UCA ANNUAL REPORT 2012/2013

1.0 UCA CORE - The Secretariat

Advocacy

UCA continues to participate in discussions regarding the legal framework for the Microfinance industry of which SACCOs are part. The discussions are led by the Ministry of Finance, Planning and Economic Development (MFPED) which has been on-going for many years. UCA's interest is to make sure that the new legislation is facilitative to the development of SACCOs and does not disadvantage them and ensures an even playing field for all players.

The UCA Secretariat is also participating in a project called: Farmers Voice: "Improving Food Security Governance in East Africa" which is funded by the European Union (EU), TRIAS and Agriterra for a period of two years (2012-2014). Three countries in East Africa which are participating in this project are Uganda, Kenya and Tanzania. The issues which have been identified to be tackled in the project include the high post harvest losses and the strategic food reserves. The purpose of the project is to empower smallholders' in the respective countries so that they participate in food security related policy processes. The Secretariat also participated in the design of the project.

UCA is collaborating with the East Africa Farmers Federation (EAFF) to lobby for a regional cooperative policy within the East Africa community region. The Secretariat has been involved in several meetings of EAFF officials from the Ministry of Trade Industry and Cooperatives (MTIC), legislators from the East Africa Community and other officials from the community based in Arusha. The UCA believes there will be benefits to all cooperators if the regional policy environment supports cooperative development with same values and principles. UCA is an active partner of EAFF which has agreed to play leading role on behalf of cooperatives within the region.

Partnerships.

On-going development partnerships which have been renewed

CCA- Partnership with CCA was renewed up to 2015

VECO – Partnership with VECO was renewed up to 2014.

GIZ/Swiss contact-Renewed up to May 2014**.**

Agriterra- Partnership with Agriterra could be renewed up to 2015 but will put more focus on dairy cooperatives.

EAFF – one on-going and another 2 new two year projects. One of the projects will promote regional trade in maize, beans and rice. The other project will promote cassava value chain including production and processing.

Consortium-funded by Sida. Project on Empowerment of farmers around Lake Victoria runs up to 2015.

Horizont 3000 –Up to 2014

New technology for SACCOs.

Partnership with Moshi University College. The partnership between UCA and Moshi University College which was initiated by the General Secretary is continuing. Last January we had a second batch of 108 students who completed the course and graduated.

Partnership with Round Table Technologies (RTTech)
The General Secretary has been coordinating negotiating between UCA and UCCFS on one side and Round Table Technologies S.A (RTTech) on the other side. The latter is expected to provide core banking systems services to SACCOs in Uganda. The negotiations which have lasted for almost one year have been concluded and the partnership finally materialized. It is expected to take off before the end of 2013. The system will improve the quality and range of services in SACCOs as well as safeguard the security of members' deposits. Already 3 SACCOs have been piloted during the month of July and were adapted into the technology to the Ugandan environment and market. It is now ready to roll out to all SACCOs that want to modernize at affordable cost.

Asset Acquisition
In order to strengthen the capacity of the UCA to generate own income, the UCA invested in the construction of apartments which will be rented out. Construction s expected to be completed by end of the year 2013.

UCA's construction site at Plot 47 Bukoto-Naguru Crescent, Kampala

Mechanization Unit

Two tractors were donated by NACF under our Memorandum of Sisterhood between NACF and UCA which was signed in 2011 as part of the cooperative to cooperative cooperation. The two units were handed over by the Vice Chairman, NACF Mr. Jong-Il YUN who was accompanied by Mr. Jae Min Park also from NACF who visited Uganda in July 2013. The machines have since been deployed in the field to provide mechanization services to farmers, especially cooperators, and also earn income for the Secretariat.

From right to left: *Mr. L. Msamakweli (General Secretary UCA), Mr. Jong-Il YUN (Vice Chairman NACF), Rev. Fr. George Angala (Chairman-UCA), Mr. Jae Min Park (NACF Official) and the Tractor operator at the handover ceremony of Tractors from Korea*

The two tractors that were donated to UCA by NACF-Korea

The State Minister for Trade and Industry Mr. James Mutende together with the Vice Chairman of NACF Mr. Jong-Il YUN try out one of the donated tractors.

UCA Strategic Plan 2014-2018). The General Secretary completed the draft strategic plan which is being shared with other stakeholders for their input/comment. It was shared with staff, development partners and the process is continuing for comments from other stakeholders. The period covered by the plan is 1014-2018.

Conferences

The General Secretary attended many conferences/workshops during the year including a conference on livestock which was jointly organized by EAFF in Nairobi. The General Secretary also attended ESANET meetings where he is still the chairman of the Board, VECO meetings/conferences, business conference in Italy accompanying the Prime Minister of Uganda, a conference on cooperatives which was organized by Frederic Ebert Foundation and presented a paper on the situation in Uganda. The General Secretary also attended the steering committee of the Consortium where he is Chairman and the Cooperative College Council - Kigumba where he is Chairman.

Visitors Received.

The General Secretary received many visitors both from partner organizations and others who are interested in the revival of the cooperative movement in Uganda. One of the most important visitors was Mr. Jong-Il YUN Vice Chairman, NACF accompanied by Mr. Jae Min Park, who stayed in Uganda for two days.

Supervision.

The Secretariat took responsibility for supervising and coordinating all UCA projects and activities as well giving reports to the UCA Board. ❐

2.0 MICROFINANCE UNIT (MFU)

INTRODUCTION

The Micro Finance Unit (MFU) in UCA is responsible for the development of financial cooperatives. It provides strategic support services to the financial co-operatives Services sector in Uganda. These services target unions formed by Savings and Credit Co-operative Societies and individual Savings and Credit Co-operative Societies.

MFU's General and Specific Objectives

The general objective of the MFU is; ***To build sustainable SACCOs by providing easily accessible and affordable financial services to underserved communities***.

Its specific objective is; "***To put in place institutional arrangements for sustainable provision of support services to financial services co-operatives***"

The Situation of Microfinance Industry

The financial sector in Uganda has experienced rapid growth. Commercial Banks now number 22 with combined outlets of 360 branches across the country. In addition, four (4) Microfinance Deposit-taking Institutions (MDIs) have been registered with Bank of Uganda and two (2) MDIs have upgraded to a level of Commercial Banks status. In addition, Rabobank's investment in UCCFs (Uganda Central Cooperative Financial Services) is testimony of the confidence the international financial community has in Uganda's financial sector.

The microfinance industry in Uganda is also dynamic and as a result banks and MDIs are competing for clients trying to move to rural places where SACCOs operate. Mobile money has expanded to most of the trading centres serving the urgent financial service needs of communities. The dynamics in the market have posed a challenge to SACCOs, where some farmers prefer keeping their money on their phones other than depositing it in the SACCOs. This calls for need of SACCOs to study more the microfinance industry so as to reposition themselves in order to serve their members needs better. A good number of SACCO have embraced mobile services as one of the products offered to their members.

Analysis of The Microfinance Strategies in Uganda:

Table 1: Showing the distribution of MFIs in form of Registration as at 30th June 2012

Registration status	Number	Percentage
Company limited by shares	24	1%
Company limited by guarantee	18	0.8%
Others (Under companies Act,CAP113,2000	7	0.3%
MDI Act 2003	3	0.1%
Cooperative Societies Act CAP112,1991	2,065	91.5%
Moneylenders Act, CAP 273,1952	53	2.4 %
Financial Institutions Act 2004	4	0.2 %
Others	81	3.6%
Not stated	2	0.1%
Total	**2,257**	**100%**

Achievements of the Microfinance Unit

The Unit focus on having potentially active, viable, sustainable financial co-operatives, offering easily accessible and affordable financial services to their members.

During the year the Microfinance Unit supported 262 SACCOs. This has been done in collaboration with Uganda Central Co-operatives Financial Services (UCCFS) Ltd; a National Cooperative Union mandated with providing financial services to its member cooperatives. UCA provided the SACCO sector in general with technical capacity building. The Unit guided and supported cooperatives through Projects, of: IFAPI, MCB. and RFSP. The Unit course is also responsible for offering a Professional Financial Cooperative Management Programme (PFCMP), with a view of building a cader of professionals to efficiently and effectively manage Financial Cooperatives and to safegurd the interests of cooperators in Uganda. The achievements of the unit during the year through the projects are highlighted below.

2.1 Maximizing Co-operators' Benefits through the Value Chain Linkages (MCB) Project

Uganda Cooperative Alliance in partnership with Swedish cooperative Centre (Now We Effect) and Norges Vel implemented a project known as Maximising Co-operators' Benefits through value chain Linkages (MCB) for a period of two years (2011-2012). In order to consolidate the achievements of MCB, the three partners agreed to extend the project for another one year, up to the end of 2013.

Data of MCB Project SACCOs July 2012 to June 2013

Table 1: Summary of SACCO Performance.

Items	1st July 2012	30th June 2013	Increase/ decreased	% Increase
Number of SACCOs	80	180	0	0%
Membership	267,096	303,442	36,346	14%
Share capital	19,300,565,104	24,161,245,769	4,860,680,665	25%
Savings deposits	30,784,819,137	36,126,846,061	5,342,026,924	17%
loan portfolio	55,924,628,262	63,981,658,756	8,057,030,494	14%

Table 2 : Number of SACCO

1st July 2012 Region	30th June 2013 No. of SACCOs	No. of SACCOs
Busoga Region	12	12
Kyenjojo Region	34	34
Mbarara Region	70	70
Masaka Region	18	18
Mbale Region	20	20
Mukono Region	26	26
Total	**180**	**180**

2.2 Intergrated Finance and Agricultual Production Innitiative (IFAPI) Project

IFAPI Project has promoted & supported 19 SACCOs in the Northern part of Uganda It has also facilitate formation of of 17 Youth Savings Clubs, promoted the savings culture and contributed to positive attitudes among the youths towards cooperatives.

Achievements in IFAPI Project (2012 / 2013)

Table 1: Summary performance of SACCOs

	July 2012	June 2013	Increase	% Increase
Membership	14,522	15,703	1,181	8.1
Share Capital	573,092,780	664,965,480	91,872,700	16.0
Saving deposit	1,794,947,534	2,155,817,373	360,869,839	20.1
Loan portfolio	2,216,303,242	2,106,871,537	(109,431,705)	-4.9

Table 2: Membership Growth Regional

Regions	July 2012	June 2013	Increase	% Increase
Masindi	2139	1977	-162	-7.6
Arua/ Koboko	4363	4803	440	10.1
Nebbi / Okuro	4800	5440	640	13.3
Lango	3,220	3,483	263	8.2
Total	**14522**	**15703**	**1181**	**8.1**

Table 3: Share Capital Growth Regional

Regions	July 2012	June 2013	Increase	% Increase
Masindi	48,871,580	52,539,280	3,667,700	7.5
Arua/ Koboko	322,684,000	342,524,000	19,840,000	6.1
Nebbi / Okuro	131,272,000	149,086,000	17,814,000	13.6
Lango	70,265,200	120,816,200	50,551,000	71.9
Total	**573,092,780**	**664,965,480**	**91,872,700**	**16.0**

Table 4: Growth in Savings

Regions	July 2012	June 2013	Increase	% Increase
Masindi	81,182,060	68,157,060	(13,025,000)	-16.0
Arua/ Koboko	1,105,300,830	1,435,156,210	329,855,380	29.8
Nebbi / Okuro	336,957,194	415,328,787	78,371,593	23.3
Lango	271,507,450	237,175,316	(34,332,134)	-12.6
Total	**1,794,947,534**	**2,155,817,373**	**360,869,839**	**24.5%**

Table 5: Growth in Loan Portfolio

Regions	12-Jul	13-Jun	Increase	% Increase
Masindi	108,528,200	108,153,390	(374,810)	-0.3
Arua/ Koboko	1,177,362,536	1,036,247,657	(141,114,879)	-12.0
Nebbi / Okuro	564,842,429	584,325,313	19,482,884	3.4
Lango	365,570,077	378,145,177	12,575,100	3.4
Total	**2,216,303,242**	**2,106,871,537**	**(109,431,705)**	**-4.9**

Summarised performance for all SACCOs in the projects

Items	1st Jul 2012	30th Jun 2013	Increase/ decreased	% Increase
Number of SACCOs **(MCB & IFAPI)**	198	199	1	0.5 %
Membership **(MCB & IFAPI)**	281,618	319,145	37,527	13.3 %
Share capital **(MCB & IFAPI)**	19,873,657,884	24,253,118,469	4,379,460,585	22 %
Savings deposits **(MCB & IFAPI)**	32,579,766,671	38,282,663,434	5,702,896,763	17.5%
Loan portfolio **(MCB & IFAPI)**	58,140,931,504	66,088,530,461	7,947,598,957	13.7%

2.3 Rural Financial Services Programme (RFSP)

Under the Rural Financial Services Programme (RFSP), UCA under took the development work by promoting efficient and effective operations of 2 SACCO Unions and 4 SACCO Networks. Under the RFSP, UCA was mandated to; and did the work of:-

(i) Undertaking institutional assessment, facilitating strategic planning, and providing periodic mentoring and technical support to 2 existing SACCO unions that are currently registered and represent local or regional groupings of SACCOs;

(ii) In collaborate with Programme Administration Unit (PAU), the Implementing Partner (UCA) was to identify 4 potential SACCO unions under formation to facilitate them to register. Priority to be given to those unions that include some RFSP Programme SACCOs;

(iii) Document the learning outcomes for assessment as to (a) the cost-effectiveness of Unions for enhancing the flow of information and services among and to members and (b) the benefits and challenges of Unions as a form of merger to improve efficiency and scale.

Performance of Regional SACCO Unions

MFU worked with the Rural Financial Services Programme (of the Ministry of Finance, Planning and Economic Development) to develop a programme for supporting regional SACCO unions to build their capacity to provide better support services to their members. The implementation of this in the second part of the programme begun in September 2012.

Benefits enjoyed by SACCOs that are members of a regional SACCO union.

