nakaseke district transitioned from being a brewer of illicit alcohol to a commercial farmer of Kayinja bananas.

"In 2018 when I got introduced to CURAD, so much changed," says Luguse. "First they trained me on how to maintain the banana plantation and how to harvest and package it in a way that minimizes waste."

With this knowledge, Luguse was able to increase her acreage of Kayinja bananas to six acres from which she now makes banana juice. "Since I started selling bananas, my life is safe. I am no longer exposed to drum blasts associated with the brewing of alcohol," she says. "My children can now also attend school undisrupted and on a monthly basis I earn about UGX600,000 from the sale of 1200 metric tons of banana."



A CURAD incubatee displaying his products

Gulu Agriculture Development Centre (GADC)

Molly Anguko, 36

Molly Anguko, a seasoned sesame (sim sim) farmer and a single mother of four has faced numerous challenges growing sesame. This crop matures quickly and therein lies a problem. "We could sell all our sesame upon harvest and could not have any left for re-planting," says Molly. "Transport is a problem. Upon harvesting our sesame, we have to travel about 32km to Arua Town to access the market. This is such a long distance, and it attracts high transport costs, which in turn eats into the farmer's profit margins. GADC has helped in mitigating against some of these challenges"

"Since 2018 (GADC), provided me with training on how to plant in lines, weed in time and thrash the sesame on a trampoline. I also received one kilogramme of sesame seeds to enable the establishment of farmer field schools, since we had limited knowledge on pest control and management"

She also got training in GAP including planting sesame in lines, weeding, thinning, pest control, post-harvest handling-drying and sorting. "Before training I could get about three basins (50kgs) from an acre, but with GADC I can get two to three bags of 100kgs each" says Molly. She also notes that initially farmers sold sesame at between UGX1,500 and UGX2,400 a kilogramme but today the price ranges between UGX3,000 and UGX3,500. With this increase in income, Molly has been able to buy four local goats that have since multiplied to 12. She has acquired two cows which have since become three.



Molly weeding her garden

9.0. Annex Section:

Annex 1: Board & Governance operations

The aBi Development Ltd Board held four scheduled joint meetings including four ad hoc meetings and one Annual General Meeting.

aBi Development Ltd Members Committee

The Members of aBi Development Members Committee are currently the Kingdom of Denmark and Mr. Warwick Thomson, representing the Royal Danish Embassy and aBi Finance. In 2021, the Committee held three scheduled joint meetings, one separate meeting and three ad hoc meetings.

Other aBi Development Ltd Committees

There are three committees comprised of members nominated from the Board:

- a) **Procurement and Investment Committee** (PIC) is mandated to provide direction and oversight to management Meeting held in 2021 included; 10 scheduled joint meetings, one joint PIC strategy and one *ad hoc* meeting.
- b) **Audit, Risk and Compliance Committee** (ARCC) held three scheduled joint meetings, four *ad hoc* meetings and one separate scheduled meeting
- c) **Human Resource Committee** (HRC) held three scheduled meetings, four ad hoc meetings and one separate scheduled meeting.
- d) **Ad Hoc Committees –** (meetings take place as and when necessary)
 - **Ad hoc Nomination Committee** - two meetings were held
 - **Ad hoc Annual Work plan and Budget Committee** – one meeting was held

Other Board engagements:

Annual Board Evaluation: the independent annual Board evaluations did not take place in 2021 due to the governance restructuring and with the separation of the Boards, new members were recruited. The evaluation will be carried out at the end of 2022. However, implementation of previous evaluations recommendations continued.

Board Succession: the company has maintained a

comprehensive Board succession programme, the planning process was overseen by the aBi Members, who identified potential Board members. In October 2021 the six-year term for the Board Chairperson Mrs. Sarah Walusimbi ended and Mr. Felix Okoboi took over as Chair of the Board effective 15th October 2021. On 30th November 2021, Mr. David Kabateraine ended his six-year term on the Board. On 1st December 2021, Ms. Alice Ruhweza and Mr. Grace Jethro Kavuma joined the Board.

