

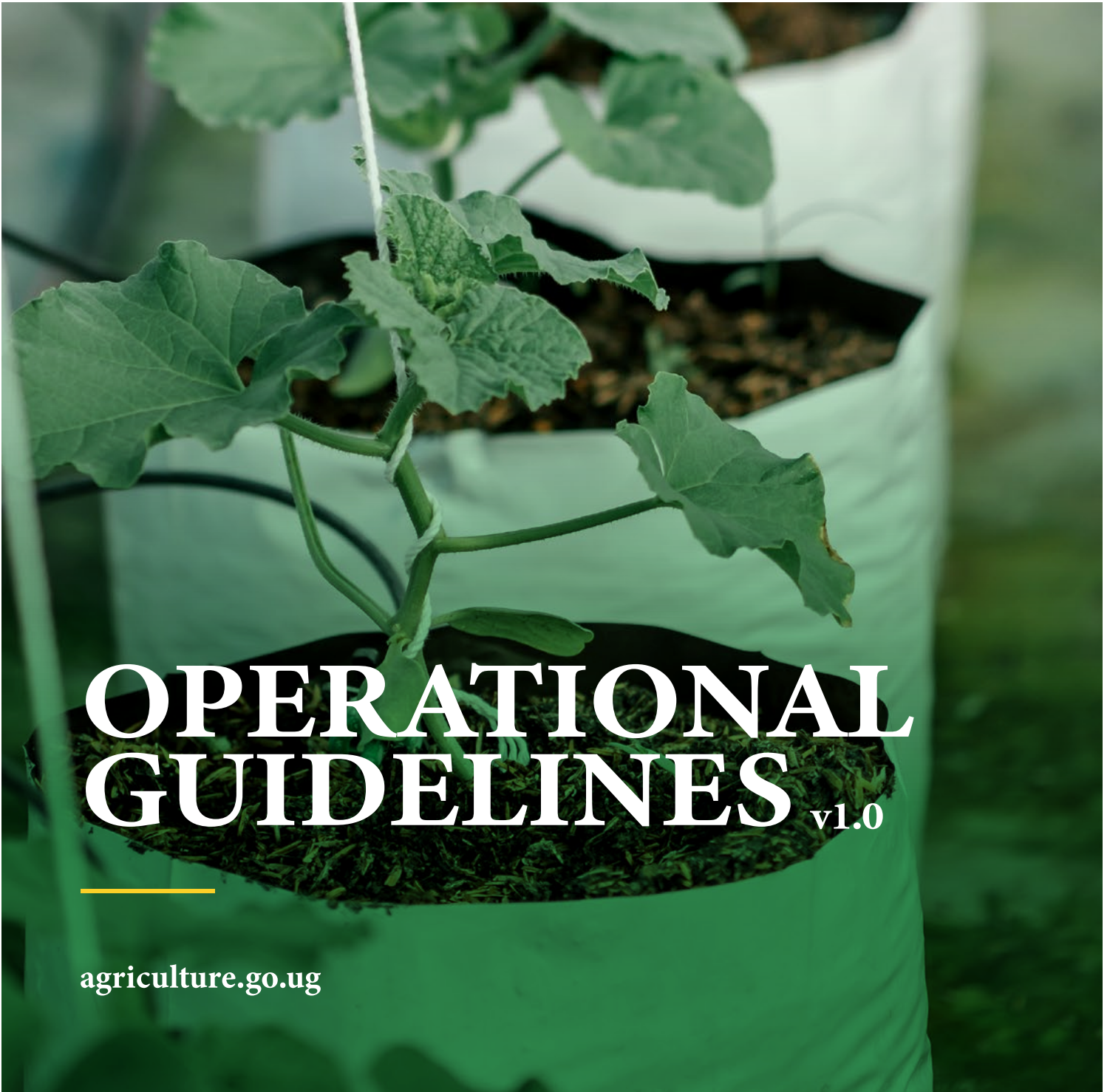


REPUBLIC OF UGANDA

MAAIF

Ministry of Agriculture
Animal Industry and Fisheries

PARISH DEVELOPMENT MODEL



OPERATIONAL GUIDELINES v1.0

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GLOSSARY/ CONTEXT OF TERMS

The following terminologies have been defined hereunder in the context of this Manual:

Appropriate Financial Services:

The appropriateness of financial services refers to factors such as loan size, grace period, interest rates, repayment schedules, tenor or packaging of complementary services (e.g., business development services, savings, insurance).

Agricultural value chain:

the sequence of value-adding activities—from farming to consumption, through processing and commercialisation. Thus, the agricultural value chain concept includes the full range of activities and participants involved in moving agricultural products from input suppliers to farmers' fields and, ultimately, to the consumers' tables.

Bankability:

the capacity of an agricultural value chain actor or project to be accepted for financing by institutional lenders or investor, based on sufficient collateral, stable cash flows, profitability, resilience and high probability of success.

Community Based Organisation:

Under the NGO Act, a Community Based Organisation means an organisation operating at subcounty level and below, whose objective is to promote and advance the wellbeing of the members of the community.

Enterprise Group:

A group whose members share common objectives and are engaged in common income generating activity or enterprise.

Financial Inclusion:

individuals and businesses having access to useful, affordable and timely financial products and services that are delivered in a responsible and sustainable way to meet their needs.

Financial products and services:

include savings, credit (such as loans and overdrafts), leasing, equity, insurance, electronic payments, online accounts, mobile money, transfers and remittances. Access to these products and services facilitates day-to-day living and helps households and businesses plan for everything from long-term goals to unexpected emergencies.

Financial services providers:

all entities providing financial services, including institutional investors, Tier 1, 2, 3, and 4 financial institutions, insurance companies, investment funds (mutual funds such as private equity funds, venture capital funds), businesses through value chain financing mechanisms, development finance institutions (DFIs), government etc.

Household:

A group of people who normally live and eat together

Private sector:

That part of the national economy that is not under direct State control or ownership, but sometimes chooses to partner with a government.

Subsistence households:

those households that are engaged in the production of goods and/or services whose returns are only enough or unable to meet their basic food and non-food requirements. They include households engaged in subsistence farming; earning a wage or salary; operating a business; and completely not working.

1. INTRODUCTION

The Parish Development Model (PDM) is a multi-sectoral strategy to create socio-economic transformation by transforming, into the money economy, the 39% of Ugandan households that are stuck in the subsistence economy, using the parish/ward as the epi-centre for development. It emphasises the whole of Government approach in ensuring increased production, processing and marketing, infrastructure and service delivery at grassroots level.

The PDM is an NDP III implementation mechanism by both the State and Non-State Actors to achieve inclusive development at the parish level in a coordinated and participatory manner.

From the public sector perspective, the overarching objective of the PDM is to increase the interaction between government and the citizens, thereby taking public services closer to the people in a more coordinated and effective manner. The PDM also serves as a feedback mechanism by the people on government services and wealth creation programmes (local accountability).

The Production, storage, value addition, processing and marketing Pillar is one of the seven pillars of the Parish Development Model (PDM). Other pillars of the model include Infrastructure and Economic Services; Financial Inclusion; Social services; Community Mobilisation, Mindset change and crosscutting issues; Parish Development Management Information System; Governance and administration. These pillars are interdependent and shall therefore complement each other to ultimately bring about development at the Parish level.

Composition of a typical Ugandan Parish

Uganda has 146 districts in total, 312 Counties, 2184 sub-counties/towns/municipalities, 10,594 parishes and 70,626 villages. A typical Ugandan Parish comprises the following three segments of households:

The Commercialising segment, which sees their activities as a business. These are currently the key market for most financial services providers.

The Diversifying segment, which has a wider range of income sources and they generally value a generic portfolio of financial services.

The Subsisting segment, which neither has savings nor access to finance in the event of an emergency, cannot borrow and repay loans. A household in this segment also does not have insurance or any other way to mitigate risks. This makes them very vulnerable to shocks. Serving the subsisting segment at scale calls for partnerships, technology, and comprehensive approaches to financial and nonfinancial services.

1.1 THE PROBLEM STATEMENT

Despite the numerous efforts by both the state and non-state actors, there is a low productivity, efficiency and profitability of value chain actors.

1.1.1 THE UNDERLYING PROBLEM CAUSES

a) Ineffective coordination and organisation of value chain actors:

For too long, major stakeholders supporting agribusiness development in Uganda have worked in silos, mainly due to limited resources and being conscripted by their specific issues. This is notwithstanding the recent shift from sector-based planning to Programme-based planning and budgeting under the NDPIII.

While the specialisation of these efforts has a certain logic, the end result has been a fragmented agribusiness landscape with its underlying problems. In addition to the lack of industry coordination, many of the interventions have been for short periods of time and lacked follow-up strategies to ensure continuity of activities long after the programme/project/initiative has ended.

However, for agribusiness to play its important role in addressing our country's numerous challenges, it has to be well organised, well networked, well represented and respected. Accordingly, there is need for effective multi-sectoral coordination of activities undertaken by all value chain actors and value chain supporters, to improve focus and response to Uganda's agricultural investment challenges.

b) Limited access to appropriate finance and risk mitigations instruments such as insurance:

In Uganda, access to finance is a perennial constraint to structural transformation of Agribusiness, as existing systems are unable to make appropriate agriculture financing schemes accessible in a sustainable manner, to the most needing target populations (especially smallholder farmers and agri-SMEs). Consequently, agribusiness players particularly women, youth, smallholder farmers and other agri-SMEs continue to be severely hampered by insufficient access to appropriate agriculture finance limiting among other things, their ability to scale their operations.

c) Limited access to market and marketing knowledge:

Access to markets by Ugandan micro and small agricultural enterprises remains limited at the local, national, regional, and international levels. Regional trade has so far played only a marginal role and remains largely informal. Informality not only limits government revenue, but also restricts business growth by for instance, limiting access to formal credit, making businesses more vulnerable to harassment, and the inconsistent application of trade policies.

d) Inappropriate human and institutional capacity development:

Agribusiness in Uganda will only achieve its full growth potential if it can address the skills needs of the different agricultural value chain actors. This will involve investment in people currently working in the sector, a commitment to knowledge transfer that brings technological and process advances to the industry, and recognition of the need to attract people with the relevant skills into roles within the industry. The agricultural industry offers a host of exciting and rewarding career opportunities but needs to do a better job in communicating its appeal. The potential to attract new expertise and talent into the agricultural sector and to develop new spin off businesses and even new sub-sectors is an opportunity that should be enthusiastically explored in the years ahead.

Agribusiness must attract, retain and develop talent right along the agricultural value chains, supported by training that will foster the necessary technical and entrepreneurial skill sets.

The future success of Agribusiness will require the application of the latest technologies, the best financial management expertise, the capacity to absorb new innovations, marketing and language capabilities, and operational skills in management, marketing, production, technical support, R&D and engineering. Agribusiness will compete with others for the people with these skill sets, and it will be clear that attracting private sector investment will be, to some extent, dependent on its success in this regard.

This will address the lack of in-house skills by most agricultural SMEs in crucial areas such as planning, accounting, bookkeeping, marketing, human resource management, risk management, governance and increasing production efficiency, which would enable them to improve their business operations so that they can succeed and grow. These skills are a preserve of large agribusinesses, which enables them to survive, but the others have to fly under the radar by staying small and informal.

e) Intractable Land Tenure:

The system of land ownership in Uganda has affected agribusinesses' access to and ownership of land and its economic use. Investment in commercial farming is extremely limited, despite the availability of large areas of under-developed arable land, due to weak, complex land governance, and insecure tenure. In the absence of long-term land use rights, agribusinesses lack incentives to grow through land expansion, productivity enhancements and long-term investments, as well as sustainable and environmentally friendly land use. Lenders may be more willing to finance operations in which they are able to take and enforce a charge over land, both in terms of larger loan amounts and longer terms.

f) Limited access to, and affordability of, appropriate as well as climate smart technologies:

Competitive agribusiness relies on appropriate technology to produce high quality consistently, cost-effectively, and environmentally responsibly, test the contents for nutritional, bacterial, or other microscopic contents, and properly package products to keep quality, remain safe, and attract customers. Lack of such technologies retard product and process innovation, efficiencies, labelling and certification— all of which are critical to obtaining market share. Other key appropriate technologies include water storage and irrigation, mechanisation, as well as methods and technologies for production intensification. Though such technologies exist, value chain actors often find it difficult to discern what the most appropriate technology is and where to find it.

g) Declining productivity:

Driven by low availability and application of productive and genuine agricultural inputs, declining soil quality, limited coordination of research and development, inadequate farmer training and limited reach of extension services to boost on-farm production.

h) Underperforming value chains:

Characterised by inconsistent capacity for effective value addition, poor management, un-scalable business models, limited investment in public goods, market failures of information and coordination that result in a low correlation between market share and efficiency, etc.



1.1.2 EFFECTS OF THE PROBLEM

As a result of the above, the productivity, efficiency, profitability, resilience and incomes, as well as food and nutritional security of the subsistence households suffers.

For instance:

- a) Farmers struggle to make investments in quality inputs, farm assets, post-harvest facilities and the hiring of qualified labour. Challenges in accessing finance also translates into weak incentives for farmers' adoption of climate-smart agricultural technologies, management practices and innovations. This adversely affects government's social protection efforts, that would help the poor and vulnerable [These include the elderly, widows, unemployed youth, orphans and other vulnerable children, persons with disabilities as well as the chronically poor.] to cope with crises and shocks, find jobs, invest in the health and education of their children, as well as protect the aging population especially in the rural areas. This translates into low (to negative) productivity, efficiency, profitability and resilience of family farms in Uganda.
- b) Other value chain actors equally struggle to make the much-needed investments in quality inputs, post-harvest infrastructure, transportation for different value chain activities and risk mitigation.
- c) Over 3.5million households are still stuck in the subsistence economy. Available data from the Uganda Bureau of Statistics (UBOS) indicates that subsisting households operate across all sectors of the economy – agriculture, industry and services, but with various degrees of vulnerability that partly depend on which sector is dominating their socio-economic life.