- **Training**- SACCO Management staff and the leaders have been trained in areas of business planning and budgeting, governance, risk management, credit management, delinquency management, standard reporting in SACCOs and tax planning among others. It has also been cheaper for each SACCO as well as RFSP to conduct such training programs courtesy of the regional unions which organized the training programs. SACCO leaders and their management agreed that they will continue running their training activities under their unions with each SACCO member paying for its participants.

- **Joint internal audit exercises** - By having supervisors from SACCOs participate in the internal audit of other SACCOs under the union. This happened in Sheema SACCO Union among the three member SACCOs. the approach has promoted experience-sharing between member SACCOs, which is proving useful to the on-going systems harmonization activities.

- **Joint access of common external services through the Union -** SACCOs union members (SACCOs) have been organised and the six SACCO unions advised to ensure that their members access better specialized external services like training and external auditing. The SACCO unions plan to add on credit insurance, insurance for cash-in-transit (CIT) and cash on premises, property insurance, legal and security services to this list soon. Eventually, the cost of these services per SACCO will gradually fall, while the SACCOs are assured of better services.

- **Sharing information on borrowers -** The union members are sharing information on borrowers which is creating some sort of local credit reference service. This is expected to minimize the incidences of multiple borrowing and willful loan default. SACCOs call each other to find out the credit history on borrowers in particular, those that are crossing over from the other SACCOs' catchment areas.

- **Representation and advocacy role** - Sheema, FORMA, Kigezi, Wakiso and Ntungamo Unions are playing a representation and advocacy role for SACCOs. The unions tend to be better known and respected by the stakeholders. Under their unions, the SACCOs plan to challenge some unfavorable and policies (e.g. taxation and arbitration) as well as political interferences into their operations.

- **Joint Staff Recruitment -** In Sheema union, recruitment of SACCO management staff is carried out by the Union. The salary structure for the management staff has been harmonized and this allows staff to be rotated between the SACCO members. In addition to reducing the recruitment costs, improving the profile and quality of staff, it also helps in checking fraudulent tendencies by management staff, intimidation of management staff by SACCO leadership as well as promoting staff motivation. However, this practice is challenged by the differences in the Union SACCO member sizes, resource capacity, location and self interest of some leaders (who at time refuse to accept the transferred in staff).

- **Joint access to Technical assistance/guidance to SACCOs –** The unions assist their members to access technical services jointly because service providers find it more feasible and viable to reach many SACCOs jointly through their unions.

- **Financial services to members –** The unions like FORMA and Sheema are mobilizing financial services from external sources for the benefit of their members.

- **Net working among members –** Union members are more linked and networked in their operations, leadership, management and external relationship than before the unions were formed.

Surport to None Project SACCOs

A good number of SACCOs and organisations not under the project intending to register as SACCOs got technical support from UCA. UCA is an apex for all cooperatives in Uganda and it takes full responsibility to guide all people in the cooperative movement, and guide those willing to join. There were 63 SACCOs that are not associated with any project, which got direct technical support from UCA. Some were supported because of being members of UCA, while others frequently demand for guidance, mentorship and supervision; This bring the total number of directly supervised SACCOs to 262.

UCA's Main Interventions to Support Financial Cooperatives

- Building the capacities of SACCO members, leaders and staff.
- Training members how to own, use, control and benefit from their SACCOs.
- Developing and providing SACCOs with governance, management, operating manuals and reporting tools.
- Building the capacities Regional SACCO unions and restructuring their operations.
- Monitoring and supervising the operations of SACCOs and SACCO Unions participating in UCA programs in the regions.
- Guiding SACCOs to develop appropriate micro finance services products for their members. These include: Insuarance, mobile money services, Youth savimgs Clubs and likage to surpliers, Solor power products.
- Guiding SACCOs and Regional SACCO Unions to develop business plans and operational documents / policies to be used in their day today business operations
- Following up on the participating SACCOs to ensure that they pay fees for support services being provided.
- Carrying out internal audit and supervision of all SACCOs.
- Collaboration with MUCCoBS to implement the long distance Professional Financial Co-operative Management course for SACCO management staff and leadership in Uganda. The nine (9) month course is intended to build the capacities of SACCO leadership and management staff.

MAJOR CHALLENGES

i. There is still a low banking culture, financial literacy and co-operative awareness among many communities in the country. Some people have been coned and have lost interest in working with rural financial institutions. This calls for more work to be done to rectify this situation.

ii. In a good number of SACCOs, management and leadership still lack. Some leaders forefront personal interests other than members interests, this result in SACCO mismanagement and at times micromanagement. These practices are so rampant is SACCOs which are not supervised by UCA. This shows that there is still a lot of work to be done by UCA, its development partners and other SACCO support organizations in the SACCO sector.

iii. A good number of SACCO members still face problems of low income arising out of low volumes of economic activities, lack of good enterprises, etc. This means that UCA's efforts to promote SACCOs should be matched with similar efforts to assist co-operators select and implement feasible and profitable enterprises. This can be done through financial literacy education, supporting rural producer co-operatives (or RPOs) as well as marketing co-operatives (or ACEs).

iv. The weak criminal and civil laws have not helped SACCOs to prosecute and recover their funds from loan defaulters as well as fraudulent leaders and management staff. More still, some SACCO leaders and management staff ignore or undermine SACCOs bylaws, policies, Practices procedures. Co-op statutes, Co-op Regulations and supervision laws are not effectively implemented due to the will and resource constraints faced by the Co-operative Registrar.

LESSONS LEARNT AND WAY FORWARD

i. There is a lot of technology advancement since UCA started promoting SACCOs. UCA has to strategically focus on educating her staff on new technologies, mainly computer software operations, networking and their effectiveness in generating reliable reports necessary for informed SACCO decision making. This will assist the staff to effectively and efficiently deliver their services to the SACCOs.

ii. Much as numbers of SACCOs is required; Microfinance Unit is strategically focusing on improving the quality of SACCOs in terms of performance indicators. It is therefore concentrating on improving 180 SACCOs to become model for the rest.

iii. The challenge of failure or delays for SACCOs to get legal redress on some cases presented for court action, UCA has opted for officially writing to the honorable Minister of trade industry and cooperatives to getting interpretation of Section 73 (settlement of Disputes) of the cooperative societies Act cap 112 ❒

3.0 PROJECTS UNDER AGRIBUSINESS UNIT (ABU)

Background

During the financial year 2012/2013 the Agribussines unit implemented four projects (4) namely: Maximising Cooperators Benefits (MCB), Intergrated Finance and Agricultureal Production Initiative (IFAPI 3), UCA/VEECO and the Farmers Voice Project (TRIAS Uganda/UCA).

3.1 Maximising Cooperators' Benefits Through The Value Chain Linkages (MCB) Project

Uganda Cooperative Alliance in partnership with We Effect and NorgesVelagreed to extend the'' Maximising Co-operators' Benefits through value chain Linkages project (MCB) for one year till the end of 2013 to be able to consolidate achievements.

During the one year extension, the project continues to promote 405 primary cooperative societies, 140 SACCOs , 54 ACEs and 5 National Agricultural Unions.

Currently the project works indirectly with Uganda Central Cooperative FinacialServices, UCCFS since UCA recommended that We Effect takes it on as one of its direct partners as a vehicle for promoting SACCOs support. As a result, UCA is working directly with SACCOs to build their technical and resource capacities, backstopping their activities and carrying out internal audit and supervision and leave UCCFS to focus at providing financial services to all cooperatives. However, UCA continues to work closely with UCCFS and other SACCOs Unions to ensure that SACCOs are provided with the required support services for their sustainable growth.

MCB PROJECT is being implemented in 5 regions composed of 43 districts :

- **Mbarara region** (comprising of 11 districts namely: Mbarara, Bushenyi, Sheema, Rubirizi, Mitooma, Buhweju, Rukungiri, Ntungamo, Kanungu, Kiruhura and Isingiro).
- **Kyenjojo region 9 districts** (comprising of Mubende, Kibaale, Kamwenge, Mityana, Hoima, Kasese, Kyegegwa, Kyenjojo and Kabarole).
- **Mukono region 7 districts**(comprising of Mukono, Wakiso, Kayunga, Buikwe, Luweero, Nakasongola and Nakaseke).
- **Jinja region 6 districts**(comprising of Iganga, Luuka, Jinja, Kamuli, Buyende and Kaliro)
- **Mbale region 10 districts** (comprising of Bududa, Manafwa, Mbale, Bulambuli, Sironko, Kapchorwa, Ngora, Bukedea, Pallisa and Kaberamaido).

Objectives and outputs of Agribusiness Unit

Sustainable agricultural cooperatives providing improved production, value addition and marketing services to co-operators.

MCB Achievements During 2012/2013

a) Project activities during the year 2012/13

- Capacity building for UCA staff through trainings,exposure visits and mentorship programs through backstopping by head office tecehnical heads.
- Technical support to cooperatives by the field staff to enhance productivity, production and quality produce.
- Training , mentorship and guidance of cooperative leaders, management and members on governance organs, systems and policies in cooperatives movement.
- Training and mentorship of cooperative leaders in business planning and cooperative business developement.
- Partnership and cooperative business linkages support to cooperatives by the project staffs using the cooperative business model.
- Training and mentorship of cooperative leaders and managements on record keeping, and cooperative procedures, principles and practices.
- Cooperative educations to members of, potential members primary cooperatives and membership mobilisation.
- Partnership and linkages to service providers and business opportunities.
- Training of farmers on market oriented value addition, standards ,market inforamtion and marketing.

b) Outcomes and impact 2012/2013

Membership.

Institutional membership growth *(Primary Cooperative Societies and Producer Organisations).*

During the year 2012/ 2013, MCB project had 405 RPOs participating in the project.When compared to 367 RPOs that participated in the project during the prevoius year 2011/2012, indicates that 29 RPOs joined the project representing a growth 25 %.

Individual membership.

During year 2012/ 2013, individual membership in MCB supported cooperatives totalled to 92,651 compared to 74,477 registered members as of June 2012. This shows an increase of 18,400 new members representing 25 % growth . Comparing the92,651 individual cooperators as of Jun 2013 against the planned overall MCB target of 100,000 individual cooperators , overall achievement is 93%.

Membership by Gender growth.

The above 92,651 individual members in the project supported cooperatives in the year 2012/2013, categorized by gender indicates that: 41,168 are Male adults, 25,110 are female adults, 14,063 are male youth and 12,310 are female youth.Compared with the previous year 2011/ 2012 which had 32,099 Male adults, 17,424 female adults, 13,112 male youth and 11,616 female youth.

Table1: Cooperative membership by gender as of June 2012/2013 compared to June 2011/2012

Main Indicator	Period 2012/2013	Period 2011/2012	Growth during period 2013	%age Growth during the period in review	MCB overall target membership	%age achievement todate Vs overall target
No. of Project ACEs	54	54	**0**	0%	54	100.0%
No. of Project RPOs	405	376	29	8.0%	400	101.2%
No. of ACE Members						
• Male adult	41,168	32099	9,069	28.25 %	40,000	102.9%
• Female adult	25,110	17,424	7,686	44.11 %	30,000	83.7%
• Male youth	14,063	13,112	951	7.25%	15,000	93.7%
• Female youth	12,310	11,616	694	5.97%	15,000	82.0%
Total	**92,651**	**74,477**	**18,400**	**25%**	**100,000**	**90.35%**

Table 1 above shows that inividual memebrship increased by 18,400 representing a growth of 25% during the one year period

ACEs, RPOs Membership per region.

Table 2: Cooperative membership per region

	2012/ 2013			2011/ 2012				Ratio
Region	No. of project supported ACES	No. of ROPs (active)	No. of RPO members	No. of project supported ACEs	No. of ROPs (active	No. of RPO members	Growth in Nos.	Percentage %
Jinja	8	42	14,601	8	39	13,307	1,294	9.72
Kyenjojo	10	82	12,732	10	72	11,426	1,306	11.43
Mbale	14	88	20,653	12	82	15,924	4,729	29.69
Mbarara	16	145	31,984	14	142	21,178	10,806	51.02
Mukono	6	43	12,681	10	41	12,642	39	0.30
Total	**54**	**405**	**92,651**	**54**	**376**	**74,477**	**18,400**	**25%**

General observations on membership:

MCB project intervention activities highlighted above and the benefits enjoyed by memebrs of project supported cooperatives together with improved socio-political enviroment for cooperative development have resulted into the observed membership growth.

Cooperative Leadership by Gender

In the year 2012/2013 Reorganization, mentorship and gender mainstreaming training support to RPOs and ACE leadership has resulted into women taking up leadership positions with 1,275 women elected as RPO delegates of the total 2,777 ACE delegates in the project . During the year 2011/2012 there were 598 female delegates out of a total of of the total 1960 ACE delagates .The growth in number of women delegate is therefore 677 representing 34.0%. Consequently matters concerning women including gender and HIV/ AIDS are now being articulated at ACE executiveboard meetings and AGMs.

It is also hoped that empowerement of women in productive work and decisions at households would result into increased production and business in cooperatives.The figures in table 3 indicates eastern and mid west with the highest number of women in cooperative leadership positions with central and western lagging behind.

Table 3: Cooperative leadership by gender per region and growth at ACEs

Region	2012/ 2013 Female delegates	Male delegates	Total	2011/ 2012 Female delegates	Male delegates	Total	*Current Growth .*	%age of women	*Last AGM attendance*
Mbarara	385	676	1,061	163	422	585	222	37.9	876
Mukono	106	234	340	89	276	365	17	4.65	808
Jinja	143	246	389	79	174	253	64	25.29	293
Mbale	393	222	615	192	305	497	201	40.44	365
Mubende	248	124	372	75	185	260	173	66.53	214
Total	**1,275**	**1502**	**2,777**	**598**	**1,362**	**1960**	**677**	**34 %**	**2,556**

Table 3 above shows that women delegates at ACE level went up by 677 representing an increament of 34% during the one year period.