Mr. Michael Kairumba, Warwick Thomson and Morten Christiansen remained on the Board to make a total of six members out of the seven directors required, the process of recruitment of the seventh director is on-going. In August 2021, Mr. Ole Dahl Rasmussen replaced Mr. Ulrik Jorgensen on the aBi Development Board as the Royal Danish Embassy Representative/Observer.

Strategy and Sustainability Sessions: in 2021, the joint Boards of aBi Development and aBi Finance held two strategy sessions, one joint Procurement and Investment Committee strategy session and one joint Sustainability Session. The aBi Development Board held one separate strategy session at the end of 2021.

Board Training and Information Sessions: aBi Development Ltd Board participated in four joint information session and one separate information session in 2021. In March 2021, the aBi Boards were sensitised in Green Growth, in April 2021 a cultural audit was conducted for both the Board and Management of aBi. ESG training was conducted for the Boards and Senior Management at end of June. Capacity development of the Board in corporate governance was conducted in October, this included all Board Directors and Senior Management. The Technical induction of the new Board took place in November.

Board Field Visits: in 2021 the Board visited one Implementing Partner, Chemiphar in Kampala.

Annex 2: Mapping aBi green growth interventions against OECD Rio Markers for climate

Table 9: Mapping aBi green growth interventions against OECD Rio Markers for climate

| # | SECTOR | QUALIFYING ACTIVITIES | Score (1,2) | Coffee (5) | Cereals (6) | Pulses (1) | Oil seeds (4) | Poultry (5) | Dairy (2) | Horticulture (1) | Cross cutting (3) | Total (27) | Remarks |
|---|------------|---|-------------|------------|-------------|------------|---------------|-------------|-----------|------------------|-------------------|------------|---|
| Agriculture (on-farm production) | | | | | | | | | | | | | |
| | Mitigation | Livestock projects that reduce methane or other GHG emissions (manure management with biodigestors, etc) | 1 | - | - | - | - | - | - | - | - | 0 | Integrate biogas in Dairy VC interventions |
| | | Use of energy saving machineries, design of eco-efficient, carbon neutral systems, etc. | 2 | 3 | - | - | 2 | - | - | - | - | 5 | 3 IPs (NUCAFE, Kyagalanyi, UGACOF) with industrial solar systems (Only NUCAFE supported by aBi). 2 IPs (GADC & Pristine foods) investing in energy efficient machineries) |
| | Adaptation | Promoting use of sustainable climate-resilient farming practices | 2 | 5 | 6 | 1 | 4 | - | 2 | 1 | 3 | 22 | Mulching, contours and trenches, organic manure, pesticides, agroforestry, dry feeding – hay and silage, etc implemented by IPs |
| | | Promoting diversified agricultural production to reduce climate risk (e.g. growing a mix of different crops & different varieties of each crop) | 1 | 5 | 6 | 1 | 4 | - | - | - | 1 | 17 | Typical commercial farmers practice only mono crops; but do crop rotation for seasonal crops |
| | | Cultivate and distribute climate-resilient seeds | 2 | 5 | 6 | 1 | 4 | 0 | 0 | 1 | 1 | 18 | aBi has a strong focus on this. To scale up |
| | | Promoting sustainable farming practices aimed at protecting biodiversity in agricultural ecosystems | 2 | 5 | 6 | 1 | 4 | - | 2 | 1 | 3 | 22 | Being done by IPs under GAPS but not reported on. To start reporting on it and scale it up |
| | | Set up and use of early warning communications system for agricultural purposes (e.g. communications solutions for monitoring crops, precipitation, temperature etc. to avoid crop loss through climate-related stress or disaster) | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | To be adopted, in collaboration with Uganda Meteorology Authority |
| Forestry | | | | | | | | | | | | | |