It is estimated that 39% of Ugandan households were in the subsistence economy in 2019/20, of which 24.2% were agricultural households and 14.8% were non-agricultural households (Table 1 below).

This means that 57% of the subsistence households astricken, landless, vulnerable and unemployed Ugandans that suffer from acute and intractable issues of efficiency, productivity, revenue streams, resilience, profitability and viability of enterprises.

Table 1: Households in Subsistence and Non-Subsistence Economy (2019/20 Figures)

Economic Activity	Households	Share (%)
Subsistence Farming	2,042,000	24
Wage/Salary Earning	384,200	5
Income-Generating Enterprise	795,100	9
Not working	78,400	1
Sub-Total: Subsistence Economy	3,299,700	39
Wage/Salary Earning	2,148,000	25
Income Generating Enterprise	2,702,200	32
Not working	306,000	4
Sub-Total: Non-Subsistence Economy	5,156,200	61
Total Households	8,455,900	100

These include the elderly, widows, unemployed youth, orphans and other vulnerable children, persons with disabilities as well as the chronically poor.



The subsistence households are trapped in the vicious cycle of poverty i.e. “low income-low savings-low investment-low income”. Furthermore, many subsistence households are stuck in poverty. For instance, available data from the National Household Survey 2016/17, Uganda Bureau of Statistics indicates that:-

- d) Among households headed by subsistence farmers, the percentage poor increased from 20.3% to 38.2% between 2012/13 and 2016/17 surveys.
- e) Poverty increased from 23% to 36% among those reporting crop farming/subsistence farming as their main source of income.
- f) The absolute numbers of people living in poverty in rural areas rose from 6 million in 2012/13 to 8.7 million in 2016/17.

1.2 JUSTIFICATION AND RATIONALE FOR THE PDM PRODUCTION, STORAGE, VALUE ADDITION AND MARKETING PILLAR

If not adequately addressed, many value chain actors shall continue to have low productivity, The ambitious goal of increased household incomes and improved quality of life for all Ugandans, which is being pursued through NDPIII, necessitates coordinated delivery of service close to the people. Value chain actors shall have the opportunity to acquire the needed tools, equipment, inputs or other necessary means which should support the creation of more productive jobs and wealth for all Ugandans.

It is jobs and wealth that put money into people’s pockets, food on the table, ensure savings for the future and investment in income generating activities. Jobs and wealth creation guarantee markets for businesses, as many more can afford to spend, because they have money and in turn this creates even more jobs and incomes at the household level. Furthermore, jobs and wealth also increase the purchasing power of the people, which enables them to afford basic human needs such as food, shelter, clothing, health care, and education.





2. THE PDM PRODUCTION, STORAGE, VALUE ADDITION AND MARKETING PILLAR

The PDM Production, Storage, Value addition and Marketing Pillar is a holistic strategy by government of Uganda to transform, into the money economy, value chain actors who are currently stuck in the subsistence economy. The PDM Production, Storage, Value addition and Marketing Pillar coordinates and supports implementation of all initiatives (by the state and non-state actors) that promote end-to-end value chain development.

Accordingly, the PDM is the vehicle to organise subsistence households into Enterprise Groups and support them to focus on the most viable enterprises, improve their yields, quality, bulking, processing and marketing.

The activities, resources and results of this Pillar will be integrated in the Programme Implementation Action Plans (PIAPs) as well as work plans and budgets of the various MDAs and LGs that contribute to the Agro-Industrialisation, Private Sector Development and Manufacturing Programmes and their respective sub-programmes under the NDPIII. Programme leaders for these Programmes will share their PIAPs with the Higher Local Governments (Districts, Cities and municipalities) so that these can be modified to their specific development situations and to support the HLG's oversight and supervision of the PDM implementation with the Parish as the hub for planning, budgeting and service delivery. In the first five years of the PDM Implementation, priority

These entail subsistence households that are operating both on-farm and off-farm, in rural and urban settings. Accordingly, these Guidelines will focus on the Agro-Industrialisation Programme.

will be on the total transformation of subsistence households into the money economy using the Agro-industrialisation Programme of NDPIII.

In accordance with the Comprehensive National Development Planning Framework (CNDPF), citizens at the household level will work with their PDM SACCO and the Parish Development Committee to identify their peculiar needs in order to create more jobs and wealth in their Parish.

The identified needs will inform the nature, mode and frequency of service delivery by government under this Pillar and shall enable the citizens to adapt the broad national development strategic direction to their context. This way government will localise implementation of the Agro-industrialisation Programme. The PDM Production, Storage, Value addition and Marketing Pillar is anchored on the existence of income-generating

activities (enterprises) across the entire value chain. This should be re-enforced by the right business mindset and capabilities. As such this Pillar shall be implemented in conjunction with other PDM Pillars especially ***Pillar 3- PDM Financial Inclusion and Pillar 6- Mindset Change and Community Mobilisation.***

2.1 MISSION, GOAL AND OBJECTIVE OF THE PDM PRODUCTION, STORAGE, VALUE ADDITION AND MARKETING PILLAR

Mission

To sustainably transform subsistence households into the money economy.

Goal

To catalyse sustainable and equitable community development through participative interventions, innovations, technology and institutional development for socio-economic transformation of subsistence household

Objective

To sustainably increase the efficiency, productivity and profitability of subsistence households.

Specific objectives

2.2 KEY PRINCIPLES OF THE PILLAR

- a) **Income generation:**
There shall be income-generating activities (enterprises) to be supported at every Parish. Existence of income-generating activities shall be re-enforced by the right business mindset and capabilities. Communities will undertake initiatives in agribusiness or agriculture that provide earnings and enable them to create wealth.
- b) **Enterprise groups shall be the gateway to households:**
small groups consisting of co-opted members coming from the same background and trusting each other shall be the target of government support under the PDM.
- c) **Promotion of a progressive and business attitude:**
Parish development shall be a long-term process which depends on the aspirations and commitment of the subsistence households within the Parish.
- d) **Organisation:**
Make it possible for the value chain actor to make money through organisation and capacity building of participating households.
- e) **Focus on Agro-industrialisation:**
Support shall be restricted to income-generating activities, that are selected by the community in a participatory manner, in agricultural production, processing, storage and marketing.
- f) **Cost minimisation:**
Operating costs shall be kept to a minimum by leveraging on IT- and shared services across the country.

2.3 TARGET POPULATION AND GEOGRAPHICAL COVERAGE

The PDM Production, Storage, Value addition and Marketing Pillar shall target subsistence households that operate across the entire value chain by directing services to them in order to increase their economic opportunities.

The PDM Production, Storage, Value addition and Marketing Pillar shall cover all Local Governments in the Country (Districts, cities and municipalities).

2.3 COMPONENTS OF THE PDM PRODUCTION, STORAGE, VALUE ADDITION AND MARKETING PILLAR

The Pillar shall facilitate the optimum use of factors of production at the grassroots level in order to enhance the productive potential of subsistence households. The PDM Production, Storage, Value addition and Marketing Pillar shall organise subsistence households into business-oriented Enterprise Groups and link them to quality inputs, storage, guaranteed markets and tailored Business Development (including business development services and extension services).

As such, the PDM Production, Storage, Value addition and Marketing Pillar shall at its full implementation have six components namely:

- a) Community mobilisation
- b) Community Organisation into Enterprise Groups and PDM SACCOs
- c) Business development services (BDS) and extension services
- d) Provision of advisory services at every node of the value chain in every parish
- e) Provision of inputs, storage and agricultural processing facilities
- f) Market linkages through e-market place matchmaking, off-taker market placement with value chain leaders and inputs market placement

2.3 COMMUNITY MOBILISATION & ORGANISATION

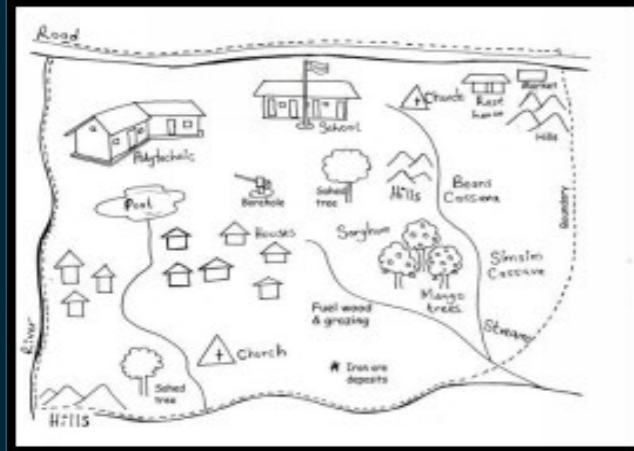
A) Community mobilisation for local economic development

- i. Implementation of the Production, Storage, Value addition and Marketing Pillar shall begin with community mobilisation for identification and buy-in and participation by the households as well as ensuring that the community carries out their own situation analysis and identifying their own issues to redress. Community members shall be sensitised on the Production, Storage, Value addition and Marketing Pillar and its objectives, qualifying enterprises and implementing modalities. This means informing community members on how the PDM Production, Storage, Value addition and Marketing Pillar works and the role it will play in uplifting their economic status.
- ii. In each Parish, this shall involve community mobilization, sensitization and participatory community appraisal processes. The participatory community appraisal processes are carried out to ensure that the community understands the PDM and embraces it as a development model led by them. This process will also allow the community to easily get involved in the PDM Production, Storage, Value addition and Marketing Pillar and have active participation, decision making, monitoring and ownership.
- iii. Community mobilisation and sensitisation will be conducted at village level meetings by a team of both local/political leaders and technical staff of the sub-county including LC1 chairpersons and councillors, extension staff, CDO, Parish Chief among others. All members of the village shall be encouraged to participate in this meeting so as to be involved in the initial activities of the PDM. In this meeting, the community shall be informed about what the PDM is, its objectives, the key pillars, the modalities of implementation.

The following table summarises some of the activities to be used in community mobilisation together with the responsible persons.

STEPS	ACTIVITY	RESPONSIBLE PERSONS
Step 1	1. District Leadership Mobilisation: a) Identify stakeholders and other opinion leaders to inform and sensitise about the PDM Production, Storage, Value addition and Marketing Pillar as well as devise strategies for effective community mobilisation	LC1, Parish chief District Leadership MPs RDCs
Step 2	2. Public/Community sensitisation and awareness – a) Hold village meetings to create awareness of the PDM b) Team headed by the MPs, RDC, LCV chairperson, PDC members engage in a radio talk show on a community/local radio station. c) Provide overview of the Production, Storage, Value addition and Marketing Pillar: its component, rationale, implementation arrangements, institutional arrangements, funding etc.	CDOs Parish chief LC1 chairpersons PDC members Local councillors District Leadership MPs RDCs

B) Community Situational analysis/Community appraisal process.



An example of a village resource map

This process will support the collection of information relevant for the roll out of the PDM. It will include the resource maps, the transect walk, the calendars and the historical profiles/trends. For the PDM, the resource map and the transect walk will enable the community to highlight their needs for services such as markets, mobile money, SACCOs, water points, schools, community access roads and health units among others. This will be very useful background information for rolling out the different pillars of the PDM.

The following tools will be used through: -

- a) **Drawing of the Village/Parish resource map:** A village/ community (or the wider Parish) map highlighting the agriculture or main enterprises including natural and physical assets identified (grazing areas, wetlands, forests, schools, health units, status of community access roads). Resource maps are very useful because:
- They provide an excellent way for the community to understand the local realities of the Parish/village and how people perceive them.
 - They are very good communication aid. All people even those who have never set a foot in a classroom! can make and use maps.
 - They ensure the community has a common understanding of the locality. They promote participation from the community and foster their active involvement in discussions about the local resources, problems and opportunities.
 - Once copied on a sheet of a paper, a resource map can be used over and over again to achieve a constructive dialogue with the local partners on different topics of interest. This map can be kept at the parish and referred to by all PDM actors for a long time, it can also be improved from time to time.
- b) **The Transect walk tool** will be used to analyse, understand and appreciate the existence of the numerous resources, including land use analysis of private and communal land use and existing community land governance principles and practices for both private and communal lands. The transect walk is particularly useful to better understand how land is utilized, to discuss particular problems (and opportunities) of the various ecological zones of the local area. For the PDM roll out, this tool will help the community to see and highlight the conditions of resources such as community access roads, the water sources, soil fertility, key marketable crops grown locally and other income generating activities.

Transect Walks processes: How to proceed-facilitators guide.

- I. Decide with the community members what the main topics to be investigated (land use-key marketable crops, problems and opportunities, for instance)
- II. Discuss with the community the itinerary of the walk (depending on what the community wants to see). The resource map will help here.
- III. You need to walk in a straight line. However, try at least to walk from one end of the local area to the other.
- IV. As you walk, listen, ask, observe and keep discussing. Stop from time to time to discuss particular points and draw the relevant section of the transect.
- V. Once you have finished the walk, draw the completed transect and discuss the results with the community.

c) Community Calendars (daily, seasonal):

Calendars are useful for understanding and discussing the daily activities of the communities. They help to see the differences between men's and women's activities, or between workloads in the dry and wet seasons.

Information collected through calendars will help the village/parish to identify problems and opportunities, the times of the year and of the day when people might face the greatest difficulties or, alternatively, be free for "development" activities under the PDM.

Calendars are very useful to understand and discuss with the community how seasons affect village life and how daily routines are organized. Seasonal Calendars can be used to show the main activities, problems and opportunities throughout the year using simple diagrams (this may include weather changes, rainfall, cropping and livestock activities, human and other diseases, labour demand, social events, income and expenditure, etc.). Seasonal calendars are useful to show the relationships between these various events (for instance the relationship between malaria prevalence and rainfall).

C) Identification of the subsistence households

The identification of subsistence households shall be carried out using the wealth ranking tool. One of the most important sources of difference in the community is the disparity in wealth or poverty. As the Production, Storage, Value addition and Marketing Pillar targets the subsistence households who are the most disadvantaged, it is important to know who they are. Wealth ranking is a Participatory Community Appraisal tool which will enable the community to find this out, in spite of the fact that this is a delicate subject. These subsistence households shall then be supported to form/join common Enterprise Groups.