Internal Audits services 2012/2013

During the period all 54 participatingACEs and One National Union accessed internal Audit services and the recommendations/ reports acted on and or being handled. Regional staffs with support from newly created compliance Unit have intensified Audits services in the participating cooperatives to identify immerginggovernace issues and suggest remedial actions to streamline cooperative operations. This has significantly improved operations, management overall performance.

Linking ACEs to SACCOs

Out of (54) fifty four ACEs under MCB forty nine(49) are linked to SACCOs.The total number of members of ACEs who are also members of SACCOsis 36,248 representing 39%. These memebrs are able to access services lke improved seeds, acquire inputs at prices that are lower than open market,as well as extension services all of which enable them to increase production and productivity. These memebrs also benefit from bulking, value addition and marketing services fron their ACEs which enables them to earn better prices formtheir produce and hence higher incomes.Being memebrs of SACCOs enables them to access financial services like savings and credit.

Table 4: Membership in ACE and SACCO integration 2012/2013

Region	2012/ 2013 No of ACEs	No. of ACEs linked to *SACCOs*	No. of farmers *in ACEs*	No. of mbrs who are also *members of SACCOs*	2011/ 2012 No. of ACEs	No. of ACEs linked to *SACCOs*	*No. of farmers. in ACE*	No. of ACE members who *are also mbrs of SACCOs*	*Project target (80% of 100,000)*
Jinja	8	6	14,601	4,343	8	6	13,307	4,272	10,000
Mbarara	16	13	12,732	13,112	14	13	21,178	12,780	30,000
Mukono	6	4	20,653	3,953	10	8	12,642	5,245	10,000
Mubende	10	8	31,984	6,720	10	8	11,426	6,435	10,000
Mbale	14	11	12,681	8,120	12	11	15,924	7,408	20,000
Total	**54**	**42**	**92,651**	**36,248**	**54**	**49**	**74,477**	**36,140**	**80,000**

Observation/analysis (Table 4): Of the fifty four ACEs under MCB, forty two are linked to SACCOs and the total number of members of ACEs members who are also members of SACCOs was 36,248 representing 39% while the project target is 50%.Thee was a reduction due to reduction in number of ACEs in Mukono region from 10 to 6.New ACEs brought on board not yet linked ot SACCOs.

ACE Share capital: 2012/2013

The ACE share capital increased to shs. 872,769,440,/= during the year 2012/2013 from shs 795, 046,600/= in the year 2011/2012 representing a growth of 1.39 % . The increase is small but the overall achievement so far is 81% (872,769,440 compared to project target of 1,080,000,00/= .

Table 5: ACEs Share capital (from RPOs) growth during the year 2012/2013

Region	2012/2013	2011/2012	Growth in the period	percentage growth	Project Target
	(Million Ug. Shs)	*(Million Ug. Shs)*	*Million Shs*	*(Million %*	*(Million Ug. Shs)*
Jinja	87,551,000	82,949,000	4,602,000	5.5	150,000,000
Kyenjojo	85,725,000	82,688,000	3,037,000	3.67	150,000,000
Mbale	34,012,000	25,625,000	8,387,000	32.7	150,000,000
Mbarara	477,387,166	418,502,638	58,884,528	14	200,000,000
Mukono (No of ACE reduced from 10 to 6)	188,094,274	223,522,202	-35,427,928	-15.85	200,000,000
Total	**872,769,440**	**833,286,840**	**39,482,600**	4.74	**1,080,000,000**

Observation/Analysis (table.5) *ACE share capital increased by 4.74 %.The increase during the period is small but the overall achievement so far is 81% .*

Inputs sales during the period 2012/ 2013

To have meaningful volumes of business at cooperatives, individual member productivity has to improve.This can only be achieved by use of improved technologies including seeds and fertilizers while applying best farm enterprise management practices. Input sale throughout the 54 ACE indicated a total volume of 195MT during the year 2012/2013 earning a commission of shs. 50,237,000 involving 31,070 farmers.This is a slight increase if compared to the year 2011/2012 where 141MTof input traded earned a commission of shs. 12,421,161 involving 3,139 farmers.

Tables 6: Inputs purchased through the ACE during the year 2012/2013

Input Type	No.of Benefiting members			Quantity procured (MT)	Commission Earned/Unit (UGX)	Aver. Paid Price Aver	Open Mrkts Price
	Male	Female	Total				
OTHER SEEDS	1385	1045	2430	108.7	7,616,611	1,222	1,259
MAIZE	714	609	1323	7.1	6,046,450	2,067	2,291
BEANS	250	369	619	6.3	4,603,100	1,814	2,192
SORGHUM	15040	8,061	23101	35.0	19,157,000	1,225	2,200
FERTILIZERS	933	654	1587	26.7	7,091,000	1,620	1,743
Pesticides & insecticides	356	87	443	9.4	4,651,000	7,472	7,551
TOOLS/ EQUIPMENTS	921	490	1411	2.1	3,800,000	11,407	12,371
Herbicides	70	86	156	0.063	2,795,000	13,550	14,700
TOTAL	**19,669**	**11,401**	**31,070**	**195.4**	**50,237,000**		

Sales and major markets of selected enterprises during the period year 2012/2013
During the year 2012/2013 ACE Sales increased to shs 24.8bn up from shs 21billion in the year 2011/2012 representing a growth of 17.6% over the one year period. The number of farmers who bulked during the period 2012/ 2013 was 34,594 compared to 28,593 farmers involved in bulking during the previous year 2011/2012, representing an increament of 21%

Table 7: ACE Sales during 2012/2013.

Region	2012/2013		2011/2012		Sales Growth	
	No. of farmers bulking	Sales (million Ug shs)	No. of farmers bulking	Sales (million Ug shs)	(million Ug shs)	Percentage growth
Jinja	2008	830,130,963	1840	650,194,006	179,936,957	27.67 %
Kyenjonjo	6033	3,931,101,200	5179	3,214,782,870	716,318,330	22.28 %
Mbale	12925	5,517,263,500	10,500	3,825,643,307	1,691,620,193	44.2 %
Mbarara	15612	14,022,450,032	5,600	6,126,703,203	7,895,746,829	128.8 %
Mukono	3191	506,516,830	6,600	7,272,763,774	-6,766,246,944	-93.0 %
Total	**39,769**	**24,807,462,525**	**29,719**	**21,090,087,160**	**3,717,375,365**	**17.6 %**

Table 7 above shows that sales at ACEs increased by 17.6 during the year 2012/2013 when compared with 2011/2012.

Value addition during the period 2012/ 2013.
In an effort to promote farmers' participation in the value chain and increase profit margins, MCB continued its support to Farmer initiatives in processing their produce. During the year 2012/2013 the contribution of value added products towards ACE sales for the period was 10.3bn representing 42%.

Commission earned during 202/2013.
Total commission on sales was 445m in the year 2012/2013 compared to 416m during 2011/2012 representing an increase of 13.6%. Therefore on average ACE earned a commission of shs8.2m for the period 2012/2013 compared to shs, 7.7m during 2011/2012.

Table 8: commision earned in 2012/2013

Region	2012/2013		2011/2012		Growth	
	No. of ACEs bulking	Commission (million Ug shs)	No. of ACEs bulking	Commission (million Ug shs)	(million Ug shs)	Percentage growth
Jinja	8	37,100,142	8	25,809,901	11,290,241	43.7%
Kyenjonjo	10	73,897,090	10	68,869,090	5,028,000	7.30%
Mbale	12	69,128,030	12	52,348,365	16,779,665	32.0%
Mukono	6	65,800,713	10	86,706,550	-20,905,837	-24.1%
Mbarara	16	198,789,089	14	181,945,660	16,843,429	9.25%
TOTAL	**54**	**444,715,064**	**54**	**415,679,566**		**13.6%**

Table 8 above shows that commission earned by Aces increased by 13.6% during 2012/2013 when compared with 2011/2012.

Assets acquired during the period 2012/ 2013.

The ACEs acquired the following assets with the guidance of UCA; 2 tractor on soft loan terms from Oiko Credit, 6 ACEs acquired each 5 computer sets giving a total of 30 sets, with internet service from E-system charity organisation to improve access to information, and 4 ACEs acquired 5MT stores through linkages with VECO, a Belgian NGO .

Linkages to Partners.

i. Business linkages.

Business linkages established during the period were 6 in total. These were market linkages with SAMEER which supplied 2 milk coolers and market for milk, 50MT soyabean contract with DPG Co.Ltd, aBi Trust is supporting coffee value chain in 3 ACEs through agriculture finance component funding , 30 setsof computers from e-system charity organisation, 50 MT beans contract,150 MT maize and 80 MT bean contract with WFP.

ii. Partnership linkages

In total, **26** active partnerships have been established in the year 2012/2013 of which 4 are for financing of cooperative business compared to a total of 22 partnerships which were established during 2011/ 2012. Some of the partners include; Techno serve, SNV (Netherland Development Organization), Sunshine agro international, District Local Government/ NAADS, among others. Expected services include : Capacity building, Market information, Financial services, Investment financing.

Extension fund contributions.

Contribution towards extension fund for the year 2012/2013 stood at shs 37.145,000/= with 43 ACEs contributing to the fund compared to 27 ACEs that contributed during the year 2011/2012. The funds are to be used to pay for extension services including veterinary services. ACE leadership know that it’s convenient and a sustainable way of accessing extension service which they will continue to promote although they face the challenge of other agencies including government promoting free extension services even if they are not reliable.

Access to market information.

A total of 48 ACEs (representing 88%) were involved in providing market information to their members. The information was sourced from established and linked buyers, radios, local traders and UCA staff contacts.This infomation helps the ACEs to discuss with its members various offers and take decisons to market prefered options.Also UCA in partnership with ESAANet information system are compliing a data base to be used for disseminating market information to farmers.This service will soon be transfered to National Unions as a way of promoting them to link with their members for marketing services.

Record management in cooperatives.

With support of the new Compliance Unit (to be created), ABU managed to register an improvement in ACE record keeping documentation although this is still a challenge. ACEs experience high staff turn over when trained managers get better paying jobs in the market after acquiring competence through training and mentorship by UCA. However standard record templates were shared with the ACEs and the field staff with support from monitoring and evaluation team are mentoring the leadership and management in their use.

Adoption of new technologies

The project supports farmers to adopt new technologies that enhance production and productivity and these vary depending on the enterprises undertaken by cooperative members. Adoption of recomended technologies is highest among livestock enterprises compared to crops. Under the crops the technologies being promoted include but not limited to use of improve seeds, fertilizer use (organic &inorganic),pesticide use, use of herbicides use,soil and water management,post harvest handling techniques,value addition as well as, pest and disease control. 65% of cooperators in project supported cooperatives have adopted at least three of the above mentioned technologies.

Cross cutting issues.

In the execution of its cooperative support work UCA ensures that both women and men participate in economic activities as well as in the leadership and management of their cooperatives. This has been achieved through training on Gender, HIV/AIDs conducted for 34 cooperatives. 25ACEs and 9 SACCOs in five regions with a total of 1,104 co-operators of which 700men and 404 women were trained. This and continued sensitization has contributed to the increase in the number of women participating in cooperative activities as well as accessing services from 36,530 at the end of 2012 to 37,420 by the end of June2013.

All the 54 supported ACEs are farmers' cooperatives meaning that the members derive their livelihood from land. In order to ensure that this livelihood is earned on a sustainable basis, the issues of environment sustainability and climate change are mainstreamed into cooperatives. This has been achieved through training of UCA staff that have gone ahead to train leaders of project supported cooperatives. Every regional office has identified 3 demonstration farmers to host a range of technologies like energy saving technologies, agroforestry, land management amongst others.

National Unions

Business performance of the five National Enterprise based cooperative Inions being supported under MCB project.

Uganda Grain Producer and Marketing Cooperative Union Ltd.

- The Union had the following achievements based on the 4 year runing contract. Seeds: Delivered 15MT of sorghum seeds to 18 ACEs for planting in the year 2012/2013;
- Marketing and Value addition services: Cleaned packe and brandes 120 Mt of sorghum which they supplied to Nile Breweries in respect to the forward contract.

Uganda Honey Cooperative Union

The union prioritised the services it renders to its members and has as a result started earning commission from them. The services include supply of honey packaging materials, honey harvesting and handling equipment and capacity building of its memebrs on quality honey productivity and production to meet the high market demand.

Other Unions

Irrigation union has signed a contract with **EFO technology** a china linked firm based in Mukono for supply of irrigation equipment to cooperators at affordable prices between 360, 0000/= to 700,000/= per unit charging small commission for the service on each unit sold.

General Observation on National Unions:

With the emmergence of primary cooperative societies and area cooperative enterpirses, the need for strong National Unions to bridge the gap between the lower level cooperatives and the market is now stronger than ever before.

The six national Unions being supported by MCB are still young instutions and urgently need to find access to funds on a sustainable basis so that they can effectively support (through SACCOs) the bulking and value addition efforts of their members.

Figure 3: *A Green house irrigated tomotoes procured from Balton Co Ltd.*

Impact of MCB on Cooperatives Environment.

- MCB project activities helped reorganise governance in a number of cooperatives which resulted into improved service delivery not only totheir member's satisfaction but also that of the surrounding communities. This has resulted in communites forming new cooperatives on their own with hope of benefitting from services they see being offered by cooperatives supported by UCA.

- MCB project activities linked cooperatives to a number of business and partnership opportunities. This has been facilitated by the improving image of cooperatives in Uganda as indicated above.

- MCB project lobbied and advocated for cooperatives by its staff participating in various activities at the grass root and meetings with other stakeholders locally, nationally, regionally and internationally.

- MCB project promoted environmentally friendly farming practices commonly referred to as sustainable land management practices which involve Soil and water conservation, mulching and shading, crop rotation, agro forestry promotion in coffee, bananas and other crops.