| # | SECTOR | QUALIFYING ACTIVITIES | Score (1,2) | Coffee (5) | Cereals (6) | Pulses (1) | Oil seeds (4) | Poultry (5) | Dairy (2) | Horticulture (1) | Cross cutting (3) | Total (27) | Remarks |
|----------------------------------|------------|---|-------------|------------|-------------|------------|---------------|-------------|-----------|------------------|-------------------|------------|--|
| | Mitigation | Protection and enhancement of sinks and reservoirs of GHGs through sustainable forest management, afforestation and reforestation (mitigation score 2), rehabilitation of areas affected by drought and desertification. (mitigation score 1 or 2 if main objective). | 1 or 2 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 | Agroforestry practiced mainly in plantation crops like coffee. Need to scale up to all coffee IPs. |
| Resource Efficiency | | | | | | | | | | | | | |
| Waste management/disposal | | | | | | | | | | | | | |
| | Mitigation | Recover - Biogas production and reuse of energy produced by wastewater facilities | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 Not currently practiced Intervention: Promote biogas technologies |
| | | Reduce - minimize waste generation, for example by "zero waste" strategies and eco-efficient processes | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 Not currently practiced |
| | | Reuse - utilize by-products and establish cascading material flows | 1 | 0 | 6 | 1 | 4 | 5 | 0 | 0 | 0 | 0 | 16 aBi supporting Hatches Ltd using Black soldier flies to generate proteins from solid waste for poultry & livestock feeds |
| | | Recycle - reprocess waste for further use | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 Not currently practiced |
| | | Dispose of remaining waste in a safe and clean manner | 1 | 1 | 6 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 8 Mainly practiced by ACPCU in coffee, 6 IPs in cereals, Pearl Dairy |
| Water for production | | | | | | | | | | | | | |
| | Mitigation | Energy-efficient water pumping systems, and/or pumping systems powered by renewable energies | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 A few farmers harvest surface and rooftop water for small scale irrigation. Horticulture FW provides for irrigation, is under consideration by the Board. |
| | Adaptation | Promoting water conservation in areas subject to increased water stress due to climate change (adaptation score 2). Otherwise it can score 1 if the project is designed to take into account climate change impacts. | 1 or 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 Not supported by aBi. Support IPs and farmers in water stressed areas to construct water reservoirs |

| # | SECTOR | QUALIFYING ACTIVITIES | Score (1,2) | Coffee (5) | Cereals (6) | Pulses (1) | Oil seeds (4) | Poultry (5) | Dairy (2) | Horticulture (1) | Cross cutting (3) | Total (27) | Remarks |
|---|------------|---|-------------|------------|-------------|------------|---------------|-------------|-----------|------------------|-------------------|------------|----------|
| | Adaptation | Improving the climate resilience of the water supply and increasing storage to ensure access where climate change adaptation is a main objective (adaptation score 2), or is part of broader initiatives to supply clean drinking water, which will also increase the resilience of the population to the effects of climate change (adaptation score 1). | 1 or 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | As above |

Energy conservation and demand-side efficiency

| | | | | | | | | | | | | | |
|--|---------------------------|---|--------|---|---|---|---|---|---|---|---|---|---|
| | Mitigation | Fuel switching from one fuel to a different, less GHG-intensive fuel type qualifies as mitigation (score 1 or 2) if a net emission reduction can be demonstrated taking extensions of capacity and lifetime of the facility into account. | 1 or 2 | 3 | 0 | 0 | 2 | 0 | 1 | 0 | 0 | 6 | 3 IPs with industrial solar systems (1 supported by aBi). 2 IPs investing in energy efficient machineries) |
| | Mitigation and adaptation | Clean cooking / heating solutions that are less dependent on traditional biomass are both relevant for mitigation and adaptation (making heating less dependent on climate vulnerable biomass resources) (mitigation score 2 and adaptation score 1). | 1 or 2 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Supported by other partners, not aBi |

Carbon markets and management

| | | | | | | | | | | | | | |
|--|------------|--|---|---|---|---|---|---|---|---|---|---|---|
| | Mitigation | Development/preparation of low-carbon development strategies | 2 | 1 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 2 | Only 2 IPs (ACPCU AND Pearl Dairy) have demonstrated efforts to reducing GHG emissions. |
|--|------------|--|---|---|---|---|---|---|---|---|---|---|---|