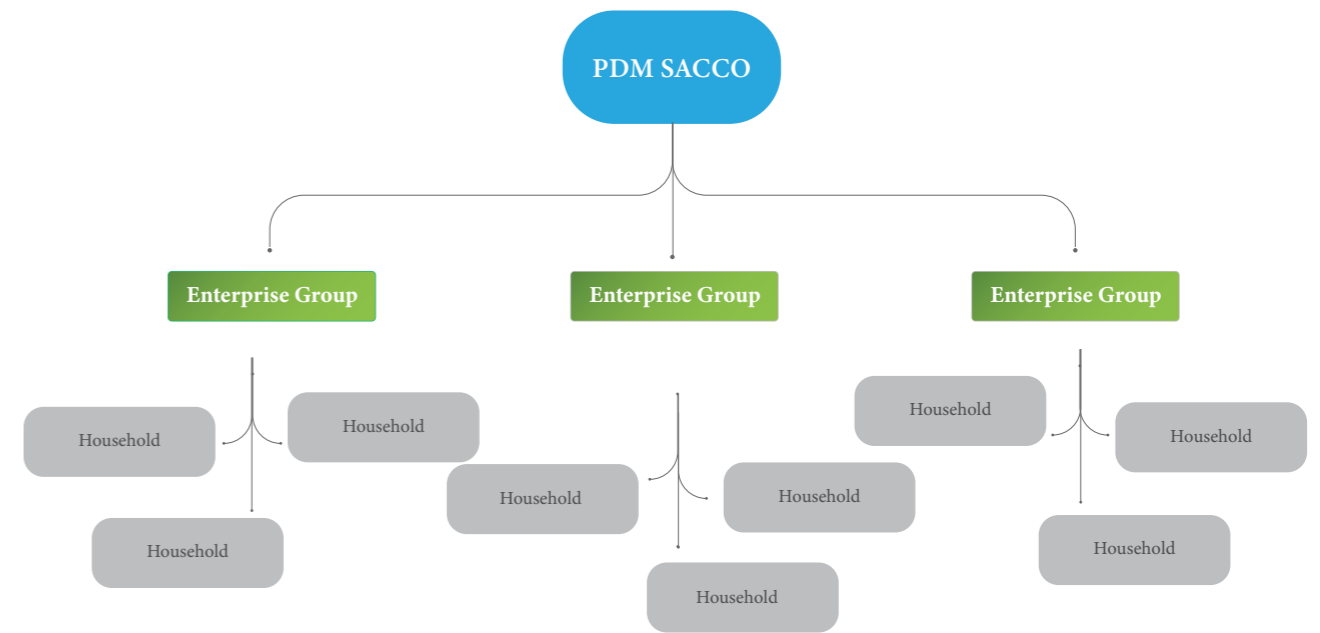
Wealth ranking, however, is not only used to find out who the poor (or the rich) are, but also (and often more importantly), what are the criteria local people (community members) use to determine wealth (for instance access to land, or number of wives, or number of cattle, or a smart house, or a radio) and how one can become richer/poorer.

Wealth ranking: how to proceed-facilitators guide.

- i. Make a list of all household heads and write the name of each on a separate piece of paper (each with a number).
- ii. Interview a group of respondents who know their community well, asking them to sort all the names into different piles according to their wealth.
- iii. This will generate much discussion! Listen to the criteria your partners use to put this or that on a particular pile.
- iv. Write down the names of households (or their number) according to their wealth class on a piece of paper.
- v. Ask how one can “travel” from one pile to the other.
- vi. Move on to another group of informants and repeat the exercise. Do so at least three times.
- vii. The results can now be analysed by reviewing the criteria used and understand better what makes people poor/rich in the eyes of their community. Knowing how people can “travel” from one pile to another will help to understand how people become poorer or less poor.
- viii. By working out the average “position” of each household according to each group of informants, the Parish can make a list of households according to wealth and define wealth classes.

D) Community Organisation into Common Enterprise Groups and the PDM SACCO

- i. Communities will be organised in such a way as to ensure that Government support to a particular Parish is harmonised and coordinated to create synergy for development. This will enable subsistence households at the Parish level to benefit from; economies of scale (in savings, production, marketing and extension services), quality inputs/output, reliable production advice, improved information (on) and connectivity to commodity as well as minimise post-harvest losses on top of access to finance.
- ii. As such, subsistence households shall be integrated into common enterprise groups (Enterprise Groups) that are engaged in a common income-generating activity within their locality i.e. at the Village/Cell and the Parish/Ward levels.
- iii. Enterprise Groups shall be registered at the sub-county. These may include farmers groups, associations, community-based groups, agri-traders’ groups etc
- iv. Each Enterprise Group shall be required to practice and adhere to core principles of building on their initiatives to ensure the sustainability of the groups and their investment projects.
- v. For any transformation to happen, subsistence households need a minimum package of coordinated services in order to make investments work for the residents. This package shall include financial services, extension services, marketing and value addition services etc. A special type of cooperative called the ‘PDM SACCO’ shall be formed by the Enterprise Groups in the parish to coordinate and mobilise households into viable enterprises and link them to quality inputs, insurance, payment systems, tailored Business Development (including business development services), guaranteed markets (mainly through contracts with value chain leaders), grants, appropriate loan financing and savings.
- vi. Each PDM SACCO shall be constituted by Enterprise Groups in a given parish. It is through this PDM SACCO that government shall deliver services to the parish residents. This is illustrated in figure4 below:



- vii. Community organisation of households shall also benefit from other economic development programmes and initiatives under other Pillars of the PDM especially Pillar 1 - Production, Storage, Value addition, Processing and Marketing.
- viii. Each Enterprise Group in the parish shall therefore be a member of the PDM SACCO for it to benefit from Government Programmes. There shall be only one PDM SACCO per Parish.

The Rationale for Community Organisation

- ix. Community organisation shall come with the following benefits among others;
 - Promotion of collective/bulk-buying of inputs from reliable sources (preferably the off-takers).
 - Promotion of common storage facilities to reduce post-harvest losses, enable quality improvement (cleaning, drying), bulking and holding until prices are favourable.
 - Better organisation of activities along the value chain, as well as the number of persons involved make knowledge-based risk mitigation and use of formal insurance more likely.
 - Reduction of information asymmetry in financing of subsistence households through the collection and management of detailed data on producers’ activities (acreage, number of crops/animals, productivity levels, etc.).
 - Data collection, which shall beef up community information at the Parish level.
 - Dealing with the longstanding risk of side selling in contract farming[An agreement between farmers and processing and or marketing firms for the production and supply of agricultural products under formal agreements frequently at determined prices.], where farmers decide to break the contract with an off-taker and sell to other buyers. This has limited the use of contract farming in Uganda.

Organisation into Enterprise Groups

Organisation of subsistence households shall be in two categories; -

- a) Category 1 – Mapping and selection of already existing common Enterprise Groups.
- b) Category 2 – Supporting the formation of new Enterprise Groups.

Category 1 - Mapping and selection of already existing Enterprise Groups

As the PDM will also work with households that are organised in strong already registered Enterprise Groups, a mapping and profiling of such groups will be done first. The mapping will generate a list of all the groups that exist in the village/ Parish. Each of these groups will then be profiled and subjected to the criteria suggested for the actual selection of such groups. This selection will also help the Parish to identify some of the groups that may need strengthening.

For purposes of the PDM, Enterprise Groups shall include existing Village Savings and Loans Associations, farmers groups, farmers association, existing SACCOs (except Emyooga SACCOs), self-help groups, parish based traders associations etc.

The following criteria can be used to identify the strong groups, which are ready to receive support from this Pillar. This same criterion may also be used for common Enterprise Group strengthening.

- a) The group has a commercial orientation i.e., engaged in active income generating activities (e.g., the group was formed for carrying out commercial farming activities, they should be marketing a large volume of produce or any marketable enterprise).
- b) The group is registered at the sub-county and has existed for at least one year.
- c) The group has a functional Executive Committee.
- d) There is evidence of regular meetings (evidence of minutes).
- e) At least 30 % of the group members are women and youth.
- f) The group is capable of keeping records e.g., group objectives, membership, minutes of meetings, financial records, number and type of farm enterprises in the group.
- g) The group has rules and regulations/constitution/by laws.
- h) The size of the common Enterprise Group is between 10-30 members.
- i) The group is functional and extension staff, local Councillors, or DFA etc. verified its functionality during appraisal.
- j) The group has an established savings within the group (VSLA)/ and or has a Bank Account/ Micro Finance Institution Account or a SACCO or, either in the process of opening one, or willing to open an account.
- k) Not more than two members of the group come from the same household.
- l) Vulnerable Enterprise Groups such as women, the youth and people with disability [PWDs], HIV/AIDS/affected families are prioritized.
- m) The group has women in leadership positions and are participating in decision making-for mixed groups.

Category 2-Formation of common Enterprise Groups

A) Enterprise Groups

- i. Where Enterprise Groups are non-existent, the Parish Chief supported by local experts (including the CDO, extension staff, private sector experts) shall guide the group formation process professionally so as to create sustainable groups for the implementation of the PDM.
- ii. The output of the wealth ranking will be a list of community members who are not part of any Enterprise Groups and are in subsistence economy. For the implementation of this Pillar, households that are not in any groups will be supported to form common Enterprise Groups that are self-driven and self-directed. Group formation will happen when these individuals with common problem/need get together. They will discuss their purpose of coming together and as the group evolves, ground rules which guide future decisions and actions will be set.
- iii. As the group is formed, certain factors have to be considered.

These factors include:

- a) Frequency of contact (frequent interaction among members enhances participation and makes members feel a sense of belonging)
 - b) Satisfaction of group needs / requirements (a well-defined Goal, "SMART" objectives, action- plan).
 - c) Size of the group (big groups are harder to manage keep together than small group)-10-30 members is good for cohesion.
 - d) Degree of homogeneity and heterogeneity (people of the same status and common interests cling more together than of different status and interest).
 - e) Group norms (norms formulated in a participatory manner unite members in a better way than those formulated by a few members)
 - f) Representation of different gender, youth, people with disabilities in leadership positions etc.
 - g) No discrimination of certain categories of members e.g., people with HIV/AIDS, people with disabilities, women and youth.
- iv. Members of each Enterprise Group shall be engaged in similar income generating activity as a basis for coming together.
 - v. Each Enterprise Group shall consist of a minimum of 10 members. This is adequate to ensure that the support reaches Government's targeted number of 2.5million households per annum and therefore the realization of intended impact of the PDM. At least 30 percent of these should be women and 30 percent should be youth.
 - vi. Each Enterprise Group shall constitute an executive Committee from its membership.
 - vii. The Committee of the Enterprise Group shall play an oversight role towards the implementation of support provided to the Enterprise Groups by various state and non-state actors. The nomination and election of the individual members to the Committee shall be done by the groups themselves in a participatory manner. At least two members on the executive shall be women.

The Committee shall comprise the following:-

- a) Chairperson.
 - b) Vice Chairperson
 - c) Secretary
 - d) Treasurer
 - e) Publicity
- viii. The Committee of the Enterprise Group shall profile all group members as a means of determining their individual needs and what is needed.
 - ix. The profiling process shall involve identification and evaluation of assets available at member and group level. This is crucial to profile the group on its status with regard to saving, loans; members' social and economic condition including their experience in various income generating areas including their household income and expenditure pattern; all aimed at helping the group to better understand the sources of livelihoods.

B) PDM SACCO

- i. All support from government to the Parish, under this Pillar, shall be through the PDM SACCO. As such, each Enterprise Group (represented by its executive committee) shall join other groups in the parish to form a PDM SACCO.
- ii. The PDM SACCO shall bring together different Enterprise Groups in a given parish with an aim of ensuring that their activities are harmonised to create synergy for development in a coordinated and sustainable manner of self-regulation, appraisal, supervision and monitoring of members' economic activities.
- iii. The PDM SACCO shall play a coordination as well as implementation role at a parish level for various government programmes and initiatives. This seeks to promote self-governance and direction of development within a Parish by mobilising and collating Government support while ensuring coordination and supervision of how resources are utilised by beneficiaries.
- iv. Each PDM SACCO shall be governed by byelaws, loan and saving policy as well as leadership code.
- v. Each Enterprise Group shall be represented at the PDM SACCO by its Chairperson, Secretary and Treasurer.
- vi. The PDM SACCO shall be registered by the Registrar of Cooperatives.
- vii. The PDM shall have at-least one full time employee/administrator to manage the affairs of the PDM SACCO.

The functions of the PDM SACCO

- viii. The PDM SACCO shall engage in self-sustaining business practices by ensuring that the Parish business eco-system (including:-parish level Production, Marketing, Financing, processing, mindset change, training and business support) is organised. As such, PDM SACCO shall be prescribed and registered by Ministry of Trade, Industry and Cooperatives to undertake the Production, Marketing, Value Addition and Financing activities in the Parish. The major functions of the PDM SACCO are as follows;

a) Production function of the PDM SACCO.

This is responsible for guiding households

in: -

- selecting viable business activity to undertake at a Parish level, based on factors such as the market, relative profitability, etc;
- identifying service providers;
- promote the use of new production technologies;
- handling input distribution;
- developing members' production plans so that they move in harmony as they target a certain market;
- accessing inputs at a discount and other services such as extension services;
- initial bulking of members' produce after harvesting (primary storage);
- production trainings, establishment of demonstration sites etc.

b) Marketing function:

This is responsible for:

- collecting and disseminating market information;
- promoting collective marketing;
- collaborating with the production unit in guiding members in the selection of viable enterprises to focus on during production i.e. producing for the market;
- Community bulking and storage;
- post-harvest training;
- negotiating prices;
- quality management;
- Records of produce;
- premarket training.