- MCB project provided internal audit services, to cooperatives thereby enforcing compliance with bye laws, policies and procedures which led to improved service delivery to members.

- Under the project , cooperative education was provided to members especially during AGMs where the project staff participated and guided members.

Major Challenges

a) Bad weather has affected production and the period Jan-Jun 2013 in particular experienced less than normal rainfall in most parts of Uganda

b) Low level of bulking in ACEs due to competition from middlemen who provide cash to the desperate farmers who eventually sell all or part of thewouldhave been bulked produce.

c) Low level of understanding and following of cooperatives procedures and limited entrepreneurship skills has affected the performance of board members to offer innovative business ideas and provide direction to cooperatives in the competitive market economy.

d) Limited structured market opportunities/ contracts which would guarantee farmers investing in quality inputs to increased production and earn higher incomes.

3.2 Integrated Finance and Agricultural Production Initiative Project (IFAPI II)

Background

Integrated Finance and Agricultural Production Initiative III (IFAPI III) project is a successor to IFAPI II which ended on 31st January 2012. The project which is supported by Canadian Cooperative Association (CCA) will run for a period of three years from 1st Feb 2012 to 31st March 2015 and covers the mid west, west Nile and northern regions. As was with IFAPI II, IFAPI III project is seeking to enable producers to access agricultural and financial services through integrating cooperative services; Area Cooperative Enterprises (ACEs), primary societies (RPOs) and Savings and Credit Cooperative Societies (SACCOS). The project is focusing on consolidating the gains made in IFAPI I and II, and working towards co-op self sustainability by strengthening the institutional capacity of the agricultural (12 ACEs and 46 RPOs) and financial co-operatives (22 SACCOs) to deliver better services to their members.

This report gives highlights of activities carried out and achievements during the year July 2012 – June 2013.

Project Goal

The overall goal of the project is to contribute towards improved livelihoods of smallholder farmers in Uganda. Its purpose is to provide a holistic suite of community-controlled co-operative services that improve people's well being through an increase in productivity and production, income, and the provision of financial services.

Project components

1. Capacity Building of Existing Co-operatives
2. Production and Productivity Increase
3. Increased access to Financial Services (SACCOs)

Summary of the activities conducted and achievement

Capacity building and Training

During the period, the CCA Cooperative Development Ladder Assessment (DLA) tool was introduced into the IFAPI supported coops as a self assessment tool to guide the coop leaders develop plans that contribute to development of their coops.
The assessments were facilitated by 6 teams each made up of a Canadian volunteer and an IFAPI field officer. The teams used the tool to assess the co-operatives focusing on governance, business development and financial management. The specific outcomes of this process were:

- To develop a baseline against which to assess co-op progress.
- To develop capacity building plans for each co-operative.
- To develop a capacity building program for UCA based on the common needs of all 30 co-operatives assessed.

The Development Ladder Assessment (DLA) is a participatory, capacity building assessment tool for co-operatives. It has 4 components - vision, governance and member engagement, management capacity and business development, and financial management. The DLA provides a standard of co-operative development against which a co-operative enterprise can measure itself as it seeks to build and strengthen its capacity and performance.

A total of 30 coops (10 ACEs, 3 RPOs and 17 SACCOs) were assessed using this tool in which they were able to identify areas that need action. Follow up meetings were made by field staff to develop action plans focusing improving governance, business development and improving financial management. Some immediate outcomes have been realized during this period and these include the following.

- Cooperatives including SACCOs have developed dividend policy based on member patronage as opposed to shares.
- Revision of strategic plans with more specific objectives and timelines
- Adoption of search and vetting committees as a strategy for ensuring quality leadership

IFAPI III will continue to use the DLA as a planning and monitoring tool in the follow up activities with the coops going forward.

In the same period, project staff conducted other trainings through the ACEs and RPOs and a total of 4,434 farmers (2,542 men and 1,892 females) were trained. The trainings conducted include preseason planning, crop pest and disease management, bee keeping, cooperative leadership and governance, local seed production, agronomy, quality control, post harvest handling, record keeping and financial management, market planning and value addition. The trainings varied from ACE to ACE based on the identified needs.

Value addition

During the year the total sales from value added honey in all ACEs was 168,920,000 UGX up from 120,020,000 UGX the previous year while the sales from processed rice rose from 687,500,000 UGX in 2012 to 1,178,600,000 UGX during the year- table1 below.

Table 1: Sales from value added products

Enterprise	Tons Bulked		Sales		Commission	
	June 12	June13	June12	June13	June12	June13
Grape Wine (litres)	2060	3,430	32,100,000	54,020,000	2,006,000	3,358,000
Honey	14.73	15.02	120,020,000	168,920,000	3,475,000	6,722,000
Processed Rice	262.7	429.7	687,500,000	1,178,600,000	14,907,200	12,382,000

A feasibility study was carried out to guide investment into higher level rice value addition in Nebbi particularly in Dei and Wadelai. The study revealed the need to have an outlet in the major towns of Arua or Nebbi but recommended further work to be done on branding.

During the same period, following the study by the CCA Value Addition intern, the project supported the construction of the solar dryer in Bweyale ACE with the ACE contributing up to 40% of the total cost. Construction was completed by Task Farm Ltd in May 2012 and the ACE has since started using the facility for the first season harvest which faces the most challenges in terms of proper drying and quality control. The ACE now charges UGX 50 per kilogram for drying that takes an average of 2 days. This facility will reduce the post harvest losses while improving the quality as well as generating income for the ACE in form of fees. IFAPI will continue to support more such initiatives to increase incomes of farmers.

Drying Center and Bulking at Bweyale ACE

Input Bulking

During the period, ACEs procured inputs in bulk on behalf of farmers through the linkages with input suppliers that have been maintained over time. These maintained business relations continue to demonstrate good signs of sustainable seed supply to members with valuable benefits.

A total of 8,548 (5,429men and 3,119 women) out of 13,187 farmers acquired quality inputs through the ACEs this year representing 64.8% of farmers. The ACEs earned a commission of 15,098,000 UGX from organizing bulk input purchase (table2).

Table 2: inputs acquired through ACEs

INPUT TYPE	No. of farmers		Qty	Unit	Total Cost		Amount saved by farmers	Comm
	M	F			Open mkt	Through ACEs		
Maize hybrid	239	86	5.1	tons	22,970,000	21,300,000	1,670,000	672,800
Maize Longe 5	889	678	201	tons	115,210,000	105,239,000	9,971,000	3,459,150
Beans K132	280	197	11.1	tons	47,970,000	44,760,000	3,210,000	1,060,600
Rice Nerica IV	584	302	35.9	tons	142,470,000	131,520,000	10,950,000	2,693,200
Sesame II	684	394	5.6	tons	26,800,000	24,000,000	2,800,000	528,000
Sorghum	464	311	7.3	tons	20,800,000	15,680,000	5,120,000	981,850
Soy bean	118	79	5	tons	19,500,000	15,500,000	4,000,000	2,301,000
Cotton Cake	6	15	1100	Kg	550,000	495,000	55,000	50,000
Fertilizer Dap	17	12	28	50kg bag	5,180,000	4,480,000	700,000	76,800
Gunny bags	1102	470	6,700	Pcs	9,820,000	8,170,000	1,650,000	203,350
Honey bottles	15	10	1000	Bottles	1,000,000	800,000	200,000	50,000
Mushroom seed	6	15	200	Bottles	600,000	500,000	100,000	100,000
Agro-chemicals (Assorted)	378	152	1146	Tins	20,066,000	16,440,000	3,506,000	2,043,200
Spray pumps	24	12	36	Pcs	3,240,000	2,700,000	540,000	54,000
Vegetable seeds (Assorted)	617	371	5268	Tins	59,989,000	54,610,000	5,379,000	814,050
White polythene	6	15	50	Metres	150,000	140,000	10,000	10,000
Totals	**5429**	**3119**			**496,315,000**	**446,334,000**	**49,861,000**	**15,098,000**

ACE members using this service have been able to save up to 49,861,000 UGX which their members would otherwise have spent if they bought inputs from the open market. This saving is higher compared to 23,332,000 UGX saved last year. On average farmers acquiring inputs through the ACEs received discounts of up to 13% the highest discount being 25% received on Sorghum seeds. The most demanded input was Maize (Longe 5; 201 tons) with average discount of 9%. Farmers continue to use fertilizers though on small scale; only 1.4 tons bought by 29 farmers at 14% discount.

Commodity marketing services

During the year a total of 5,452 famers marketing their produce through ACEs and total sales realized from the sale of commodities were 6,649,782,550 UGX (table 3).

Total sales increased slightly by 33,722,110 UGX from 6,616,060,440 UGX sales in 2012. The ACEs earned total commission of 107,302,590 UGX from providing this service to the members. Farmers using the ACEs to market their produce continue to enjoy very good price differences on their commodities. Analysis of prices indicate the trend as follows; 33% above open market for honey producers, 29% for sorghum, 16% for beans, 13% for maize and 10% for rice. The project will continue to support ACE efforts to get better markets through linking with buyers targeting contracts and working with other players.

Table 3: Sales and commission per ACE from July 2012 – June 2013

ACE	Enterprise Bulked	Tons	M	F	Sales	Commission
Nebbi	Beans	129.5	164	61	168,350,000	2,767,000
	Cassava	123	117	74	103,275,000	1,018,300
	Coffee	96.8	178	126	580,800,000	2,940,000
	Maize	221.2	115	63	164,350,000	2,800,600
	Sesame	121	197	86	341,140,000	4,283,500
	Sorghum	38.6	54	38	32,810,000	356,200
Dei	Maize	95.1	72	36	71,355,000	782,100
	Rice	231.8	156	70	635,760,000	6,556,200
	Sesame	76.4	144	86	183,360,000	1,833,600
	Sorghum	84.8	51	33	68,650,000	626,750
Wadelai	Cassava	110	73	81	78,875,000	836,800
	Rice	197.9	178	74	542,840,000	5,825,800
	Sesame	65.2	58	34	189,080,000	1,716,900
	Sorghum	44.8	169	56	116,480,000	1,329,600
Chegere	Honey	3.82	56	30	36,120,000	4,656,000
	Maize	130	95	49	91,000,000	1,820,000
	sorghum	41	42	31	40,320,000	1,920,000
	Soya Bean	274.5	97	54	283,125,000	12,271,000
Chawente	Gnuts	32.2	56	42	38,640,000	1,159,850
	Maize	94.3	42	36	62,280,000	1,423,800
	simsim	33.3	45	38	73,260,000	1,565,000
	sorghum	20.3	25	18	17,052,000	809,800
	Soya Bean	173.3	59	43	207,170,000	7,117,700
Itek Okile	Rice	231.5	118	76	273,906,400	6,845,040
	sorghum	4.8	19	8	4,176,000	336,000
Akoloda	maize	75	107	81	48,700,000	2,910,000
	sorghum	32.6	31	23	59,780,000	3,654,000
	Soya Bean	208.7	327	117	212,318,150	7,659,450
Bweyale	Maize	1063	209	90	680,850,000	6,808,500
	Sorghum	89	17	11	71,200,000	712,000
Bomido	Honey	3	30	51	33,000,000	182,000
	Maize	546	127	79	394,650,000	3,946,500
	Rice	99	31	19	257,500,000	2,937,500
Mutunda	Beans	69	21	26	115,400,000	1,173,000
	Honey	0.8	21	14	6,400,000	64,000
	Maize	461	104	54	320,060,000	3,200,600
	Sorghum	61	87	52	45,750,000	457,500
Totals			**3492**	**1960**	**6,649,782,550**	**107,302,590**

Farmers bulk their produce with the ACEs which subsequently sells on members' behalf to the best priced buyers. The ACE production and marketing committees and manager with support from UCA conduct meetings with farmers prior to marketing to determine the minimum prices as well coordinate the deliveries during bulking.
ACEs are also marketing farmers' produce through contracts particularly sorghum where up to 416.9 tons were sold and 456,218,000 UGX earned in sales during the year.

Climate Change and Environmental conservation

Following the climate change research by the CCA volunteer, a pilot project was developed to implement the recommendations of the research. The pilot which will introduce careful implementation of conservation farming practices as well as promoting use of bamboo as an alternative fuel source was approved and will start in July 2013. Six (6) ACEs have been selected participate based on member participation and performance. Successful implementation of the pilot project will inform future programs at the UCA through data collection and documentation of lesions.

Promoting Fish farming

Fish farming was introduced this year targeting women and youth in Nebbi, and Masindi in collaboration with the Fish Union. The project supported the construction and full establishment of fish ponds in Erussi RPO, Bweyale and Bomido ACEs. During the period, trainings were conducted on feeding, management of fish ponds and monitoring by the National Fish Union manager. Routine monthly sampling exercises were also carried at the each of the fish ponds in Bweyale, Bomido and Nebbi ACEs to monitor the growth.

Sampling at Errussi in Nebbi. Pond managed by Women and sample average weight was 250g.

Sample size of 120grams average weight at Bweyale ACE

Cage farming earlier recommended for Panymur are expected to take off in September 2013 and the stock will be bought from the women pond in Erussi in Nebbi ACE. Panyimur has already secured the necessary permits and clearance to engage in cage farming on Lake Albert.

Mobilization of new members

ACEs have been able to mobilize for new members for increased business. During the year the membership throughout the project increased by 1,254 as below.

Currently the number of farmers under the project is 13,187 as compared to 11,933 as at 1st July 2012.