Social Inclusion

| | | | | | | | | | | | | | |
|--|------------|---|---|---|---|---|---|---|---|---|---|----|------------------------------------|
| | Adaptation | Support of vulnerable people including women and children in areas vulnerable to the effects of climate change through promotion of climate resilient agriculture, food security and basic services | 2 | 5 | 6 | 1 | 4 | 5 | 5 | 1 | 3 | 27 | Strong focus on this. To continue. |
|--|------------|---|---|---|---|---|---|---|---|---|---|----|------------------------------------|

Annex 3: Distribution and procurement for aBi's agro-inputs project

Table 10: aBi Expenditure on procurement of seeds and fertilisers in 2021 under the agro-inputs project

| | 2021A | 2021B | TOTAL (US\$) |
|--|----------------------|----------------------|----------------------|
| Acila | | | |
| Seed | 137,995,200 | 22,152,480 | 160,147,680 |
| Fertiliser | 353,043,040 | 110,561,500 | 463,604,540 |
| Subtotal | 491,038,240 | 132,713,980 | 623,752,220 |
| Agroways | | | |
| Seed | 194,400,000 | 194,400,000 | 388,800,000 |
| Fertiliser | 522,720,000 | 561,000,000 | 1,083,720,000 |
| Subtotal | 717,120,000 | 755,400,000 | 1,472,520,000 |
| Aponye | | | |
| Seed | 278,880,000 | 226,800,000 | 505,680,000 |
| Fertiliser | 813,150,976 | 668,640,000 | 1,481,790,976 |
| Subtotal | 1,092,030,976 | 895,440,000 | 1,987,470,976 |
| Arise & Shine | | | |
| Seed | 95,616,000 | 75,852,000 | 171,468,000 |
| Fertiliser | 173,622,229 | 268,530,600 | 442,152,829 |
| Subtotal | 269,238,229 | 344,382,600 | 613,620,829 |
| Grow More Seeds & Chemicals | | | |
| Seed | 285,000,000 | 283,200,000 | 568,200,000 |
| Fertiliser | 218,997,540 | 226,863,072 | 445,860,612 |
| Subtotal | 503,997,540 | 510,063,072 | 1,014,060,612 |
| MMACKS Investments Ltd | | | |
| Seed | 579,969,600 | 575,999,160 | 1,155,968,760 |
| Fertiliser | 233,808,000 | 253,440,000 | 487,248,000 |
| Subtotal | 813,777,600 | 829,439,160 | 1,643,216,760 |
| Ngetta Tropical Holdings Ltd | | | |
| Seed | 365,934,040 | 365,934,040 | 731,868,080 |
| Fertiliser | | | - |
| Subtotal | 365,934,040 | 365,934,040 | 731,868,080 |
| GRAND TOTAL | 4,253,136,625 | 3,833,372,852 | 8,086,509,477 |

Table 11: Inputs distributed Per IP in season 2021

| | Season 2021A | Season 2021B | TOTAL |
|--|--------------|--------------|---------|
| Acila | | | |
| seed (Kg) | 39,600 | 6,940 | 46,540 |
| Fertiliser (Kg) | 180,124 | 50,950 | 231,074 |
| Agroways | | | - |
| seed (Kg) | 54,000 | 54,000 | 108,000 |
| Fertiliser (Kg) | 272,250 | 270,000 | 542,250 |
| Aponye | | | - |
| seed (Kg) | 84,000 | 84,000 | 168,000 |
| Fertiliser (Kg) | 420,016 | 420,000 | 840,016 |
| Arise & Shine Maize Millers Ltd | | | - |
| seed (Kg) | 26,560 | 21,070 | 47,630 |
| Fertiliser (Kg) | 120,763 | 129,350 | 250,113 |
| Grow More Seeds & Chemicals Ltd | | | - |
| seed (Kg) | 60,000 | 60,000 | 120,000 |
| Fertiliser (Kg) | 105,813 | 105,813 | 211,626 |
| MMACKS Investments Ltd | | | - |
| seed (Kg) | 117,892 | 117,073 | 234,965 |
| Fertiliser (Kg) | 120,000 | 120,000 | 240,000 |

aBi
**GREEN
GROWTH
STRATEGY**

2020/21-2025



**Fostering Sustainable and Equitable Growth of
Uganda's Agriculture and Agribusiness sector.**



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