In addition, some PDM SACCOs can engage in diversified businesses beyond marketing, such as promoting value-addition to the produce they handle through primary processing e.g., by drying, storage and adding value to members' produce where it is desirable and feasible.

c) Financing function:

This is responsible for:

- mobilizing member savings;
- operate bank account for the PDM SACCO;
- appraising loan requests from individuals and Enterprise Groups;
- following-up loan repayment;
- developing and implementing credit policies
- coordinating financial literacy education;
- linking members to financial services such as insurance, payment systems, grants, leasing;
- following- up the utilization of the Group funds under the Parish Revolving Fund etc

d) Business Development (BDS) function:

This is responsible for coordinating business development services to Enterprise Groups and their members on a number of technical subjects, including

- Unlocking 'the power within an individual' in the household (Self assessment, self discovery, taking personal responsibility, recognising the need to change, motivation
- Entrepreneurship skills training (centred on profitability('Ekibalo')) (Enterprise identification and selection, business planning, time management, business modelling, business management, risk management, mastering the numbers, book keeping, goal setting, implementation)
- Financial literacy and money management (savings, loans, investment, insurance, grants)
- Exposure to practical experiences (community role models, champions, demonstrations/exhibitions, hands on training)
- Business Support services (mentorship, hand holding/coaching, extension services and other advisory services)
- Knowledge management including on compliance to standards etc

The Executive Committee & Sub-Committees of the PDM SACCO

- ix. The PDM SACCO shall constitute an Executive Committee from the representatives of parish based common Enterprise Groups.
- x. The Executive Committee of the PDM SACCO will play an oversight role towards the implementation of support provided to the parish based common Enterprise Groups by various state and non-state actors.

The nomination and election of the individual members to the Committee shall be done by the groups themselves in a participatory manner. The Committee shall be elected from the seconded members, (delegates) of the parish based common Enterprise Groups of a particular area.

The Committee shall be comprised of the following;

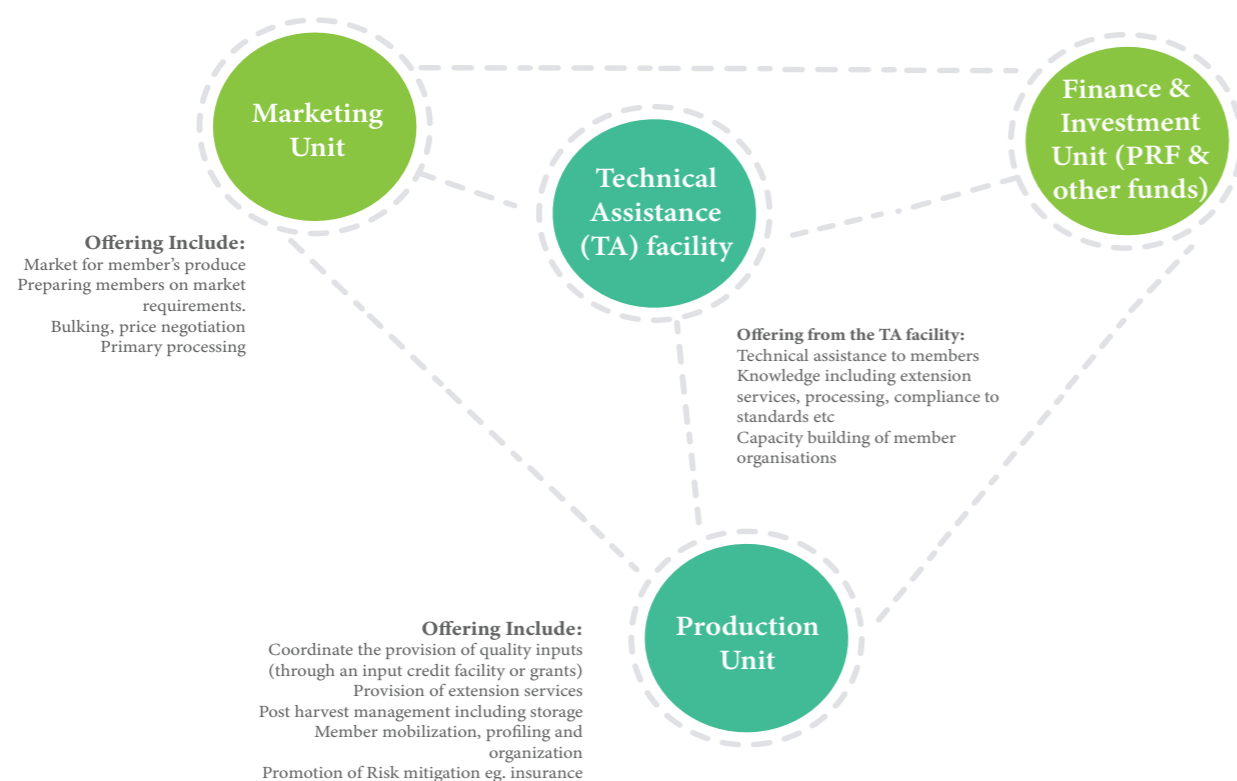
- Chairperson.
- Vice Chairperson
- Secretary
- Treasurer
- Publicity

Committee Members (Each village one representative from the remaining seconded members)

At least two members on the executive shall be women

- xi. The Executive Committee of the PDM SACCO shall constitute the following focused sub-committees: -
 - Production Sub-Committee
 - Marketing Sub-Committee
 - Finance & Investment Sub-Committee
 - BDS Sub-Committee

This is illustrated below



- xii. The Business Development committee shall ensure that social bottlenecks at a household level are also addressed by deliberately engaging and re-engaging subsistence households and other vulnerable Ugandans. This is because most subsistence households at community level are not developing because of minor family conflicts, or social challenges such as addictions. The Social Committee working with the CDOs shall monitor and support such citizens to ensure no one is left behind in PDM.

- xiii. Enterprise Groups of the PDM SACCO shall then be trained through the BDS and Financial Literacy component below or by a team from the district.
- xiv. The following table summarises some of the activities to be used in group identification, assessment, formation, registration and strengthening.

STEPS	ACTIVITY	RESPONSIBLE PERSONS
Step 1	1. Identification of subsistence households <ol style="list-style-type: none"> a) Hold Village meetings to sensitise the households about the PDM and its pillars b) Undertake wealth ranking at a village and Parish level to identify subsistence households. c) Subsistence households are registered and shall be organised into Enterprise Groups that are engaged in a common income-generating activity (income-generating activity) within their locality i.e. at the Village/Cell and the Parish/Ward levels. 	CDO Parish Chief Local Councillors LC1 chairpersons
Step 2	2. Group Identification <ol style="list-style-type: none"> a) Listing of all active Enterprise Groups within the Parish b) Conduct a situation analysis of their status. That is their registration status, membership composition, leadership, record keeping, saving and loan portfolio, recovery rates and financial status. c) Profile the socio-economic status of Enterprise Groups with emphasis on their main activity, etc. Enterprise Group informed of their preliminary status of being able to participate in or benefit from the PDM SACCO. 	Parish Chief CDO Local Councillors LC1 chairpersons
Step 3	3. Individual Group Preparation <ol style="list-style-type: none"> a) When an Enterprise Group is identified as having potential to join the PDM SACCO, leaders will be required to mobilise members for a meeting. b) Sensitize all members about the Production, Storage, Value addition and Marketing Pillar: its component, rationale, implementation arrangements, institutional arrangements, funding. c) Assess group readiness to participate in income generating activities. 	Parish chief CDO Group Leadership
	4. Profiling Enterprise Group Members <ol style="list-style-type: none"> a) Collect information on each member in terms of their social and economic condition including their experience in various income generating areas b) Members of the household and their occupation c) Asset details: land, livestock, type of house etc. d) Liability: eg Debt, Borrowing etc. Income and expenditure 	Group leadership CDO

STEPS	ACTIVITY	RESPONSIBLE PERSONS
	<p>5. Formation of the PDM SACCO</p> <p>a) All members seconded by identified Enterprise Groups shall meet on a pre-decided day, venue and time.</p> <p>b) The formation meeting shall be chaired by the Parish chief or his appointed agent to maintain neutrality.</p> <p>c) Rules for the election of committee of the PDM SACCO are agreed upon and discussed (Not more than one person from the same group unless all groups are represented, secret ballot or open voting, etc.)</p> <p>d) The members shall select, among their numbers, an interim secretary to document the proceedings of the meeting. As much as possible, decisions taken shall be by consensus but if not it shall be by majority vote of the members.</p> <p>f) Quorum for the meeting(s) shall be at least 75% of the proposed membership.</p> <p>g) Elected committee of the PDM SACCO installed. Sub-committees of the Committee of the PDM SACCO established.</p>	<p>Commercial Officers CDO Parish chief Seconded members of various Enterprise Groups</p>
Step 6	<p>6. Registration of PDM SACCO</p> <p>a) The PDM SACCO Interim committee shall complete a “Set of PDM Customized By-laws” obtainable from the Ministry of Trade, Industry and Cooperatives, attach relevant documents and submit to the Registrar of Cooperatives for Registration of the PDM SACCO.</p> <p>b) The regulation shall state the committee tenure, special committees to handle specific functions, meetings and their regularity, managing finances, roles of various office bearers, etc. The Enterprise Groups shall consent on this at PDM SACCO level as Governance Policy.</p> <p>c) Members shall agree on dues to be paid by each individual from Enterprise Groups.</p> <p>d) Make formal request for registration as CBO</p> <p>e) The PDM SACCO Committee shall meet and make a resolution for Bank Account Opening.</p>	<p>Committee of the PDM SACCO Registrar of Cooperatives</p>
Step 7	<p>7. Capacity Building of PDM SACCO</p> <p>a) The responsible Commercial Officer working with the PDM SACCO Committee, Community Development Officers and other Enterprises subject matter specialists shall organise regular training sessions for the PDM SACCO and Enterprise Groups.</p> <p>b) Training topics include group dynamics, group management, record keeping, basic life skills, conflict resolution, household planning, goal setting and visioning, loan management and financial literacy skills etc.</p>	<p>Committee of the PDM SACCO</p>

STEPS	ACTIVITY	RESPONSIBLE PERSONS
Step 8	<p>a) Identify and agree on an investment menu with core primary enterprise(s) for the Parish</p> <p>b) Each Parish shall have flagship projects that will benefit all interested subsistence households.</p> <p>c) The flagship project(s)/ production lines for the Parish shall be identified and selected by the parish residents in a participatory manner at a meeting that involve all members of the PDM SACCO.</p> <p>The Commercial Officer, CDO, extension officer and relevant sector experts shall guide the PDM SACCO in choosing the most viable project(s) which will be prioritized for support under the PDM.</p> <p>d) The Commercial Officer, CDO, extension officer and relevant sector experts shall guide the PDM SACCO in choosing the most viable project(s) which will be prioritized for funding under the Parish Revolving Fund. Generally, the final choice of the project(s) by the PDM SACCO shall be based on the different aspects of the market, production costs, profitability and the sustainability of the project in that Parish. The chosen project(s) therefore will be based on: Their returns on investment; Marketability; Agro-ecological comparative advantage in terms of yields and land availability; Value addition in terms of existing storage and processing facilities and Crowd pull /Aggregation; and Sustainability. This means that project selection by the PDC shall prioritise production lines that are locally and readily available, offer a positive return on investment and have ready market in the local, national and internationally.</p> <p>f) Upon choosing the most viable project(s), the PDM SACCO shall mobilise the parish residents to participate in the project(s).</p> <p>g) The PDM SACCO shall also notify the Parish Development Committee, of its choice, through the Parish Chief.</p> <p>h) In urban areas, priority shall be given to projects in Value addition, Input supply, as well as the Buying and Selling of produce in any of the recommended production lines, in order to enable the subsistence households in urban areas set up enterprises/projects that have a high multiplier effect on jobs and wealth creation. However, farming of high value Agricultural commodities (eg like Poultry, Piggery, Mushroom, fish) will also supported.</p>	<p>Committee of the PDM SACCO PDC</p>

2.4.2 BUSINESS DEVELOPMENT SERVICES AND FINANCIAL LITERACY

- a) Experience in development initiatives in Uganda points to the essential role of tailored business development services, to accompany other wealth creation services and investments.