Table 4: Membership growth in cooperatives

ACE/RPO	July 2012	June 2013	Increment	% Increment
Nebbi District				
NEBBI ACE	2070	2245	175	8%
DEI ACE	772	858	86	11%
WADELAI ACE	560	716	156	28%
Apac District				
CHAWENTE	456	465	9	2%
CHEGERE	1220	1411	191	16%
AKOLODA	1100	1589	489	44%
ABOKE	248	252	4	2%
ABONGOMOLA	291	298	7	2%
INOMO	244	247	3	1%
Arua District				
OMUGO	397	397	0	0%
VURRA	882	901	19	2%
KIJOMORO	339	339	0	0%
NADULE WANDI	327	327	0	0%
AYIVU	429	431	2	0%
Lira District				
ETEK OKILE ACE	605	624	19	3%
Masindi District				
MUTUNDA ACE	550	583	33	6%
BWEYALE ACE	851	878	27	3%
BOMIDO ACE	592	626	34	6%
Totals	**11,933**	**13,187**	**1254**	11%

Looking forward

The pilot project on environmental conservation will be rolled out and careful attention will be given to documenting benefits and scalability of the pilot activities to other ACEs. The pilot has potential of increasing production and productivity among thus increasing the incomes of both the farmers and ACEs. The approach ACEs participating in the pilot will be able to increase outreach while providing extension services through their own extension staff. The project will look at building on this increased outreach to improve business performance of ACEs. Also the project will continue supporting more coops to take on value addition with prior feasibility being done.

3.3 VECO-Funded Project.

Introduction

VECO East Africa (Uganda programme) a Belgian international development organization initiated a partnership with UCA as a strategy towards achieving the economic objectives of two of its programmes running in Uganda i.e. **BSF** a food security programme which operates in Bugiri and Pallisa; and **DGD** a Sustainable Agricultural Market Chain programme operating in Iganga, Kumi, Tororo and Busia.

Under both programmes, UCA's responsibility is to ensure that farmers in the VECO EA implementation areas are organised into Rural Producer Organizations (RPOs) at parish level, Area Cooperatives Enterprises (ACEs); and Savings and Credit Cooperative Societies (SACCOS) at Sub-County level to enable them access production, marketing and financial services. For the year 2010 - 2012, UCA formed 15RPOs, 3ACEs and 1 SACCO under the BSF programme; and 34 RPOs, 6 ACEs and 2 SACCOS under the DGD programme. The main strategy of the UCA-VECO partnership for the year 2012 - 2013 was to strengthen RPOS/ACES through linkage to markets using participatory market chain approaches and also linking farmers, ACEs and RPOs to financial services e.g. SACCOs and other business development service providers like input suppliers.

Table 1: Target group for BSF & DGD programme

VECO Program	District	Sub county	No. of ACEs RPOs	No. of No. of	SACCOs
BSF	Pallisa	Kagumu	1	5	1
		Kameke	1	5	1
	Bugiri	Nankoma	1	5	1
Sub total			**3**	**15**	**3**
DGD	Kumi	Kobwin	1	5	1
	Mukongoro	1	4	1	
	Tororo	Merikit	1	4	1
		Kisoko	1	4	1
	Busia	Lunyo (Sihubira)	1	4	1
		Bulumbi	1	3	1
	Iganga	Namungalwe	1	6	1
		Bulongo	1	6	1
Sub total			**8**	**36**	**8**
Grand total			**11**	**51**	**11**

Of the targeted organisations 11 ACEs, 48 RPOs and 8 SACCOs have been registered while 3 SACCO are still in the process of formation.

The main enterprise supported by the VECO project in all the targeted ACEs is groundnuts. The other enterprises supported are maize and sorghum.

Achievements

BSF Programme

Objective of the BSF programme

To see an increase in the yearly net income (%) which supported family farmers (m/f) derive from their participation in the Groundnut value chain

OBJECTIVES, RESULTS & INDICATORS	PROGRESS MADE	COMMENTS
Result 3.1 Farmers have effective and sustainable business linkages with chain actors through their cooperatives		
Indicator 3.1.1 *Number of farmers who are members of registered cooperative associations increased from 90 to 200 members per RPO*	15 RPOs are registered Total number of RPO members in the registered RPOs is 1,504 farmers (769M, 735F)Thus an average of **100 members per registered RPO**	The membership in RPOs has declined and is still below the target of 200 members per RPO.
Indicator 3.1.2 *3 SACCOs registered and providing Agri-financing for members as per needs and requests of farmers.*	3 SACCOs i.e. Nankoma, Kagumu farmers and Kameke Farmers SACCOs have been registered and are now operationalTotal membership in the 3 SACCOs is 5 RPOs, 269M and 96F; total share capital is 9,892,000, savings is 9,656,600 while loan portfolio is at 11, 605,000 UGX	ACEs and RPOs are slow to become members in the SACCOs due to high entrance requirements of a minimum of UGX 300,000 thus SACCOs have been advised to revise the rates to encourage institutions to join.
Indicator 3.1.4 *Management systems (governance structure, policies, records, bank account, business plan etc) in place in 3 ACEs*	3 ACEs have hired managers, storage facilities, bank accounts, business plans and policies	Marketing policy is in place but other policies like financial, assets and environmental policies plus the board manual are being formulatedACEs are being followed up to ensure compliance to their marketing policy especially by the leadership
Indicator 3.1.5 *Volumes of produce bulked at the ACE increased from 90 tons to 500 tons*	Groundnuts: 10 tons Maize: 50 tons Cassava: 30 tons Sorghum: 15 tons	Erratic weather patterns have affected the Bulking process as yields were poor. The presence of storage facilities has enabled bulking to take place in all the ACEs.Nankoma ACE did not receive their commission and farmers' second payment from the Grains Union for produce bulked in Season B 2012.

DGD Programme

Objective of the programme

By 2013 we expect to see sustainable agricultural market chains, preferably at local and regional level, in which organized family farmers, male and female, are successfully influencing the trade relationships (price, resources, power) and improve their net income.

RESULTS & INDICATORS	PROGRESS MADE	COMMENTS
Result 1. The quality and volumes of groundnuts and maize produced by the targeted family farmers have increased to meet their domestic food needs and market demands		
Indicator 1.1 *Number of kgs (bags) produced per acre increased from 240kg to 360kg*	320kg (8 bags) of groundnuts produced per acre	Soil testing & analysis done by MUK shows that soil fertility levels are low especially in Tororo and Kumi.
Indicator 1.2 *At least 40 % of farmers practicing the recommended phh practices*	40% farmers using recommended phh practices	There is an increased number of farmers accessing tarpaulins through the ACEs Also extension service providers at the ACEs have been sensitising farmers on recommended phh practises
Indicator 1.3 *Percentage decrease in the levels of aflatoxins from 10ppm to <4ppm*	**764 (613M, 534F)** RPO members and processors are aware of the dangers of aflatoxins and have gained skills & knowledge in aflatoxin management in groundnuts and maizeQuality Management Systems (QMS) Manual has been developed for ACEs and RPOs	TOT in the use of the Quality Management Systems (QMS) manual was conducted. The QMS will be piloted in 2 ACEs in the next period.
Result 3. Access to finance by farmers and SMEs (traders, processors) increased		
Indicator 3.1 *At least 3000 farmers become members in the SACCOs and access financial services (savings, credit)*	Membership stands at 5 RPOs, 1 ACE, 6 VSLAs, 169M and 117F in 4 registered SACCOs i.e. Kobuin, Namungalwe, Sihubira and AMMAK SACCOSThe total savings in the 4 SACCOS is at 4,509,000; total share capital is at 4,825,000 while loan portfolio is at 2,300,000UGX	Linkage to VSLAs is being strengthened through VSLA/RPO/ACE/SACCO leadership meetings so as to increase on the amount of savings and share capital in the SACCOS4 other SACCOs i.e. Bulongo, Bulumbi, Mukongoro and Kisoko are still in the process of being registered thus not yet operational.
Result 5. Capacity of ACEs/RPOs to offer services efficiently to their members strengthened		
Indicator 5.1 *Level/stage of development of the ACEs Baseline: 0;* ***2013:*** *8 ACEs at strengthening development stage*	4 old ACEs i.e. Merikit, Sihubira, Namungalwe and Kobuin are at Strengthening development stage. This means they have business plans, representative governance structures is in place and functioning, profit making businessesThe 4 new ACEs i.e. Kisoko, Bulumbi, Bulongo and Mukongoro are at the start up phase of development. The records are in place but business plans are yet to be developed	Training in Business planning and development of the business plans for 4 new ACEs is to be carried out by VECO in September. Follow ups are being done to ensure the adoption and implementation of business plans by the 4 old ACEs.
Indicator 5.2 *Number of ACEs offering BDS services to their members Baseline: 0;* ***2013:*** *8*	8 ACEs offering bulking, marketing, seed multiplication and extension services	8 ACEs i.e Namungalwe, Kobwin, Merikit, Sihubira, Kisoko, Bulumbi, Bulongo and Mukongoro all have 2 hired staff (a business manager responsible for bulking & marketing at ACE; and a production officer responsible for providing extension services to RPO members)The ACEs are now multiplying groundnut seed (Serenut 5 & 6) in partnership with NASSARI.
Indicator 5.3 *Number of business/trade agreements made between ACEs and buyers Baseline: None;* ***2013:*** *2 trade agreements*	Trade agreement made between the 8 ACEs and 2 traders in Busia	The buyer-seller meetings organised between ACE representatives (managers and marketing committee members) and Busia traders resulted in agreements to supply maize and groundnuts. Once initial transactions are carried out and trust is built, the traders are willing to advance payments to facilitate bulking.

3.4 Empowering Farmers in Lake Victoria Basis Project

Introduction.

During a five year period running from 2012-2016, UCA is implementing a project known as 'Empowering Farmers in the Lake Victoria Basin Project'. The implementation of the project is being supported by SCC-Vi through the East Africa - Uganda Consortium. The project will support 8 Area Cooperative Enterprises (ACEs) of which 4 are already existing but weak while 4 new ones will be formed by selected communities. Forty (40) primary cooperative societies (also known as RPOs) will be affiliated to the 8 ACEs and 8 Savings and credit cooperative societies (SACCOs). 8,000 individual cooperators will benefit from the project.

Project Objectives

The Development objective of Project is ***"Farmers with improved livelihoods",*** while the Immediate Objectives are:

i) To increase sustainable market oriented production among farmers in Lake Victoria basin.

ii) To promote strong and viable cooperatives with capacity to provide sustainable support services to their members.

Components and Outputs.

The project has the following components and outputs:

Organizational Development.

i) UCA's Micro Finance and Agribusiness units with enhanced capacity to provide support services to cooperatives.

ii) UCA with enhanced capacity to carry out lobby, advocacy and networking activities.

iii) Project supported cooperatives (primary co-operative societies, SACCOs and ACEs) with capacity to sustainably provide support services to their members.

Farm Enterprise Development.

Increased and diversified agricultural production and productivity.

Effective and efficient marketing systems established.

Agro forestry, Environment and Climate Change.

Increased farm tree cover for fire food, wood and wood products through the application of appropriate agro forestry technologies.

Increased awareness and adaptation to climate change.

Improved environment management

Mainstreaming Gender and HIV/AIDs

Gender and HIV/AIDS management strategies and policies mainstreamed into cooperatives' governance and operations.

Achievements.

a) Governance.

- The project targets to strengthen cooperative structures so that they are able to provide services to their members.
- Four ACEs underwent reorganization including community mobilization and sensitizations at as well training in member' roles, rights and responsibilities.
- Over 300 delegates from all the 45 RPOs have been trained in cooperative governance
- Todate14 RPOs have been fully registered with registrar of cooperatives.
- Four Communities have been mobilized to form new ACEs and all the 19 RPOs comprising approximately 950 members have been sensitized on cooperative formation.

Name of ACE	Total Males	Total Females	Total Membership
Kasambya ACE	218	223	441
Kingo Farmers	313	285	598
Tukomyewo ACE/CFA	370	80	450
Kisaasa ACE	251	75	326
Kibinge CF ACE	-	-	1406
Malongo Farmers	-	-	1200
Maddu Farmers	-	-	512
Kasimeko ACE	216	89	305
Kiwangala	-	-	-
Bulo United	158	398	556
Grand Total			**5794**

a) Agro forestry Environment and climate change.

- To support Cooperative members increase on their resilience to the effects of climate change , sensitizations have been made to impart skills that will enable them adapt to climate change. To date a total of 1,125 farmers have been trained in Sustainable Agriculture and Land Management (SALM) practices.
- To support Agro forestry initiatives and increased access to tree planting materials by farmers, four tree nurseries have been established; however the trees are not yet ready for transplanting. 124,800 long term tree and 480,000 short term tree seedlings are expected from these nurseries.

b) Value Addition.

In order to ensure that farmers increase on the incomes farmers from 15 RPOs were trained in processing of bananas into wine, and all the 15 RPOs have taken up the technologies and embarked on wine processing in their respective RPOs. To date 17,700 litres of wine are under fermentation with an estimated value of Ug shs 141,896,000/= when sold.

c) Marketing

With support from the project, ACEs are being supported to bulk members' produce, negotiate for better prices and market it at a price higher than the open market and hence enabling their members to earn higher incomes.

- Two ACEs, in maize i.e. Maddu and Malongo were linked to a private buyer whereby they sold 530 metric tons worth shs 371,590,000 at an average price of shs 730/= per kilogram.
- Two ACEs dealing in beans are linked to CEDO and they bulked 257Metric tones which they sold at sold to a buyer called CEDO at a value of Ug shs 329,875,000/=.

d) Sales.

During the period January-June, 2013, the ACEs embarked on collective marketing of farmers, produce. The volume of produce that was sold through ACEs amounted to shs **1,841,843,050** while the commission earned totaled to shs **25,687,930.**

Prices difference between bulked products and open market.

In terms of prices, bulking enabled farmers access better prices as follows:

Milk was sold at an average price of shs 630/= per litre in the open market, while bulked at ACE is supplied to companies at 730/=.

Coffee (Kiboko) was sold at an average price of shs 1175/= per kg in the open market, while the ACE was able sale members coffee at 18875 kgs per kilogram. For the hurled coffee (FAQ), the open market price per kilogram was 4300 while the ACE marketed it for members at shs 4,580 per kilogram.

At the open market maize was sold at shs 650 per kilogram while at the ACE members were able to sell at shs 730 per kilogram.

For all the commodities sold, the prices offered at the ACEs are higher than open market prices which clearly indicate that produce bulked and sold through the ACEs fetches higher incomes for the farmers than when they sell at the open market.

ACE Business Performance Summary Sheet, Jan - Jun, EFVP Masaka/Mpigi Region

Enterprise	ACE	Volume of Business	ACE Unit Price	Open Mrkt Price	Total Sales	Commission Earned	Remarks
COFFEE	MALONGO	220,000 kgs (Kiboko)	1,800/=	1,700/=	396,000,000/=	-	As of now, the ACE has no storage facilities and therefore has not been able to charge any commission.
	KASIMEKO	2,408 kgs (FAQ)	4,250/=	4,000/=	10,234,000/=	120,400/=	Bulking still low as a result of lack of storage facilities.
	KISAASA	3,300 kgs (kiboko)	1,950/=	1,850/=	6,435,000/=	-	No commission charged.
	TUKOMYEWO/ Kabonera Coffee FA. (The Buyer is NUCAFE)	32,477 kgs (FAQ)	4,600/=	4,300/=	149,394,200/=	1,623,850/=	They are doing a Fair Business and the commission is used on the day to day management activities of the FO.
	KINGO/Kingo Coffee FA (The Buyer is NUCAFE)	15,046 kgs (FAQ)	4,900/=	4,600/=	73,725,400/=	752,300/=	The ACE is still new.
MAIZE	MALONGO	486,500 Kgs	700/=	600/=	340,550,000/=	-	As of now, the ACE has no storage facilities and therefore was not able to charge any commission. However, they organized the bulking and collective sales at RPO
	MADDU	24,000 Kgs	710/=	650/=	17,040,000/=	600,000/=	Bulking is still low.
	KASAMBYA	20,000 Kgs	780/=	700/=	14,000,000/=	600,000/=	Bulking still low.
BEANS	KASABYA (The buyer is CEDO)	32,000 Kgs	1,500/=	1,250/=	48,000,000/=	1,600,000/=	A local seed buyer contracted members to produce seed for them and are buying at agreed price.
	MALONGO	225,500 Kgs	1,250/=	1,250/=	281,875,000/=	-	No commission charged
MILK	MALONGO	183,632 Ltrs	800/=	600/=	146,905,600/=	4,590,800/=	The RPO Malongo Dairy Farmers earns this commission and they are organizing to buy themselves a cooler.
	KINGO (The buyer is MADDO)	5,561.6 Ltrs	700/=	700/=	3,893,050/=	667,380/=	Sensitization is still important for members to get to know the benefits of collective selling.
	MADDU (The Buyer is Sameer Agric. Ltd)	302,664 Ltrs	700/=	600/=	211,864,800/=	15,133,200/=	The upcoming ACE has good business. But, they need re-organisation
Banana Wine	KINGO	17,737 Ltrs	8000/=	-	141,896,000/=	-	This is the estimated value. The ACEs have not yet sold.
	Total				**1,841,813,050**	**25,687,930**	

Note: ACEs are newly formed, started engaging in business at the beginning of 2013.

Challenges.

- ACEs lack storage facilities making it difficult for them to bulk members' produce as they wait for better prices.
- ACEs do not have funds to offer farmers bulking advance which forces farmers to sell off their produce immediately after harvest to meet their urgent cash needs.
- The first cropping season of this year was characterized by short erratic rains which caused water stress to the crops especially maize leading to low productivity and in some instances total crop failure.

Way forward.

- Mobilize communities to form SACCOs or join existing ones to solve their financial needs between the period after they harvest their produce and time of selling at better prices.
- Support ACEs to have bankable business plans.
- Support cooperative members to increase on climate change resilience through use of improved seeds, agro forestry, SALM practices, and use of fertilizer. ❐

3.5 Mainstreaming Gender and Empowering Women and Men in SACCOs

Background

UCA in partnership with GIZ, aBi entered into a strategic partnership of implementing a gender mainstreaming project in 24 SACCOs. The project is based on the study which was conducted and published by GIZ FSD program in 2010 on gender in SACCOs. The study revealed the low levels of participation and influence of women in SACCOs at membership, management, and governance level. Based on the findings of the study, a gender strategy was developed in line with the Uganda National Gender Policy 2007 and GIZ Corporate Gender Strategy. The GIZ/FSD gender strategy aims to address gender inequality within the supported SACCOs.

The strategy was pilot tested in 3 SACCOs (Mamidecot, Muhame, and Iceme) in 2011, and the evaluation of the pilot revealed that combining gender mainstreaming activities with targeted activities of women's empowerment triggers female participation in SACCOs. Based on the pilot experience, GIZ partnered with UCA and sought additional funding from aBi Trust to design a scale-up project that include 24 SACCOs from different parts of the country. The SACCOs supported under the project include Mateete , Shuuku, Kyabandara Muhame, Rukiga, Lyamujungu, Panyimur, Pakwach Nam, Erussi, Coseda, Nazigo, Bukanga Buyamba, Scope Busiu, , Kigando Bageza,Banyakyaka, Kasambya, Ikwera Alutkot , Bululu, Iceme and Akalo.

Project Objective

- To increase economic wellbeing for rural households by increasing access to financial services for at least 12,000 rural women and men via 25 SACCOs by 2013.

Project Purpose

- The purpose of the project is to promote equal opportunities in access to financial services and decision making for rural women and men through gender mainstreaming and women's empowerment in SACCOs.

Project Specific Objectives

- To institutionalize Gender through increasing gender awareness and gender equality in all levels of the SACCO through an applied Gender policy in 24 SACCOs by the end of 2013.
- To improve the capacity of 24 SACCOs in membership mobilization targeting both males and female leading to 20% increase in membership by each of the SACCOs by 2013.
- To influence a positive change in community members' attitudes, beliefs, and norms that hinder women's economic empowerment and financial inclusion through a radio campaign.
- To increase household incomes of 12,000 women and men (at least 70% women) through improved enterprises and basic business management skills.
- To increase the effectiveness of SACCO female leaders at board and management level.

Activities Implemented by the Project

Selection of participating SACCOs: UCA sent out a call for expression of interest to 60 SACCOs all over the country, seeking for SACCOs to partner with UCA in promoting equal participation of men and women in SACCOs through Gender mainstreaming. 31 SACCOs responded by sending back their filled application form. Out of these, 24 SACCOs were selected based on their overall performance, their level of commitment and motivation, and their willingness to contribute towards the project. The 24 SACCOs are from the different regions of Uganda. These include

- o Eastern region
- o Northern region

- Western region
- Central region

Signing of MOUs with SACCOs: 24 selected SACCOs signed individual MOUs with UCA. The MOUs clearly spell out the roles and responsibilities of each party as well as the indicators to be achieved.

Project-Introduction-Training: This was a four day residential workshop which ran from 22nd October to 26th October 2012 at Grand global Hotel, Makerere Kikoni. It was the first activity in the implementation of the scale up project. The workshop attracted 62key individuals to be involved in the implementation of the project (24 SACCO managers, 24 SACCO Gender Focal Persons, 7 UCA Field officers plus 1 Gender Coordinator, 4 representatives of funders (GIZ and ABI Trust, 3 consultants).

The purpose of the workshop was to equip participants (who are the implementers of the project) with knowledge, understanding and skill about the project to promote common understanding of the scope and methodological approach of the project, and promote a more positive climate opinion to facilitate gender equitable practice. During the workshop a broad set of possible indicators were developed during the project introduction training. These were refined and individually adapted to each SACCO during the training.

Gender audit in each of the 24 SACCOs. Participatory gender audits were conducted in the 24 SACCOs between 6th November and 7th December by UCA Field officers with backstopping support by consultants. The audit exercise lasted three days in each of the SACCOs. The process involved engaging SACCO boards, staff and members, reviewing documents, and observing the work environment to establish the extent of gender integration. At the end of the three days, a summary of key findings were presented and discussed with board, staff of each SACCO. Each SACCO was given independent reports based on the findings. In total 411 female and 361 men were able to participate in the gender audit

Gender awareness training in 24 SACCOs. A Two-day gender awareness training targeting board and staff were conducted in each of the 24 SACCOs during the month of December 2012 –January 2013. The training focused on introduction to gender, gender concepts, social construction of gender, gender analysis, gender mainstreaming. In general 275 female and 354 male were trained in gender methodological approaches of mobilizing more men and women. All the participants were between the ages of 28-60 years.

Gender policy training at each SACCO. A one day workshop for staff and board of each of the 24 SACCOs was held to develop a gender policy building on the outcomes of the of the participatory gender audit. This was carried out at the SACCO level and a total of 263 female and 335 men were trained on the use of gender policy in the SACCO. The gender policy is foreseen helping SACCOs to support both men and women equally and sensitively through the application of policy statements. Based on the above, each SACCO has been able to develop a gender policy

Workshop on improving the VSLA-SACCO linkage model: During the pilot, a methodology for mobilizing and training groups in VSLA, Gender, and linking them to SACCOs, was tested. The results were impressive. However, the methodology was further improved drawing on the experience of other actors who have tested similar methodologies. Thus, a 1 day workshop brought together 10 participants from the 3 pilot SACCOs, Swiss Contact (consultancy firm based in Lira, was carried out to refine the methodology.

Community based facilitators for community mobilization: In consultation with the SACCOs, 4 community based trainers per SACCO were selected, recruited and trained in a 5 day workshop in the enriched VSLA methodology (including Gender aspects and VSLA – SACCO linkage). Every SACCO identified one staff or board member who also attended the training and later be responsible for supervising and monitoring the activities of the CBTs. These workshops were organized regionally i.e Lira, Kampala and Mbarara (3 regional workshops). The main objective of the training was to mobilize local communities to promote women's participation in SACCOS and other development initiatives .After training, the CBTs engaged in mobilizing communities to form VSLAs or strengthen the existing groups and they were trained in savings, credit, group dynamics and gender issues. The mobilization of VSLA took household approach whereby husband, wife and adult children were targeted to participate in the trainings. The CBTs mentored these groups and once they were ready, link them to SACCOs. Each CBT trained a minimum of 6 groups with an average size of 20 members (1/3 male, 2/3 female) within 4 months. The CBTs were backstopped by the SACCO gender focal point (or a board member depending on the preference of the SACCOs). This way, 9277rural women and 5976 rural men are benefiting from increased access to savings and credit.

Entrepreneurship training. During the pilot evaluation, CBTs reported on the request of VSLA members being trained in business skills and entrepreneurship trainings. They felt that their lack of business skills and knowledge limited their further development. UCA recognized the importance of business and entrepreneurship skills among low income women and men if they are to engage in economic activities with growth potential that will generate incomes to improve household wellbeing. UCA initiated a partnership with ILO and used their Get Ahead manual which was used to train community based trainers in entrepreneurship, gender relations and business skills. The trainings took place in 3 regions of Kampala, Mbarara and Lira The main objective of the training is to equip Community Based Trainers with practical knowledge, skills and strategies of training men, youth and women to engage in economic activities which will generate incomes to improve household wellbeing. In this way 45 female and 59 male CBTs were able to be trained using the ILO get ahead manual.

Support for radio programs targeting behavioral change. Cultural beliefs, norms and gender stereotypes constrain women from attaining their full economic potential and participating in decision making. This intervention focuses on behavioral change among men and women with regard to gender relations and family economic transformation. This is being done through a radio campaign program which was developed by the SACCOs and UCA in partnership with 5 community radio stations located in different regions. The program is running for 8 weeks (August –September 2013). The radio stations which UCA partnered with include.

- Radio buddu in Masaka,
- Open gate FM in Mbale,
- Unity FM in Lira,
- Paidha FM in Nebbi,
- Radio west in Mbarara

Leadership development in SACCOs. UCA recognizes that effective participation of females in decision making depends on their skills and experiences. Since SACCO are rural based institutions they are likely to have women with lower levels of education and majority with low exposure to leadership responsibilities. UCA initiated a partnership with Federation of Ugandan Employers (FUE) which has considerable experience in developing the capacity of women in leadership in the private sector. In this way 55 female leaders from the supported SACCOs were trained in female leadership development .The main objective of the training is to Increase effectiveness of female participating on board and management levels.

As result of the gender interventions, in the above mentioned SACCOs, there has been improved appreciation of the gender gaps and commitment to address them by the SACCO leaders, focal persons and the community based facilitators

As the result of gender training there has been an improved understanding of the Gender gaps. Each SACCO has developed a gender policy to address the gaps identified during the gender audit. 22 SACCOs have presented their gender policies to AGMs and were adopted. This therefore means that gender has been institutionalized.

All the 24 SACCOs have been audited in gender and as the result of this there has been improved and appreciation of the gender gaps and commitment to address them by the SACCO leaders, focal persons during membership mobilization, AGMs and the community based facilitators.

45 female and 59 male Community Based Trainers were trained in entrepreneurship and business skills development. Individually each CBT was given a training manual to use while training the VSLAs members in business skills and entrepreneurship development.

55 female SACCO leaders were trained in the female leadership skills development and are expected to become effective leaders in terms of decision making roles and responsibilities.

The project has been able to develop gender radio campaign program that is running on the radios mentioned above for a period of 8 weeks which started in the month of August and will end in September 2013.

In a period of 4 months, 96 Community-Based trainers who we trained in the VSLA methodology were able to strengthen and mobilize communities to form and link VSLAs to the SACCOs. Below is what has been achieved within a period of 4 months.