For purposes of the PDM, BDS includes:-

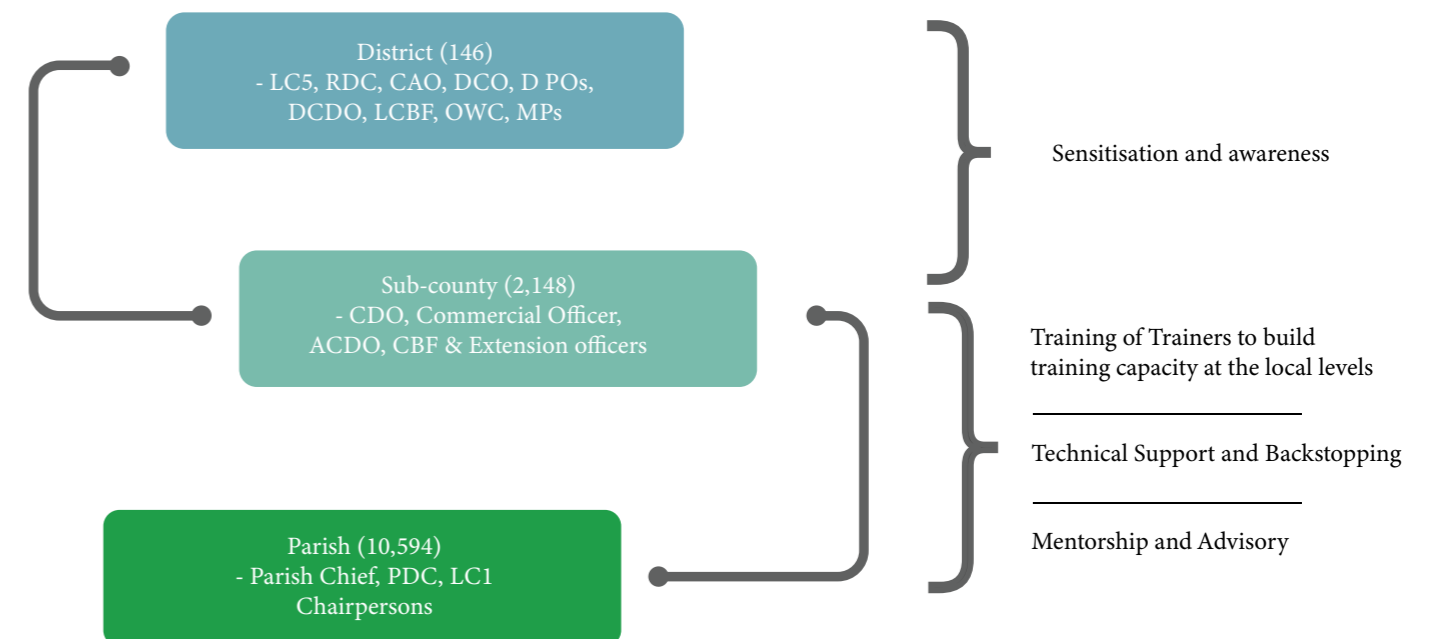
- i. Unlocking ‘the power within an individual’ in the household (Self-assessment, self-discovery, taking personal responsibility, recognising the need to change, motivation)
 - ii. Entrepreneurship skills training (centred on profitability(‘Ekibalo’)) (Enterprise identification and selection, business planning, time management, business modelling, business management, risk management, mastering the numbers, book keeping, goal setting, implementation)
 - iii. Financial literacy and money management (savings, loans, investment, insurance, grants)
 - iv. Exposure to practical experiences (community role models, champions, demonstrations/ exhibitions, hands on training)
 - v. Business Support services (mentorship, hand holding, extension services and other advisory services)
 - vi. Knowledge management including on compliance to standards etc
- b) Proper Parish development shall require PDM SACCOs and Enterprise Groups to receive business development services including organisational development support, business management, digitisation and member financial literacy.
- c) Business Development Services and Financial Literacy shall focus on building the capacity of the Enterprise Groups and the members in order to encourage a business/entrepreneurial mindset, strong operational structures and business skills including opportunity identification, goal setting and business planning.
- d) Ministry of Finance, Planning and Economic Development is developing and shall implement a National Business Development Services (BDS) Framework (including Training manuals) and strengthen the Financial Literacy Framework, under which different initiatives for financial literacy and Business Development Services shall be coordinated to support implementation of this Pillar.
- e) Tailored Business Development Services and financial literacy shall be provided, through a nationwide network of BDS and financial literacy providers to enable Enterprise Groups and PDM SACCOs improve their technical capabilities in production and business skills, such as planning, record keeping, financial management and risk management. These services shall enable households to better understand the markets, agricultural value chains, competition, consumer demands and contracts among others. The PDM SACCO shall review the performance of each Enterprise Group regularly and, based on this review, BDS support plans shall be developed with relevant sector experts to provide necessary support to these groups and qualifying enterprises.

- f) The PDM SACCOs trainings shall be offered in local languages.
- g) Delivery of BDS shall leverage existing BDS partners in the areas of content development, delivery and monitoring and will cover:
- i. Content harmonisation with support of various BDS providers
 - ii. Sensitisation of Key Stakeholders
 - iii. Training of Trainers for public and private BDS providers to support the delivery of BDS services to the PDM SACCOs and Enterprise Groups.

This will entail:

- building the capacity of PDM SACCOs (who shall reach Enterprise Groups) in savings mobilisation as well as loan appraisal, disbursement, recovery and management;
- Building capacity of Enterprise Groups and PDM SACCOs in effective utilisation of digital tools that support system efficiency and optimisation of operations;
- Using Enterprise Groups and PDM SACCOs, build capacity of households in practical business management skills that support them to improve their business acumen which will enable them to improve incomes;
- Continuous Technical Support and Backstopping for the delivery teams.
- Quality Assurance/Monitoring and Evaluation

Cascading Plan for the BDS and Financial Literacy Intervention.



The matrix below presents the proposed implementation modalities for the BDS.

STEPS	ACTIVITY	RESPONSIBLE PERSONS
District (LC5, RDC, CAO, DCO, DCDO, DPOs, LCBF, OWC Coordinators, MPs)	<p>Sensitization on PDM-FI Pillar Operational guidelines and BDS Manual</p> <ul style="list-style-type: none"> • Components of BDS & FL at various levels • Overview of BDS, • Business Mindset, • Business Plan • Business leadership and ethics • Governance • Parish Revolving Fund (PRF) Principles and Management, • Overview of the Manual, • Roles and responsibilities, • Reporting Mechanism, • Monitoring and Evaluation <p>Materials - BDS Manual and Operational Guidelines</p> <p>1-day workshop</p>	MPFED, MTIC, MoGLSD, MoLG (PDM Secretariat), MAAIF, Enterprise Uganda, PROFIRA, OWC, UCA, UCSCU, PSFU, UNFFE
<p>Public Sub-county (CDO, ACDO, CBF & Extension officers)</p> <p>Private Member Based Organisations, Private BDS Providers etc</p>	<p>Training of Trainers</p> <p>Elementary BDS – Business Mindset Financial Literacy (Personal Financial Management) Principles of the Parish Revolving Fund (PRF) Business leadership and Ethics Roles and responsibilities</p> <ul style="list-style-type: none"> • Comm. Mobilization • Comm. Organization • Group Formation • Mentorship/Follow-up <p>Reporting Mechanism Monitoring and Evaluation.</p> <p>5-day Induction workshop followed by continuous training and mentoring, on an annual basis</p>	MPFED, MTIC, MoGLSD, MoLG (PDM Secretariat), MAAIF, Enterprise Uganda, PROFIRA, OWC, UCA, UCSCU, PSFU, UNFFE

STEPS	ACTIVITY	RESPONSIBLE PERSONS
<p>Parish PDM SACCOs, CBF</p>	<p>Training of Trainers</p> <ul style="list-style-type: none"> • Elementary BDS – Business Mindset • Principles of the Parish Revolving Fund (PRF) • PRF Loan Policy – loan management, appraisal, recovery and monitoring. • SACCO Establishment, Management & Strengthening (as required) • CSCGs/VSLAs- Establishment, Management and Strengthening (as required) • Business leadership and Ethics • Basic Book keeping and records. • 5 Pillars of Business Management • Agribusiness and Enterprise Selection • Financial Literacy (Personal Financial Management) • Group Formation, Governance and Dynamics • Roles and responsibilities • Reporting Mechanism • Monitoring and Evaluation. 	MPFED, MTIC, MoGLSD, MoLG (PDM Secretariat), MAAIF, Enterprise Uganda, PROFIRA, OWC, MTIC, UCA, UCSCU, PSFU, UNFFE

h) The support to be provided to the Enterprise Group under this component shall include-

- i. Preparing the Enterprise Groups to receive and make good use of, or maximize the impact of the financial investments made under the PDM. This shall include helping them to prepare their business plans as well as prove their business models, as well as iron out basic strategic, financial, operational, management, legal, governance or technical obstacles that may hinder their performance and growth.
- ii. Identification of Income Generating Activities (IGA), Business opportunity identification and planning.
- iii. Strengthening the capacity of PDM SACCOs so that they can better serve the different Enterprise Groups and hence deliver positive results on the ground.
- iv. Developing a compendium of average industry indicators to determine which income-generating activity would be more likely to succeed than others in a given environment. This shall develop a master list which will be cross-referenced with business plans submitted for consideration with a view of determining their viability as well as improve industry research and information.

2.4.3 MARKET LINKAGES

A PDM e-Market Matchmaking system

- i. ii.A PDM e-Market Matchmaking system shall be developed under the auspices of the Ministry of ICT and National Guidance.
- ii. The PDM Production, Storage, Value addition and Marketing Pillar shall provide an e-Market Matchmaking solution for registered enterprises.
- iii. The PDM e-Market Matchmaking system shall: -
 - a) Connect buyers and sellers in what is otherwise a fragmented market.
 - b) Provide a trusted environment for both buyers and sellers to interact safely and comfortably.
 - c) Develop connect buyers and sellers in structured trade (local, regional and global).
- iv. An Enterprise Group shall register on the PDM e-Market Matchmaking system as a supplier of a given product or service and shall be able to transact like any other certified supplier. For example, the Enterprise Group that is involved in the production of chicken shall register on the PDM e-Market Matchmaking system to supply poultry products to registered buyers. The registered buyer could also be another registered Enterprise Group for example dealing on roasted chicken or “rolex” makers for eggs.
- v. Value chain leaders, who are certified through the local government structures, shall also register on the PDM e-Market Matchmaking system to buy a given product or service. The value chain leader can also be a supplier of certified input and shall register as such.

Offtake arrangements

- vi. Within a commodity cluster, a number of Parishes near each other will be grouped together with relevant value chain actors; producers, input providers, services providers, traders, processors, government, financial services providers, etc., to enhance the efficiency of these actors.
- vii. The area-based commodity clusters will serve as aggregation centres for raw materials and facilities for primary processing, value addition and marketing including post-harvest handling, storage, grading, sorting, bulking, distribution, etc. Through an electronic aggregation of value chain actors around a common product or service, the clusters will also help households to become production specialists through provision of inputs and services required to increase quantity, improve the quality and consistency of production.

The PDM SACCO arrangements

- viii. The PDM SACCO through its Marketing function shall actively look for markets, negotiate contracts, ensure compliance of its members to the necessary standards and buyers’ requirements, ensure delivery of contracts by its members, train the members on the market requirements etc

3. IMPLEMENTATION ARRANGEMENTS

3.1 SERVICES TO BE DELIVERED UNDER PILLAR 1

Government will not use a one-size fit all approach. Nevertheless, a suit of targeted services will be delivered based on the unique characteristics of the subsistence households within a given Parish.

The services to be delivered by government and the associated levels of local government include-

3.1.1 KNOWLEDGE/EXTENSION SERVICES: FOR CROP, ANIMAL HUSBANDRY AND FISHERIES

Government extension services are expected to support and guide farmers in making decisions and most relevant being on the following:

- a) The technological options that could be used profitably in their situation keeping in view the potential resource constraints in terms of land, capital, labour and knowledge.
- b) Management of the various technologies (e.g.: how to make optimal use of new inputs in the farm)
- c) Changing their farming system (e.g. diversifying from crop production to mixed farming or vegetable or animal production)
- d) Types of products and their demand in the market
- e) The quality specifications that should be achieved to get good value for produce and realize the yarned for income
- f) Sources of inputs and sell of products
- g) Collective decisions on resource use and marketing
- h) Quick availability of the most relevant and reliable knowledge and information
- i) The feasible off-farm income generation options available and how far the farmer could depend on them

At the District Level

The Ministry of Agriculture Animal Industry and Fisheries (MAAIF) has established effective and productive working relationship with local governments related to decentralize agricultural functions. Efforts have been made to improve understanding of the respective roles of the key players on each of their functions, considering that MAAIF retains responsibilities over these decentralized functions as stipulated in the constitution of 1995 and Local Government Act 1998. Measures have been put in place to ensure institutional compliance regarding feedback and feed-forward mechanisms. Deliberate administrative measures have been instituted to ensure that communication channels are established between the technical departments at MAAIF and local governments.

The District Production and Marketing Officer's role has been strengthened and he/she will be technically and administratively responsible for all agricultural programs in the district. He/she will be supported by the District Agricultural Officer, District Veterinary Officer, District Entomologist and District Fisheries Officer, all at a rank of Principal Officer. Each of these officers will be supported by subject matter specialists at senior level. It is mandatory that the District Production and Marketing Officer technically reports to the Director of Agricultural Extension Services in MAAIF, although will remain administratively responsible to the Chief Administrative Officer in the decentralized arrangement.

Since agricultural extension remains pluralistic and inclusive, all the other actors/stakeholders involved in providing extension services e.g. NGOs, Private Service Providers, Civil Society Organizations are required to register and be certified by the District Production and Marketing Officer. A register of all service providers in the district is to be maintained at the District Production Department at all times and regularly updated. MAAIF will provide guidelines for certification of Agricultural Service Providers. All actors involved in service delivery are required to submit quarterly reports on their activities to the District Production Department. MAAIF will issue a Certificate of Practice to all registered service providers and the District Production and Marketing Officer will have delegated authority to issue certificate of practice to all certified service providers in the district.

MAAIF will also develop and institutionalize a professional certificate course, which will be a requirement for anybody to provide extension services at the Parish level. The course is aimed at equipping extension workers with practical skills needed to offer extension services in the country.

Sub county Level

Government will employ two types of extension staff at the local government level;

- a) those with a broad set of skills that enable them to provide advice to mixed farmers producing a range of enterprises, and
- b) specialists to provide technical backstopping to producers and actors on specific nodes of the value chains.

The first category of extension staff will be hired on permanent and pensionable terms of service to provide continued support to farmers while specialists under the second category will be drawn from the private sector, universities, research institutions, and other organizations and hired on short term contracts to meet identified needs.

For the start, three technical staff will be recruited at Sub-County level, in the areas of Livestock, Crops and Fisheries on permanent and pensionable terms for agricultural extension service delivery to farmers. The most senior staff will head the technical team at that level. In addition to providing public extension services, the technical staff will also supervise and quality assure private service providers, Community Based Facilitators, NGOs and other non-state actors involved in agricultural extension service delivery. The technical staff will work closely with the other actors in a collaborative and complementary manner for efficient extension service delivery to farmers. They facilitate knowledge sharing among value chain actors.

Furthermore,

- a) Nucleus farms will be used to offer practical training at a sub-county level
- b) Farmer Field Schools or Model farms will be used to offer practical sessions at the Parish level
- c) Training institutions (including TVETS) & their students will be attached to the communities as part of their outreach and practical training programmes.

3.1.2 INPUTS: SEED, FERTILISERS, ACARICIDES, DRUGS, PESTICIDES, FEEDS ETC

Multiplication and distribution of inputs is guided by science (based on ecological zones) and access to markets by the Parish households to address the perennial challenges of input distribution such as poor-quality seedlings and breeds, untimely delivery with its attendant effects.