SACCO	Savings	loans	No.of VSLAs linked to SACCOs	No.of formed VSLAs	No.of mbrs	No.of men	No.of women	%ge women	%ge men
Akalo	28,200,000	27,597,000	18	43	1,300	950	350	26.9 %	73.8%
Iceme	17,097,000	13,707,600	15	37	619	156	463	74.8%	25.2%
Alutkot	18,400,000	13,700,000	5	37	1083	421	662	61.1%	38.8%
Ikwera	5,822,500	4,500,000	5	10	366	115	251	68.5%	31.4%
Bageza	563,000	21,573,000	65	69	553	106	447	80.8%	19.1%
Kasambya	12,367,000	10,124,000	49	40	583	351	232	39.7%	60.2%
Banyakyaka	41,353,600	43,934,050	7	13	376	239	137	63.5%	36.4%
Kigando	61,270,140	119,517,794	27	125	2111	814	1297	61.4%	38.5%
Bululu	6,674,000	-	1	18	674	249	425	63.0%	36.9%
Busiu	44,585,000	19,211,046	7	22	500	187	313	62.6%	37.4%
Scope	11,302,000	14,305,000	10	19	385	149	236	61.2%	38.7%
Buyamba	26,250,000	25,250,000	14	35	730	199	531	72.7%	27.2%
Bukanga	29,773,800	39,085,580	10	30	1117	395	722	64.6%	35.3%
Nazigo	390,000	300,000	17	10	144	70	74	51.3%	48.6%
Coseda	15,814,000	15,814,000	6	18	250	78	172	68.8%	31.2%
Erussi	21,274,500	34,250,300	10	18	544	148	396	72.7%	27.2%
Pakwach Nam	59,280,800	182,543,500	7	23	671	243	428	63.7%	36.2%
Panyimur	18,013,730	16,450,900	16	13	327	146	181	55.3%	44.6%
Kyabandara	36,190,123	39,140,150	9	24	557	189	368	66.0%	33.9%
Lyamujungu	2,370,000	25,470,000	55	33	856	335	521	60.8%	39.1%
Rukiga	64,661,467	72,113,750	47	60	375	208	167	44.5%	55.4%
Shuuku	10,920,000	4,670,000	4	22	355	72	283	79.7%	20.2%
Muhame	61,768,650	54,970,900	12	25	567	137	430	75.8%	24.1%
Mateete	4,678,000	7,852,200	2	23	595	168	427	71.7%	28.2
Total	***599,019,310***	***806,080,770***	***418***	***767***	***15,510***	***6,125***	***9,513***		

The project was expected to mobilize 12,000 men and women by end of 2013. To this end the CBTs have been able to mobilize 15,510, men and women, of which 6,125 are men and 9,513 are women. The project therefore exceeded the target this was carried in a period of four months and exceeded the target by reaching out to 15,510 men and women This means the approach used can improve access to financial services in the communities while increasing membership, savings and loan portfolios of participating SACCOs.

Challenges Experienced

- One of the biggest challenges identified so far is the limited time frame within which to implement all project activities. This therefore may affect the project to realize its impacts.
- Limited budget for monitoring
- Limited and outdated SACCO products which may not suit needs of the VSLA groups
- Refusal of some individuals of the VSLAs to embrace the training due to illiteracy and insufficient knowledge
- Resistance from VSLAs following experiences drawn from COWE, Triple nine which lobbed them of their money.
- Wrong information circulated by defaulting members of the SACCOs thus scaring away members of VSLAs from joining SACCOs.
- VSLAs are hesitant to join SACCOs for fear of the current wave of fraud, embezzlement /misappropriation and governance of SACCOs which has led to the collapse of some SACCOs in the community.
- Competition from other organizations that are implementing VSLA methodology e.g. Mid-North does not accept any group formed by them to access services from any other organisation
- High Illiteracy among group members causing fear to join SACCO

Lessons Learnt

- The project is highly appreciated by the SACCO leaders as they are committed to implement the project activities. This is because at the beginning of the project, the SACCO leaders were highly involved in planning for the project at the very early stage which has resulted into SACCO ownership of the project. Also having conducted the gender audit in each SACCO, gender awareness training and policy has proved to be essential for the success of the project. This is because the SACCO leaders have proved to have fully understood and appreciate gender and its relevance for their SACCO.
- The activities aimed at raising awareness of gender in SACCOs (participatory gender audit and gender awareness training) have contributed much to the acceptance and commitment to the project. However the planning of such activities should ensure enough time and resources if the benefits are to be maximised.
- Close supervision and timely monitoring is key for the CBFs to form strong VSLAs.

- SACCOs need to seriously utilize this opportunity to strengthen their relationship with the VSLAs as it a good mobilization tools for resources into the SACCOs
- SACCOs need to develop and provide financial services that suit needs of the VSLA groups
- When the VSLA model is clearly understood like for the case of Nazigo SACCO, there are a number of advantages that come a long.(Member ,Savings, Share capital mobilization and easy loan monitoring)

Recommendations

- There is need to run more radio programs on local radio stations about the project to increase gender awareness targeting behavioral change in communities
- There is need to roll out the project in order to realize the impact of its interventions.
- There is need of constant backstopping visits to the SACCOs and the CBTs to ensure accurate and proper record keeping is properly done
- Regular trainings to VSLAs with much emphasis on gender mainstreaming so as to change mind set of community members.
- SACCOs need to use part of funds provided for mobilization in the budgets to facilitate focal persons since the Programme equally mobilizes new members.
- SACCOs should ensure that the gender policy is fully operationalized and applied at all levels.
- CBTs need to be regularly monitored and back stopped in order to help them perform better in selecting/recruiting, training the VSLAs in all aspects and above all recording.
- There is need to mobilize more resources so that the project can be rolled out in order to realize the impact.

4.0 Special Project Under The Secretariat

4.1 Housing Cooperative Development Project "Building Sustainable Housing Cooperatives"

Building Sustainable Housing Cooperatives in Uganda

Introduction

The Housing sector has tremendously grown amidst challenges over the past years to date. There has been an increase in real estate development across the board as well as increase in number of people accessing mortgages from the different financial service providers. However, this boom is supported by the higher income earners because of the prohibitive costs associated with purchase of land and construction. Since 2011 through 2012 to date, there has been an increase in the price of fuels. This contributed to higher prices for goods and services. The cost of living has increased and even more people cannot afford basics such as food let alone decent shelter.

According to the study conducted by Vert Resources on behalf of Uganda Cooperative Alliance on land availability in 2011, it was found that the cost of the land targeted by the HCs on average increases by 50% annually with an average cost of UGX 15million per acre.

Although the country had witnessed substantial growth in the construction sector driving up demand for the mortgage financing, the hike in interest rates has led to contractions. Mortgage financing rates for instance rose to an average of 24 per cent in November last year from a market average of about 14 per cent the year earlier, leaving many people who had embraced it as a means of financing construction projects in a fix. (Daily Monitor; Tuesday 20th November 2012).

With members' monthly savings, a challenge of increasing prices of land annually faces the Housing cooperatives in terms of land acquisition. Even after identification of an affordable piece of land, by the time of payment, the cost of land would be higher. This has also impeded access to housing finance in a way that land would be the collateral required by the financiers.

On the whole, the Housing project has had great influence on the Housing sector within Uganda. This is based on the fact that Housing cooperatives concept has received visibility through the 4 years through the media and workshops as well as in communities.

The first half of the year 2013 has seen the Government of Uganda in particular the Ministry of Lands, Housing and Urban Development (MoLHUD) put in place a computerized Lands' registration offices. This, it is envisaged will curb the problem of multiple land Titling which will in turn strengthen security on land.

MOLHUD submitted the Housing Policy to Cabinet for signing.The policy includes; New housing technologies and building materials that have come on board, Increased pressure on land, Increased demand for rental housing, Need to address housing conditions for the vulnerable groups and limited access to housing finance among others. Housing Cooperatives have been seen as one of the startegies through which the above mentioned changes can be easily achieved.Once the policy is passed, it will become a basis to promote Housing cooperatives.

Project Assessment of Achievements

The development objective of the housing project at UCA is **to contribute to improved human settlement conditions for Ugandans.**

Project objective is **Empowered housing cooperatives addressing the inadequate housing conditions of low and modest income communities sustainably.**

The project intended to support low and modest income earners to access affordable and adequate housing through the cooperative concept by coming together and pooling their resources which as individuals they would not have been able to do. Working together as cooperatives, low income communities have been enabled to participate in decision making processes, acquired skills and knowledge and gained access to information and thus contribute to improving their economic and social well being. It is evident that the low income communities have registered growth in terms of capacity, rights advocacy as well as economically.

In terms of capacity to the cooperatives and advocacy, the project has achieved to a great extent. Areas of land acquisition and access to housing finance posed a challenge given the different factors. However, the PHCs have made attempts to search and identify affordable land for their members although not acquired. It has been mainly due to low members' savings coupled with increasing costs of land as well as high inflation rates which have made the cost of living high and therefore limiting the savings' power of the members.

Formation of a union for Housing Cooperatives; A national Housing union was formed and registered. This means that the union is able to affiliate to UCA and as such be in position to influence change at a national level on housing issues as well as participate fully in UCA activities, access services at the apex level and engage in advocacy for the PHCs.

Outcome and Impact Assessment

The Project Objective for the Housing cooperative Development Project is; Housing cooperatives addressing the inadequate housing conditions for low income communities.

Adoption of housing cooperative concept by low and modest income communities and by Government

Housing is gaining momentum as more and more groups want to start to form Housing Cooperatives. The concept is being embraced and promoted within the country. More cooperatives have started forming across income levels mostly now is the middle income group. Some groups or cooperatives that had housing as a component have now started saving seriously for housing and are considering forming Housing cooperatives. Currently, 3 other PHCs are strong though not directly benefiting from this project but are supported. There are also 3 more registered PHCs making a total of 17 PHCs known to UCA with 11 as beneficiaries of this project.

Strong housing cooperative movement with primary cooperatives and union

The Housing cooperatives formed a Housing Union and have been registered; The Uganda Housing Cooperatives Union (UHOCU). The union under the leadership of the interim committee has been working with support from MTIC and UCA. The Union first AGM will be held on 10th September 2013 to elect new leaders of the union. At present, each registered PHC is represented by 2 delegates. A total of 11 PHCs bought shares in the union.

Institutions have now started forming Housing cooperatives like MoLHUD and MTIC as well as Makerere University and the Prisons staff have also formed and registered Housing cooperatives.

Project Progress Analysis

Main Outputs and Key Performances Indicators

Project Objective; Housing cooperatives addressing the inadequate housing conditions for low income communities sustainably.

Indicator; Adoption of housing cooperative concept by low and modest income communities and Government

3 newly formed groups have plans to form Housing Cooperatives. These are being monitored and they will receive training in formation and management of Housing Cooperatives.

Strong housing cooperative movement with primary cooperatives and union. The Housing Union was formed and has been registered. The union by the date of submission had 11 PHCs that had subscribed. The first AGM will be held on 10th September 2013

Housing cooperative model widely accepted as a housing delivery model. The model is being popularised beyond the urban districts. There are more Housing Cooperatives that are in the process of formation across the country. The project is looking towards expanding to include rural areas.

OUTPUT 1: Capacity of Apex/project staff, Union and primary cooperatives to deliver on mandate built

Indicators

i) Members actively engaged in UCA, UNION and PHCs programs and activities.

10 out of 11 PHCs were trained in Resource mobilisation. A total of 158 (94 f, 64 m) were trained. The members drafted action plans which will be followed up and supported to ensure increase in resources within the PHCs. This is geared towards increasing resources towards housing development.

Four (4) quarterly review meetings have been held with stakeholders. These meetings have been instrumental in the implementation of the project activities and offering support essential to the project. One major output has been contributing to the design of the next We Effect project 2014-2016.

4 PHCs have started business ventures to help increase their savings. These are in Interlocking Block making, Tile making as well as in crafts making. This it is hoped that it will increase members' savings towards Housing development.

A set of 14 Books of accounts have been revised, printed and disbursed to PHCs followed by a training for especially the treasurers and 2 other members from each PHC to ensure usability of the books. It is hoped that this will improve financial management within cooperatives and enhance accountability among members.

A baseline survey was undertaken and all 11 PHCs were represented. A total sample of **159 (90f, 69 m)** was interviewed. Data is being entered and will be analysed to be used in planning for the 2014-2016 project as well as in other planning. This data will also be used for monitoring purposes. The data after analysis will inform future planning of PHC operations as well as for UCA.

3 PHCs were supported to conduct their AGMs. One of them had to change leadership. The PHCs have been monitored by MTIC and mobilised by the project to conduct AGMs as per the statutory requirements. This has helped the members to participate in leadership and management of their PHCs.

The Housing Union has held a number of meetings especially working on the formulaion of the Bylaws. Over 12 meetings have been held. MTIC has greatly supported this process and the Bylaws and required documents have been submitted to MTIC for registration of the Housing Union.

Project staff participated in the GC24 for UN Habitat in Nairobi (April 2013) as well as 2 partner meetings. The GC meeting enhanced visibility of Housing Cooperatives in Uganda. Contacts were established at the GC24 meeting and as aresult, one prospective funder(RoofTops Canada) has shown interest in working with Housing Cooperatives in Uganda following an earlier engagement at the World Urban Forum in Napels last year 2012.
The partners' review meetings have been a way of offering technical support on project issues in terms of management as well as guidance.

ii) 60% of PHCs with 60% increased savings and surplus from income generation activities
The member savings and share capital have not grown as expected. There has been a 25% increase compared to close of last year. Member subscriptions to the Union and PHCs have not been to the expected level in the past six months. However, follow up meetings are being conducted to remobilise the members at PHC level to increase their savings.

iii) Increased member satisfaction with the service delivered by UCA, UNION and PHCs. All 11 PHCs have held member meetings to participate in their PHC activities.

OUTPUT 2; Capacity for housing cooperatives to access land and housing finance and apply ABTs enhanced

i) Increase in number of PHCs accessing land suitable for residential development.
4 PHCs have bought land. (2 acres for Opulent PHC and appx 9 acres for Nkokonjeru Caritas PHC{this is not one block}) Then Karibu PHC has 16 acres
In addition to the 2 PHCs that had acquired land last year, one other- Nabweru PHC has acquired 2 (two) acres of land in Namayumba. This land will be able to accomodate atleast 32 members if construction is done to one level up. The cost of land remains an issue for the low income PHCs given the low member savings.

ii) Number of housing finance products available for low income earners to support housing development
2 meetings have been conducted with possible financers. Oiko Credit and Habitat for Humanity. The products available are not favorable for the project participants; However, discussions on possibilities of designing new products suitable for PHCs are underway from a number of possible financiers.

UCA has submitted a funding proposal to Homeless International for housing development of about 150 housing units. The funder will have to conduct an assessment of UCA before funding. If funded, this will be an opportunity for the Housing cooperatives to tap into and house their members then pay back gradually within the agreed time.

iii) Number of groups accessing and utilising appropriate building technologies and number of houses built using ABT
5 PHCs; a total of **110 (67f, 43m)** were trained in the utilisation of ABT s- ISSBs and SRF Tiles. These had not been trained in the previous year.

3 PHCs are actively engaged in production of these ABTs; Nabweru, Uganda Builders and Polysack PHCs. Nabweru is selling the tiles to increase their incomes and also has emmployed 2 members to do this full time.

2 houses have been built using ABTs. One roofed with the SRF Tiles in Nabweru – Kazo and the other ISSBs at Polysack PHC. These belong to members of the PHCs. The roofed one was an improvement being done on the house and the Polysack house built with ISSBs was

built by one member who had a plot of land. These houses are already being used as demonstrations such that even members that had doubts can now see for themselves that it is practical. This will do alot in popularising the ABTs.

iv) Type of technical support services

2 PHCs were supported on the designs of their houses. Opulent and Karibu Housing Cooperatives. The designs have been agreed upon; BOQs are being worked on together with Ministry of Lands, Housing and Urban Development.

1 PHC- Nabweru was supported in the process of purchase of land and others are being supportted in the same. The challenge is still around the cost of land in relation to available funds by the PHCs. However, all the other PHCs are being supported in the search for affordable land.

An ISSB block making machine is being fabricated for use in demonstrations as well as trainings for the Housing cooperatives. The machine will be project property to be used mainly in trainings especially for the PHCs that would not have purchased one.

OUTPUT 3: Networking, Lobbying and Advocacy on housing and housing related issues

i) Level of engagement of Union and PHCs in negotiations with relevant authorities and service providers on housing issues , Increased access to land and finance for housing development

Project staff have participated in 2 Land and Housing Working group meetings. These meetings are discussing issues related to land and housing in particular the Building Control Bill and working on Developing Eviction guidelines. These meetings have enhanced knowledge on given policies affecting Housing for project staff. They are like a think tank. The project staff' participation has contributed to better knowledge on housing issues as well as partnerships among other partners in the Housing sector.

2 Breakfast meetings were held with the main emphasis on the media as a way of awareness raising on issues of Adequate housing for low income communities. The use of the media has been very effective in communicating and raising awareness on issues of access to adequate and affordable housing. The media reinforced the meetings andbrought on board the entire community on the same issues.

As a result, TV news mentions (spots) 3 times on national broadcasting station.
Newspaper article on housing cooperatives in leading local Daily Monitor News paper.
More people and organisations have got in touch with UCA concerning Housing cooperatives and low cost housing technologies. The Housing page on the UCA website has been developed and this has increased the public awareness on Housing cooperatives. The page is, however, still being developed and updated with information.

OUTPUT 4: Mainstreaming Gender, HIV/AIDS, the Environment and Climate change

With the new focus on fair resource Allocation towards women, the project is taking on a deliberate move to ensure that women are engaged in all project activities and their PHC activities without discriminating the men.

Adoption of Policy documents

All 11 PHCs have elected focal persons for Gender, HIV&AIDS and Environment.
61% ie 394 (175m,219f) of the Youths are actively involved in PHC act ivities.
60% Women ie 389 of 645 total membership participate in PHC activities.
47% (37 of the 79) of leaders are women.
The PHCs are planning to form gender committees to spearhead mainstreaming issues

Planning and implementation of Union and PHC activities responsive to gender, HIV/Aids, the environment and climate change

2 PHCs are engaged in making charcoal briquets. The members are selling them to the nearby market. The focal persons at the PHC level ensure that during yearly planning, issues of gender, HIV & AIDS and Environment are taken care of. The PHCs that have and are developing their strategic plans have included gender and HIV&AIDS as issues to be addressed.

A Summary of Yearly Savings and Share Capital

Housing Cooperative	Period Ending	30th June 2013
Nabweru	Members shares savings	**77** (43m, 44f) 6,500,000 1,520,000
Kasangati	Members shares savings	35 (14m, 21f) 2,130,000 1,920,000
Wakiso	Members shares savings	**54** (16m,29f) 1,480,000 1,200,000
Nkokonjeru Catitas	Members shares savings	**40** (19m, 21f) 695,000 1,980,000
Uganda Builders	Members shares savings	**30** (18m,12f) 449,000 3,000,000
Polysack	Members shares savings	**30** (17m,13f) 880,000 1,000,000
Kwefako	Members shares savings	**35** (2m, 33f) 170,000 721,000
Gayaza	Members shares savings	**32** (19m,13f) 400,000 320,000
Buwambo	Members shares savings	**40** (10m, 30f) 780,000 1,660,000
Opulent	Members shares savings	**35** (7m,28f) 52,000,000 10,000,000
Mukono- Seeta	Members shares savings	**115** (47m, 68f) 3,900,000 7,200,000

*A house at **Polysack** PHC built using ISSBs*

4.2 Professional Financial Cooperative Management Programme (PFCMP

Introduction

Since 2009, Uganda cooperative alliance (UCA) has been collaborating with Moshi University College of cooperatives and business studies (MUCCoBS) in building a cadre of cooperative professionals in Uganda. The Professional Financial Cooperative Management Programme (PFCMP) has been in progress and so far we have 216 PFCMP graduates. In December 2010, 8 students graduated at Moshi University Tanzania, and these became the tutors for the course in Uganda. In January 2011, 108 students graduated and in January 2013, 100 students graduated in Uganda. The PFCMP graduates have done good work where ever they are working to transform microfinance institutions and cooperatives to a higher level. At the moment, we have more than 1,500 active SACCOs in Uganda we need to join hands to market this professional course, so that we register as many people as possible.

The PFCMP graduates formed an Association of Financial Cooperative Professional to help in promoting and protecting professionalism in Uganda, by ensuring integrity and respect to professional ethics among financial cooperative professionals. Financial Cooperatives should have qualified staff, capable of conveniently providing quality but affordable financial services to economically active poor and middle class people.

2nd Graduation of Professionals in Financial Cooperative Management, held at Pope Paul memorial Hotel

In the Photograph are Officers with deferent capacities:

Seated on the extreme left is Mr. B.S.A. Liheta, - Deputy Principal Academic - MUCCoBs, followed by Mr. Baguma CEO - AMFIU, MR. L. Msemakweli- General secretary UCA, Mr. Fredrick Tumwesigye - Commissioner for Cooperative development, Mr. David Wachikhona - Minister of state for trade industry and cooperatives, Professor F.K Bee - Principle of MUCCoBS, Mr. Patrick Sserubula – UCA Manager and Country Coordinator of PFCMP Uganda, and Capt. Julius Niragire - PFCMP Graduate working with Wazalendo SACCO respectively.

Progress on the Programme

Through attending the PFCMP course, SACCO Leaders and other Microfinance practitioners, have acquired knowledge, skills and competence in managing Financial Cooperatives.

Second intake 2011/2012 graduation function:

On 1st February 2013, the 2nd graduation ceremony for Professional Financial Cooperative Management Programme (PFCMP) was held at Pope Paul memorial hotel. 101 students graduated and were awarded the **Financial Cooperative Management Profession**. The function was officiated by the principle of Moshi University College of Cooperatives and Business Studies, (MUCCoBS) Professor F.K Bee, Deputy Principal Academic) Mr. B.S.A. Liheta, Dean of students Faculty of Business and Information Sciences Dr. E. A. Mwende, and the Honorable Minister of state for trade industry and cooperatives in Uganda Mr. David Wachikhona as the chief guest.

The best academic performer Mr. Ejanu Alfred Eboku was given a prize for the outstanding performance. The prize was given out by the honorable Minister, Mr. David Wakikhona. Other good performers recognized and given prizes included: Mr. Katumba Godfrey, Mr. Lule Augustine, M/S. Kobusingye Winifred Nagaba and Mr. Bakunda Patrick. Certificates were given to each student as they read their name. Photographs and video coverage for the function was up loaded on the UCA website. www.uca.co.ug.

Minister of State for Trade Industry and Cooperatives Mr. David Wakikona giving prize to Mr. Ejanu Alfred Eboku for outstanding performance in the professional (PFCMP) Course.

Sixth Regional Monitoring Committee meeting:

The sixth Regional monitoring committees were held on 31st January 2013. This is a meeting where all administrative and academic issues concerning the collaborative arrangement between UCA and MUCCoBS are discussed. This meeting was attended by: Professor F.K Bee - Principle of MUCCoBS, Mr.L Msemekweli - The General secretary UCA, Mr. Lucas Mataba Regional Coordinator of PFCMP and Mr. Patrick Sserubula – Country Coordinator of PFCMP Uganda. Mr. B.S.A. Liheta, - Deputy Principal Academic, and Dr. E. A. Mwende - Dean of students Faculty of Business and Information Sciences were also invited and attended the meeting.

Issues discussed:

Arrangements of the 2nd graduation function, Progress of the PFCMP program, Students' performance, Tutors' performance, and future plans.

Summary of what was discussed and resolved:

- Drop out third intake 2nd was 18% which was below the universal rate of 30% for distance learning. However members of RMC felt that the 18% drop out rate was still a concern.RPC and PCU were urged to work hard to increase enrolment in the third intake. Various methods to increase enrolment were suggested.

- Commissioner for Cooperative development in Uganda was approached and he eventually issue Circular on PFCMP, requesting and encouraging those working with cooperative organizations to undertake PFCMP.
- In order to partly address the issue of students drop out rate, it was agreed that 4th students intakes start in August 2013, this was decided after realizing that many students apply for the course but by the time they are admitted in October, they are already taken up by other institutions of higher learning
- For better students' performance in the future, it was agreed to Establishing students' resource centre. It was also realized that there is need to identify prospective funders for resource center. *Other areas that need external support were also identified*
- On the identified Gaps and weaknesses in the modules, it was agreed to have a Review and revising of modules.

Third intake 2012/2013

Students of the third intake, who were admitted and started their studies in November 2012 have so far handled modules from A to E they are now reading Module G and getting prepared for the final exams schedule for 23rd to 27th 2013. Graded exercises and tests were submitted to them following the road map. Students sent answer scripts to their Tutors. Despite some delay from few students, however this was addressed. Tutors are now marking graded exercises E, and F.

Programme Achievements/Innovations During the Period

- The training modules were organized and up loaded on UCA website. Students can now access them from the website using particular pass words assigned to them up on fulfilling their fees obligations.
- Engaging technical persons to handle upload of information on UCA website. Information uploaded include: training modules, Photographs, Newsletters, publications and others.
- Organizing UCA library database using the Microsoft access application for Book documentation and easy access to readers, and setting the library for readers.
- Arranging for hireling out the projector and to provide Scanning services at a cost.
- Adding and updating information on the web site about PFCMP and AFCPU

The Library Database

The library database was created using the Microsoft access application. This enables the user to view all the details of the library information i.e. the book with its all details.

Microsoft Access is used because the developer is able to create the tables where he / she specifies the items to be done in the system and the primary keys are created which helps the developer to link different items in the system and in the same department.

The relationships are then created hence leading to creation of queries and sub queries and thus takes us to formation of forms and sub form. Forms give the system the appearance of the interface.

Forms will also help the developer to create queries and report wizard that will help the system to display the information with all the details. Lastly this data can be updated in case there is need or changes to be done on the system.

Note: For easy access because not everyone is well conversant with Microsoft access, you can always open the report dialogue to view the system to view all the details and the command button **open** must be used to vie or to print. Still on print **Quick print** must be used for better results.

Programme Improvement Strategies

- Work hand in hand with the Ministry of Trade Industry and Cooperatives to ensure that all those working with cooperatives, particularly SACCOs, have sufficient knowledge and skills in Financial Cooperative Management. (All Cooperative Officers should become Financial Cooperative management Professionals)
- With assistance of the Commissioner for cooperative development, work hand in hand with the Ministry of Trade Industry and Cooperatives, and other stake holders to ensure that government support, legalize, and supervise operations of SACCOs
- Encourage PFCMP graduates and students to join the Association of Financial Cooperative Professionals
- Encourage all the key stakeholders (SACCO development partners) to advise their staffs to undertake this course.
- Tutors have been advised to sacrifice more time to attend to students problems ❐

5.0 FINANCE & ADMINISTRATION

UGANDA CO-OPERATIVE ALLIANCE LIMITED

5.1 Report of the Directors
Year Ended 30 June 2013

The directors present their report together with the audited financial statements for the year ended 30 June 2013, which discloses the state of affairs of the organization.

1. PRINCIPAL ACTIVITY

The organization's principal activity is to promote co-operatives in Uganda.

2. RESULTS

The results for the year are set out on page 59.

3. DIVIDENDS

The directors do not recommend the payment of a dividend.

4. DIRECTORS

The directors who served during the year and to the date of this report were:

Rev. Fr. George Angala	-	Chairman (Elected on 30 September 2012)
Mrs. Beatrice Katsigazi	-	Vice Chairperson (Elected on 30 September 2012)
Ms. Elizabeth Nsimadala	-	Treasurer
Mr. Netalisire Patrick Mutuma	-	Member (Elected on 30 September 2012)
Mr. Bogere Hakim	-	Member (Elected on 30 September 2012)

6. AUDITORS

The auditors, Messrs Price & King, have expressed their willingness to continue in office, in accordance with Section 22 (1) of the Ugandan Co-operative Societies Act.

By Order of the Board

Leonard Msemakweli
GENERAL SECRETARY - UCA