As such:

- a) Input supply will remain a private sector function with MAAIF playing the regulatory function.
- b) Using e-voucher system or other electronic mechanisms, certified inputs shall be planned for, demanded and supplied through farmer groups, associations and PDM SACCOs.
- c) Tractors and other farm power will be at Parish level

3.1.3 CERTIFICATION AND REGULATION: FOR STANDARDS AND SAFETY ETC

As such:

- a) Byelaws to be developed and enforced at the district level with support from technical MDAs.
- b) Relevant MDAs will register and accredit service providers operating in the Parish for quality assurance
- c) The Parish Chief is to coordinate enforcement of regulations and Byelaws at the village level

3.1.4 STORAGE AND BULKING FACILITIES: FRESH GOODS AND DRY GOODS

- a) Post-harvest handling and storage infrastructure is to be planned and delivered through Parish based groups.
- b) Partnerships with non-state actors is encouraged to provide storage and post-harvest technologies at the village level

3.1.5 VALUE ADDITION FACILITIES: CLEANING, SORTING, DRYING, PACKAGING AND PRIMARY PROCESSING

- a) Value addition facilities (new and existing ones) will be supplied by different MDAs to Parish-based farmer groups /enterprises, according to demand.
- b) Agro-processing: large scale agro-processing
 - i. Bulk storage and commodity aggregation to support agro-processing will be delivered at Regional Farm Service Centres (where these exist).
 - ii. Agro-processing is to be planned and delivered through industrial parks, logistics hubs as well as district, sub-county associations /enterprises. These shall be linked to the PDM SACCOs.
 - iii. Support to agro-processing will involve dedication of efforts and investments in the organisation and coordination of farmers at Parish level and other value chain actors through area-based commodity clusters. An area-based commodity cluster will concentrate various producers, agribusinesses and institutions that are engaged in the same agricultural commodity or agro-industrial subsector around opportunities, infrastructure and services to exploit available opportunities and address common challenges.

3.1.6 WATER: FOR DOMESTIC USE AND PRODUCTION

- a) Water for domestic use and production facilities/ technologies will be planned at a parish level and established/maintained at a community/village level.
- b) There will be at least one water source in every village. The parish chief will be following up with the district water engineer on the programme of providing clean water to unserved villages. The chief will also follow up on repair of water sources in the parish

Access to Market

Market information, specific product quality and standards, Specific product market requirements will be provided through parish-based groups.

3.2 PROJECT INITIATION AND SELECTION

Government will not use a one-size fit all approach. Nevertheless, a suit of targeted services will be delivered based on the unique characteristics of the subsistence households within a given Parish.

The services to be delivered by government and the associated levels of local government include-

3.2.1 PROJECT INITIATION

Government extension services are expected to support and guide farmers in making decisions and most relevant being on the following:

- i. After undergoing the training and BDS services above, the local technical persons (that are the Production, Commercial and Community Development offices at the district) shall guide the Enterprise Group members to identify appropriate market oriented economic activities that they can undertake to earn and transition into the money economy over time.
- ii. Generally, the choice of an income-generating activity by the Enterprise Group members shall be based on the different aspects of the market, production costs, profitability and the sustainability of the enterprise.

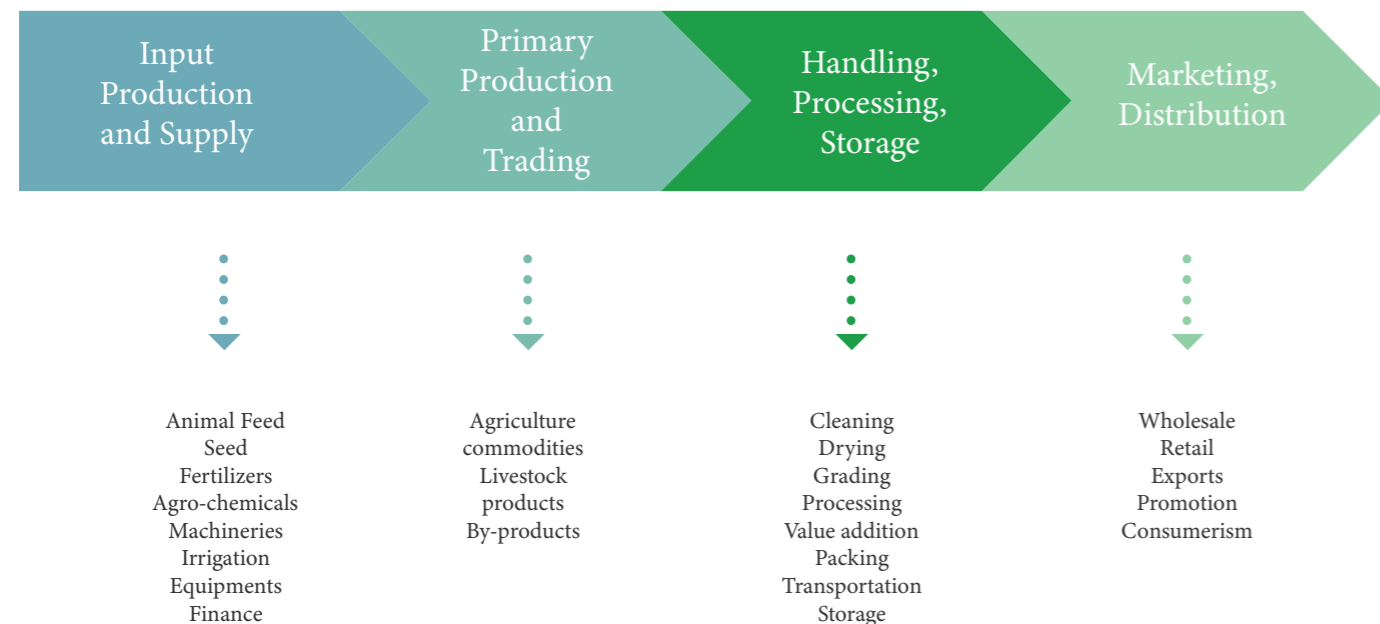
Choice of an income-generating activity therefore shall be based on:

- a) Its returns on investment
- b) Marketability
- c) Agro-ecological comparative advantage in terms of yields and land availability
- d) Value addition in terms of existing storage and processing facilities and crowd pull /aggregation
- e) Sustainability.

This means that income-generating activity selection by the Enterprise Group members shall prioritize production lines that are locally and readily available, offer a positive return on investment and have ready market both nationally and internationally.

The income-generating activities can be established at any node of the value chain of the recommended production lines i.e., farming & farming related economic activities, storage, value addition, processing and marketing of one or more of the priority production lines.

Figure 1 below illustrate the possible income generating activity along the value chain.



- iii. In urban areas, priority shall be given to projects in Nodes on: Input supply; Handling, Processing & Storage; Marketing & Distribution i.e. the buying and selling of produce in any of the recommended production lines, in order to enable the subsistence households in urban areas set up enterprises/projects that have a high multiplier effect on jobs and wealth creation.

- iv. After the selection of the economic activity, the Enterprise Group shall notify its members of the chosen enterprise and invite them to express interest in applying for a services under the PDM.

3.2.2 FARMING SUBSISTENCE HOUSEHOLDS

Subject to availability of and access to land as a factor of production, Government recommends (NRM Manifesto 2021-2026) four different approaches to wealth creation and jobs in the farming households i.e

- (1) the four-acre approach;
- (2) those with less than four acres;
- (3) those with slightly more than four acres;
- (4) large scale farmers.



- i. **For farming households with 4 acres of land,**

Government recommends a four-acre approach and fourteen production lines have been identified as having higher returns per acre, per annum.

These are: one acre for clonal coffee; one acre for fruits (passion fruit, mangoes, oranges and pineapples); one acre for food crops for the family (cassava, bananas, upland rice or irrigation rice, Irish potatoes, sorghum or millet); one acre for pasture for dairy cattle (eight of them); poultry for eggs in the backyard; piggery; and fish farming along the edges of the wetlands (not in the centre).

- ii. **For farming households which have less than the four acres.**

Government recommends the following production lines: poultry, piggery, onions, tomatoes, mushrooms, zero-grazing dairy cattle, apples and grapes.

However, these families will have to depend on buying food for the livestock (poultry, horticulture, dairy cattle and pigs) and for themselves because they do not have enough land.

- iii. **For households with six acres and more.**

Government recommends that these should first apply the four-acre approach, then borrow ideas from the second way (in b above), putting the 'disabled' land to use. If the four acres have been put to use, then the rest can be used to grow low-value crops of one's choice say sugarcane, cotton, tobacco and maize. However, the household should first apply the four-acre approach. This is in addition to the high value activities that they are free to engage in.

- iv. **For households with a lot of land,**

government recommends that these can use it for an industrial mono-crop such as sugarcane, tea, palm oil, cassava. Hence, four ways out of the seven of creating wealth and jobs, are in agriculture.

- v. **Annex 1, details the recommended production lines per district for farming purposes.**

3.2.3 APPLICATION FOR SUPPORT

All members that are interested in being part of the application for services from government shall express their interest to their group leadership. The Enterprise Group leaders shall form a committee to scrutinise member interests for appraisal and onward forwarding to the relevant service. In appraising members' interests, the committee shall use a member's profile previously established, the investment plan, and training report.

Possible services that may be requested by subsistence households include:

- a) Inputs: Seeds, fertilisers, agro-chemical etc
- b) Extension services and other advisory services
- c) Storage: fresh goods and dry goods
- d) Common user facilities eg market stall etc
- e) Processing facilities: cleaning, sorting, drying, packaging and milling.
- f) Water services: for production including irrigation, ponds for fish farming, reservoir management etc.
- g) Other services such as soil testing

The leadership of the Enterprise Groups shall collate all the appraised members' interest to prepare a group request.

An Appraisal Team shall immediately be constituted by the Enterprise group to guide the process of appraisals. The Appraisal Team shall undertake enhanced appraisal of the loan application as well as technical review of the Enterprise Group application i.e. ascertain the completeness of the documentation, conformity with the PDM guidelines.

The appraisal process shall consist of two inter-linked processes; the Desk Appraisal and the Field Appraisal.

a) The Desk Appraisal is done to verify the information that has been included in the application for the service.

The Desk Appraisal shall focus on completeness of documentation in line with sector standards & norms, beneficiary targeting, income-generating activity selection and conformity with these guidelines.

b) The Field Appraisal on the other hand is done only when the application has passed the Desk Appraisal. The Field Appraisal includes the Appraisal Team visiting the actual location of the income-generating activity to verify the details in the application, including access to land, preparedness of the income generating activity, compliance with technical requirements (eg good agricultural practices, good manufacturing practices etc) that make the income generating activity a success.

The Field Appraisal shall focus on verifying information on the application form, verifying the existence of the project, verifying viability & sustainability of the income-generating activity, and verifying environmental & social safeguards.

The Enterprise Groups shall profile each approved member's interest. This profile shall include:

- a) Required service the applicant's contribution
- b) Preparedness of the applicant to use the service for the stated purpose
- c) Expected income of the household
- d) Performance of the member in the group (eg attendance of group meetings etc.)

The leadership of the Enterprise Group shall on behalf of its members formally apply for the service from the relevant government Ministry, Department and Agency by completing a standard application form.

The names, particulars, photocopies of the National Identity cards, telephone number (where available) and individual photographs of all the selected group members that are part of the service request shall be part of the application.

Upon receipt of the application, the relevant government Ministry, Department and Agency shall review the submission and respond within one week.

3.2.3 SAFEGUARDS AGAINST ABUSE OF GOVERNMENT SUPPORT

The following mechanisms have been put in place to ensure success of this Pillar

- a) All processes shall be computerized/digital using a dedicated Parish Development Management Information System (PDMIS). As such, service delivery under this Pillar shall be supported by digital technologies that are under formal regulation, in order to provide the needed services in a secure, transparent and efficient manner, as well as to effectively monitor recovery.
- b) The PDMIS shall also be used for monitoring income-generating activity implementation.
- c) Selection of income-generating activities with minimum risks of failure.
- d) Location of income-generating activities within the residential area of the beneficiaries to ensure their participation and to minimize unnecessary expenditures.
- e) Group members co-guarantee each other.
- f) All qualifying groups shall be enrolled and programmed to benefit from Business Development Services, in order to strengthen their capacity to effectively utilize the borrowed funds.

The above safeguards are meant to ensure timely delivery and use of services to the subsistence households.

4. INSTITUTIONAL ARRANGEMENTS



4.1 NATIONAL LEVEL

A PDM Policy Committee has been established to provide policy guidance and direction to the PDM implementation, as well as oversee the activities of the PDM Secretariat at the Ministry of Local Government.

The PDM Secretariat shall be responsible for coordination and monitoring implementation of the PDM Production, Storage, Value addition and Marketing Pillar. The Secretariat shall be responsible for developing and ensuring implementation of model Policies, Bye-laws, Guidelines.

A PDM Technical Working Group, on Production, Storage, Processing and Marketing, has also been established under the leadership of the Ministry of Agriculture, Animal Industry & Fisheries (MAAIF)

4.2 DISTRICT/ KCCA AND SUB-COUNTY LEVELS

At the Local Government level, the PDM implementation is integrated/ mainstreamed in the existing government structures.

The District/Municipality Executive Committee (D/MEC), is chaired by the Chairperson LC V/Mayor and its members shall be those defined by the Local Government Act 1997. The Committee as the policy formulation and executive arm of the Local Council, is responsible for mobilization and sensitization of the public on Parish Development Model, ensuring that the operations of this Pillar within the District/Municipality are carried out in accordance with these Guidelines, reviewing and approving quarterly and annual progress reports on the Parish Development Model.

The District/Municipality Technical Planning Committee (D/MTPC) shall report to the DEC/MEC. It provides overall coordination, technical and policy guidance. The Committee is chaired by the CAO or Town Clerk in case of District and Municipality respectively. Members of the Committee at the district and municipality level shall be those defined by the Local Government Act 1997.

In the case of KCCA, the Management Executive Committee chaired by the Executive Director manages the PDM working closely with the committees at lower levels.

At the parish, the Parish Development Committee (PDC) is responsible for supervision of the PDM SACCO, monitoring and evaluation of the revolving funds disbursed to the borrowing groups in the Parish.

4.2 COMMUNITY LEVEL

At community level, the participating PDM SACCOs are responsible for monitoring of income-generating activities. The PDM SACCO undertakes mobilization, sensitization, selection and approval of parish level income-generating activities. The PDM SACCO is also responsible for coordination, planning, technical supervision, monitoring of economic activities in the Parish.

The PDM SACCO gets technical support from the CDOs, Sub-county and District/ Municipal Officers (Agriculture, Veterinary, Environment, Commercial Officers, and Production Officers, Civil Society Organization and Private Sector Agencies). The Parish Chief has the primary responsibility of ensuring effective coordination of this support at the community level.

The LC1 chairperson shall be tasked with the community mobilization roles as well as support the loan assessment processes. The LC1 chairperson reports to the PDC.

4.3 ROLES AND RESPONSIBILITIES OF STAKEHOLDERS

The following mechanisms have been put in place to ensure success of this Pillar



a) Ministry of Agriculture Animal Industry & Fisheries (MAAIF)

- Generate accurate agriculture data to support decision making
- Include agriculture extension services as a part of a broader strategy that creates capacities and incentives for agricultural risk
- Budgeting for, and provide, agriculture inputs
- Train Agriculture extension workers to support implementation of the PDM Production, Storage, Value addition and Marketing Pillar e.g., in selection of the income-generating activities by Enterprise Groups, post emergency inspection, mid-season and pre harvest inspections for agriculture insurance etc.
- Providing distribution and claims support for agriculture insurance Scheme by creating customer awareness and educating farmers on enrolment, premium payments and claims processes.
- Designation of District Production and Marketing Officers to lead the local agriculture experts that support the implementation of the PDM Production, Storage, Value addition and Marketing Pillar at district level.
- Undertaking sensitization and awareness campaigns.

b) Ministry of Finance, Planning and Economic Development (MFPED)

- The MFPED shall ensure that the PDM is included in the Public Investment Plan (PIP) and the Mid Term Expenditure Framework. MFPED is also responsible for mobilizing and allocating the resources to MDAs and Local Governments that are required for the full implementation of the PDM.
- Instituting clearly defined sanctions for non-compliance with accountability milestones.
- MFPED shall plan and budget for the PDM. MFPED shall be responsible for the mobilization and provision of financial resources for the PDM.
- Ensure that the PDM resources are distinctly identified (eg by a Vote Code) and separated from the rest of the funds for easy tracking and accountability.

c) Ministry of Trade, Industry and Cooperatives (MTIC)

- The MTIC plays a key role in guiding the PDM SACCOs to acquire entrepreneurship skills, market their products and services, engage in cooperatives and adopting appropriate technology for value addition. The Commercial Officers at the District/ City/Municipality and Town Council/Division level play a key role in income-generating activity selection, development and promotion of group activities among the beneficiaries.

Specifically, the Ministry shall:

- Facilitating storage, processing and marketing of agricultural products from the Parishes
- Register PDM SACCOs
- Coordinate the provision of cooperative education and training
- Supervision/inspection of Cooperative Societies;
- Investigation of any misconduct by leaders/managers of PDM SACCOs;
- Arbitrate conflicts between and/ or amongst members of PDM SACCOs;
- Cause auditing of PDM SACCOs;
- Ensuring compliance to the relevant laws/enforcement of Cooperative Societies Amendment Act, Cooperative Societies Regulations, Cooperative Society Bye laws; and
- Providing support and advisory services to cooperative societies to grow into sustainable and competitive businesses.
- Maintain the PDM SACCO Database.

d) Ministry of Local Government

Under the decentralization arrangement, the Ministry of Local Government through the District/City/Municipality Administration System is responsible for coordination, implementation and managing all the Pillars of the Parish Development Model including the Parish Revolving Fund. The Ministry of Local Government ensures that the PDM activities are incorporated in the District Development Plans (DDPs) and implemented in line with the established rules and guidelines.

- The Ministry of Local Government shall recommend appropriate sanctions and measures to address non-compliance with the PDM guidelines.

e) Ministry of ICT & National Guidance

- Develop the PDMIS
- Provide technical support for the PDMIS

f) Office of the Prime Minister (OPM)

OPM provides technical guidance for the development of the monitoring and evaluation strategy that is being used for assessing the performance and impact of this Pillar. Whenever necessary, OPM monitors income-generating activities under this pillar countrywide to assess the level of performance and impact.

g) Parliament

- Parliament is responsible for mobilization and appropriation of adequate funds for the all the PDM Pillars to ensure consistency, sustainability and national coverage.
- Members of Parliament, play an important role in monitoring the income-generating activities to ensure compliance with the established rules and procedures. Members of Parliament also undertake regular political supervision of the PDM to ensure quality results.

Members of Parliament also advocate for increased

funding for the PDM.

h) District, Cities, Municipalities and the Kampala Capital City Authority

- As the political head of the District/City/Municipality, the District Chairperson/Mayor supervises the PDM to ensure that it is implemented according to the set guidelines.
- Ensure effective financial accountability for the resources released to the Local Governments and KCCA (Implementing Agencies).
- Resident District Commissioners (RDCs)/ Resident City Commissioner (RCC) and Coordinators of Operation Wealth Creation in the region mobilize communities to participate in the PDM. They also monitor the performance of the PDM to ensure successful implementation and positive impact.
- The Chief Administrative Officers (CAOs) as technical heads of the Districts are responsible for the overall implementation of the PDM in their respective Districts. The CAOs submit progress reports to the Permanent Secretary / Secretary to the Treasury, MFPED, on a quarterly and annual basis.
- The Executive Director (ED), KCCA is responsible for the overall technical oversight of the PDM implementation in KCCA and shall be required to submit progress reports to the Permanent Secretary / Secretary to the Treasury, MFPED, on a quarterly and annual basis.
- Facilitating and coordinating all business development services/capacity building activities for the Enterprise Groups/PDM SACCOs within the District.
- Provide guidance to Enterprise Groups to identify individuals or institutions that can support them in addressing capacity gaps in order for them to effectively implement their income-generating activities.
- Support Parish Chiefs in the preparation, appraisal, supervision and monitoring of PDM SACCOs.
- Provision of technical support, capacity building and mentoring to Enterprise Groups/PDM SACCOs.
- Ensure registration of all Enterprise Groups
- Facilitate auditing of PDM SACCOs financial records
- Coordinate PDM M&E activities at District level
- Maintain records on the PDM at the district level

i) Parish Development Committee

- Provide oversight supervision of the PDM SACCOs
- Ensure utilisation and disbursement according to

agreed criteria

j) PDM SACCOs & their leadership

- Working with the DCO, CDO, DPOs and other Subject matter specialists assess and grade the Enterprise Groups applying to be members of the PDM SACCO
- Coordinate the delivery of technical support, training, mentoring and other business support services within the Parish.
 - Assess the Enterprise Groups and their applications
 - Review and approve the business plans and loan requests from the groups.
 - Ensure Enterprise Groups develop and follow bylaws and are adhere to their core principles (regular meetings, regular savings, timely repayment and record keeping).
 - Monitor the support provided to the groups to ensure that they are being used for the desired purpose in accordance with their business plans.
 - Keep records of support to the Parish and support Enterprise Groups to maintain records.
 - Prepare progress reports and share with the Sub-County Chief and all the groups on a quarterly basis.
 - Convene regular meetings with all Enterprise Groups in a parish as agreed in bylaws.
 - Register all Enterprise Groups and their members.
 - Monitor quality of functioning of Enterprise Groups

- Support and monitor convergence with government programs

k) Enterprise Group

- Profile all group members as a means of determining their individual needs and what is needed
- Select three (3) members from their executive to represent them at the PDM SACCO assembly.
- Institute democratic norms and practices – regular meetings, member attendance and participatory decision-making
- Formulate and implement group bylaws to regulate group activities, savings, and credit, etc.
- Institute saving practices and use the proceeds for internal loans
- Manage savings and credit operations and systems including bookkeeping
- Identify, articulate/resolve individual/common issues affecting the members
- Support members in the development of household level business plans and aggregate them into Enterprise Group business plans
- Approve households' business plans and requests for services
- Collect data on each of the members
- Ensure repayment
- Request for and pay Group loan within stipulated time
- Undertake livelihood promotion activities with own funds
- Support its members in the management of livelihood projects
- Monitor implementation of business plans

l) Individual Members of Groups/Community

- Attend sensitisation meetings.
- Participate in the election of group leadership.
- Participate in voluntary savings and other activities of the group/society
- Attend training sessions



4. MONITORING AND EVALUATION

Monitoring and Evaluation (M&E) under the PDM is carried out at various levels including National, District/KCCA, Sub-County and Community levels. The role of the M&E function is to provide timely and quality information to PDM management and other stakeholders on the progress towards meeting the PDM development objective. M&E also documents the challenges faced, makes recommendations to address them and document lessons learnt as well as good practices from implementation.

The Office of the Prime Minister and Ministry of Finance Planning & Economic Development are responsible for developing comprehensive Monitoring and Evaluation tools used by the different stakeholders involved in the implementation of the PDM Production, Storage, Value addition and Marketing Pillar.

At the community level, the key actors include; PDM SACCO members, the Parish development Committee members as well as the Parish Chief using the PDM Financial Management Information System. Monitoring and evaluation at the Sub-county/Division and District/Municipality levels is undertaken by the respective technical staff, while at the National level the PDM Policy Committee and the PDM Secretariat at the Ministry of Local Government are responsible. The RDCs, Operation Wealth Creation and political leaders at the various levels play an oversight role as prescribed in the laws/SoPs establishing their respective offices.

A Monitoring and Evaluation Strategy has been developed for the PDM, which provides a comprehensive framework for implementing the M&E function. The Strategy outlines the procedures to manage the various M&E processes. National and regional performance reviews are undertaken on a regular basis to assess and document the progress in implementation, processes, outputs, intermediate outcomes, challenges and lessons learnt. Impact evaluation using an appropriate evaluation design is undertaken periodically to measure impact. Other specific studies such as Beneficiary Assessment, Tracer study and Community Score Card or Citizen Report Card shall be conducted.

ANNEX 1: PRIORITY COMMODITIES AS SELECTED BY EACH LOCAL GOVERNMENT

DISTRICT	MAJOR INCOME GENERATING ENTERPRISES-IN ORDER OF THEIR PRIORITY
Abii Zardi	
Adjumani	Oil seed crops:-Soyabeans,Groundnuts
	Fruit Trees:-Citrus,Mangoes
	Livestock:-Poultry,Pigs
	Fisheries:Capture Fisheries
Arua	Crops:Cassava,Coffee
	Livestock:Cattle,Chicken
	Fisheries:Aquaculture
Koboko	Crops:Cassava,Tobacco
	Livestock:Goats,Sheep
Madi-Okollo	Crops:Simsim,cassava
	Livestock:Beef
	Fisheries:
Moyo	Crops:Cassava,Rice
	Livestock:Piggery,Cattle Beef
Maracha	Crops:Citrus,Mangoes
	Livestock:Dairy,Piggery
	Fisheries:Tilapia nilotica
Nebbi	Crops:Coffee,Cassava
	Livestock:Beef cattle,Goats
	Fisheries:Fish Farming
Obongi	Crops:Cassava,Oil seeds
	Livestock:Cattle,Poultry

Pakwach	Crops:Rice,Beans
	Livestock:Beef cattle,Goats
	Fisheries:Cage Fish Farming,Fishing
Yumbe	Crop:Cassava,Oil seeds
	Livestock:Goat,Poultry
	Fisheries:Tilapia,catfish
Zombo	Crop:Coffee Arabica
	Livestock:Dairy, Goats
	Entomology:Apiculture
Buginyanya Zardi	
Budaka	Crops: cassava,Maize
	Livestock:Poultry,Beef cattle
Bududa	Crops: Coffee,Banana
	Livestock:Exotic Dairy Animals, Chicken,Pigs
	Fisheries:
Bugiri	Crops: Rice,Maize
	Livestock:Local Chicken,Dual purpose Local Cattle
	Fisheries:Nile perch (Latest nilotica),Tilapia (Oreochromis nilotica)
Bugweri	Crops: Rice,Maize
	Livestock: Cattle, Poultry
Bukwo	Crops:Irish Potatoes,Maize
	Livestock:Cattle,Poultry
Bulambuli	Crops:Coffee,Rice
	Livestock: Cattle, Poultry
Busia	Crops:Coffee,Maize
	Livestock:Dairy,Poultry
	Fisheries:Aquaculture
Butebo	Crops: Rice,Groundnuts
	Livestock: Cattle, Poultry
	Fisheries: Clarius,Tilapia

Butaleja	Crops:Rice, Groundnuts
	Livestock:Cattle,Goats
	Fisheries:Catfish-use of fish ponds
Buyende	Crops:Maize,Cassava
	Livestock:Dairy Cattle,Piggery
	Fisheries:Tilapia-Oreochromis niloticus,Lates niloticus (mputa)
Jinja	Crops: Maize,Coffee
	Livestock:Poultry,Dairy Cattle
	Fisheries:Capture fisheries,Fish Cage Farming
	Entomology:Apiary
Iganga	Crops:Coffee,Maize
	Livestock:Dairy,Poultry
	Fisheries:Aquaculture
Kamuli	Crops: Coffee,Maize
	Livestock:Dairy Farming,Piggery
	Fisheries:Tilapia-Oreochromis niloticus,Lates niloticus
Kaliro	Crops:Sugarcane,Coffee
	Livestock:Cattle,Local Goats
	Fisheiries:Oreochromis niloticus (N.Tilapia)
Kapchorwa	Crops:Maize, Coffee
	Livestock:Dairy,Poultry
Kibuku	Crops:Groundnuts,Rice
	Livestock:Cattle,Local Poultry/Kuroilers
	Fisheries:Tilapia,Catfish
Kween	Crops: Maize,Coffee for mid belt
	Livestock:Cattle,Local Chicken
	Fisheries:Tilapia(Oreochromis niloticus),Catfish (clarias gariepinus)
	Entomology:Honey,Beewax
Luuka	Crops: Maize,Coffee
	Livestock:Cattle,Poultry
	Fisheries:Tilapia,Catfish

Manafwa	Crops:Fruits(Passion,Oranges),Bananas
	Livestock:Dairy,Piggery
Mbale	Crops:Horticulture,Coffee
	Livestock:Dairy,Piggery
	Fisheries:Tilapia,Catfish
Namayingo	Crops:Maize, Cassava
	Livestock:Goats,Poultry
	Fisheiries:Acquaculture,Fishing (3subcounties)
Namutumba	Crops:Rice,Maize
	Livestock:Poultry,Beef
	Fisheries:Aquaculture
	Entomology:Apiculture
Namisindwa	Crops:Coffee
	Livestock:Dairy
Mayuge	Crops:Coffee,Cocoa
	Livestock:Dairy
Pallisa	Crops:Mangoes
	Livestock:Dairy cattle
Sironko	Crops:Coffee,Banana
	Livestock:Cattle,Dairy
	Fisheries:Acquaculture
	Entomology:Apiculture
Tororo	Crops: Cassava,Rice
	Livestock:Poultry,Piggery
	Fisheries:Fishpond farming (tilapia,catfish)
	Entomology:Honey beekeeping
Bulindi Zardi	
Buliisa	Crops:Cassava,Tobacco
	Livestock:Beef,Diary
	Fisheries:Nile perch Fishery

Hoima	Crops: Maize, Rice
	Livestock: Piggery, Cattle
	Fisheries: Capture Fisheries, Pond culture
Kagadi	Crops: Maize, Bananas
	Livestock: Cattle, Piggery
	Fisheries: Capture Fisheries
Kakumiro	Crop: Maize, Banana
	Livestock: Piggery, Beef
Kibaale	Crops: Maize, Coffee
	Livestock: Piggery, Cattle
	Fisheries: Fish ponds(50)
Kikuube	Crops: Banana, Maize
	Livestock: Dairy, Piggery
	Fisheries: Mainly Lake fishing but café fish Farming also coming up
Kiryandongo	Crops: Maize, Cassava
	Livestock: Cattle, Local chicken
Masindi	Crops: Maize, Coffee
	Livestock: Cattle, Poultry
	Fisheries: Catfish
Kachwekano Zardi	
Kabale	Crops: Potatoes, Sorghum
	Livestock: Beef cattle
	Fisheries: Aquaculture(Ponds and Cages)
	Entomology: Apiary(Honey propolis and wax)
Kanungu	Crops: Coffee, Tea
	Livestock: Dairy, Goats
Kisoro	Crops: Irish potatoes, Coffee
	Livestock: Dairy, Piggery
Rubanda	Crops: Irish Potatoes
	Livestock: Piggery, Goats

Rukiga	Crops: Irish potatoes, Beans
	Livestock: Piggery, Dairy
	Entomology: Apiary
Rukungiri	Crops: Coffee, Banana
	Livestock: Dairy cattle, Goats
	Fisheries: Tilapia, catfish,
Mukono Zardi	
Buikwe	Crops: Coffee, Banana
	Livestock: Poultry(Layers broilers), Dairy(improved local)
	Fisheries: Capture Fisheries, Aquaculture
Bukomansimbi	Crops: Coffee, Banana
	Livestock: Pigs, Cattle
	Fisheries: Tilapia, Carp
Butambala	Crops: Coffee, Passion fruit
	Livestock: Dual purpose cattle, Poultry(Local Breed)
	Fisheries: Fish pond Farming, Tilapia
Buvuma	Crops: Banana, Maize
	Livestock: Chicken, Pigs
	Fisheries: Nileperch, Silver fish
Gomba	Crops: Banana, Coffee
	Livestock: Dairy Farming, Piggery
	Fisheries: Capture fisheries, Pond culture
Kalangala	Crops: Oilpalm, Coffee
	Livestock: Piggery, Dairy farming
	Fisheries: Nileperch, Tilapia
Kalungu	Crops: Coffee, Maize
	Livestock: Piggery, Dairy
	Fisheries: Capture Fisheries
Commercial Insects for production: Apiculture	

Kampala	Crops:Mushrooms,Leafy Vegetables
	Livestock:Poultry,Pigs
	Fisheries:Capture Fisheries, Aquaculture
Kassanda	Crops:Coffee,Banana
	Livestock:Diary Cattle,Piggery
	Fisheries:Tilapia(QN)
Kayunga	Crops: Coffee,Pineapple
	Livestock:Poultry
	Fisheries:fish Farming
	Entomology: Bee keeping
Kiboga	Crops:Irish Potatoes,Coffee
	Livestock:Dairy,Beef
Kyankwanzi	Crops:Maize,Coffee
	Livestock:Beaf Cattle,Dairy Cattle
	Entomology:Apiary
Luwero	Crops:Coffee,Banana
	Livestock:Dairy,Piggery
	Fisheries:Capture fisheries
Lwengo	Crops:Coffee,Banana
	Livestock:Cattle,Piggery
	Fisheries:Tilapia,Catfish
Masaka	Crops: Coffee,Banana
	Livestock:Poultry,pigs
	Fisheries:Commercial Fish Farmers
Mityana	Crops:Coffee,Banana
	Livestock:Poultry(chicken),Dairy cattle
	Fisheries:Capture fisheries,Fish farming
Mpigi	Crops:Coffee,Maize
	Livestock:Poultry,Piggery
	Fisheries:Tilapia,Silver fish

Mukono	Crops:Banana,Coffee
	Livestock:Dairy,Piggery
	Fisheries:Silver Fish (mukene),Nileperch
Mubende	Crops:Maize,Beans
	Livestock:Dairy,Beef
Nakaseke	Crops: Coffee,Maize
	Livestock:Piggery,Beef
	Fisheries:Fish
Nakasongola	Crops:Cassava,Coffee(mainly southern part)
	Livestock:Cattle(Beef and Dairy),Goats
	Fisheries:Lake Fisheries
Wakiso	Crops:Horticulture,Coffee
	Livestock:Poultry (Layers and Broilers),Piggery
	Fisheries: Aquaculture (cage and ponds),Fish export Business Chain
Mbarara Zardi	
Buhweju	Crops:Tea,Coffee
	Livestock:Cattle,Goats
	Fisheries:Tilapia,Catfish
Bushenyi	Crops: Coffee,Banana
	Livestock:Dairy Cattle
	Fisheries:Tilapia fish farming
Ibanda	Crops:Coffee,Banana
	Livestock:Cattle,Goats
	Fisheries:Tilapia,African catfish (Emale)
Isingiro	Crops:Banana,Beans
	Livestock:Dual Purpose Cattle,Goats
	Fisheries:Capture fisheries on Lakes Nakivale and Rwamurunga,Aquaculture
Kazo	Crops:Banana,Coffee
	Livestock:Dairy,Goats
Kitagwenda	Crops:Banana, Coffee
	Livestock:Dairy,Poultry

Kiruhura	Crops:Beans,Maize
	Livestock:Dairy Cattle,Goats
	Fisheries:
Kyotera	Crops:Coffee,Maize
	Livestock:Cattle,Pigs
	Fisheries:Lake Fishery,Fish Farming
Lyantonde	Crops: Coffee,Banana
	Livestock:Dairy Cattle,Goats
	Fisheries:Aquaculture mainly
Mbarara	Crops:Coffee
	Livestock:Dairy
Mitooma	Crops:Banana,Coffee
	Livestock:Cattle,Goats
	Fisheries:Tilapia,catfish reared in ponds
Ntungamo	Crops:Banana,Coffee
	Livestock:Dairy Cattle/Zero Grazing,Beef
	Fisheries: Capture fisheries
	Entomology: Apiary
Rakai	Crops:Coffee,Banana
	Livestock:Cattle (Beef),Piggery
Rubirizi	crops:Banana,Coffee
	Livestock:Pigs,Goats
	Fisheries:Tiapia
Rwampara	Crops:Banana,Coffee
	Livestock:Beef,Piggery
Sheema	Crops:Coffee,Banana
	Livestock:Dairy,Piggery
	Fisheries:Fish farming
Ssembabule	Crops:Coffee,Maize
	Livestock:Cattle,Goats
Nabuin Zardi	

Abim	Crops: Sorghum,Simsim
	Livestock:Cattle,Poultry
Amudat	Crops: Maize,Beans
	Livestock:Cattle,Goats
Amuria	Crops: Cassava, Groundnuts
	Livestock: Cattle, Goats
	Fisheries: Fish Farming
Bukedea	Crops:Groundnuts,Maize
	Livestock:Dairy,Poultry
Kaabong	Crops:Maize,Sunflower
	Livestock: Cattle, Goats
Kaberamaido	Crops:Cassava,Maize
	Livestock:Cattle,Piggery
	Fisheries:Catfish Species,Nileperch/Tilapia species
Kalaki	Crops:Maize,Cassava
	Livestock: Beef(Local short horns),Piggery
Kapelebyong	Crops:Cassava,Groundnuts
	Livestock: Cattle,Goats
	Fisheries:Capture Fisheries and Fish Farming
Katakwi	Crops:Cassava,Groundnuts
	Livestock:Cattle,Poultry
	Fisheries:Clarias sp
Karenga	Crops:Maize,Sunflower
	Livestock:
	Fisheries:
Kotido	Crops: Groundnuts,Sorghum
	Livestock:Sheep,Beef cattle
	Entomology:Honey
Kumi	Crops: Citrus,Groundnuts
	Livestock:Cattle,Small ruminants
Moroto	Crops:Sorghum,Maize
	Livestock:Cattle,Goats

Nabilatuk	Crops:Sorghum, Maize
	Livestock: Cattle,Goats
Nakapiripirit	Crops: Maize,Sorghum
	Livestock:Cattle, Goats
	Fisheries:Catfish
Napak	Crops: Maize,Sorghum
	Livestock: Cattle,Beef
	Fisheries:Catfish Species,Nileperch/Tilapia species
Ngora	Crops:Groundnuts,Cassava
	Livestock:Poultry,Goats
	Fisheries:Catfish,Tilapia
Serere	Crops:Citrus,Maize
	Livestock:Local cattle,Sheep
	Fisheries:Nile perch
Soroti	Crops:Citrus,Cassava
	Livestock:Cattle,Poultry
	Fisheries:Fish vending,Lake Fishing
Ngetta Zardi	
Agago	Crops:Sunflower,Maize
	Livestock:Cattle,Goats
Apac	Crops: Citrus,Coffee
	Livestock:Cattle,Goat
	Fisheries: Lake Fisheries
Alebtong	Crops:Soyabeans,Rice
	Livestock:Cattle Beef,Piggery
	Fisheries:
Amolatar	Crops:Maize,Simsim
	Livestock:Cattle,Poultry
	Fisheries:Tilapia,Nileperch

Amuru	Crops: Rice,Cassava
	Livestock:Pigs,Goats
	Fisheries:Aquaculture(Tilapia and Catfish)farming
Dokolo	Crops:Maize,Cassava
	Livestock:Cattle,Local chicken
	Fisheries:Tilapia,Nileperch
Gulu	Crops:Maize,Rice,Soyabeans
	Livestock:Local Chicken,Dual purpose Local Cattle,Dairy Cat- tle,Piggery
	Fisheries:Tilapia (Oreochromis niloticus), catfish
	Entomology:Honey,Beewax
Kitgum	Crops:Simsim,Cotton
	Livestock:Poultry,Goat
	Fisheries:Fish farming
Kole	Crops:Soyabeans,Sunflower
	Livestock:Piggery,Poultry
	Fisheries:Catfish
Kwania	Crops:Maize,Beans
	Livestock:Beef cattle,Piggery
	Fisheries:Capture fish,Farmers fish
Lamwo	Crops: Cassava,Cotton
	Livestock:Improved Goats,Cattle
	Fisheries:Fish Farming yet to piuck up
Lira	Crops:Soya beans,Cassava
	Livestock:Poultry,Cattle
	Fisheries:Marketing of tilapia,Nileparch
	Apiary: Honey products
Nwoya	Crops:Upland rice, Maize
	Livestock:Beef,Goats
	Fisheries:

Omoro	Crops: Soyabeans, Beans
	Livestock: Local Chicken, Dual purpose Zebu cattle
	Fisheries: Tilapia (<i>Oreochromis niloticus</i>), catfish (<i>Clarias gariepinus</i>)
	Entomology: Honey, Beewax
Otuke	Crops: Rice, Soya
	Livestock: Beef cattle, Dairy Cattle
	Fisheries: Fish farming
	Entomology: Beekeeping
Oyam	Crops: Soya beans, Maize
	Livestock: Cattle, Goats
	Fisheries: Fish farming, Capture fisheries
Pader	Crops: Cotton, simsim
	Livestock: Cattle, Goats
	Fisheries: Tilapia, catfish
Rwebitaba Zardi	
Bundibugyo	Crops: Cocoa, Coffee
	Livestock: Dairy, Poultry
	Fisheries: Nile Tilapia
Bunyangabu	Crops: Banana, Coffee
	Livestock: Allay, Piggery
	Fisheries:
Kabarole	Crops: Tea, Banana
	Livestock: Dairy, Piggery
	Fisheries: Acquaculture (upcoming)
Kamwenge	Crops: Maize, Coffee
	Livestock: Dairy, Beef
	Fisheries:
Kasese	Crops: Coffee, Maize
	Livestock: Cattle, Poultry
	Fisheries: Capture fisheries, Fish farming

Kyegegwa	Crops: Maize, Banana
	Livestock: Dairy, Beef
	Fisheries: Tilapia ponds (121 producing 3.8 tons)
Kyenjojo	Crops: Coffee, Tea
	Livestock: Dairy, Piggery
	Fisheries:
Ntoroko	Crops: Coffee, Cocoa
	Livestock: Cattle, Goats
	Fisheries: Capture fisheries



   MAAIF Uganda

ps@agriculture.go.ug | 0 414 320 004

P.O Box 102, Plot 16 -18, Lugard Avenue
Entebbe - Uganda.